

02-178-CD  
CHARLES NAVASKY & CO., INC. -vs- BAYER CLOTHING GROUP, INC.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC., :  
PLAINTIFF :  
NO. 02-178-CD  
VS. :  
DEFENDANT'S PRE-TRIAL  
BAYER CLOTHING GROUP, INC., :  
DEFENDANT :  
MEMORANDUM

Filed on Behalf of:  
Defendant

Counsel of Record for  
This Party:

Carl A. Belin, Jr., Esquire  
PA I.D. #06805

BELIN & KUBISTA  
15 North Front Street  
P.O. Box 1  
Clearfield, PA 16830  
(814) 765-8972

RECEIVED

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OFFICE**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC.,	:	
PLAINTIFF	:	
	:	NO. 02-178-CD
VS.	:	
	:	
BAYER CLOTHING GROUP, INC.,	:	
DEFENDANT	:	

**DEFENDANT'S PRE-TRIAL MEMORANDUM**

1. Statement of Facts:

This is an action arising out of a sale of "overrun" suits by Bayer Clothing Group, Inc., a clothing manufacturer in Clearfield ("Bayer"), to Charles Navatsky & Co., Inc. ("Navatsky"), a clothing manufacturer in Philipsburg. The contract for the sale was entirely oral and provided for the sale of 2249 suits. The parties met at a clothing show in Las Vegas, Nevada, on February 13, 2001, and negotiated a price of \$62.15 per unit.

The parties disagree as to one of the terms of the agreement: Bayer contends the inside breast pocket label, the sleeve label, and paper labels known as "jokers" were to be removed from the suits before their delivery to Navatsky as they were proprietary to Bayer. Bayer contends Navatsky agreed to the removal and told Bayer representatives he intended to put

Navatsky labels in the suits in any event before resale. On the other hand, Navatsky claims the labels were to be left on the suits.

In any event, Navatsky paid for the suits and the labels were removed from the suits by Bayer employees before they were shipped to Navatsky. Navatsky apparently resold approximately 1465 of the suits. Bayer went to Navatsky's warehouse on June 6, 2002, and "audited" 784 suits which Navatsky still has in its possession to determine the condition of the suits. The audit by Bayer concluded that 16 units had been damaged by the label removal and should be returned. Accordingly, Bayer admits it is responsible for these units totaling \$994.90. The rest of the suits, with the insertion of Navatsky's label, could have been sold by Navatsky as "first run" goods.

Navatsky does not complain the suits themselves were not consistent with the sample that was provided to it. It only complains the suits were not consistent because the labels had been removed.

As the issue regarding the labels was based upon an oral contract, the credibility of the parties who negotiated the contract will likely be determinative: Joshua Weiss, Tina

Evanko for Bayer, and Charles Charles Navatsky for Navatsky. It is common in the clothing industry to replace labels in finished goods due to cancellations, proprietary issues with regard to labels, and resales as here. Had the labels been placed on the garments, Navatsky should have been able to sell all but 16 units.

Bayer will present evidence from a third party contractor that the replacement of the labels is a simple operation that is done on many occasions in the garment industry and would have cost approximately \$1.74 per unit.

**2. Exhibits:**

- a. invoices and checks;
- b. labels;
- c. e-mails;
- d. correspondence;
- e. Answers to Interrogatories of Navatsky;
- f. audit report of Navatsky suits; and
- g. report of third party contractor.

**3. Names and Addresses of witnesses:**

Bayer may call the following witnesses:

Liability:

Tina Evanko  
596 Bailey Road  
Curwensville, PA 16833  
(814) 236-2955

Damages:

Staf DerKinderen  
1072 Saxton Drive  
State College, PA 16801  
(814) 234-0689

Sally Round  
7654 Curwensville/Tyrone Hwy  
Olanta, PA 16863  
(814) 236-0109

Kris Young  
628 Orchard Drive  
Duncansville, PA 16635  
(814) 695-5766

Jules Hertling  
Hertling Trousers (formerly Executive Trousers)  
236 Greenpoint Avenue  
Building #7  
Brooklyn, NY 11222

Liability and Damages:

Russ Holder  
4540 Saddlehorn Trail  
Middleburg, FL 32068  
(904) 282-9635

Tom Iacocca  
1718 Victoria Circle  
Allentown, PA 18103  
(610) 791-2370

Marcia Lewis  
636 Newtonburg Road  
Mahaffey, PA 15757  
(814) 277-4405

Phil Looby  
1997 West Point Drive  
Bethlehem, PA 18015  
(610) 861-4898

Joshua Weiss  
360 Pepperidge Road  
Hewlett Harbor  
Long Island, NY 11557  
(516) 374-3508

Tammy Newpher  
1985 Camp Corbly Road  
Curwensville, PA 16833  
(814) 277-4476

Debbie Clapsaddle Anderson  
175 Trails End Road  
Curwensville, PA 16833  
(814) 236-2129.

4. **Issues:**

This is a straightforward contract case. The issue is whether the parties agreed the labels were to be removed prior to the sale. If so, then Bayer should be liable only for the units that were damaged in the label removal. If the contract was that the labels were not to be removed, the damages would be

those resulting from the label removal by the Bayer employees. If the suits could have sold by placing new labels in them, Navatsky had a duty to do so in order to mitigate any damages in such an instance. *Delliponte v. DeAngelis*, 681 A.2d 1261, 1265 (Pa. 1996) :

"It is well established that one who suffers a loss due to breach of contract has a duty to make a reasonable effort to mitigate her damages.... The burden is on the breaching party to show the losses could have been avoided."

The Court stated that this burden could be met by showing that the loss could be avoided by taking reasonable steps to avoid the loss. As stated in *Northeastern Vending Co. v. P.D.O., Inc.*, 606 A.2d 936, 938 (Pa.Super. 1992) :

"Specifically, appellant recognizes that there is a general duty to mitigate in cases involving commercial transactions, but contends that such a duty is inapplicable where the non-breaching party is a 'lost volume seller.' However, this Commonwealth does not recognize the theory of 'lost volume seller.' Accordingly, appellant was under a duty to mitigate its damages.

...

This court stated that:

[the plaintiff] should not be compensated for any profits that it might have been able to obtain by placing the machine in another

location. It had the duty to minimize its damages by doing so if this were possible.

*Id.* At 476, 168 A.2d at 754 (1961)."

An issue may exist as to claiming loss of profits. As stated in *Northeastern Vending Co.*, *supra*. At 606 A.2d 939:

"To recover for lost profits there must be affirmative evidence that the loss resulted from the breach of contract. *Delahanty v. First Pennsylvania Bank, N.A.*, 318 Pa.Super. 90, 464 A.2d 1243 (1983). It is not necessary that the amount be shown with absolute or mathematical certainty, but only that it be approximated by competent proof. *Bolus v. United Penn Bank*, 363 Pa.Super. 247, 525 A.2d 1215 (1987).

Northeastern did not prove its lost profits. The evidence of its alleged lost profits was mostly self-serving documents prepared for trial. Without concrete evidence, such as receipts signed by P.D.O. or verified readings of the meters on the vending machines, the evidence of lost profits was insufficient."

##### 5. **Damages:**

Bayer admits seven (7) suits were damaged for resale and admits liability of \$994.90. The remainder of the suits could have been sold by placing in Navatsky labels. The cost would have been \$3,913.26 to place labels on all the suits that could have been sold as "first run" suits.

**6. Extraordinary Evidentiary Problems:**

None.

**7. Stipulations:**

(a) Bayer sold an delivered to Navatsky 2249 suits for \$62.15 each and has paid to Bayer the sum of \$140,000.00;

(b) Navatsky has resold 1465 suits that it purchased from Bayer to third parties; and

(c) Navatsky has 784 suits remaining in its inventory in Philipsburg that have not been resold.

**8. Special Points for Charge:**

None.

**9. Estimated time for trial.**

Two days.

RESPECTFULLY SUBMITTED

BELIN & KUBISTA

By

Carl A. Belin, Jr., Esquire  
Attorney for  
Bayer Clothing Group, Inc.

**Invoices and Checks**





BAYER CLOTHING GROUP, INC  
RD#4 BOX 91B  
CLEARFIELD, PA 16830

BAYER CLOTHING GROUP

DB# 00-133-4101

INVOICE#0002132

PAGE 1

CHARLES NAVASKY  
PO BOX 728  
19-23 S WATER ST  
PHILLIPSBURG PA 16866

CHARLES NAVASKY  
PO BOX 728  
19-23 S WATER ST  
PHILLIPSBURG PA 16866

DATE	STYLE	ORDER NO.	DEPT. NO.	CASH	TERMS	SHIPPED VIA	T L BAINES		CTNS.	CARTON NUMBER	WEIGHT	SLSN	TOTAL	
							1	54472 - 54472		1	54472			
7/27/01	MAGIC	470A0500 001	LNG	34	35	36	37	38	27	52	60	72	31	275
		470A0500 001	REG	54	56	58	60	62	24	25	71	43	29	254
		470A0500 001	SHT						26	23	2			75
		470A0500 280	LNG						24	21	51	30	48	17
		470A0500 280	REG						23	21	43	37	16	14
		470A0500 280	SHT						18	5				14
		470A0500 380	LNG						23	18	31	50	37	52
		470A0500 380	REG						21	27	16	38	25	19
		470A0500 380	SHT						21	20	12	4		19
		470A0500 410	LNG						21	20	35	62	52	54
		470A0500 410	REG						20	16	22	47	38	35
		470A0500 410	SHT						19	16	1			16
		470A0500 410	REG						18	16	21	35		16
		470A0500 410	SHT						17	16	1			16
		470A0500 001	REG						16	16	22	35		16
		470A0500 001	SHT						15	16	22	35		16
		470A0500 001	REG						14	15	2			15
		470A0500 280	LNG						13	10	1			10
		470A0500 380	REG						12	10	1			10
		470A0500 380	SHT						11	9	1			9
		470A0500 410	LNG						10	8	1			8
		470A0500 410	REG						9	7	1			7
		470A0500 410	SHT						8	6	1			6
		470A0500 001	REG						7	5	1			5
		470A0500 001	SHT						6	4	1			4
		470A0500 280	LNG						5	3	1			3
		470A0500 380	REG						4	2	1			2
		470A0500 380	SHT						3	1	1			1
		470A0500 410	LNG						2	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
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		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
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		470A0500 410	REG						1	1	1			1
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		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
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		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1
		470A0500 410	LNG						1	1	1			1
		470A0500 410	REG						1	1	1			1
		470A0500 410	SHT						1	1	1			1</td



DATE	AMOUNT
2/27/01	8002132
ON ACCOUNT	
TOTAL	
LESS % DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	70000.00

**CHARLES NAVASKY & CO., INC.**  
 CLOTHING MANUFACTURERS

3955

60-295/313  
4427Security features  
are included.  
Details on back.

DATE

March 8 2001

\$ 70,000.00

PAY  
TO THE  
ORDER OF

Boyes Clothing Store Inc

PAY  
EXACTLY

7000000cts

DOLLARS

CHARLES NAVASKY &amp; CO., INC.

Auth. Sig.


**M&T Bank**  
 Manufacturers and Traders Trust Company  
 Philipsburg Office

#003955 10313029551 450 642841

Balance to  
 Follow this  
 Week  
 \_\_\_\_\_  
 Thanks  
 Chuck

Rec'd  
 3/14/01

6 Security enhanced document. See back for details.

X IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS		AMOUNT
1ANC due		
2132	116494	.38
2133	23910	.69
<b>TOTAL</b>	<b>140405</b>	<b>.07</b>
LESS % DISCOUNT		
LESS <del>71.318/01</del>	<del>170000</del>	<del>007</del>
<b>TOTAL DEDUCTIONS</b>		
<b>AMOUNT OF CHECK</b>	<b>70405</b>	<b>.07</b>

**CHARLES NAVASKY & CO., INC.**  
CLOTHING MANUFACTURERS

3981

60-295/313  
4427

DATE March 16 2001

Security features are included.  
Check box if check.

PAY TO THE ORDER OF Bayer Clothing Group Inc \$ 70405 07

PAY EXACTLY 70405070705 DOLLARS

CHARLES NAVASKY & CO., INC.

**M&T Bank**  
Manufacturers and Traders Trust Company  
Philipsburg Office

*Charles L. J.* Auth. Sig.

MP

0003981 0313029550 450 64284

*Rec'd  
31/9/01*

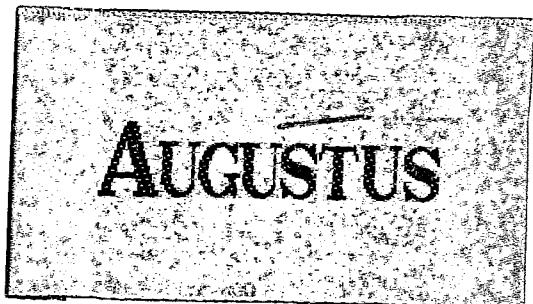
**Labels**



**BAYER CLOTHING GROUP, INC.**

FLETCHERVILLE PLANT RT. 17040 CLEARFIELD, PA 16830 PH (814) 765-7521 FAX (814) 765-9070

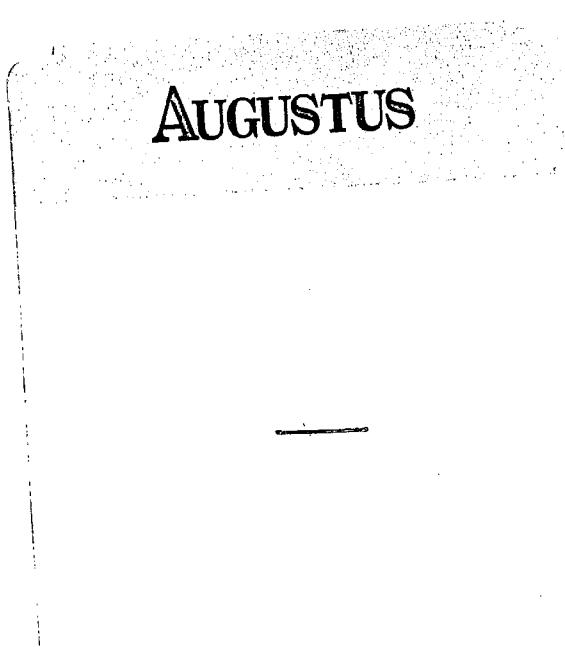
Augustus Labels



Inside Breast Pocket Label



Sleeve Label



Joker Label



## BAYER CLOTHING GROUP, INC.

FLETCHERVILLE PLANT RT. 17040 CLEARFIELD, PA 16830 PH (814) 765-7521 FAX (814) 765-9070

Andrea da Cossato Labels



Inside Breast Pocket Label



Sleeve Label

Joker Ticket was blank.

**E-Mails**

Tina Evanko

02/16/2001 08:31 AM

To: Marian Shaffer/Bayer Clothing Group@Bayer Clothing Group, Paula Eshelman/Bayer Clothing Group@Bayer Clothing Group, Jeanette Sopic/Bayer Clothing Group@Bayer Clothing Group, Marcia Lewis/Bayer Clothing Group@Bayer Clothing Group, Karen Greenawalt/Bayer Clothing Group@Bayer Clothing Group  
cc:  
Subject: Style 0500

Please be advised that we received a clean out order for this style at MAGIC (Chuck Navasky). This order is for at once, but FIRST we'll honor all other open orders (including specialty store orders taken at MAGIC for this style).

I did not bring any orders back with me from MAGIC. Anita will put these in the overnight mail today.

Tina Evanko

02/16/2001 09:42 AM

To: John Armstrong/Bayer Clothing Group@Bayer Clothing Group  
cc: Russ Holder/Bayer Clothing Group@Bayer Clothing Group  
Subject: Clod & Pebble 0500 Suits

FYI...we received a clean out order at MAGIC for the 0500 suits (from Chuck Navasky). We will honor all open orders first (including specialty store orders taken at MAGIC) and then do the clean out order.

While we do not yet physically have these orders in PA, just wanted to give you a heads up.  
Hope to have orders on Monday.

Also, Augustus and Andrea Da Cossato labels and jokes will need to be removed for the clean out order.

PS We'll ship the Chuck Navasky order via Bainey. Bainey will pick up on a week where he has cut goods from F-ville to delivery to Macclenny.



Joshua Weiss  
02/17/2001 03:17 AM

**To:** Tina Evanko/Bayer Clothing Group@Bayer Clothing Group  
**cc:**  
**Subject:** Navasky

will give you a more thorough communication before we all are back at work next week.

I gave Chuck Navasky the 4 samples we had at the booth on the 0500 group he purchased and just wanted to be sure that when we issue the bill next week, there is an additional bill for those 4. thanks.

Great job, girl!

**Tina Evanko**

 **02/28/2001 08:07 AM**

**To:** billie j daub/Bayer Clothing Group@Bayer Clothing Group  
**cc:** Joshua Weiss/Bayer Clothing Group@Bayer Clothing Group  
**Subject:** Charles Navasky Invoices

**BJ,**

We shipped orders yesterday to Charles Navasky....invoice #'s 2132 & 2133 (Clod & Pebble). Chuck purchased this goods at MAGIC and agreed to write us a check as soon as the goods were invoiced. Will you please let me know when you have these invoices. I'm going to call Chuck and possibly fax them to him.

**THANKS**

From The Desk of  
JOSHUA W. WEISS

9-25-01

ED NAVASKY - 814 342 4688

9/26/01

- phone
- 6250? 46215 selling / moved <sup>per</sup> ~~per~~
- BC Model
- Remove Labels
- Checks were never called in

Tina Evanko

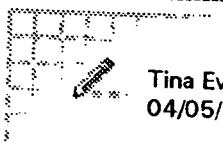
04/06/2001 10:33 AM

Sent by: Debbie Clapsaddle

To: John Armstrong/Bayer Clothing Group@Bayer Clothing Group  
cc:  
Subject: Navasky

Here is chapter 2.

----- Forwarded by Debbie Clapsaddle/Bayer Clothing Group on 04/06/2001 10:36 AM



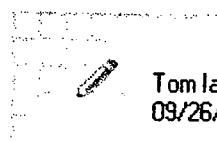
Tina Evanko  
04/05/2001 12:47 PM

To: Cathy Fulton/Bayer Clothing Group@Bayer Clothing Group, Tom Iacocca/Bayer Clothing Group@Bayer Clothing Group  
cc: Debbie Clapsaddle/Bayer Clothing Group@Bayer Clothing Group  
Subject: Navasky

In regards to the holes that are visible on this goods because of removing the inside label.....

when Chuck purchased the 0500's from us at MAGIC, Josh and I advised Chuck that the Augustus labels would need to be removed and this would leave some visible holes. Chuck advised that he did not have a problem with this because his people will sew another inside label in this goods.

A MUST  
TO READ



Tom Iacocca  
09/26/2001 10:59 AM

To: Robert Bayer/Bayer Clothing Group@Bayer Clothing Group, Joshua Weiss/Bayer Clothing Group@Bayer Clothing Group, Phil Looby/Bayer Clothing Group@Bayer Clothing Group, plooby@bellatlantic.net  
cc:  
Subject: Chuck Navasky

I just got a very bizarre phone call from Chuck Navasky this morning. I mentioned it to Phil in his office this morning and he suggested that instead of passing this on verbally, I record ASAP the content of the conversation while it's still fresh in my mind. Here goes:

He began by asking me if I know Josh's birthday. He then went on to reiterate the story of the goods he bought at MAGIC from us and paid to us "almost \$150,000 in two weeks with no factor" and then received units with the labels removed. Because the labels were removed he had 900 units returned from his customers and has been looking since for his money back. He mentioned Sta's visit to his warehouse to inspect the workmanship of the label removal. He mentioned some of the labels that were removed improperly. I got his version of the entire history of this transaction and that his claims had not been settled. I said I was surprised as I had not heard anything on the matter in several months and assumed it was over. He asked me to get a hold of Josh and advise Josh of the circumstances. He said he called me because he's been frustrated in his attempts to contact Josh and needed to get to someone who would contact Josh. I said I would but it might be a day or two because of the Yom Kippur holiday and Josh's busy schedule. He then said that he's also Jewish and the holiday means nothing because of the importance of this matter and it needs to be dealt with immediately.

He again asked for Josh's birthday and said that he's been trying to contact Josh, without success, for over 6 months and that Josh has been deliberately avoiding him. He then said that he wants to know his birthday because "if his dad (Eddie Navasky) gets involved, that'll be when Josh dies". He then said that he knows the names of our entire sales force and has a letter prepared to send to them telling them "what kind of guy Josh is". He then went on to say that he's starting a line of all wool suits and is prepared to offer each of our sales people a job with him selling the new line. He also mentioned possible legal action and said that he and his father have "already given legal depositions" on the matter and are prepared to do "whatever is necessary" to conclude this matter.

He then went on to repeat the birthday request and make the death threat this time without referring to his father.

The remarks, particularly after he clarified the threat, were delivered almost non stop with very little chance for me to respond. When he finally did stop, I was a bit stunned and chose not to say anything other than I would certainly pass this information on.

He again repeated the birthday threat.

The summary above is a straight recap of the phone call as I heard it. I can't think of anything that was said that I didn't cover. I regard this as a very serious matter.



Josh\_Weiss@bayerclothing.com  
09/27/2001 12:42 AM

To: hroyleaw@aol.com  
cc: rbayer@bayerclothing.com, pplooby@bellatlantic.net, tiacocca@bayerclothing.com  
Subject: Navasky - for file

There follows a recollection of my phone conversation with Ed Navasky at about noon, Wed, Sept 26th 2001.

I had this converstation without knowledge of the earlier call taken by Tom Iacocca from Chuck Navasky. You now have the copy of Tom's e-mail to me.

On my drive back from C'field Tues, 9/25, I checked my office voice mail, and noted a call from Ed Navasky. He, respectfully, asked me to call him on a private number. I rerturned the call about noon the next day.

He was a gentleman, but it became apparent during the conversation, as he related what was told to him by his son, Chuck, and by his "take" on the events that had occurred, that he was not interested in inaccuracies being corrected.

He did thank me for the prompt return of his phone call, and stated it was unfortunate I hadn't returned Chuck's many phone calls.

He stated that Chuck had tried to reach me by phone many times, which I explained was not so. Chuck had not called me even once.

He stated that these goods were made in the DR, and therefore he knew our costs and that we had charged him too much money. I explained that these units were in fact made in Bulgaria.

He stated that we had charged him \$62.50. I di not respond because I could not remember. In checking I found we had in fact billed him @ \$62.15.

He stated that his customers had returned 900 units because we had ruined the linings when we removed the labels, which Chuck had told us not to do. I explainedthat we agreed that it would be wise to remove the labels, as he revealed to me at the time (Feb '01) he had sold all 2,200 units to our customer, BCMoore. We agreed that our customer would not be pleased to learn that he had purchased Bayer product from a "wholesaler," and, thus, paid a premium for what he might have been able to purchase directly from us at a lower price. Chuck assured me that he would be covering the needle marks with a larger label, so that it was of no concern to him whether we removed the labels or not.

Ed Navasky then told me that BCMoore was not the customer at all, but that they had sold the units to an assortment of their customers.

During the course of the conversation, when confronted with factual corrections to his statements, he told me that he needed to clean up a "mess" created by his son Chuck, and that he has had to do this before, because his son makes bad deals, and doesn't handle himself well, to which I made no comment.

He broke away from the conversation a couple times, as someone was going in and out of his office, and he talked freely with that person while speaking with me. At this point, he agreed with my earlier suggestion that he have Chuck come into the office so that we could speak openly together, and eliminate the "he said, she said" dialogue. He could not find Chuck, and said he would track him down and call me back later in the week, at which point I told him that would have to be Friday, as I would not be in Thursday.

He also stated, late in the conversation, that he was trying to fix the problem "nicely," but could resort to other tactics if need be. I asked what he had in mind, and he said he legal means to resolve the issue.

This is about the conversation.

I will speak with you Friday.

Tina Evanko

11/01/2001 12:32 PM

To: Phil Looby/Bayer Clothing Group@Bayer Clothing Group, pplooby@bellatlantic.net  
cc: Robert Bayer/Bayer Clothing Group@Bayer Clothing Group, Joshua Weiss/Bayer Clothing Group@Bayer Clothing Group, hroylaw@aol.com, Cathy Fulton/Bayer Clothing Group@Bayer Clothing Group  
Subject: Navasky

On 2/27/01 we shipped 2,249 Clod & Pebble (style 0500) suits to Navasky @ \$62.15 each. This goods was sold to Chuck Navasky at Magic in Feb 01. Josh and I both had a verbal conversation with Chuck (Chuck was also at Magic in Vegas) right around the corner from our booth in reference to his order for this goods. I advised that the 'Andrea Da Cossato' label was already in these suits. Chuck said he really didn't care if we removed this label or not. If we did not remove it, he would have his people do it anyway because they would be sewing in their own label. Josh decided that it would be best if we first removed this label and Chuck did not have a problem with that.

3/28/01 Josh sent an e-mail to Tom and Russ advising that we have a problem. Navasky complaining of lining damage due to improper removal of inside breast labels on 2000 + units.

5/17/01 I sent an e-mail to Josh advising that Chuck Navasky's secretary Ellen called me on 5/16. She wanted to confirm that we had received a bill from Navasky and to advise that the terms are 90 days and that they deal with County National Bank.

Somewhere in between all of this Josh advised me not to speak with Chuck. If Chuck called, have him call Josh in NY.

8/15/01 I sent an e-mail to Josh advising that Tim Bainey who drives truck for Navasky, called me. Chuck asked Tim to call me to find out now where he can drop his trailer containing the suits Navasky wants to return. I did not respond to that. I did advise Tim that Chuck needs to call Josh and that he and I had nothing to discuss.

Navasky still has the suits. We never issued an RA or took any of the goods back.

Invoices/Statements Rec'd from 'Dark Pony Fashions, Inc./Navaco Industries, Inc.'  
114 Walton Street PO Box 728 Philipsburg, PA 16866-0728.  
We shipped to and invoiced to 'Charles Navasky' 19-23 S Water St PO Box 728 Philipsburg, PA 16866.

Inv date 5/10/01 Inv# 595272 for 900 suit units @ 62.15 = \$55,935  
this is marked payable to County National Bank PO Box 644 Clearfield, PA 16830

Statements against this inv rec'd on 8/28, 9/28 and 10/29/01.

Also rec'd audit paper from County National Bank on 10/17/01 asking us to verify the balance due on our account.



## BAYER CLOTHING GROUP, INC.

RD4, Box 91B, Target Square • Clearfield, PA 16830 • Voice: (814) 765-7521 • Fax: (814) 765-0774

November 15, 2001

**To:** Tom Iacocca  
Phil Looby  
**From:** Staf DerKinderen  
**Re:** Navasky

---

Tom had asked me to go to Navasky to review the garments we sent. I travelled to the warehouse in Philipsburg and met the person responsible for the warehouse and shipping who advised that most of the garments were shipped but that he might receive returns.

I reviewed the garments and could not find any with the problem until someone assisted me to find the defects. Upon review I told them that these garments should have never been sent to them because there were holes and stitch marks where the label had been sewn. Apart from the damaged garments, the rest were acceptable.

 Tom Iacocca  
03/14/02 11:57 AM

To: Kris Young/Bayer Clothing Group@Bayer Clothing Group  
cc: Joshua Weiss/Bayer Clothing Group@Bayer Clothing Group, Staf  
DerKinderen/Bayer Clothing Group@Bayer Clothing Group  
Subject: Navasky

I talked with Staf a few minutes ago. He restated to me again what happened. He went to their warehouse to look for damages created by the inside breast pocket label removal. The material facts remain the same. He began reviewing the hanging product and didn't see any "bad" units. (The labels were removed as if they were being sold with no replacement label.) He was looking for units that were damaged to the point that they would need a label to cover the obvious holes. He looked through several units, "about 100", didn't see any damaged and then asked for help. Warehouse people from Navasky started to look with him and after some time one of Navasky's people brought about three units for Staf to see. He agreed that they were damaged to the extent that they were not saleable without another label being sewn in.

I asked Staf directly if the label removal damages were sufficiently bad that another label would not cover the marks of the old label. He said for sure that there was no problem in that regard. The "bad" units he saw were needle holes not closed by repressing and label impressions on the lining not removed by the same pressing. But there were no damages beyond the sew line and a replacement label would cover the marks adequately.

I hope this info is helpful.

**Correspondence**



# Navaco Industries Inc.

Charles Navasky & Co., Inc. • Don Mart Clothes, Inc. • Berkeley Square Sportswear • Falcone

Home Office For All Correspondence  
114 Walton Street  
P. O. Box 728  
Philipsburg, Pennsylvania 16866  
(814) 342-1160

MANUFACTURER OF MEN AND BOYS  
CLOTHING AND SPORTSWEAR

Showroom And Warehouse  
150 Commerce Road  
Carlstadt, NJ 07072  
(201) 438-3002

DEAR TAMMY. HERE IS SOME OF THE SUITS THAT ARE DAMAGED FROM  
RETURNS FROM CUSTOMERS, AFTER WE CHECKED OUR STOCK,  
ABOUT  $\frac{1}{2}$  OF THE SUITS ARE LIKE THESE. I SUGGEST  
JOSH COME UP WITH A REDUCTION IN PRICE FOR THESE.  
AS I WAS SO KIND TO PAY YOU 140,000.00 IN 2 WEEKS.  
THATS VERY UNHEARD OF. ALSO I HAVE INCLUDED A FAMILY  
HISTORY OF THE NAVASKY FAMILY FOR YOUR FILES.

THANK YOU FOR YOUR HELP

CHUCK NAVASKY.

ALSO, I HAVE RETURNED THE SPORTCOATS, I WONT BE SELLING THEM.

ALSO, MANY OF THE SUITS WERE NOT DETAGED AT ALL, SAMPLE INCLOSED.



THE HISTORY OF CHARLES NAVASKY AND COMPANY  
By Eddy Navasky

My grandfather, Charles Navasky, started this company in 1893 as a salesman. He did not have his own factories. He just bought material and sent it to contract shops, and then shipped the finished goods out of New York City.

My grandmother's sister, Annie Wilner, married Morris Lansky. They had a son by the name of Meyer Lansky. We all know who Meyer Lansky turned out to be. He was affiliated with the Mob.

Meyer Lansky and my father, Bernard Navasky, were first cousins and in the late 1920's Meyer Lansky gave Bernard Navasky money to purchase a loft operation in New York City, where they used to cut in the front and sew in the back.

Later on my father's sister, Ethel Navasky, married Milton Siegel. Milton Siegel just happened to be the brother of Ben Siegel, who we all know was of Las Vegas fame and also affiliated with the Mob at that time.

Through this marriage of Ethel Navasky and Milton Siegel, Meyer Lansky (who was a cousin of Ethel Siegel) got affiliated with Milton Siegel's brother Ben.

We all know the story of Meyer Lansky and Ben Siegel. In the late 1930's both of them gave my father money to purchase a plant in Philipsburg, Pennsylvania, which is the building we still own on Water Street.

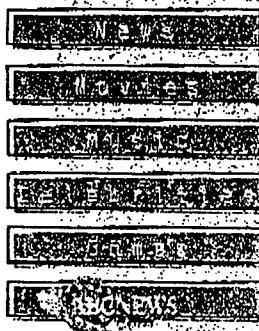
When Meyer and Ben got involved with the casinos in Vegas sometime in the 1940's, they fed my father business in the form of making tuxedos for the employees.

This is a very interesting story and explains how my father's cousin Meyer Lansky tied up with my uncle's brother Ben Siegel to put together an empire of gambling, etc.

Meyer Lansky moved into the same apartment complex as my mother and father in Miami at the Sea Coast Tower East, and they spent much time together in the final years of their lives.

The Charles Navasky and Company history is very interesting, because Meyer and Ben ruled Vegas, Cuba, and Florida and we got stuck in Philipsburg making men's suits.

## MR SHOWBIZ

Bugsy Siegel  
1905 - 1947

Mobster Bugsy Siegel teamed up with fellow mobster Meyer Lansky when he was just fifteen years old, plying his considerable skills as a cold-blooded and determined killer in the busy, and often dangerous, Mob-controlled bootlegging operations of the twenties. In 1945, Siegel and Lansky bought into the El Cortez, a downtown gambling hotel located on "The Strip" in the burgeoning desert community of Las Vegas. Contrary to a popularly held belief, it was Siegel, not Lansky, who was responsible for bringing the Mafia into legalized gambling in Las Vegas. He sold his share in the El Cortez the following year to re-invest the resulting large profit in a glittery new proposition--a Beverly Hills-influenced establishment called the Flamingo. Building costs overran, and the experience was initially an unwieldy disaster. Lansky and mobster Frank Costello stepped in to save the project from certain failure, funnelling in enough money to complete construction on the hotel for a March 1947 opening. Grudges run pretty deep in the Mob, and it doubtless didn't surprise anyone when Siegel was shot, at close range, the following June. His gory demise (one of his eyes was blown fifteen feet away from his body by the impact of the shots) was given front-page coverage all over the country, and it became apparent to even the most casual of observers that Las Vegas was a Mafia town.

games

romantically linked

Countess di  
Frasso

Jean Harlow



Virginia Hill



Marilyn Monroe



Sophie Tucker



Mac West

## Spouses:

Virginia Hill: moll, sometime starlet



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BAYER CLOTHING GROUP, INC.

April 5, 2001

Fax Cover Page

To:  
Company  
Fax

*Joshua Weiss*

From:  
Company  
Fax

*Tom Morocco*

Message:

*6 Pages*

*F.Y.I.*



# Navaco Industries Inc.

Charles Navasky & Co., Inc. • Don Mart Clothes, Inc. • Berkeley Square Sportswear • Falcone

Home Office For All Correspondence  
114 Walton Street  
P. O. Box 728  
Philipsburg, Pennsylvania 16866  
(814) 342-1160

MANUFACTURER OF MEN AND BOYS  
CLOTHING AND SPORTSWEAR

Showroom And Warehouse  
150 Commerce Road  
Carlstadt, NJ 07072  
(201) 438-3002

October 1, 2001

Josh Weiss  
Bayer Clothing Group  
20 West 55<sup>th</sup> Street, 11<sup>th</sup> Floor  
New York, NY 10019

Dear Mr. Weiss:

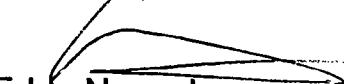
It was nice speaking with you the other day. Regardless of the misunderstandings, we have a problem that both of us should try to solve.

First of all, these suits were never sold to B. C. Moore. That I can tell you. Secondly, the suits did not come in as presented and almost half of the 2,200 suits were returned. Chuck also had to give customers allowances on the other suits shipped just to get them to keep them.

I am investigating why he needed the suits and what happened that you had problems. Either way, we should try to settle this amicably and I have a couple plans I will discuss with Chuck that won't destroy you or destroy us.

I repeat, let's try to do this amicably. When I get additional information, I will be in touch with you.

Very truly yours,

  
Eddy Navasky

cc: Chuck Navasky

Answers to Interrogatories of Navatsky

(in the possession of Plaintiff)

**Audit Report of Navatsky Suits**

Overview of  
Inventory of Goods at Charles Navasky Co.  
Date of Inspection: June 6, 2002

Comment	Row/Section												Totals						
	R1-S1	R1-S2	R1-S3	R1-S4	R1-S5	R1-S6	R1-S7	R1-S8	R1-S9	R1-S10	R1-S11	R1-S12							
No. Garments Inspected	40	36	50	51	39	40	41	39	48	46	26	52	47	30	46	48	57	784	
No. Garments with a hole making it defective	0	0	0	0	3	0	0	1	1	0	2	0	4	2	0	1	2	0	16
No. Garments with slight impression in label area	4	1	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	8
No. Garments with small snag in label area	1	4	0	0	2	1	0	2	0	0	2	0	0	0	0	0	0	1	13
No. Garments with small hole in label area.	0	1	3	1	2	2	0	1	0	2	3	0	7	3	0	2	2	0	29
No. Garments with stitch mark in label area.	0	1	2	4	0	1	4	3	2	3	0	0	2	0	2	1	1	1	27
No. Garments with stitch mark & small snag in label area	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
No. Garments with small hole and stitch mark in label area	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	2
No. Garments with small hole in label areas and Augustus joker still present	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1
No. Garments with snag in label area and thread remaining on left side (Navasky problem)	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
No. Garments with small hole in label area and thread remaining on left side (Navasky problem)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
No. Garments with stitch mark in label area and thread remaining on left side (Navasky problem)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
No. Garments with small hole in label area plus Stacy Adams label (Navasky label) Present	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1
No. Garments with damage to left side from removal of Navasky label	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
No. Garments with threads remaining on left side (Navasky problem).	2	1	3	1	0	0	8	4	2	1	3	2	5	2	4	4	0	12	54

Overview of  
 Inventory of Goods at Charles Navasky Co.  
 Date of Inspection: June 6, 2002

Comment	R1-S1	R1-S2	R1-S3	R1-S4	R1-S5	R1-S6	R1-S7	R1-S8	R1-S9	R1-S10	R1-S11	R1-S12	R2-S1	R2-S2	R2-S3	R2-S4	R2-S5	R2-S6	Totals
No. Garments with Andrea da Cossato label present and threads remaining on left side (Navasky problem)	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
No. Garments with Stacy Adams label (Navasky label) present on left side	0	2	0	0	0	0	0	0	0	1	0	1	1	0	0	0	0	2	1
No. Garments with Augustus joker still present	0	1	1	1	0	0	0	0	2	0	0	0	0	0	0	0	0	1	0
No. Garments with Andrea da Cossato label still present	0	0	0	0	0	2	1	0	0	1	0	0	3	0	1	1	0	0	9
<b>TOTAL BY ROW/SECTION</b>	<b>7</b>	<b>11</b>	<b>10</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>15</b>	<b>11</b>	<b>7</b>	<b>8</b>	<b>11</b>	<b>3</b>	<b>23</b>	<b>7</b>	<b>17</b>	<b>11</b>	<b>9</b>	<b>18</b>	<b>191</b>

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 1

Style/Color	Cut #	Size	Comments
0500-001	163 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	163 50	44R/38W	Slight impression.
0500-001	163 50	44R/38W	Slight impression.
0500-001	162 50	44R/38W	
0500-001	163 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	163 50	44R/38W	
0500-001	163 50	44R/38W	
0500-001	162 50	44R/38W	Small snag in label area.
0500-001	162 50	44R/38W	
0500-001	162 50	44R/38W	
0500-001	163 50	44R/38W	
0500-001	163 50	44R/38W	Slight impression.
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	
0500-001	163 50	46R/40W	Thread remaining on left side (Navasky problem)
0500-001	163 50	46R/40W	Thread remaining on left side (Navasky problem)
0500-001	162 50	48R/44W	
0500-001	163 50	48R/44W	
0500-001	162 50	48R/44W	
0500-001	163 50	48R/44W	Slight impression.
0500-001	163 50	48R/44W	
0500-001	163 50	48R/44W	

**Synopsis:**

No. Garments Inspected: 40

No. Garments with slight impression: 4

No. Garments with small snag in label area: 1

No. Garments with threads remaining on left side (Navasky problem): 2

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 2

Style/Color	Cut #	Size	Comments
0500-001	163 50	48R/44W	
0500-001	163 50	48R/44W	Slight impression.
0500-001	162 50	48R/44W	Small snag in label area.
0500-001	162 50	48R/44W	
0500-001	162 50	48R/44W	
0500-001	163 50	48R/44W	
0500-001	162 50	48R/44W	
0500-001	162 50	48R/44W	Small snag in label area.
0500-001	163 50	48R/44W	
0500-001	162 50	48R/44W	
0500-001	162 50	48R/44W	
0500-001	162 50	48R/44W	Small snag in label area.
0500-001	162 50	48R/44W	Thread remaining on left side (Navasky problem)
0500-001	163 50	50R/46W	
0500-001	163 50	50R/46W	
0500-001	162 50	50R/46W	
0500-001	162 50	50R/46W	
0500-001	162 50	50R/46W	
0500-001	162 50	50R/46W	Small snag in label area.
0500-001	163 50	50R/46W	
0500-001	162 50	50R/46W	
0500-001	162 50	50R/46W	
0500-001	163 50	50R/46W	Stacy Adams present on left side.
0500-001	163 50	50R/46W	
0500-001	162 50	50R/46W	Stacy Adams present on left side.
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	Small hole in label area.
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	Stitch mark in label area.
0500-001	155 51	42L/36W	
0500-001	162 50	42L/36W	Augustus joker remaining.

**Synopsis:**

No. Garments Inspected: 36

No. Garments with slight impression: 1

No. Garments with small snag in label area: 4

No. Garments with small hole in label area: 1

No. Garments with stitch mark in label area: 1

No. Garments with threads remaining on left side (Navasky problem): 1

No. Garments with Stacy Adams (Navasky label) on left side: 2

No. Garments with Augustus joker remaining: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 3

Style/Color	Cut #	Size	Comments
0500-001	163 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	Stitch mark in label area.
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	162 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	163 50	42L/36W	
0500-001	162 50	42L/36W	Thread remaining on left side (Navasky problem)
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	Stitch mark in label area.
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	Augustus joker remaining.
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	Small hole in label area.
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	Small hole in label area.
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	Slight impression.
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	Thread remaining on left side (Navasky problem)
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	Small hole in label area.
0500-001	163 50	44L/38W	Thread remaining on left side (Navasky problem)

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 3

Row 1, Section 3 (con't)

**Synopsis:**

No. Garments Inspected: 50

No. Garments with slight impression: 1

No. Garments with stitch mark in label area: 2

No. Garments with small hole in label area: 3

No. Garments with threads remaining on left side (Navasky problem): 3

No. Garments with Augustus joker remaining: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 4

Style/Color	Cut #	Size	Comments
0500-001	163 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	162 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	44L/38W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	Stitch mark in label area.
0500-001	162 50	46L/40W	Augustus joker remaining.
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	Stitch mark in label area.
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	Stitch mark in label area.
0500-001	162 50	46L/40W	Small hole in label area.
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	Stitch mark in label area.
0500-001	163 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 4

Style/Color	Cut #	Size	Comments
0500-001	162 50	46L/40W	
0500-001	163 50	46L/40W	
0500-001	163 50	46L/40W	Thread remaining on left side (Navasky problem).

**Synopsis:**

No. Garments Inspected: 51

No. Garments with stitch mark in label area: 4

No. Garments with hole in label area: 1

No. Garments with Augustus joker remaining: 1

No. Garments with threads remaining on left side (Navasky problem): 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 5

Style/Color	Cut #	Size	Comments
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	Small hole in label area.
0500-001	163 50	48L/44W	Small snag in label area.
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	Small snag in label area.
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	Stitch mark/small snag in label area.
0500-001	162 50	48L/44W	Hole. Marked as defective garment.
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	Hole. Marked as defective garment.
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	Hole. Marked as defective garment.
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	Small hole in label area.
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	

**Synopsis:**

No. Garments Inspected: 39

No. Garments with small snag in label area: 2

No. Garments with small hole in label area: 2

No. Garments with stitch mark &amp; small snag in label area: 1

No. Garments with a hole making it defective: 3

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 6

Style/Color	Cut #	Size	Comments
0500-001	162 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	Small hole in label area.
0500-001	163 50	48L/44W	
0500-001	162 50	48L/44W	
0500-001	163 50	48L/44W	Small snag in label area.
0500-001	162 50	48L/44W	Small hole in label area.
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	48L/44W	
0500-001	163 50	50L/46W	
0500-001	163 50	50L/46W	Small snag in label area. Thread remaining on left side (Navasky problem)
0500-001	163 50	50L/46W	Damage on left side from removal of label (Navasky problem)
0500-001	163 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	155 51	50L/46W	Andrea da Cossato label still present.
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	Stitch mark in label area.
0500-001	162 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	163 50	50L/46W	
0500-001	162 50	50L/46W	
0500-001	152 51	54L/50W	Andrea da Cossato label still present.

**Synopsis:**

No. Garments Inspected: 40

No. Garments with small hole in label area: 2

No. Garments with small snag in label area: 1

No. Garments with stitch mark in label area: 1

No. Garments with snag in label area + thread remaining on left side (Navasky problem): 1

No. Garments with damage to left side from removal of Navasky label: 1

No. Garments with Andrea da Cossato label still present: 2

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 7

Style/Color	Cut #	Size	Comments
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	Thread remaining on left side (Navasky problem)
0500-001	162 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	Slight impression.
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	162 50	38S/32W	
0500-001	162 50	38S/32W	Stitch mark in label area.
0500-001	162 50	38S/32W	Stitch mark in label area.
0500-001	163 50	38S/32W	
0500-001	162 50	38S/32W	
0500-001	163 50	38S/32W	
0500-001	163 50	40S/35W	
0500-001	163 50	40S/35W	
0500-001	163 50	40S/35W	
0500-001	163 50	40S/35W	Thread remaining on left side (Navasky problem)
0500-001	163 50	40S/35W	
0500-001	163 50	40S/35W	Thread remaining on left side (Navasky problem)
0500-001	163 50	42S/37W	
0500-001	163 50	42S/37W	Thread remaining on left side (Navasky problem)
0500-001	163 50	42S/37W	Thread remaining on left side (Navasky problem)
0500-001	155 51	44S/39W	Thread remaining on left side (Navasky problem). Andrea da Cossato label present.
0500-410	156 51	42R/36W	Andrea da Cossato label present.
0500-410	162 50	42R/36W	
0500-410	162 50	44R/38W	Stitch mark in label area.
0500-410	163 50	44R/38W	Thread remaining on left side (Navasky problem)
0500-410	163 50	44R/38W	Thread remaining on left side (Navasky problem)
0500-410	162 50	46R/40W	
0500-410	163 50	46R/40W	
0500-410	163 50	46R/40W	
0500-410	162 50	46R/40W	
0500-410	163 50	46R/40W	Thread remaining on left side (Navasky problem)
0500-410	162 50	46R/40W	Stitch mark in label area.
0500-410	162 50	48R/44W	

**Synopsis:**

No. Garments Inspected: 41

No. Garments with threads remaining on left side (Navasky problem): 8

No. Garments with a slight impression: 1

No. Garments with stitich marks in label area: 4

No. Garments with Andrea da Cossato label still present: 1

No. Garments with Andrea da Cossato label still present PLUS threads remaining  
on left side (Navasky problem): 1

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 8

Style/Color	Cut #	Size	Comments
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	Small snag in label area.
0500-410	163 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	163 50	48R/44W	Thread remaining on left side (Navasky problem).
0500-410	163 50	48R/44W	Thread remaining on left side (Navasky problem).
0500-410	163 50	48R/44W	
0500-410	162 50	48R/44W	
0500-410	163 50	50R/46W	
0500-410	162 50	50R/46W	
0500-410	163 50	50R/46W	
0500-410	162 50	50R/46W	
0500-410	162 50	50R/46W	Small snag in label area.
0500-410	162 50	50R/46W	
0500-410	163 50	50R/46W	Stitch mark in label area.
0500-410	162 50	50R/46W	Thread remaining on left side (Navasky problem).
0500-410	162 50	50R/46W	Thread remaining on left side (Navasky problem).
0500-410	162 50	42L/36W	Small hole in label area.
0500-410	162 50	42L/36W	Stitch mark in label area.
0500-410	162 50	42L/36W	Stitch mark in label area.
0500-410	163 50	42L/36W	
0500-410	163 50	42L/36W	
0500-410	163 50	42L/36W	
0500-410	162 50	42L/36W	
0500-410	162 50	42L/36W	
0500-410	162 50	42L/36W	Hole. Marked as defective garment.
0500-410	162 50	42L/36W	
0500-410	162 50	42L/36W	
0500-410	162 50	42L/36W	
0500-410	162 50	42L/36W	

**Synopsis:**

No. Garments Inspected: 39

No. Garments with small snag in label area: 2

No. Garments with threads remaining on left side (Navasky problem): 4

No. Garments with small hole in label area: 1

No. Garments with stitch mark in label area: 3

No. Garments with hole making it defective: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 9

Style/Color	Cut #	Size	Comments
0500-410	163 50	42L/36W	
0500-410	162 50	42L/36W	
0500-410	163 50	42L/36W	
0500-410	163 50	42L/36W	
0500-410	163 50	42L/36W	
0500-410	162 50	42L/36W	Stitch mark in label area.
0500-410	163 50	42L/36W	Thread remaining on left side (Navasky problem)
0500-410	163 50	42L/36W	Thread remaining on left side (Navasky problem)
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	Augustus joker still present.
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	Augustus joker still present.
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	Hole. Marked as defective garment.
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	163 50	44L/38W	Stitch mark in label area.
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 9

**Synopsis:**

No. Garments Inspected: 48

No. Garments with stitch marks in label area: 2

No. Garments with threads remaining on left side (Navasky problem): 2

No. Garments with Augustus joker still remaining: 2

No. Garments with a hole making it defective: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 10

Style/Color	Cut #	Size	Comments
0500-410	163 50	44L/38W	
0500-410	163 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	
0500-410	162 50	44L/38W	Small hole in label area.
0500-410	163 50	44L/38W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	155 51	46L/40W	Andrea da Cossato label still present.
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	162 50	46L/40W	Stitch mark in label area.
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	Small hole in label area.
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	163 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	162 50	46L/40W	
0500-410	163 50	46L/40W	Stacy Adams label (Navasky label) present on left side.
0500-410	162 50	46L/40W	Thread remaining on left side (Navasky label).
0500-410	162 50	48L/44W	
0500-410	163 50	48L/44W	
0500-410	163 50	48L/44W	Stitch mark in label area.
0500-410	163 50	48L/44W	

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 10

**Synopsis:**

No. Garments Inspected: 48

No. Garments with small hole in label area: 2

No. Garments with stitch mark in label area: 3

No. Garments with Andrea da Cossato label still present: 1

No. Garments with thread remaining on left side (Navasky problem): 1

No. Garments with Navasky's Stacy Adams label present on left side: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 11

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 11

**Synopsis:**

No. Garments Inspected: 46

No. Garments with small snag in label area: 2

No. Garments with small hole in label area: 3

No. Garments with small hole & stitch mark in label area: 1

No. Garments with thread remaining on left side (Navasky problem): 3

No. Garments with a hole making it defective: 2

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 1, Section 12

Style/Color	Cut #	Size	Comments
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	162 50	38S/32W	
0500-410	163 50	38S/32W	
0500-410	163 50	38S/32W	
0500-410	163 50	38S/32W	
0500-410	163 50	38S/32W	
0500-410	163 50	38S/32W	
0500-410	162 50	40S/35W	
0500-410	163 50	40S/35W	
0500-410	163 50	40S/35W	
0500-410	162 50	40S/35W	
0500-410	162 50	40S/35W	
0500-410	162 50	40S/35W	Stacy Adams label (Navasky label) present on left side.
0500-410	162 50	40S/35W	Thread remaining on left side (Navasky problem).
0500-410	162 50	42S/37W	
0500-410	162 50	42S/37W	
0500-410	162 50	42S/37W	
0500-410	162 50	42S/37W	
0500-410	163 50	42S/37W	
0500-410	163 50	42S/37W	Thread remaining on left side (Navasky problem).
0500-410	162 50	42S/37W	

**Synopsis:**

No. Garments Inspected: 26

No. Garments with thread remaining on opposite side (Navasky problem): 2

No. Garments with Navasky's Stacy Adams remaining on left side: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 1

Style/Color	Cut #	Size	Comments
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	Stitch mark in label area.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	Hole. Garment marked as defective.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	Thread remaining on opposite side (Navasky problem) PLUS Small hole in label area.
0500-280	163 50	48L/44W	Hole. Garment marked as defective.
0500-280		50L/46W	Andrea da Cossato label still present.
0500-280	163 50	50L/46W	Hole. Garment marked as defective.
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	162 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	Small hole in label area.
0500-280	162 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	
0500-280		38S/32W	Andrea da Cossato label still present.
0500-280	163 50	38S/32W	
0500-280	163 50	38S/32W	Thread remaining on opposite side (Navasky problem).
0500-280		38S/32W	Stacy Adams (Navasky label) remaining on left side.
0500-280	163 50	40S/35W	
0500-280	163 50	40S/35W	Thread remaining on opposite side (Navasky problem).
0500-280	162 50	40S/35W	
0500-280	162 50	40S/35W	
0500-280	163 50	40S/35W	
0500-280	162 50	38S/32W	
0500-290	152 51	48L/44W	Thread remaining on opposite side (Navasky problem).

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 1

Style/Color	Cut #	Size	Comments
0500-290	152 52	36S/30W	Hole. Garment marked as defective.
0500-290	152 51	38S/32W	Thread remaining on opposite side (Navasky problem).
0500-290	152 51	38S/32W	Thread remaining on opposite side (Navasky problem).
0500-290	152 51	38S/32W	Stitch mark in label area.
0500-290	152 51	36S/30W	Andrea da Cossato label still present.

**Synopsis:**

No. Garments Inspected: 52

No. Garments with small hole in label area: 7

No. Garments with stitch mark in label area: 2

No. Garments with thread remaining on left side (Navasky problem): 5

No. Garments with thread remaining on left side (Navasky problem) plus small hole in label area: 1

No. Garments with hole making it defective: 4

No. Garments with Andrea da Cossato label still present: 3

No. Garments with Stacy Adams label (Navasky label) present on left side: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 2

Style/Color	Cut #	Size	Comments
0500-280	162 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	162 50	44L/38W	
0500-280	163 50	44L/38W	Thread remaining on left side (Navasky problem).
0500-280	162 50	44L/38W	Thread remaining on left side (Navasky problem).
0500-280	162 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	163 50	46L/40W	
0500-280	162 50	46L/40W	
0500-280	163 50	48L/44W	Hole. Garment marked as defective.
0500-280	162 50	48L/44W	
0500-280	163 50	48L/44W	Small hole in label area.
0500-280	163 50	48L/44W	Hole. Garment marked as defective.
0500-280	163 50	48L/44W	
0500-280	162 50	48L/44W	
0500-280	162 50	48L/44W	
0500-280	162 50	48L/44W	Small hole in label area.
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	163 50	48L/44W	
0500-280	162 50	48L/44W	Small hole in label area.

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 2

**Synopsis:**

No. Garments Inspected: 47

No. Garments with small hole in label area: 3

No. Garments with thread remaining on left side (Navasky problem): 2

No. Garments with hole making it defective: 2

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 3

Style/Color	Cut #	Size	Comments
0500-380	162 50	42S/37W	
0500-380	163 50	42S/37W	
0500-380	162 50	42S/37W	
0500-380	162 50	42S/37W	Thread remaining on left side (Navasky problem).
0500-380	163 50	42S/37W	Thread remaining on left side (Navasky problem).
0500-380	155 51	42S/35W	Andrea da Cossato label remaining.
0500-380	162 50	42S/37W	
0500-380	162 50	42S/37W	
0500-380	163 50	42S/37W	
0500-280	163 50	40R/34W	Small hole in label area. Thread remaining on left side (Navasky problem).
0500-280	163 50	44R/38W	Thread remaining on left side (Navasky problem).
0500-280	162 50	44R/38W	Thread remaining on left side (Navasky problem).
0500-280	163 50	44R/38W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	46R/40W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	46R/40W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	50R/46W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	50R/46W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	162 50	50R/46W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	50R/46W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	163 50	42L/36W	Thread remaining on left side (Navasky problem). Stitch mark in label area.
0500-280	162 50	42L/36W	Small hole and stitch marks in label area.
0500-280	163 50	44L/38W	Stitch marks in label area.
0500-280	162 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	163 50	44L/38W	
0500-280	162 50	44L/38W	Stitch marks in label area.
0500-280	162 50	44L/38W	
0500-280	162 50	44L/38W	

**Synopsis:**

No. Garments Inspected: 30

No. Garments with thread remaining on left side (Navasky problem): 4

No. Garments with Andrea da Cossato label remaining: 1

No. Garments with small hole in label areas &amp; thread remaining on left side (Navasky problem): 1

No. Garments with thread remaining on left side (Navasky problem) &amp; stitch mark in label area: 8

No. Garments with small hole &amp; stitch marks in label area: 1

No. Garments with stitch marks in label area: 2

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 4

Style/Color	Cut #	Size	Comments
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	162 50	48L/44W	Small hole in label area. Thread remaining on left side (Navasky problem).
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	Thread remaining on left side (Navasky problem).
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	
0500-380	162 50	50L/46W	Stitch mark in label area.
0500-380	163 50	50L/46W	Hole. Garment marked as defective.
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	
0500-380	163 50	50L/46W	Small hole in label area.
0500-380	152 51	54L/50W	Andrea da Cossato label still present.
0500-380	163 50	38S/32W	
0500-380	163 50	38S/32W	Small hole in label area.
0500-380	163 50	38S/32W	
0500-380	163 50	38S/32W	
0500-380	163 50	38S/32W	
0500-380	163 50	38S/32W	
0500-380	162 50	38S/32W	
0500-380	162 50	38S/32W	
0500-380	163 50	38S/32W	
0500-380	162 50	38S/32W	Thread remaining on left side (Navasky problem).
0500-380	162 50	38S/32W	Small hole in label area. Stacy Adams label (Navasky label) present on left side.
0500-380	162 50	40S/35W	
0500-380	163 50	40S/35W	Thread remaining on left side (Navasky problem).
0500-380	162 50	40S/35W	Thread remaining on left side (Navasky problem).
0500-380	162 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	162 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	162 50	40S/35W	
0500-380	163 50	40S/35W	
0500-380	162 50	40S/35W	

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 4

**Synopsis: 46**

No. Garments Inspected: 46

No. Garments with thread remaining on the left side (Navasky problem): 4

No. Garments with small hole in label area and thread remaining on the left side (Navasky problem): 1

No. Garments with stitch mark in label area: 1

No. Garments with hole making garment defective: 1

No. Garments with small hole in label area: 2

No. Garments with Andrea da Cossato label remaining: 1

No. Garments with small hole in label area plus Stacy Adams label (Navasky label) still present: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 5

Style/Color	Cut #	Size	Comments
0500-380	163 50	46L/40W	Stacy Adams label (Navasky label) present.
0500-380	163 50	46L/40W	Stacy Adams label (Navasky label) present.
0500-380	162 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	Small hole in label area.
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	162 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	162 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	Augustus joker still present.
0500-380	162 50	48L/44W	
0500-380	162 50	48L/44W	
0500-380	162 50	48L/44W	Small hole in label area.
0500-380	162 50	48L/44W	Hole. Garment marked as defective.
0500-380	162 50	48L/44W	Hole. Garment marked as defective.
0500-380	162 50	48L/44W	Stitch mark in label area.
0500-380	162 50	48L/44W	
0500-380	162 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	Small hole in label area. Augustus joker still present.
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	
0500-380	163 50	48L/44W	

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 5

**Synopsis:**

No. Garments Inspected: 48

No. Garments with Stacy Adams label (Navasky label) present: 2

No. Garments with small hole in label area: 2

No. Garments with stitch mark in label area: 1

No. Garments with Augustus joker still present: 1

No. Garments with hole making garment defective: 2

No. Garments with small hole in label area and Augustus joker still present: 1

## Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

## Row 2, Section 6

Inventory of Goods at Charles Navasky Co.

Date: June 6, 2002

Row 2, Section 6

Style/Color	Cut #	Size	Comments
0500-380	163 50	44L/38W	
0500-380	163 50	44L/38W	
0500-380	163 50	44L/38W	
0500-380	163 50	44L/38W	
0500-380	162 50	44L/38W	
0500-380	162 50	44L/38W	Stitch mark in label area.
0500-380	162 50	44L/38W	
0500-380	163 50	44L/38W	Thread remaining on left side (Navasky problem).
0500-380	163 50	44L/38W	Thread remaining on left side (Navasky problem).
0500-380	163 50	46L/40W	
0500-380	163 50	46L/40W	

**Synopsis:**

No. Garments Inspected: 57

No. Garments with threads remaining on left side (Navasky problem): 12

No. Garments with Andrea da Cossato label present AND threads remaining on left side  
(Navasky problem): 1

No. Garments with small hole in label area AND threads remaining on left side (Navasky problem): 1

No. Garments with Stacy Adams label (Navasky label) present: 1

No. Garments with a label impression: 1

No. Garments with a small snag in label area: 1

No. Garments with a stitch mark in label area: 1

**Report of Third Party Contractor**



**BAYER CLOTHING GROUP, INC.**

## **Fax Cover Page**

**To:** Carl Belin  
**Company:** Belin & Kubista  
**Fax Number:** 765-9893

**From:** Tammy Newpher  
**Company:** Bayer Clothing Group  
**Fax Number:** 768-5279

March 5, 2003

**Message:**

**Carl:**

The following fax is a price quote from a third party contractor to remove and then replace inside breast labels as well as the joker tickets on the sleeve.

Please advise me if you require further documentation on this matter.

Tammy

02/08/2003 22:38 17187847015 EXECUTIVE TROUSERS PAGE 01  
 FROM 190LAWICK CLOTHING LLC TO 17187847015 2003-02-06 11:21 0500 P.02/03

Phil Leoby  
 Bayer Clothing Group  
 RD# 4 Box 91B  
 Clearfield, Pa 16830

Dear Phil,

Pursuant to your request, the following quote is to remove and sew again inside breast labels and to remove joker tickets from the sleeve and to replace these joker tickets. This quote is for labor only and does not include any material costs, shipping charges, or printing time or labor. The number of units involved is 800 coats, and the inside breast labels were all sewn into the garment during production.

Remove Joker Tickets

800 coats @ 2 minute per coat including handling time. 13.5 hours

Re sew Joker Tickets

800 coats 3.0 hours

Remove inside labels (including pressing)

800 coats @ 3.5 Min/cost 46.750 hours

Re sew inside labels (automatic machine)

800 coats 11 hours

Total hours 71.25 hours @ \$14.50/hr \$1,033.13

Margin @ 20% \$ 206.63

Overhead \$ 150.00

Total cost \$1,189.76

Please let me know if I can be of further service.

Sincerely,

  
 Jules Herding  
 CEO, Executive Trousers

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

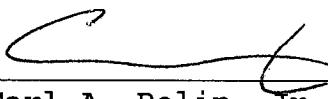
CHARLES NAVASKY & CO., INC., :  
PLAINTIFF :  
: NO. 02-178-CD  
VS. :  
: BAYER CLOTHING GROUP, INC., :  
DEFENDANT :  
:

**CERTIFICATE OF SERVICE**

This is to certify that the undersigned has sent a true and correct copy of Defendant's Pre-Trial Memorandum in the above-captioned matter to the following parties by postage prepaid United States first class mail on the 15th day of January, 2004:

David C. Mason, Esquire  
409 North Front Street  
P.O. Box 28  
Philipsburg, PA 16866

BELIN & KUBISTA

By   
Carl A. Belin, Jr., Esq.  
Attorney for Defendant

CLEARFIELD, PENNSYLVANIA 16830  
15 NORTH FRONT STREET  
P.O. BOX 1  
ATTORNEYS AT LAW  
BELLIN & KUBISTA

**BELIN & KUBISTA**

ATTORNEYS AT LAW

15 NORTH FRONT STREET

P. O. BOX 1

CLEARFIELD, PENNSYLVANIA 16830

CARL A. BELIN

1901-1997

AREA CODE 814

TELEPHONE 765-8972

FAX (814) 765-9893

CARL A. BELIN, JR.  
KIMBERLY M. KUBISTA  
JOHN R. RYAN

January 15, 2004

HAND DELIVER

David S. Meholick  
Court Administrator  
Clearfield County Courthouse  
230 East Market Street  
Clearfield, PA 16830

In re: Charles Navasky & Co., Inc., v. Bayer  
Clothing Group, Inc. No. 02-178-CD

Dear Dave:

Enclosed find Defendant's Pre-Trial Memorandum.

Very truly yours,

BELIN & KUBISTA

Carl A. Belin, Jr.

CABjr:smh

Enclosure

**RECEIVED**

JAN 15 2004

cc: David C. Mason, Esquire  
w/enclosure  
Bayer Clothing Group, Inc.  
w/enclosure

COURT ADMINISTRATOR'S  
OFFICE

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*  
\* No. 02-178-CD

Plaintiff

\*  
\*  
\*  
\*  
\*  
\*  
\*

VS.

BAYER CLOTHING GROUP, INC.

Defendant

\* TYPE OF PLEADING:  
\* Pre-Trial Memorandum

\*  
\*

\* FILED ON BEHALF OF:  
\* Plaintiff

\*  
\*

\* COUNSEL OF RECORD FOR  
\* THIS PARTY:

\*  
\*

David C. Mason, Esquire  
I.D. No. 39180  
MASON LAW OFFICE  
P.O. Box 28  
Philipsburg, PA 16866  
814 342 2240

\*  
\*

COUNSEL OF RECORD FOR  
DEFENDANT:

\*  
\*

Carl A. Belin, Esquire  
BELIN & KUBISTA  
15 N. Front Street, P.O. Box 1  
Clearfield, PA 16830  
(814) 765-8972

**RECEIVED**

JAN 16 2004

COURT ADMINISTRATORS  
OFFICE

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*  
\* No. 02-178-CD

Plaintiff

\*  
\*  
\*  
\*  
\*  
\*  
\*

vs.

BAYER CLOTHING GROUP, INC.

Defendant

\*  
\*

**PRE-TRIAL MEMORANDUM**

**I. BACKGROUND:**

Plaintiff Charles Navasky & Co., is a Pennsylvania business corporation engaged in the manufacture and wholesale distribution of men's clothing

On or about February 13, 2001, Defendant Bayer Clothing Group, Inc., provided Plaintiff with samples of one hundred (100%) percent wool suits at a cost per suit of \$62.15. Each suit was labeled with attractive Italian labels.

Plaintiff agreed to purchase a lot of 2,249 suits at the price of \$62.15 per suit plus shipping from Florida where the suits were located in a warehouse. Prior to plaintiff's agreement to purchase said lot of suits, Defendant offered to remove the labels from the suits. Plaintiff, knowing that the removal of the labels would have a severe impact on the marketability of the suits and their value, advised Defendant **not** to remove the labels, and therefore Defendant agreed that the labels would remain.

Plaintiff paid in full for the suits based upon the samples exhibited by the

Defendant's representatives at the MAGIC Show in Las Vegas, Nevada. The MAGIC Show is a merchant trade show where manufacturers and wholesale distributors market, showcase, purchase and sell their goods and various merchants and buyers order suits and other clothing from samples displayed at the show.

Upon receipt of the suits from the Defendant, Plaintiff noticed that the suits had been altered, the labels removed and cut. Such conditions indicate that the suits are inferior, second quality suits.

Plaintiff attempted to distribute these suits to its customers who complained about the nature and quality of the units. Plaintiff was required to make cost concessions and other accommodations to their customers which are not easily accounted for on the books and records of the Plaintiff.

Currently, Plaintiff possesses nine hundred (900) suits which are unable to be sold for which Plaintiff paid \$55,935.00.

## **II. EXHIBITS:**

1. Affidavits of various employees
2. Correspondence dated September 12, 2003

Plaintiff reserves the right to introduce into evidence at the trial of this matter any exhibits listed in the Pre-Trial Statements of any other party and to supplement this list upon reasonable notice to the Court and opposing counsel.

## **III. WITNESSES:**

1. Edward Navasky  
309 School Street  
Philipsburg, PA 16866

2. Charles L. Navasky  
P.O. Box 285  
Philipsburg, PA 16866

3. Randy Curtorillo  
Philipsburg, PA 16866

4. Joel M. Bock  
Troy Hill  
Philipsburg, PA 16866

5. Edna Murawski  
Wallaceton, PA 16876

**IV. STATEMENT OF LEGAL THEORY:**

This transaction between Plaintiff and Defendant is subject to the warranty provisions of the Uniform Commercial Code, Article II, §313 & 314 (13 Pa. C.S. §2313 & 2314). The UCC views such a contract as containing an express warranty by the Seller. Bayer Clothing Sold to Navasky based upon a sample, which formed the basis of the bargain. The goods, as delivered, did not conform to the quality of the samples. Additionally, Bayer Clothing is a merchant of the type of goods sold to Navasky and accordingly the sale contained an implied warranty of merchantability. In order to be merchantable, the goods must:

1. Pass without objection in the trade;
2. Be of fair, average quality;
3. Fit for the ordinary purpose for which such goods are used;
4. Within the lot, be of even kind and quality;

5. Be adequately contained, packaged and labeled as the agreement may require; and

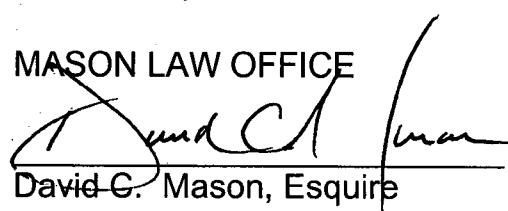
6. Conform to the promises or affirmations made by the container or label.

Plaintiff is seeking a return of the purchase price of the nine hundred (900) suits remaining in inventory or \$55,935.00.

**V. ESTIMATED TIME FOR TRIAL: 1 day.**

Respectfully submitted,

MASON LAW OFFICE

  
David C. Mason, Esquire

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*

\* No. 02-178-CD

\*

Plaintiff

\*

\*

vs.

\*

\*

BAYER CLOTHING GROUP, INC.

\*

\*

Defendant

\*

\* TYPE OF CASE:

\* Civil Action

\*

\* TYPE OF PLEADING: CERTIFICATE OF

\* SERVICE

\*

\* FILED ON BEHALF OF: Plaintiffs

\*

\*

\* COUNSEL OF RECORD FOR

\* THIS PARTY:

\* David C. Mason, Esq.

\* MASON LAW OFFICE

\* Supreme Court No. 39180

\* P. O. Box 28

\* Philipsburg, PA 16866

\* (814) 342-2240

\*

\* COUNSEL OF RECORD FOR DEFENDANT:

\* Carl A. Belin, Esquire

\* BELIN & KUBISTA

\* 15 North Front Street, P.O. Box 1

\* Clearfield, PA 16830

\* (814) 765-8972

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*  
\* No. 02-178-CD

Plaintiff

\*

vs.

BAYER CLOTHING GROUP, INC.

\*

Defendant

\*

**CERTIFICATE OF SERVICE**

I, DAVID C. MASON, Esquire, do hereby certify that I served a true and correct copy of **PRE-TRIAL MEMORANDUM OF PLAINTIFF** filed to the above captioned action, by placing the same in the United States mail, postage prepaid and addressed as follows:

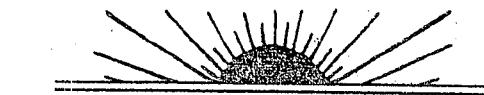
Carl A. Belin, Esquire  
BELIN & KUBISTA  
Attorneys at Law  
15 North Second Street,  
P. O. Box 1  
Clearfield, PA 16830

DATED: *Jan 16, 2004*

MASON LAW OFFICE

BY: *David C. Mason*

David C. Mason, Esquire



Falcone

# Navaco Industries

Charles Navasky & Co. • Don Mart Clothes • Berkeley Square Sportswear • Falcone

MANUFACTURER OF STACY ADAMS' MEN'S AND BOY'S CLOTHING

September 12, 2003

To Whom It May Concern:

We are presenting 3 suits as evidence to this dispute.

### Exhibit #1

Exhibit #1 is the olive suit on the Andrea da Cossato brown hanger. This is the suit that was presented to us as representing the suits in question. You will note the nice brown hanger and that the inside labels, the sleeve labels, and the size tickets are all in the proper location and nothing has been altered.

### Exhibit #2 and #3

These are the actual suits we received. Please note that they did not come in on the attractive brown hanger as presented. They came in on the hanger you are looking at, a normal black inexpensive hanger. The sleeve label was cut off and the inside breast label was cut off, leaving slits in the lining of each suit. The size ticket on the sleeve has been cut off, as has the identification ticket on the pants.

The olive suit on the brown hanger is what we thought was being sold to us, but this is not how the suits came in. We feel this was a misrepresentation of a product. There was no discussion of taking labels out or changing hangers. We are not sure why this was done, but we do have some idea as to why it might have been done.

Please examine these garments and you can see the difference in the presentation. All 3 suits are the same model. All 3 suits were made in Bulgaria. However, Exhibit #2 and #3 were altered in their appearance and through this alteration became damaged suits.

Sworn and subscribed before me this  
13 day of September, 2003  
*Edward Navasky*

Notarial Seal  
Beth A. Dunsmore, Notary Public  
Philipsburg Boro, Centre County  
My Commission Expires Mar. 5, 2005

Very truly yours,

Edward Navasky  
Charles Navasky & Company

Home Office For All Correspondence: 124 Walton Street • P. O. Box 728 • Philipsburg, Pennsylvania 16866 • (814) 342-1160

FAX • Main: 814-342-1920  
NUMBERS • Credit: 814-342-6128

Customer Service: 814-342-6132  
Bookkeeping: 814-342-4422

Chuck Navasky: 814-342-8099  
Eddy Navasky: 814-342-6808

On February 13, 2001 at one of our two annual MAGIC shows in Las Vegas, Nevada I, Charles L. Navasky (President of Charles Navasky and Company), approached Mr. Josh Weiss of Bayer Clothing Group relative to assisting his company in marketing some 100% wool suits to customers of my company that Bayer Clothing does not sell. Mr. Weiss was very receptive to my offer and advised me that Bayer Clothing had 100% wool suits at a price of \$62.15 per garment.

I then returned to my company's booth, with samples in hand, and polled three or four of my salesmen to see if they could sell these 100% wool suits to their customers. My salesmen were pleased with the samples and advised me to proceed. I then went back to Mr. Weiss and told him that I would take the 2,249 suits he had.

The sample suits were beautifully tagged with Italian labels, which my salesmen found to be an excellent selling tool and compensated for the very high price Bayer Clothing charged for them. However, when Mr. Weiss advised me that he would have to remove these labels, because he feared that one or more of my salesmen might possibly service an account that one or more of his salesmen serviced, I advised him that removing the labels was not acceptable. I explained to him that the labeling was a key marketing tool in selling this merchandise, and he agreed to leave the labels as they were.

As per our agreement, prior to the shipment of these suits to my company from Florida (on which I also paid the freight involved), I instructed our bookkeeping department to issue and send a check in the amount of \$70,000.00 to Bayer Clothing Group.

Upon receipt of this partial payment, Mr. Weiss then called me and once again informed me that he had no choice but to remove the labels from these suits. I argued the point with him until he agreed to remove the existing labels and replace them with equally presentable labels that would not hinder my salesmen in marketing these suits.

However, when these suits arrived in Philipsburg, all of the labels had been removed and not one had been replaced. Removing labels damages suits, especially the inside linings. I had promised my salesmen and customers first quality 100% wool suits, with Italian labels, and was now forced to market and ship suits that were definitely of lesser quality and appeared damaged.

Being an honest businessman, my word is my word. Therefore, as originally agreed upon, I instructed our bookkeeping department to issue and send the balance of \$70,405.07 due on these suits.

Knowing that these garments in no way resembled the sample garments presented to my salesmen and customers, I crossed my fingers and shipped them. It didn't take long for me to realize how quickly one's good reputation can be tarnished. Within a week's time, I received complaints from almost every customer shipped. They wanted to know why they had received seconds and not the first quality suits they thought they had purchased. They specifically questioned what had happened to the nice labels. In some cases, I was able to entice my customers to keep the suits by giving them price allowances. However, in most cases I had no choice but to issue return authorizations.

Needless to say, I am now sitting with 900 suits that were returned to me. I called Mr. Weiss and advised him of the problem and he agreed to send in his quality control man, Stef Derkinbern, to inspect these returned suits. After completing his inspection, Mr. Derkinbern totally agreed that the suits were unacceptable in their present state. Our shipping director, Joel Bock, worked side by side with Mr. Derkinbern that day and has also given his statement on Mr. Derkinbern's findings.

For many weeks I attempted to contact Mr. Weiss, leaving messages with the New York office of Bayer Clothing and Tina, who works in the Clearfield office and had helped me to coordinate this deal. Finally, just recently, I was able to make contact with the Vice President of Manufacturing, Tom Iococca. He was shocked when I told him what had happened and couldn't believe that a Bayer Clothing sales manager would use such unprofessional tactics in dealing with a very reputable and established firm such as Charles Navasky and Company that has been in business for 108 years.

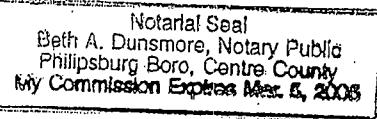


Charles L. Navasky

Sworn and subscribed before me this  
..... day of October, 2001  
.....  
.....

10/9/01

Date



Exhibit

C

I, Joel Bock, work closely with Mr. Charles Navasky, President of Charles Navasky and Company, and was responsible for warehousing and shipping the Bayer Clothing Group 100% wool suits to our customers.

On March 2, 2001 we received 2,249 units from Bayer Clothing. These garments were Peter 3 button 100% wool suits in color styles 500-001 Black, 500-410 Navy, 500-380 Dark Olive, 500-290 Light Olive, and 500-280 Tan.

I also attended the February MAGIC show in Las Vegas and was present when some of the arrangements were made for the purchase of these suits. I can attest to the fact that Mr. Navasky definitely advised the Bayer Clothing people in Las Vegas not to touch the labels on these suits.

However, when we received the suits, the labels had been removed and the joker tickets had been cut off. Most of the suits had already been sold, so we had no choice but to ship them as they were. Unfortunately, our customers thought they had been shipped seconds and returned nearly all the goods.

Sometime in early April, we contacted Bayer Clothing and informed them of our situation. Bayer Clothing then agreed to send in their quality man to inspect these suits. A gentleman by the name of Stef Derkinbern came to Philipsburg to examine these Peter suits. Upon completing his inspection, he advised me (and two other Navasky employees, Janet Richner and Marci Byers, working along with us) that these Peter suits should never have been shipped to us in this condition and that adjustments should be made.

Notarial Seal  
Beth A. Dunsmore, Notary Public  
Philipsburg Boro, Centre County  
My Commission Expires Mar. 5, 2005

Joel M. Bock  
Joel Bock  
Sworn and subscribed before me this  
9 day of October 2001  
Beth A. Dunsmore

10/8/01  
Date

Our signatures below indicate that we were present during Stef Derkinbern's inspection of the suits purchased from Bayer Clothing and personally heard Mr. Derkinbern's statement that these suits should never have been shipped to us in this condition and that adjustments should be made.

Notarial Seal  
Beth A. Dunsmore, Notary Public  
Philipsburg Boro, Centre County  
My Commission Expires Mar. 5, 2005

Janet Richner  
Janet Richner  
Sworn and subscribed before me this  
9 day of October 2001  
Beth A. Dunsmore

10/8/01  
Date

Notarial Seal  
Beth A. Dunsmore, Notary Public  
Philipsburg Boro, Centre County  
My Commission Expires Mar. 5, 2005

Marci Byers  
Marci Byers  
Sworn and subscribed before me this  
9 day of October 2001  
Beth A. Dunsmore

10/8/01  
Date

Exhibit D

September 9, 2003

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA

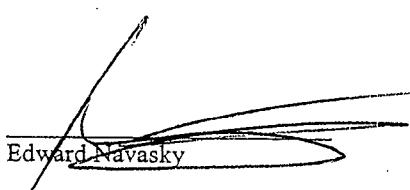
COUNTY OF CENTRE

On this, the 9<sup>th</sup> day of September, 2003 before me, the undersigned notary public, personally appeared Edward Navasky, to me known, and stated the following:

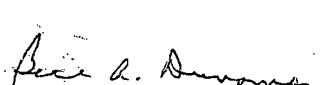
I saw a sample suit that was presented to my son Chuck that we were going to try to sell for Bayer Clothing. The suit had all the proper label identification, was very clean, etc.

When it came in it showed where labels had been cut and sleeve ticket identification altered. I have heard Chuck, Joel Bock, and Randy Curtorillo say that this is not as it was originally presented to them.

We had complaints, and returns and allowances on merchandise that we were able to sell.

  
Edward Navasky

Subscribed and sworn to before me this 9 day of September, 2003.

  
Bett A. Dunsmore  
Notary Public

Notarial Seal  
Bett A. Dunsmore, Notary Public  
Philipsburg Boro, Centre County  
My Commission Expires Mar. 5, 2005

Exhibit E

September 11, 2003

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CENTRE

On this, the 11<sup>th</sup> day of September, 2003 before me, the undersigned notary public, personally appeared Randy Curtorillo, to me known, and stated the following:

I was originally shown samples of the garments we were going to buy from and try to sell for Bayer Clothing, which were nicely tagged and labeled. When actual garments were shipped to us the tags were missing and the labels were cut out, causing damages and cuts in the linings and fabrics.

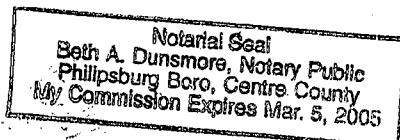
The coats, in my opinion, were not first quality but factory seconds.

Customer complaints were many, and we had considerable returns on these garments.

  
Randy Curtorillo

Subscribed and sworn to before me this 11 day of September, 2003.

Beth A. Dunsmore  
Notary Public



# Exhibit F

September 10, 2003

## AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CENTRE

On this, the 10<sup>th</sup> day of September, 2003 before me, the undersigned notary public, personally appeared Joel M. Bock, to me known, and stated the following:

At the February 2001 Magic show in Las Vegas, Nevada, Chuck Navasky and I went to the Bayer Clothing booth to look at some suit samples of theirs that we were going to try to help them sell. Chuck Navasky told them that we would try to sell some of their suits for them, but the identification on them must stay the same as the samples we took with us to our booth.

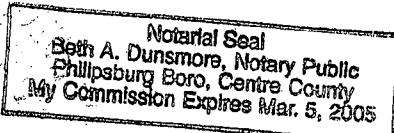
When we received the Target suits, about two weeks later, most all of the labels had been removed and the joker tickets had been altered.

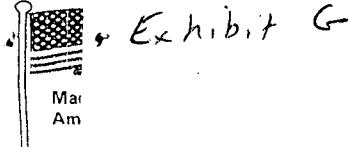
Our customers returned many of the suits because they feared that they had purchased seconds when they saw that labels had been taken out and the joker tickets trimmed off.

Joel M. Bock  
Joel M. Bock

Subscribed and sworn to before me this 10 day of September, 2003.

Beth A. Dunsmore  
Notary Public





# co Industries Inc.

Charles Navasky & Co., Inc. • Don Mart Clothes, Inc. • Berkeley Square Sportswear • Falcone

Home Office For All Correspondence  
114 Walton Street  
P. O. Box 728  
Philipsburg, Pennsylvania 16866  
(814) 342-1160

MANUFACTURER OF MEN AND BOYS  
CLOTHING AND SPORTSWEAR

Showroom And Warehouse  
150 Commerce Road  
Carlstadt, NJ 07072  
(201) 438-3002

October 1, 2001

Josh Weiss  
Bayer Clothing Group  
20 West 55<sup>th</sup> Street, 11<sup>th</sup> Floor  
New York, NY 10019

Dear Mr. Weiss:

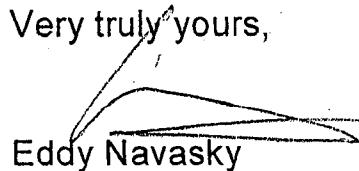
It was nice speaking with you the other day. Regardless of the misunderstandings, we have a problem that both of us should try to solve.

First of all, these suits were never sold to B. C. Moore. That I can tell you. Secondly, the suits did not come in as presented and almost half of the 2,200 suits were returned. Chuck also had to give customers allowances on the other suits shipped just to get them to keep them.

I am investigating why he needed the suits and what happened that you had problems. Either way, we should try to settle this amicably and I have a couple plans I will discuss with Chuck that won't destroy you or destroy us.

I repeat, let's try to do this amicably. When I get additional information, I will be in touch with you.

Very truly yours,

  
Eddy Navasky

cc: Chuck Navasky

Exhibit H

September 12, 2003

Re: Labels

To Whom It May Concern:

Labels sewn on four sides on the inside of a suit cannot be cut out without damaging the suit either by small needle holes or cuts made from the use of a seam ripper.

Attached you will find what we use when we want to change the identification of a suit.

These are iron-on labels that can be simply ironed on over the existing label and therefore covering the existing identification.

We have never taken out labels sewn on four sides. We use an iron-on label per the attached.

Very Truly Yours,  
CHARLES NAVASKY & CO., INC.

Edward Navasky  
Chairman of the Board



Date: 12/23/2003

**Clearfield County Court of Common Pleas**

User: BANDERSON

Time: 11:05 AM

ROA Report

Page 1 of 1

Case: 2002-00178-CD

Current Judge: Paul E. Cherry

Charles Navasky Co., Inc. vs. Bayer Clothing Group, Inc.

Civil Other

Date	Judge	
02/06/2002	Filing: Civil Complaint Paid by: Mason, David C. (attorney for Charles Navasky & Co, Inc.) Receipt number: 1837906 Dated: 02/06/2002 Amount: \$80.00 (Check) Three CC Attorney Mason	No Judge ✓
03/18/2002	Answer, filed by s/Carl A. Belin, Jr., Esq. Three CC Attorney Belin	No Judge ✓
04/15/2002	Sheriff Return, Papers served on Defendant(s). So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm	No Judge ✓
08/28/2002	Defendant's First Set of Interrogatories and Notice to Produce Documents filed by Atty for Defendant. No cc.	John K. Reilly Jr. ✓
09/15/2003	ORDER, NOW, this 15th day of September, 2003, re; All discovery shall be completed within 90 days from date hereof and the CA directed to place the matter on the call of the Civil List scheduled for Jan. 06, 2004. by the Court, s/JKR,JR.,P.J. 1 cc Atty Belin, Mason	John K. Reilly Jr. ✓

Tx. TOTAL PAGES 006504  
Rx. TOTAL PAGES 002449  
PRINT TOTAL PAGES 005654

NO.	DATE	START	TIME	PARTNER	MODE	PAGE	RESULT
Tx.							
1	Dec.22	12:37	1'10	3713241	G3	02	OK
2	Dec.22	13:02	2'19	814 857 5497	G3	05	OK
3	Dec.22	15:46	2'35	7172349307	G3	04	OK

Rx.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*

\*

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No. 02-178-CO

PLAINTIFF

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BAYER CLOTHING GROUP, INC.,

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DEFENDANT

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\*

TYPE OF PLEADING: COMPLAINT

\*

\*

FILED ON BEHALF OF: PLAINTIFF

\*

\*

COUNSEL OF RECORD FOR THIS  
PARTY:

\*

\*

David C. Mason, Esquire

\*

Mason Law Office

\*

409 North Front Street

\*

P.O. Box 28

\*

Philipsburg, PA 16866

\*

814 342 2240

\*

Supreme Court ID NO. 39180

FILED

FEB 06 2002

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*

\*

\* No.

PLAINTIFF

\*

\*

VS.

\*

\*

BAYER CLOTHING GROUP, INC.,

\*

\*

DEFENDANT

\*

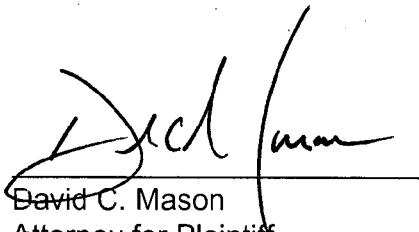
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NOTICE

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by an attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiffs. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE CAN GET LEGAL HELP.

David Meholick  
Court Administrator  
Clearfield County Courthouse  
Clearfield, PA 16830  
(814) 765-2641

  
David C. Mason  
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

**CHARLES NAVASKY & CO., INC.**

\*

\*

No.

**PLAINTIFF**

\*

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\*

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VS.

**BAYER CLOTHING GROUP, INC.,**

\*

\*

**DEFENDANT**

\*

COMPLAINT

AND NOW, comes the **PLAINTIFF, CHARLES NAVASKY & CO., INC.**, by its Attorney, David C. Mason, Esquire, of 409 North Front Street, P. O. Box 28, Philipsburg, Pennsylvania, 16866, and files this Complaint against the **DEFENDANT**, and in support thereof makes the following averments:

1. The **PLAINTIFF CHARLES NAVASKY & CO., INC.**, is a business corporation with an office or place of business at 114 Walton Street, Philipsburg, (Borough of Chester Hill) Clearfield County, Pennsylvania, 16866.
2. It is believed and therefore averred that the **DEFENDANT, BAYER CLOTHING GROUP, INC.**, is a corporation authorized to do business in the Commonwealth of Pennsylvania with an office or place of business at R. D. #4, Box 918, Clearfield, Clearfield County, Pennsylvania, 16830.

3. Both parties are engaged in the manufacture and wholesale distribution of men's and boys' clothing.

4. On or about February 13, 2001, representatives of **BAYER CLOTHING GROUP, INC.**, provided to the **PLAINTIFF CHARLES NAVASKY & CO., INC.**, samples of one hundred percent (100%) wool suits. The stated price for suits of this style, kind and quality was \$62.15.

5. The samples which were provided to **PLAINTIFF CHARLES NAVASKY & CO., INC.**, were identified and labeled with attractive Italian labels.

6. The samples provided by **DEFENDANT BAYER CLOTHING GROUP, INC.**, were representative of a lot of 2,249 suits which **BAYER CLOTHING GROUP, INC.**, had in a warehouse in Florida that were unable to be sold, marketed, or distributed by sales representatives of **BAYER CLOTHING GROUP, INC.**.

7. Subsequent to **PLAINTIFF'S** agreement to purchase the lot of 2,249 suits at a price of \$62.15 each, plus shipping from Florida to Clearfield County, **DEFENDANT BAYER CLOTHING GROUP, INC.**, advised it would remove the labels from the suits.

8. **PLAINTIFF** advised **DEFENDANT** that removal of the labels would have a significant negative impact on the value and marketability of these suits, and removal of the labels would trigger a rejection of the goods.

9. Following this conversation, the **DEFENDANT** agreed the labels would remain.

10. **CHARLES NAVASKY & CO., INC.**, tendered a partial payment to **BAYER CLOTHING GROUP, INC.**, of \$70,000.00, *prior to shipment.*

11. After receipt of the partial payment **BAYER CLOTHING GROUP, INC.**, advised that the labels on the suits would be removed and replaced with labels similar in kind, quality and presentation.

12. On March 2, 2001, the **PLAINTIFF** received 2,249 wool suits. The suits shipped by **BAYER CLOTHING GROUP, INC.**, had the labels cut out and the joker tickets removed, including the labels on the inside breast pocket.

13. The removal of the labels from these places and in this manner is indicative of "seconds" in the clothing industry, not first quality goods as represented by the samples presented to **CHARLES NAVASKY & CO., INC.**, at the MAGIC Show in Las Vegas.

14. The MAGIC Show in Las Vegas is a merchant trade show at which manufacturers and wholesale distributors, such as **BAYER CLOTHING GROUP, INC.**, and **CHARLES NAVASKY & CO., INC.**, market, showcase, purchase and sell their goods. Merchants and buyers from around the country attend the show and order suits and other clothing from the samples shown them.

15. Most of the 2,249 units purchased by **CHARLES NAVASKY & CO., Inc.**, based upon the samples shown them were also sold at the MAGIC Show based upon the samples. Orders for these suits were placed at the MAGIC Show or following the MAGIC Show with **PLAINTIFF CHARLES NAVASKY & CO., INC.**, based upon the representative samples seen at the MAGIC Show.

16. As the suits purchased from **BAYER CLOTHING GROUP, INC.**, had been sold and merchants were awaiting receipt of shipment, the suits as received from **BAYER**

**CLOTHING GROUP, INC.**, on March 2, 2001, were shipped and distributed by **CHARLES NAVASKY & CO., INC.**, to the retailers.

17. **CHARLES NAVASKY & CO., INC.**, tendered the balance of the purchase price of \$70,405.07.

18. Upon receipt of the goods from **CHARLES NAVASKY & CO., INC.**, retailers complained about the second quality nature of the goods received. They complained that the labels had been removed and the garments damaged. They complained that the suits as received were not of the same kind and quality as the samples from which they purchased the goods.

19. The retailers to whom these goods were shipped demanded return authorizations and/or price adjustments to compensate them for the lower quality and lower projected sales price of these goods.

20. **CHARLES NAVASKY & CO., INC.**, promptly notified the **DEFENDANT BAYER CLOTHING GROUP, INC.** Within thirty (30) days of receipt of the units from **BAYER CLOTHING GROUP, INC.**, **CHARLES NAVASKY & CO., INC.**, notified the **DEFENDANT** of its rejection of the goods. For purposes of alternative pleading, within thirty (30) days of receipt of the goods **CHARLES NAVASKY & CO., INC.**, notified the **DEFENDANT** of its rejection of the goods and revoked its acceptance of the goods.

21. **DEFENDANT'S** representatives examined the goods shipped by the **DEFENDANT** to the **PLAINTIFF** and agreed that the suits should not have been shipped to **PLAINTIFF** in the condition which the **PLAINTIFF** received them.

**COUNT I**

**BREACH OF EXPRESS WARRANTY**

Paragraphs 1 through 21 are incorporated herein by reference as though fully set forth at length.

22. The **DEFENDANT BAYER CLOTHING GROUP, INC.**, breached an express warranty made to the purchaser, **PLAINTIFF** herein, that the whole lot of 2,249 suits would conform to the kind, quality and nature of the samples presented to the **PLAINTIFF** at the MAGIC Show.

23. **PLAINTIFF** has suffered the economic loss of the return of the goods to it, the issuance of credits to purchasers, the loss of value of the goods, and the loss of its business reputation in that it shipped as first quality suits that appeared to retailers as being seconds, or irregulars.

24. **PLAINTIFF** has suffered the loss of the value of the goods purchased from the **DEFENDANT**, the purchase price of which was **\$140,405.07**, plus shipping from Florida.

**WHEREFORE, PLAINTIFF** demands that judgment be entered in favor of **PLAINTIFF** and against **DEFENDANT**, in an unliquidated amount in excess of **\$25,000.00**, plus interest from March 1, 2001, plus costs of suit and attorneys fees as permitted by law.

**COUNT II**

**IMPLIED WARRANTY OF MARKETABILITY**

Paragraphs 1 through 24 are incorporated herein by reference as though fully set forth at length.

25. **DEFENDANT BAYER CLOTHING GROUP, INC.**, breached the implied warranty of merchantability as the **DEFENDANT** is a merchant of men's suits, and the goods sold by **BAYER CLOTHING GROUP, INC.**, to **CHARLES NAVASKY & CO., INC.**, are not merchantable in that:

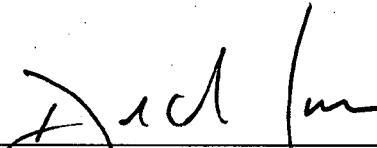
- A. They would not and did not pass without objection in the trade under the contract description;
- B. Are not of fair average quality;
- C. Are not fit for the ordinary purposes for which these goods are customarily used;
- D. Are not of even kind and quality within each unit and among all units;
- E. Are not adequately labeled as required by the Agreement of Sale;
- F. Do not conform to the promises or affirmations made by the **DEFENDANT** to the **PLAINTIFF** at the time of sale.

26. **PLAINTIFF** has suffered the economic loss of the return of the goods to it, the issuance of credits to purchasers, the loss of value of the goods, and the loss of its business reputation in that it shipped as first quality suits that appeared to retailers as being seconds, or irregulars.

27. **PLAINTIFF** has suffered the loss of the value of the goods purchased from the **DEFENDANT**, the purchase price of which was **\$140,405.07**, plus shipping from Florida.

**WHEREFORE, PLAINTIFF** demands that judgment be entered in favor of **PLAINTIFF** and against **DEFENDANT**, in an unliquidated amount in excess of **\$25,000.00**, plus interest from March 1, 2001, plus costs of suit and attorneys fees as permitted by law.

**MASON LAW OFFICE**

  
\_\_\_\_\_  
David C. Mason, Attorney for Plaintiff

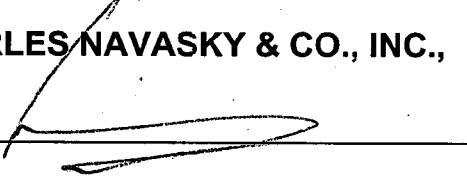
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**VERIFICATION**

I hereby verify that the answers set forth in the foregoing **COMPLAINT** are true and correct to the best of my knowledge, information and belief, and that I as Chairman of Board of **CHARLES NAVASKY & CO., INC.**, am authorized to make this verification subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsification to authorities.

**CHARLES NAVASKY & CO., INC.,**

DATED Jan 24, 2002

By: 

**FILED**

FEB 06 2002

1/30/02 (City Max)

William A. Shaw

Prothonotary

Atty Maxon pd \$80.00

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC.,  
Plaintiff  
vs.  
BAYER CLOTHING GROUP, INC.,  
Defendant

NO. 02 - 178 - C.D.

ANSWER

Filed on Behalf of:  
Defendant

Counsel of Record for  
This Party:

Carl A. Belin, Jr., Esquire  
PA I.D. #06805

BELIN & KUBISTA  
15 North Front Street  
P.O. Box 1  
Clearfield, PA 16830  
(814) 765-8972

FILED

MAR 1 8 2002  
0110:4113cc atty  
William A. Shaw  
Prothonotary Belin

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC.,

Plaintiff

NO. 02 - 178 - C.D.

vs.

BAYER CLOTHING GROUP, INC.,

Defendant

ANSWER

AND NOW comes the Defendant Bayer Clothing Group, Inc., by and through its attorneys, Belin & Kubista, and files the following Answer to Plaintiff Charles Navasky & Co., Inc.'s Complaint, and in support thereof, avers as follows:

1. Paragraph 1 is admitted. Plaintiff Charles Navasky & Co., Inc., its representatives, agents and employees are hereinafter collectively referred to as "Navasky."
2. Paragraph 2 is admitted. Defendant Bayer Clothing Group, Inc., its representatives, agents and employees are hereinafter collectively referred to as "Bayer."
3. Paragraph 3 is admitted.
4. Paragraph 4 is admitted that on February 13, 2001 Bayer provided to Navasky samples of 100% wool suits and that the price quoted for the suits was \$62.15. It is further averred that later the same day Navasky met with Bayer to reach an agreement to purchase the Bayer inventory of all the available suits represented by the samples. Bayer advised Navasky that all the labels, including breast pocket and sleeve labels, and any identifying names on the jokers on the suits would have to be removed to preserve the confidentiality of the manufacturer

and also for proprietary reasons and Navasky advised Bayer this presented no problem as Navasky would place its new labels on the suits before they would be sold. After these terms were discussed, the price was set at \$62.15 per suit. The price for all suits was to be paid by Navasky to Bayer before the suits would be shipped. Upon reaching an agreement on these terms, the parties agreed to the sale/purchase of the suits.

5. Paragraph 5 is admitted in part that the samples provided to the representative of Navasky contained labels "Andrea Da Cassato" but it is averred that the representative was also advised at the time of reaching the agreement of sale that most of the suits had a label "Augustus." It is further averred before the sale was agreed upon Bayer advised Navasky that all labels would be removed because of privacy concerns and proprietary concerns. In further answer thereto Paragraph 4 of this Answer is hereby incorporated by reference and made a part hereof.

6. Paragraph 6 is admitted.

7. Paragraph 7 is denied and it is averred that Navasky was advised prior to the sale being agreed upon that all labels would be removed from the suits and further this condition was understood by Navasky before it reached the agreement for the purchase of the suits. After the conversation regarding the labels occurred at the Magic Show, there was no further conversations between the parties concerning the removal of the labels.

8. Paragraph 8 is denied and it is averred that the removal of the labels was a condition of the sale which was agreed to by Navasky and it is denied that any further

conversation even occurred as to the labels after the conversation set forth in Paragraph 4 of this Answer which is incorporated herein by reference and made a part hereof.

9. Paragraph 9 is denied and it is averred no such conversation ever took place as Bayer made as a condition of the agreement that all labels would be removed before the suits would be shipped to Navasky, and in further answer thereto Paragraphs 4-8 of this Answer are hereby incorporated by reference and made a part hereof.

10. Paragraph 10 is admitted in part and it is averred that the sale required payment in full before the suits were to be shipped but it is averred that Bayer modified the original agreement and agreed to send the suits upon a payment of \$70,000.00, which was done; in further answer thereto Paragraph 4 of this Answer is hereby incorporated by reference and made a part hereof.

11. Paragraph 11 is denied and it is averred that Bayer told Navasky before the sale was agreed upon that the labels on the suits would be removed and no further conversation occurred as to the labels after the agreement was consummated on February 13, 2001; and in further answer thereto Paragraph 4 of this Answer is hereby incorporated by reference and made a part hereof.

12. Paragraph 12 is admitted in part and it is averred that the suits that were shipped by Bayer had all the labels removed but it is denied that the joker tickets were removed and it is averred that the suits were shipped with the original joker tickets which were trimmed only where the name appeared on the ticket, otherwise the jokers were not touched by Bayer prior to shipping.

13. Paragraph 13 is denied and it is averred that it is common in the industry to remove the original labels on finished goods where the goods are to be shipped to another customer and in such instances it is common in the industry to replace the labels with a new label submitted by the customer or by the manufacturer. It is further averred that Navasky advised Bayer that it intended to install its own label of a larger size on the goods before sale.

14. Paragraph 14 is admitted.

15. Paragraph 15 is neither affirmed or denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial. It is averred in any event, that Navasky knew the Bayer labels would be removed and should have advised any purchasers that its label would be installed in the suits or that the labels would be removed from the suits before sale.

16. Paragraph 16 is neither admitted nor denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial. In the event Navasky shipped the suits to its customers without installing labels that it is responsible for the consequences of its action in selling the suits without installing its own labels on the suits.

17. Paragraph 17 is admitted and it is averred that the payment was required before all suits would be shipped in accordance with the original agreement as to the sale of the suits. In further answer thereto, Paragraphs 4 and 10 of this Answer are hereby incorporated by reference and made a part hereof.

18. Paragraph 18 is neither affirmed or denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial. It is averred that the suits were of the same kind and quality as the samples. In any event there was a complaint regarding the labels or damage to the lining, it was the direct result of the failure of Navasky to insert its own labels which would have covered up the area where the labels were removed which is common in the garment industry.

19. Paragraph 19 is neither affirmed or denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial. It is averred that the suits were of the same quality as shown to Navasky at the time the agreement was reached. It is further averred that if there were any complaints as to quality resulting from the failure of Navasky to place labels in the goods to cover the area of the labels removed by Bayer that Bayer is not responsible for the loss as Bayer's actions in removing the labels was a condition of the sale.

20. Paragraph 20 is denied and it is averred there was no basis for any rejection of any of the suits delivered by Bayer to Navasky. It is further averred that all suits shipped to Navasky met the quality and specifications of the sale agreed upon by Bayer and Navasky on February 13, 2001 and it is averred that no basis for rejection existed as a result of the labels being removed by Bayer.

21. Paragraph 21 is denied and it is averred that Bayer sent a representative to examine the goods shipped by Bayer to Navasky; the representative examined 100 suits and

found no damage to the suits. It is further averred that Navasky presented to Bayer's representative 2 or 3 suits from which it is claiming damage for an area which would have been covered by new labels had Navasky inserted the new labels on the breast pockets as it had advised Bayer when the sale was consummated as a result the alleged defects were not of the type that violated the agreement of sale.

COUNT I

BREACH OF EXPRESS WARRANTY

Paragraphs 1 through 21 of this Answer are hereby incorporated by reference and made a part hereof.

22. Paragraph 22 is denied and it is averred that the 2,249 suits did conform to the kind, quality and nature of the samples presented to Navasky at the Magic Show except that the labels were removed in accordance with the conditions inserted by Bayer before the agreement of sale was reached; it is further averred that had Navasky inserted labels of a larger size in the breast pocket which it indicated to Bayer at the time of the sale, that the suits would have conformed completely to the kind, quality and nature of the samples presented to Navasky at the Magic Show.

23. Paragraph 23 is neither affirmed or denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial. It is averred that any loss that occurred as a result of the sale of the suits was a direct result of the failure of Navasky to insert its labels

on the suits and that the suits otherwise would have appeared as first quality suit to the retailers rather than as being seconds or irregulars.

24. Paragraph 24 is denied and it is averred that any loss that Navasky has suffered as a result of the sale was a direct result of its own failure to take the necessary action to insert labels in the suits which would have appeared to retailers as first quality as manufactured by Bayer.

WHEREFORE, Bayer requests Your Honorable Court enter judgment in favor of Bayer and against Navasky.

COUNT II

IMPLIED WARRANTY OF MARKETABILITY

Paragraphs 1 through 24 of this Answer are hereby incorporated by reference and made a part hereof.

25. Paragraph 25 is denied and it is averred that Bayer delivered the suits to Navasky that were represented by the sample and were marketable and further that had Navasky inserted its own labels on the suits that:

- A. that they would have passed without objection in the trade under the contract described as first line quality;
- B. that they were of first line quality and would meet the specifications of the samples delivered to Navasky at the Magic Show;
- C. they were fit for the purposes for which the suits were customarily used;
- D. were of the kind and quality as to all units;

E. met the agreement of sale and a condition of the sale was that Bayer would remove all of its labels from the suits being shipped to Navasky and Navasky intended to install its own labels on the area from which Bayer had removed the label; and

F. did conform to the agreement reached between Bayer and Navasky

In further answer thereto, Paragraph 4 of this Answer is hereby incorporated by reference and made a part hereof.

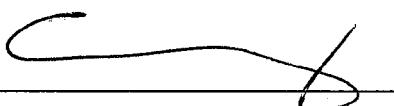
26. Paragraph 26 is neither affirmed or denied as after reasonable investigation Bayer is without knowledge or information sufficient to form a belief as to the truth of the averment and strict proof thereof is demanded at trial.; it is averred that if any loss occurred as a result of the sales of the suits to third parties it was the direct result of the failure of Navasky to install its own labels of a larger size to an area where the labels had been removed by Bayer as Navasky had advised Bayer it intended to do; and it is further averred that had said labels been installed by Navasky as it advised Bayer it would do at the time of the sale, that all suits would have appeared to retailers as first quality suits.

27. Paragraph 27 is denied that Navasky suffered any loss of value as a result of the good shipped by Bayer pursuant to the agreement of sale and in further answer thereto Paragraph 4 of this Answer is hereby incorporated by reference and made a part hereof. It is averred that if any loss occurred as to the value of the goods it was as a direct result of the failure of Navasky to install its own labels of a larger size in the areas where the Bayer labels had been removed and consequently Bayer is not responsible for any loss as said loss is a direct

result of the failure of Navasky to install its labels in suits before offering them for sale as first quality suits.

WHEREFORE, Bayer requests Your Honorable Court enter judgment in favor of Bayer and against Navasky.

**BELIN & KUBISTA**

By 

**Carl A. Belin, Jr., Esq.  
Attorney for Defendant**

COMMONWEALTH OF PENNSYLVANIA

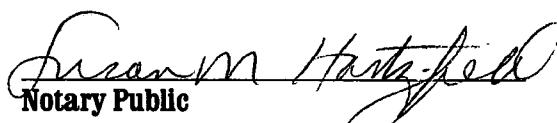
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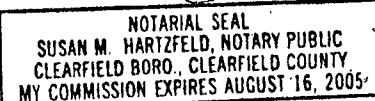
COUNTY OF CLEARFIELD

Before me the undersigned officer, personally appeared Kris Young, who deposes and says she is the Manager, Personnel Administration of Bayer Clothing Group, Inc., and as such Manager being authorized to do so, and being duly sworn according to law, depose and says that the facts set forth in the foregoing Answer are true and correct to the best of her knowledge, information and belief.

  
Kris Young

Sworn and subscribed before me this 18th day of March, 2002.

  
Susan M. Hartzfeld  
Notary Public



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC.,

Plaintiff

NO. 02 - 178 - C.D.

VS.

BAYER CLOTHING GROUP, INC.,

Defendant

CERTIFICATE OF SERVICE

This is to certify that the undersigned has sent a certified copy of Defendant's Answer in the above-captioned matter to the following party by postage prepaid United States first class mail on the 18th day of March, 2002:

David C. Mason, Esquire  
Mason Law Office  
409 North Front Street  
P.O. Box 28  
Philipsburg, PA 16866

BELIN & KUBISTA

By

  
Carl A. Belin, Jr., Esq.  
Attorney for Defendant

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**In The Court of Common Pleas of Clearfield County, Pennsylvania**

**Sheriff Docket #** 12065

**CHARLES NAVASKY & CO. INC.**

**02-178-CD**

**VS.**

**BAYER CLOTHING GROUP, INC.**

**COMPLAINT**

**SHERIFF RETURNS**

**NOW FEBRUARY 12, 2002 AT 10:45 AM EST SERVED THE WITHIN COMPLAINT  
ON BAYER CLOTHING GROUP INC., DEFENDANT AT EMPLOYMENT, RD#4 BX 918,  
CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO HEATHER  
RESSLER, PAYROLL CLERK A TRUE AND ATTESTED COPY OF THE ORIGINAL  
COMPLAINT AND MADE KNOWN TO HER THE CONTENTS THEREOF.**

**SERVED BY: COUDRIET**

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**Return Costs**

<b>Cost</b>	<b>Description</b>
<b>20.34</b>	<b>SHFF. HAWKINS PAID BY: ATTY.</b>
<b>10.00</b>	<b>SURCHARGE PAID BY: ATTY.</b>

**FILED**

**APR 15 2002**

**01/451**

**William A. Shaw  
Prothonotary**

*6  
4/25*

**Sworn to Before Me This**

**15th Day Of April 2002**  
*W. A. Shaw*

**So Answers,**

*Chester A. Hawkins  
by Marly Harr*

**Chester A. Hawkins  
Sheriff**

**WILLIAM A. SHAW  
Prothonotary  
My Commission Expires  
1st Monday in Jan. 2006  
Clearfield Co., Clearfield, PA**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC., :  
Plaintiff :  
: NO. 02 - 178 - C.D.

vs.

BAYER CLOTHING GROUP, INC., :  
Defendant :  
: DEFENDANT'S FIRST SET  
: OF INTERROGATORIES AND  
: NOTICE TO PRODUCE  
: DOCUMENTS

Filed on Behalf of:  
Defendant

Counsel of Record for  
This Party:

Carl A. Belin, Jr., Esquire  
PA I.D. #06805

BELIN & KUBISTA  
15 North Front Street  
P.O. Box 1  
Clearfield, PA 16830  
(814) 765-8972

FILED

AUG 28 2002

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

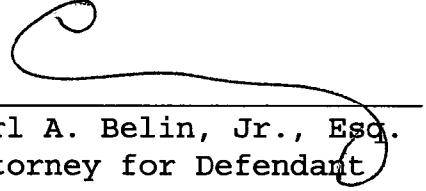
CHARLES NAVASKY & CO., INC., :  
Plaintiff :  
: NO. 02 - 178 - C.D.  
vs. :  
: BAYER CLOTHING GROUP, INC., :  
Defendant :  
:

**CERTIFICATE OF SERVICE**

This is to certify that the undersigned has sent a certified copy of Defendant's First Set of Interrogatories and Notice to Produce Documents in the above-captioned matter to the following party by postage prepaid United States first class mail on the 28th day of August, 2002:

David C. Mason, Esquire  
Mason Law Office  
409 North Front Street  
P.O. Box 28  
Philipsburg, PA 16866

BELIN & KUBISTA

By   
Carl A. Belin, Jr., Esq.  
Attorney for Defendant

CLERAFFIELD, PENNSYLVANIA 16830  
P. O. BOX 1  
15 NORTH FRONT STREET  
ATTORNEYS AT LAW  
BELIN & KUBISTA

FILED  
AUG 28 2002  
RC  
cc

William A. Shaw  
Prothonotary

## IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

## CIVIL ACTION

CHARLES NAVASKY &amp; CO., INC. :

-vs- : No. 02 - 178 - CD

BAYER CLOTHING GROUP, INC. :

**ORDER**

NOW, this 15<sup>th</sup> day of September, 2003, following status conference into the above-captioned matter, it is the ORDER of this Court that all discovery shall be completed within 90 days from date hereof and the Court Administrator directed to place the matter on the call of the civil list scheduled for January 6, 2004.

By the Court,

President Judge

FILED

SEP 15 2003

William A. Shaw  
Prothonotary/Clerk of Courts

FILED  
OCT 3 04 2003  
SEP 15 2003  
CC Amy Belin  
CC Amy Mason  
William A. Shaw  
Prothonotary/Clerk of Courts  
KAT

IN THE COURT OF COMMON PLEAS  
OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CHARLES NAVASKY & CO., INC. : NO. 02-178-CD  
V. : FILED  
BAYER CLOTHING GROUP, INC. : JAN 28 2004

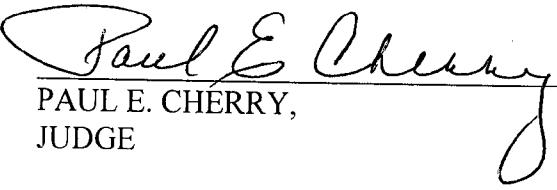
William A. Shaw  
Prothonotary/Clerk of Courts

ORDER

AND NOW, this 28th day of January, 2004, following Pre-Trial Conference, it is  
the ORDER of this Court:

1. Motions shall be filed by and no later than March 22, 2004.
2. The parties shall provide suggested Points for Charge by and no later March 22, 2004.
3. Jury Selection in this matter is scheduled for 9:00 A.M. on January 29, 2004, in Courtroom No. 1 of the Clearfield County Courthouse, Clearfield, Pennsylvania.
4. Jury Trial in this matter is scheduled for April 22 and 23, 2004, in Courtroom No. 2 of the Clearfield County Courthouse, Clearfield, Pennsylvania.
5. The parties shall mark all exhibits for trial prior to trial to speed introduction of exhibits.

BY THE COURT,

  
PAUL E. CHERRY,  
JUDGE

FILED  
cc:Attn: Mason, Berlin  
JAN 28 2004

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*

\* No. 02-178-CD

\*

Plaintiff

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vs.

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\*

BAYER CLOTHING GROUP, INC.

\*

\*

Defendant

\*

\* TYPE OF PLEADING:

\* Praecipe to Settle and Discontinue

\*

\*

\* FILED ON BEHALF OF:

\* Plaintiff

\*

\* COUNSEL OF RECORD FOR  
THIS PARTY:

\*

\* David C. Mason, Esquire  
\* I.D. No. 39180  
\* MASON LAW OFFICE  
\* P.O. Box 28  
\* Philipsburg, PA 16866  
\* 814 342 2240

\*

\* COUNSEL OF RECORD FOR  
DEFENDANT:

\*

\* Carl A. Belin, Esquire  
\* BELIN & KUBISTA  
\* 15 N. Front Street, P.O. Box 1  
\* Clearfield, PA 16830  
\* (814) 765-8972

FILED

FEB 06 2004

07/11/04 fm

William A. Shaw

Prothonotary/Clerk of Courts  
NO CERT COPIES

COPY TO C/P

2 CERT. OR DISC. TO ATTY

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

CHARLES NAVASKY & CO., INC.

\*  
\* No. 02-178-CD

Plaintiff

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\*  
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\*

vs.

BAYER CLOTHING GROUP, INC.

\*  
\*  
\*

Defendant

\*

**PRAECIPE TO SETTLE AND DISCONTINUE**

TO THE PROTHONOTARY OF SAID COURT:

Kindly mark the above captioned action settled and discontinued. Thanks very  
much.

MASON LAW OFFICE

DATED: 2/5/04

By: David C. Mason  
David C. Mason, Esquire,  
Attorney for Plaintiff

ATTOURNIES AT LAW  
BELLIN & KUBISTA

CLEARFIELD, PENNSYLVANIA 16830

15 NORTH FRONT STREET

P.O. BOX 1

**FILED**  
**FEB 06 2004**  
William S. ...  
Prothonotary Clerk of Courts

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

Charles Navasky & Co., Inc.

Vs. No. 2002-00178-CD  
Bayer Clothing Group, Inc.

CERTIFICATE OF DISCONTINUATION

Commonwealth of PA  
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on February 6, 2004, marked:

Settled and Discontinued

Record costs in the sum of \$110.34 have been paid in full by Atty. for Plaintiff.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 6th day of February A.D. 2004.



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William A. Shaw, Prothonotary