

561

Complaint

a report in writing setting forth its efforts and progress in carrying out the divestiture requirements of this order until all such assets have been divested with the approval of the Commission; and respondent shall submit to the Commission on the first day of each calendar year a report in writing setting forth its compliance with the cease and desist provisions of this order.

F

It is further ordered, That respondent notify the Commission of the names and addresses of all persons, firms or corporations who shall express to respondent any interest in purchasing the assets to be divested under the terms of this order, within thirty (30) days after having been informed of such interest.

G

It is further ordered, That respondent's motion to withdraw this matter from adjudication be, and it hereby is, denied.

Commissioners Dixon and Elman believe that, in view of the changed conditions now existing in the vending machine industry, the public interest would be served by disposing of the case on the basis of the consent order settlement submitted by respondent.

IN THE MATTER OF

MICHAEL M. TURIN*

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL
TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS
IDENTIFICATION ACTS

Docket 8757. Complaint, Feb. 28, 1968—Decision Apr. 11, 1969

Consent order requiring a Costa Mesa, Calif., retailer of fabrics to cease misbranding its textile fiber products by failing to disclose on labels when the fabrics are "remnants of undetermined fiber content."

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal

*Formerly trading as International Yardage Fair.

Trade Commission, having reason to believe that Michael M. Turin, an individual formerly trading as International Yardage Fair, hereinafter referred to as the respondent, has violated the provisions of said Acts and the Rules and Regulations promulgated under the Textile Fiber Products Identification Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Michael M. Turin is an individual who formerly traded under the name of International Yardage Fair until October 1966.

Respondent Michael M. Turin established and formulated the policies of International Yardage Fair, and directed its operation, until October 1966, at which time he discontinued trading under the name of International Yardage Fair.

Respondent Michael M. Turin, while trading under the name of International Yardage Fair, engaged in the business of retailing fabrics, specializing in the sale of 3 to 10 yard pre-cut lengths and remnants. Respondent Michael M. Turin, up until October 1966, had his office and principal place of business at 3006 Country Club Drive, Costa Mesa, California.

Respondent Michael M. Turin ceased trading as International Yardage Fair in October 1966, and became associated with Round the World Commodities, a proprietorship formed and owned by Clint Pigman. Round the World Commodities was organized in October 1966 and is engaged in the same business as International Yardage Fair formerly was. Respondent Michael M. Turin, as an associate of, and consultant to, Clint Pigman, performs the same functions as those performed by him while operating International Yardage Fair. These include the promoting of fabric shows, arranging publicity in advertising, setting up itineraries, and assisting in the buying of fabrics.

The address of the office and principal place of business of Round the World Commodities is Post Office Box 1252, Costa Mesa, California. Its warehouse is located at 1245 Logan Street, Costa Mesa, California.

PAR. 2. Respondent, is now and for some time last past has been engaged in the introduction, delivery for sale, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and has sold, offered for sale, advertised, delivered, transported, and

caused to be transported, textile fiber products, which have been advertised, or offered for sale in commerce; and has sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products either in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondent within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and Rules and Regulations promulgated thereunder in that they were falsely and deceptively stamped, tagged, labeled, advertised, or otherwise identified as to the name or amount of constituent fibers contained therein.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products which were advertised in the Daily Pilot/News-Press, a newspaper published in Newport Beach, California, and distributed in interstate commerce. The said advertisement contains terms which represented, either directly or by implication, that certain fibers were present in the said product, when such was not the case.

Among such terms, but not limited thereto, was the term "LINENS," which was used to describe a textile fiber product which in truth and in fact was made of rayon and was not composed of linen nor did it contain any linen fibers.

PAR. 4. Certain of said textile fiber products were misbranded by respondent in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products which were not labeled to show in words and figures plainly legible: (1) the true generic names of the constituent fibers present in the textile fiber products; (2) the percentage of each such fiber; and (3) any fiber or group of fibers present in the amount of 5 per centum or less as "other fiber" or "other fibers."

PAR. 5. Certain of said textile fiber products were falsely and deceptively advertised, in that the respondent, in making disclosure or implications as to the fiber content of such textile fiber products in written advertisements used to aid, promote

and assist, directly or indirectly, in the sale or offering for sale of said products, failed to set forth the required information as to fiber content, as specified by Section 4(c) of the Textile Fiber Products Identification Act and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such textile fiber products, but not limited thereto, were fabrics which were falsely and deceptively advertised in the Los Angeles Times, a newspaper published in Los Angeles, California, and distributed in interstate commerce, in that the trade name of the fiber was used in lieu of the true generic name of the fibers in such articles.

PAR. 6. Respondent, in violation of Section 5(a) of the Textile Fiber Products Identification Act, has caused and participated in the removal of, prior to the time textile fiber products subject to the provisions of the Textile Fiber Products Identification Act were sold and delivered to the ultimate consumer, labels required by the Textile Fiber Products Identification Act to be affixed to such products, without substituting therefor labels conforming to Section 4 of said Act and in the manner prescribed by Section 5(b) of said Act.

PAR. 7. Respondent, in substituting a stamp, tag, label or other identification pursuant to Section 5(b) has not kept such records as would show the information set forth on the stamp, tag, label or other identification that was removed, and the name or names of the person or persons from whom such textile fiber product was received, in violation of Section 6(b) of the Textile Fiber Products Identification Act.

PAR. 8. The acts and practices of the respondent as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts or practices, in commerce, under the Federal Trade Commission Act.

PAR. 9. Respondent is now, and for some time last past has been, engaged in the offering for sale, sale and distribution of textile fabrics to the public.

PAR. 10. In the course and conduct of his aforesaid business, respondent has caused advertisements, intended to induce the sale of his aforesaid textile fabrics, to be placed in newspapers which were and are disseminated in interstate circulation. Among and typical, but not all inclusive of such statements, are the following:

681

Complaint

THE WORLD'S LARGEST DISPLAY OF MATERIALS.

Over 4,000 sq. ft. Jam-packed with material from "Around the world"

* * * * *

World's Largest display and sale

Over 32,000 sq. ft. of display space never before have so many fabrics been displayed and sold under one roof.

Materials from "Around the World"

Japan France England India
Switzerland Hong Kong Germany
and many many others

* * * * *

Largest
Display of
Materials
in the World!!!

1/2 million yards of sample cuts and bolts made for manufacturers of clothing!!!

Yard goods—drapery fabrics
upholstery materials
Plastics Boltflex
Naugahyde
and others.

* * * * *

ALL FIRST
QUALITY
and
GUARANTEED!
No Limit—No Reserve

PAR. 11. By and through the use of said statements, and others of similar import not specifically set out herein, respondent represented, directly or by implication:

1. That the respondent operated the largest display room and had for sale the largest display of textile fabrics in the world.
2. That all of the textile fabrics displayed and sold by him were of first quality.
3. That the respondent's textile fabrics were unconditionally guaranteed.

PAR. 12. In truth and in fact:

1. Respondent did not operate the largest display room in the world.
2. Respondent has not had, and does not have, the largest display of fabric in the world.

3. Many of the textile fabrics displayed and sold by him were seconds and were not of first quality.

4. Respondent's guarantee was not unconditional and the guarantor failed to set forth the nature and extent of the guarantee, and the manner in which the guarantor would perform. Therefore, the statements and representations set forth in Paragraph Ten were and are false, misleading, and deceptive.

PAR. 13. In the conduct of his business at all times mentioned herein, respondent has been in substantial competition, in commerce, with corporations, firms and individuals in the sale of textile fabrics of the same general kind and nature as those sold by respondent.

PAR. 14. The use by respondent of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondent's products by reason of said erroneous and mistaken belief.

PAR. 15. The aforesaid acts and practices of respondent, as herein alleged, were and are all to the prejudice and injury of the public and of respondent's competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

Mr. Edward B. Finch and *Mr. Richard H. Gins* for the Commission.

Mr. Donald W. Killian, Jr., and *Mr. Blair T. Barnett*, Newport Beach, Calif., for respondent.

INITIAL DECISION BY WALTER R. JOHNSON, HEARING EXAMINER
JANUARY 9, 1969

In the complaint, which was issued on February 28, 1968, the respondent is charged with violating provisions of the Federal Trade Commission Act, the Textile Fiber Products Identification Act, and the Rules and Regulations promulgated under the latter Act. On April 1, 1968, complaint counsel and counsel for respondent participated with the hearing examiner in a telephonic conference, and an order was issued reciting the results thereof. The order contained a directive to each party to prepare a trial

brief setting forth a statement of anticipated issues and disclosing, among other things, the names of the witnesses and the documentary exhibits which the party plans to introduce. Complaint counsel's brief was submitted on May 6, 1968, and the respondent's brief on May 21, 1968.

A hearing, convened on June 10, 1968, was adjourned, to be reset on ten days' notice, on motion of respondent's counsel and a showing that the respondent had undergone surgery four days prior thereto and would be hospitalized for a period of time. Hearings were held and completed at Los Angeles, California, on September 24 and 25, 1968, and the record was closed for the receipt of evidence. Proposed findings were to be filed on or before November 8, and replies thereto on November 22, 1968.

Complaint counsel, on November 8, 1968, filed with the Secretary of the Commission proposed findings. The respondent, who is located at Costa Mesa, California, by a letter dated November 8, 1968, addressed to the hearing examiner, stated in part:

When I found out what the approximate cost of obtaining a transcript of the proceedings would be, not to mention additional attorney's fees, I discovered that I could not financially afford to carry the fight any longer and I told my attorney not to do any more work on the case.

The main reason I am writing this letter is to let you know that the fact that I am not filing Findings is not due to the fact that I have no interest in the matter, but simply due to the fact that I couldn't afford to.

However, on November 25, 1968, the hearing examiner received from the respondent a document, which was mailed on November 21, 1968, entitled "Proposed Finding of Fact, Conclusions of Law and Order," described by him as "a layman's attempt to submit finding of facts," without a copy of the transcript, and attempting "to follow attorney's [complaint counsel's] Proposed Findings as a guide." The hearing examiner caused the said document to be filed with the Secretary of the Commission, together with the required number of copies, as provided by the rules of the Commission, and an order was issued receiving the same as part of the record in this proceeding. It was further ordered that complaint counsel be allowed to file a reply thereto on or before December 6, 1968, and such reply was filed on said date.

The hearing examiner has given consideration to the proposed findings filed by the parties, and all proposed findings and conclusions not hereinafter specifically found or concluded are herewith rejected. Upon consideration of the entire record herein, the

hearing examiner makes the following findings of fact and conclusions:

The respondent, Michael M. Turin, residing at 3006 Country Club Drive, Costa Mesa, California, has been in the business of buying and selling fabrics since the year 1962. Some time during that year or in 1963, he formed a partnership with Mrs. Bertha Goldstein, doing business under the name of International Yardage Fair. However, the record herein shows that he held himself out as the sole owner of the said company. He continued to do business as International Yardage Fair until October 1964 when he was forced into bankruptcy by his creditors with liabilities of about \$330,000 or \$340,000. The creditors received nothing. During the last full year of the business, the gross sales totaled approximately \$550,000. In 1965, the respondent was employed by Mr. Clint Pigman as general manager of a fabric business started that year under the name of Round the World Commodities. The office and principal place of business of the company is 2226 South Susan Street, Santa Ana, California, or Post Office Box 1252, Costa Mesa, California. The gross sales of the business for the year 1967 were \$350,000, and for the year 1968 they may total \$600,000. As general manager of Round the World Commodities, the respondent formulates all of the policies thereof and performs the same functions as he did while he operated International Yardage Fair (Tr. 150-154, 190-192).

Respondent is now, and for some time last past has been, engaged in the introduction, delivery for sale, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and has sold, offered for sale, advertised, delivered, transported, and caused to be transported, textile fiber products, which have been advertised, or offered for sale in commerce; and has sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products either in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act (Par. Two of Complaint admitted by Answer).

In the conduct of his business at all times mentioned herein, respondent has been in substantial competition, in commerce, with corporations, firms and individuals in the sale of textile

fabrics of the same general kind and nature as those sold by respondent (Par. Thirteen of Complaint admitted by Answer).

The complaint alleges that respondent, Michael M. Turin, has violated:

(1) Section 4(a) of the Textile Fiber Products Identification Act, in that textile fiber products were falsely and deceptively stamped, tagged, labeled, advertised, or otherwise identified as to the name or amount of constituent fibers contained therein;

(2) Section 4(b) of said Act, by failing to stamp, tag, label, or otherwise identify the aforementioned textile fiber products with labels showing the information required by said Section 4(b), and in the manner and form prescribed by the Rules and Regulations under said Act;

(3) Section 4(c) of said Act, by failing to set forth in advertising the required information as to fiber content, and in the manner and form prescribed by the Rules and Regulations under said Act;

(4) Section 5(a) of said Act, by removing labels from textile fiber products required by the Act to be affixed to said products, without substituting therefor labels conforming to Section 4 and in the manner prescribed by Section 5(b);

(5) Section 6(b) of said Act, by failing to keep required records when substituting stamps, tags, labels or other identification pursuant to Section 5(b);

(6) Section 5 of the Federal Trade Commission Act by falsely and deceptively advertising, in newspapers of interstate circulation, that

(a) the respondent's operation was "The World's Largest Display of Materials," "World's Largest display and sale," "Largest Display of Materials in the World!!!";

(b) that the fabrics offered for sale were "ALL FIRST QUALITY";

(c) that the respondent's fabrics were unconditionally guaranteed.

In support of the complaint, complaint counsel called as witnesses six employees of the Federal Trade Commission, namely, Miss Idelle Shapiro, head technologist at the textile and furs laboratory, Bureau of Textiles and Furs, Washington, D.C., and the following investigators for the Commission: Mr. Edwin H. Anderson, at present in the New York City Office, formerly in the Los Angeles Office; Mr. Carl B. Mickelson, Los Angeles Of-

rice; Mr. Jackson R. Smith, Los Angeles Office; Mr. Kerper G. Propert, San Francisco Office; and Mr. Donald L. Hamilton, Seattle Office. Also called as witnesses by complaint counsel were Mr. Ben Rosenberg, of Los Angeles, engaged in a business called a cutting service; Mr. Richard Mangam, advertising salesman for the Los Angeles Times; and the respondent, Mr. Michael M. Turin. No witnesses were called by the respondent, and the facts in connection with his defense were developed by cross-examination of the respondent at the time he was called as a witness in support of the complaint.

In carrying on their business of making retail sales, International Yardage Fair and Round the World Commodities did not have regular outlets, but they staged so-called shows in banquet rooms, fairgrounds, exposition halls, and the like located in many cities throughout California. The record also shows that Round the World Commodities conducted two sales at Seattle, Washington, one in 1967 and the other in 1968. Each show would usually run from one to five days, and would be prominently advertised in the local newspapers. There were received in evidence 32 advertisements that appeared in newspapers with respect to 23 sales, all in the State of California, 11 of which were conducted by International Yardage Fair during the years of 1963 and 1964, one in June 1965 where the seller is not revealed, and 11 by Round the World Commodities during 1965, 1966, and 1967. The places and dates, together with the exhibit numbers, with respect to each sale are as follows:

Place of sale	Date	Ad
INTERNATIONAL YARDAGE FAIR		
1. Hollywood Roosevelt Hotel Hollywood	Sept. 5-6, 1963	CX 1.
2. Lafayette Hotel Long Beach	Sept. 20-21-22-23, 1963	CX 2.
3. Ambassador Hotel Los Angeles	Oct. 22-23-24, 1963	CX 3.
4. Sheraton Palace Hotel San Francisco	Nov. 10-11-12, 1963	CX 18.
5. Los Angeles County Fairgrounds Pomona	Nov. 20-21, 1963	CX 4.
6. Sheraton Palace Hotel San Francisco	Jan. 3-4-5-6, 1964	CX 17.
7. Shrine Exposition Hall Los Angeles	April 30 thru May 9, 1964 (10 days)	CX 5, 6, 7, 8, 9, 10.
8. Orange County Fairgrounds Costa Mesa	May 15-16-17-18, 1964	CX 11, 12, 13.
9. Orange Show Grounds San Bernardino	May 22-23-24-25, 1964	CX 34.
10. American Legion Hall Vista	July 29-30-31, 1964	CX 16.
11. Ambassador Hotel Los Angeles	Aug. 28-29-30-31, 1964	CX 23.

681

Initial Decision

SELLER NOT DISCLOSED

Place of sale	Date	Ad
12. American Legion Hall Vista	June 17-18, 1965	CX 19, 20.

ROUND THE WORLD COMMODITIES

13. Mayfair Hotel Los Angeles	Aug. 19-20, 1965	CX 24.
14. Mayfair Hotel Los Angeles	Aug. 23-24, 1965	CX 25.
15. Shrine Exposition Hall Los Angeles	Oct. 22-23-24-25, 1965	CX 26.
16. Union Hall, Azusa	May 2-3-4, 1966	CX 21.
17. Disneyland Hotel Anaheim	July 26-27, 1966	CX 22.
18. Union Hall, Azusa	Aug. 17-18-19, 1966	CX 28, 30.
19. Biltmore Hotel Los Angeles	Sept. 8-9-10-11, 1966	CX 31.
20. Hacienda Hotel El Segundo	Sept. 20-21-22-23, 1966	CX 27.
21. Biltmore Hotel Los Angeles	Dec. 4-5, 1966	CX 29.
22. Beverly Hilton Hotel Beverly Hills	March 16, 1967	CX 33.
23. Hollywood Palladium Hollywood	Aug. 31, 1967	CX 32.

Two pieces of fabrics (CX 14 and 15) purchased from the respondent by Mr. Anderson on May 15, 1964, at the sale conducted at the Orange County Fairgrounds, Costa Mesa (Sale No. 8) and the analysis reports, dated May 1, 1968, made by Miss Shapiro with respect to the fiber content of said fabrics (CX 62 and 63) were received in evidence.

Invoices representing sales made to International during February through May 1964 by three suppliers (CX 35 through CX 61), which were obtained by Mr. Mickelson from respondent on June 29, 1964, a sign measuring 22 x 14 inches, with letters less than two inches in height, reading, "ALL MATERIALS ON DISPLAY THAT ARE NOT MARKED WITH THE FIBER CONTENT ARE TO BE REGARDED AS REMNANTS OF UNDETERMINED FIBER CONTENT," supplied by the respondent to Mr. Hamilton on August 10, 1967 (CX 64), and a license issued by the city of Costa Mesa, California, to the respondent to conduct a sale on April 30 through May 3, 1965 on the payment of a \$40 fee (CX 65A-B) were received in evidence.

Mr. Anderson testified that in the course of his duties he observed an ad, as he recalled it, in the Los Angeles Times relating to a promotion being held in the banquet room of the Ambassador Hotel, Los Angeles, which he attended. He did not disclose the date of the sale, but an ad in the Los Angeles Herald-Examiner on October 20, 1963, obtained by Mr. Anderson, shows that a promotion took place on October 22, 23, and 24, 1963 (CX 3). He looked at the merchandise on display, picking up a

number of pieces of fabrics, most of which were not labeled as to fiber content. The fabrics "did have some kind of a tag disclosing the length of the pieces of fabric and the selling price and I just did a little looking" (Tr. 66). He contacted a Mr. Showers, who appeared to be in charge, and had a brief discussion with him about a sign approximately 2 x 2 1/2 feet in size, worded:

All materials in this showing are sample sets or bolts sent to the manufacturers of fine clothing for their consideration and or use. Wherever possible fiber count in each piece will be shown. Wherever it is not shown, all must be regarded as remnants of undetermined fiber content (Tr. 67).

The banquet room was about 75 x 100 feet and the sign was located near the cash register at the front end of the room. There was a conversation with Mr. Showers with reference to the question whether the sign could be regarded as being placed in a conspicuous place in immediate conjunction with the merchandise being offered for sale. He estimated that the percentage of unlabeled merchandise might run as high as 90 percent.

Mr. Anderson attended a sales display of International at the Shrine Exposition Hall, Los Angeles (Sale No. 7) on May 3, 1964, and the only testimony given with reference thereto that had any import was that there was a sign 3 x 4 feet posted at each end of the building, reading: "Materials unmarked as to contents are to be regarded as remnants of undetermined fiber content" (Tr. 94). The witness commented:

These signs were easily legible if the customer stood within a reasonable angle in front of such sign. However a person standing anywhere near the middle of the sales room could not read the signs at either end of the room (Tr. 94).

The witness identified an advertisement that appeared in the Daily Pilot/News-Press with reference to a promotion sale by International for four days beginning May 15, 1964, at the Jr. Exhibits Bldg., Orange County Fairgrounds, Costa Mesa (CX 12). On May 15, 1964, he visited the promotion where he met Mr. Turin for the first time. He introduced himself to the respondent, and explained to him the nature of his visit. In the advertisement (CX 12) under the heading "Gigantic Selection of MATERIALS," appeared the words "LINENS" and "DACRON-POLYESTER." The witness testified that he asked to be shown the two named fabrics and purchased a remnant which Mr. Turin called "Linen" (CX 14) and one called "Dacron-Polyester" (CX 15). Neither of the pieces of fabrics was labeled as to fiber content. The building where the

sale was held was roughly 100 x 140 feet with approximately 14,000 to 15,000 square feet. There were two signs approximately 3 x 4 feet in size, worded the same as set forth previously in connection with the Shrine promotion with one at each end of the building. There was a discussion with Mr. Turin in which the witness expressed doubt that these signs could be reasonably considered as conspicuous signs placed in immediate conjunction with the merchandise on display. The witness said that it would not be an unreasonable estimate to say that 90 percent of the fabrics he sampled at the Orange County Fairgrounds were unlabeled (Tr. 82).

On cross-examination, Mr. Anderson testified, in part:

Q. Now I am directing your attention to Commission Exhibit 14, this I believe was a sample you purchased from Mr. Turin at the Orange County Fairgrounds show, is that correct?

A. Yes, sir.

Q. And that was the one dealing with linens, is that correct?

A. That's right, my recollection, yes.

* * * * *

Q. Was your recollection based on your notes?

A. Yes, sir (Tr. 86).

* * * * *

Q. Will you show me the portions of your notes there that you refreshed your recollection as to that point?

A. I don't see the note right at the moment.

Q. Can you recall if there was such a note?

A. Yes (Tr. 87).

* * * * *

Q. Now Mr. Anderson, I notice in that report you refer to, you did not quote the conversation you had with Mr. Turin regarding the fabric, is that correct?

A. I did not state the exact words I had with him, no.

Q. Well, those notes are not enough to refresh your recollection as to what the exact words were I take it?

A. No (Tr. 92).

On the first day of the hearing, Mr. Carl B. Mickelson testified that the first time he contacted Mr. Turin was on July 1, 1963 at the American Legion Hall in Costa Mesa where a promotion fabric show was being conducted. He said he felt that Mr. Turin was not aware of the requirements of the Textile Act as he was relatively new in this type of marketing. The visit was more educational than anything else. After the inspection, he wrote a so-called deficiency letter that was sent to the respondent,

* * * which covered an explanation of the Rule 13 as well as any merchandise that should be labeled, he couldn't avail himself of this particular rule if he in effect could ascertain the content. In addition there was the certain advertising deficiencies and these were again spelled out in part of the deficiency letter (Tr. 102).

Other than what is stated, there is no explanation of the contents of the letter, nor was the letter presented or offered in evidence. There was no signs posted with regard to fiber content. Although the witness said "the number of pieces was estimated because it was a routine inspection which would entail calling for the number of pieces inspected" (Tr. 98), his testimony does not reveal or give any information with reference to any fabric or its labeling. Furthermore, there is no indication in what manner the respondent had violated the law. The next time he contacted International was with Mr. Jackson R. Smith on September 10, 1963 at the El Cortez Hotel in San Diego, "to observe the show and see what type of compliance he was" (Tr. 101). Mr. Turin was not there, so they talked to a Mr. Showers who identified himself as the advertising manager, and he was aware that

* * * I had spoken to Mr. Turin back in July regarding the requirements, but at that time he said they hadn't been able to get the signs prepared and that was the essence of it, that he would make Mr. Turin aware of it (Tr. 102).

There were no signs. Again, a so-called deficiency letter, previously described, was sent to Mr. Turin. There was no testimony showing that any fabrics were on display, nor is there any indication that the respondent had violated the law.

Mr. Mickelson's next visit was on May 15, 1964, at the Orange County Fairgrounds, Costa Mesa, where he accompanied Mr. Anderson. He said that he was present in the hearing room when Mr. Anderson was testifying, and that the total content of what he heard was essentially all true (Tr. 103).

On June 2, 1965, he made a visit to International's combination warehouse and public display room where very limited retail sales are made. He described the premises as a rather small warehouse and display area of possibly 2,000 square feet. He said that he did not estimate how much fabric was on display. Again, the witness did not give any testimony pertaining to the labeling of fabrics. He said there were two signs in the display area; one that was leaning against the wall, and the other hung on the wall. He was shown CX 35 through CX 61, and said that he had obtained them from Mr. Turin at the warehouse mentioned be-

fore on June 29, 1964. He also stated that he visited and spoke to Mr. Turin on June 26 and July 8, 1964, but there is no testimony as to what transpired at that time.

The witness testified that, with Mr. Charles McGordy, an investigator in the Los Angeles Office, he visited Mr. Turin on June 17, 1965, at the American Legion Hall in Vista. Mr. Turin indicated that International had gone out of business through bankruptcy in October 1964, and this was either the first or second show since that time. CX 19 and CX 20 are ads pertaining to said sale, which do not disclose the seller (Sale No. 12), and it appears that this is a sale conducted by Mr. Turin in his individual capacity between the time International ceased to exist and when Round the World started in business. The witness checked the labeling of the fabric exhibited and he estimated that "98 percent of these remnant pieces in the precut lengths that averaged three or four or five and a few inches and in probably in 10 yard lengths were unlabeled" (Tr. 108), except as to yardage and price. There were no signs.

On May 4, 1966, he visited a Round the World show at Union Hall, Azusa, heretofore referred to as Sale No. 16 (CX 21). The hall measured approximately 60 x 60 feet. The witness saw only one sign on the wall and called this to Mr. Turin's attention, but Mr. Turin explained that he had two up on the other wall. On inspection, they found two signs on the floor, which apparently had been put up with an adhesive and had fallen off. The witness looked at the fabrics on most of the tables and he estimated that about 97 percent were unlabeled, except as to yardage and price.

On July 27, 1966, in company with Mr. Jackson R. Smith, he visited a show held at the Disneyland Hotel, Anaheim. The only evidence given with reference to this promotion was that it was conducted in a banquet room in which there were about 50 tables measuring 3 x 6 feet and two signs approximately 18 x 24 inches with the statement that "all materials on display which are not marked as to fiber content are to be regarded as remnants of undetermined fiber content" (Tr. 112). He could not recollect where the signs were located.

Mr. Mickelson was recalled as a witness by complaint counsel on the second day of the hearing after Mr. Turin has testified. In the main, what Mr. Mickelson had to say is confusing and meaningless. With regard to CX 14 and CX 15, previously referred to herein, the witness stated, in part (Tr. 194-195):

