

Complaint

67 F.T.C.

IN THE MATTER OF

MR. ROMANO, INC., ET AL.

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

*Docket C-877. Complaint, Feb. 8, 1965—Decision, Feb. 8, 1965*

Consent order requiring three affiliated Beverly Hills, Calif., clothing retailers to cease violating the Textile Fiber Products Identification Act by falsely advertising the fiber content of men's apparel, by using generic names of fibers and fiber trademarks in an improper manner on labels and in newspaper advertisements, and failing to set forth other required information.

## 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 Trade Commission, having reason to believe that Mr. Romano, Inc., and Malibu Clothes, Ltd., corporations, and Bel-Air Clothes, Ltd., a corporation, trading as Malibu Clothes and William Firestone and Stanley Firestone individually and as officers of said corporations, hereinafter referred to as respondents, have 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. Respondents Mr. Romano, Inc., Malibu Clothes, Ltd., and Bel-Air Clothes, Ltd., are corporations organized, existing and doing business under and by virtue of the laws of the State of California.

Respondents William Firestone and Stanley Firestone are officers of corporate respondents. They formulate, direct and control the acts and practices of corporate respondents, including the acts and practices hereinafter set forth.

Respondents are engaged in retail selling of textile fiber products and their office and principal place of business is located at 228 South Beverly Drive, Beverly Hills, California.

PAR. 2. Subsequent to the effective date of the Textile Fiber Products Identification Act on March 3, 1960, respondents have been and are now engaged in the introduction, delivery for introduction, sale, advertising, and offering for sale, in commerce, and in the transporta-

tion or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and have 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 have 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 within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, invoiced, 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 falsely and deceptively advertised by means of advertisements which appeared in newspapers of interstate circulation, in that certain of said advertisements contained statements which represented, either directly or by implication, that said products were composed wholly or substantially of a fiber, when, in truth and in fact, said product was not composed wholly or substantially of said fiber.

PAR. 4. Certain of said textile fiber products were misbranded 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 as prescribed by the Rules and Regulations promulgated under said Acts.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products with labels:

1. Which failed to disclose the true generic name of the fiber present.

2. Which set forth the generic name of a fiber present in an amount of five percent or less.

PAR. 5. Certain of said textile fiber products were further misbranded in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

- A. Generic names of fibers were set forth on labels when such fibers were present in amounts of five percentum or less of the total fiber weight in violation of Rule 3 of the aforesaid Rules and Regulations.

B. Fiber trademarks were placed on labels without the generic names of the fibers appearing on such labels, in violation of Rule 17(a) of the aforesaid Rules and Regulations.

C. Fiber trademarks were used on labels without a full and complete fiber content disclosure appearing on such labels, in violation of Rule 17(b) of the aforesaid Rules and Regulations.

PAR. 6. Certain of said textile fiber products were falsely and deceptively advertised in that respondents in making disclosures 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 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 articles of wearing apparel which were falsely and deceptively advertised in newspapers of interstate circulation in that the true generic names of the fibers in such articles were not set forth.

PAR. 7. Certain of said textile fiber products were falsely and deceptively advertised in violation of the Textile Fiber Products Identification Act in that they were not advertised in accordance with the Rules and Regulations promulgated thereunder.

Among such textile fiber products but not limited thereto, were textile fiber products which were falsely and deceptively advertised in newspapers of interstate circulation, in the following respects:

A. A fiber trademark was used in advertising textile fiber products, namely men's apparel, without a full disclosure of the fiber content information required by the said Act and the Rules and Regulations thereunder in at least one instance in said advertisement, in violation of Rule 41(a) of the aforesaid Rules and Regulations.

B. A fiber trademark was used in advertising textile fiber products, namely men's apparel, containing more than one fiber and such fiber trademark did not appear in the required fiber content information in immediate proximity and conjunction with the generic name of the fiber in plainly legible type or lettering of equal size and conspicuousness, in violation of Rule 41(b) of the aforesaid Rules and Regulations.

C. A generic name of a fiber was used in advertising in such a manner as to be false, deceptive or misleading as to fiber content, or to indicate directly or indirectly, that a textile fiber product was composed wholly or substantially of such fiber, when, in truth and

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## Decision and Order

in fact, said product was not composed wholly or substantially of said fiber, in violation of Rule 41(d) of the aforesaid Rules and Regulations.

PAR. 8. The acts and practices of respondents, 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.

## DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as set forth in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondents Mr. Romano, Inc., Malibu Clothes, Ltd., and Bel-Air Clothes, Ltd., trading as Malibu Clothes, are corporations organized, existing and doing business under and by virtue of the laws of the State of California, with their office and principal place of business located at 228 South Beverly Drive, Beverly Hills, California.

Respondents William Firestone and Stanley Firestone are officers of said corporations and their address is the same as that of said corporations.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents and the proceeding is in the public interest.

## ORDER

*It is ordered,* That respondents, Mr. Romano, Inc., and Malibu Clothes, Ltd., corporations, and Bel-Air Clothes, Ltd., a corporation, trading as Malibu Clothes, and William Firestone and Stanley Firestone, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from introducing, delivering for introduction, selling, advertising, or offering for sale, in commerce, or transporting or causing to be transported in commerce, or importing into the United States, any textile fiber product; or selling, offering for sale, advertising, delivering, transporting, or causing to be transported, any textile fiber product which has been advertised or offered for sale in commerce; or selling, offering for sale, advertising, delivering, transporting, or causing to be transported, after shipment in commerce, any textile fiber product, whether in its 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:

1. Which are falsely or deceptively stamped, tagged, labeled, invoiced, advertised or otherwise identified as to the name or amount of constituent fibers contained therein.
2. Unless each such product has securely affixed thereto or placed thereon a stamp, tag, label or other means of identification correctly showing each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.
3. Which designates a fiber by its generic name on any label when such fiber is present in any textile fiber product in amount of five percentum or less.
4. Which uses a fiber trademark on labels affixed to such textile fiber products without the generic name of the fiber appearing on the said label.
5. Which uses a generic name or fiber trademark on any label, whether required or non-required, without making a full and complete fiber content disclosure in accordance with the Act and Regulations the first time such generic name or fiber trademark appears on the label.

*It is further ordered,* That respondents, Mr. Romano, Inc., and Malibu Clothes, Ltd., corporations, and Bel-Air Clothes, Ltd., a corporation, trading as Malibu Clothes, and William Firestone and Stanley Firestone, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or

through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its 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, do forthwith cease and desist from:

Falsely and deceptively advertising textile fiber products by:

1. Making any representations, by disclosure or by implication, as to the fiber contents of any textile fiber product in any written advertisement which is used to aid, promote, or assist, directly or indirectly, in the sale or offering for sale of such textile fiber product, unless the same information required to be shown on the stamp, tag, label or other means of identification under Sections 4(b) (1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisement, except that the percentages of the fibers present in the textile fiber product need not be stated.
2. Using a fiber trademark in advertisements without a full disclosure of the required content information in at least one instance in the said advertisement.
3. Using a fiber trademark in advertising textile fiber products containing more than one fiber without such fiber trademark appearing in the required fiber content information in immediate proximity and conjunction with the generic name of the fiber in plainly legible type or lettering of equal size and conspicuousness.
4. Using the generic name of a fiber in advertising in such a manner as to be false, deceptive or misleading as to fiber content, or to indicate directly or indirectly, that a textile fiber product is composed wholly or substantially of such fiber, when such product is not composed wholly or substantially of such fiber.

*It is further ordered,* That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

