

Synopsis of Federal Trade Commission Decisions  
Concerning Textile Fiber Products

In a series of litigated decisions, the Commission has held that manufacturers and sellers of textile fiber products must comply with the Textile Fiber Products Identification Act, 15 U.S.C. § 70, *et seq.* (“Textile Act”), and the rules and regulations promulgated thereunder, 16 C.F.R. Part 303 (“Textile Rules”). Failure to do so constitutes a violation both of the Textile Act and the Textile Rules, as well as a deceptive act or practice in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

As a general matter, in these decisions the Commission has determined that it is an unfair or deceptive act or practice in violation of both Section 5 of the FTC Act and the Textile Act:

1. to falsely or deceptively stamp, tag, label, invoice, advertise, or otherwise identify any textile fiber product with respect to the name or amount of constituent fibers contained therein, *see Verrazzano Trading Corporation, et al.*, 91 F.T.C. 888 (1978); *H. Myerson Sons, et al.*, 78 F.T.C. 464 (1971); *Taylor-Friedsam Co., Inc., et al.*, 69 F.T.C. 483 (1966); *Transair, Inc., et al.*, 60 F.T.C. 694 (1962); and
2. to fail to affix to a textile fiber product a stamp, tag, label or other means of identification showing in words and figures plainly legible the true percentage of each fiber present, by its true generic name, if the weight of such fiber is 5 per cent or more of the total weight of the product, *see Verrazzano Trading Corporation; H. Myerson Sons; Delco Carpet Mills, Inc.*, 70 F.T.C. 1706 (1966); *Taylor-Friedsam Co., Inc.; Transair, Inc., et al.*, 60 F.T.C. 694 (1962).

Further, in *Transair, Inc., et al.*, 60 F.T.C. 694 (1962), the Commission determined that it is a violation of Section 5 of the FTC Act, the Textile Act, and the Textile Rules for a seller to fail to maintain proper records showing the fiber content of their textile fiber products, as required by Section 6(a) of the Textile Act and Section 303.39 of the Textile Rules.

In *Taylor-Friedsam Co., Inc., et al.*, 69 F.T.C. 483 (1966), the Commission found that the respondents misbranded their textile fiber products in violation of Section 5 of the FTC Act and the Textile Act and Rules by: (1) falsely stating the fiber content on their textile product labels; (2) failing to disclose on their textile product labels the true generic names of the fibers present in the textile products; and (3) failing to disclose on their textile product labels the percentage of each such fiber contained in the product. In reaching this decision, the Commission determined that it is an unfair or deceptive act or practice in violation of both Section 5 of the FTC Act and the Textile Act to import and distribute in the United States mislabeled textile fiber products even though the products were mislabeled by a foreign exporter and the importer did not intend to violate the law. The Commission held that an importing distributor has an obligation either to label its products properly or to make certain by testing or other means that the labeling furnished by its foreign suppliers is truthful and otherwise in compliance with the Textile Act and Rules. The Commission explained:





In *Verrazzano Trading Corporation, et al.*, 91 F.T.C. 888 (1978), the Commission held that it is a violation of Section 5 of the FTC Act, the Textile Act, and the Textile Rules: (1) to label textile fiber products as containing “50% cotton, 35% polyester, 15% nylon,” when, in fact, the products contain substantially different fibers and amounts of fibers; (2) to fail to label textile fiber products with the true generic names of the fibers present; (3) to fail to label textile fiber products with the true percentages of the fibers present, resulting in both overstatements and understatements of fiber content percentages; (4) to falsely set forth or fail to set forth upon invoices of imported textile fiber products required under Section 484 of the Tariff Act of 1930, all information required by the Textile Act to be disclosed in connection with those products; and (5) to falsify or perjure the consignee’s declaration required by Section 485 of the Tariff Act of 1930 insofar as it relates to the information required to be disclosed by the Textile Act in connection with textile fiber products. In its decision, the Commission considered the materiality of misrepresentations of fiber content and found that:

Misstatements of the fiber content of fabrics are, by definition ‘misrepresentations,’ and that misrepresentations of more than de minimis character may be materially misleading is, we think equally clear. The fiber composition of a fabric is likely to affect its perceived value in the eyes of both some manufacturers and some consumers. . . . Misrepresentations of fiber content may thus lead manufacturers and consumers to misestimate the value of the fabrics they are purchasing, as well as their characteristics. We believe, accordingly, that such misrepresentations possess the capacity to mislead consumers materially. . . .

The same conclusion has been reached by Congress when it passed the Wool and Textile Acts. These laws are premised upon a clear determination that accurate fiber content information is an important factor in consumer purchase decisions.

In addition, the Commission determined that the following are unfair or deceptive acts or practices in violation of Section 5 of the FTC Act: (1) misrepresenting the amount by which a fabric will shrink when it is washed; and (2) misrepresenting the amount of constituent fibers contained in a wool or textile fiber product.