

Chairman Rosenthal displayed a shirt purchased by a member of the Special Consumer Inquiry staff and stated that it was not made for or sold to the Army and that its sale was "sheer deception and fraud". The shirt appeared to be the Army, fatigue type, green shirt known as the shirt, mens, cotton sateen, OG-107 and had on it, above the left pocket, the lettered "U.S. Army" insignia prescribed by paragraph 14-21, Army Regulation 670-5. The label on it did not disclose the manufacturer, but stated that it was "guaranteed Trooper fatigues" and "100-percent cotton". It was purchased from Sunny's Surplus Store, Ninth and E Streets NW., Washington, D.C.

The sale of these shirts might constitute a violation of the Federal Trade Commission Act (15 U.S.C. 45). Since the primary responsibility for interpretation and enforcement of that act is vested in the FTC, the Special Consumer Inquiry staff has been informed that your office would be asked to contact Mr. Peter S. Barash of that staff for further information.

Sincerely,

ALBERT RABY, Jr.,  
Assistant Counsel.

Mr. ROSENTHAL. In other words, this says "U.S. Army"; it looks like a fatigue jacket of one sort or another. Obviously, it was never made for the Army. It is sheer deception and fraud and it seems to me that maybe you would want to think about trying to enjoin these people from doing these things or at least notifying the Federal Trade Commission that this is a matter you have an interest in.

Mr. RABY. We have in the past notified the Federal Trade Commission when there were articles being sold as—I guess I should say articles being sold which were represented as articles that had been purchased at one time by the Government, but in fact weren't.

Mr. ROSENTHAL. Another small item.

The surplus store sells a can of paint and paints it the color the Army would use; they have a specification number on here, obviously a phony specification, 1964-65. It is a green Army paint sold in Army surplus stores, obviously not made for, by, or having anything to do with the Army. What is building up is a big fraudulent surplus business.

I don't even know in my own mind how far your responsibility should go in stopping these things. I think if you tighten up your own procedures there will be sort of a residual effect that might stop these things, but if there isn't it might be something you will want to look into.

Thank you very much. I want to compliment you on doing a good job for your consumers, the Army, and the services.

The fault, wherever the fault lies, it is all of our fault throughout the Government. The problem is that there is no central consumer-oriented agency or person that keeps an eye on all these things and some of these things we stumble onto, and I think the fact that we stumbled onto this has led to enormous improvement, not only in your procedures but in procedures relating to foods and drugs.

When you reject an item that is either unsafe or a particularly bad buy, you have done your job on behalf of the Federal Government.

The question is: Do you have an extra job? Do you have an extra job to let the American consumer know that you have rejected these products?

You know the cost of the laboratory that tested these things is also being paid for by the American taxpayer. It is a question of whether you take that extra safeguarding step and pass the information along to your wife and to my wife so they don't get stuck.