

IN THE MATTER OF

HAIR EXPERTS, INC. ET AL.

COMPLAINT, FINDINGS, AND ORDERS IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 5757. Complaint, Mar. 22, 1950—Decision, May 17, 1952

Where a corporation and its three officers, engaged in the operation in cities in various States of branches and retail stores dealing exclusively in the sale of cosmetic and medicinal preparations for external use in the treatment of conditions of the hair and scalp, and in the use of said preparations in office treatments;

In conducting their operations (1) through extensive advertising inviting persons to come to their places of business for diagnosis and treatments involving purchase of their preparations; (2) through selling home treatment kits of their preparations to persons thus induced to visit their offices; (3) through sending traveling representatives to various cities, extensively advertising their visits and inviting the public to call upon them for diagnosis and advice, following which said representatives recommended either office treatment or purchase of the home treatment kits; and (4) the mailing of questionnaires, answers to which were followed up by offers of branch office treatment or the sale of home treatment kits; in advertisements in newspapers, periodicals, and other advertising literature—

- (a) Represented falsely that use of their preparations, methods and treatments, by their operators in their places of business and by purchasers in their homes, would cause hair to grow when growth had ceased and resulted in thin hair or partial baldness; that the hair growing functions of the scalp would be rejuvenated; and that fuzz on the scalp would be developed into normal hair;
- (b) Represented falsely that the germicides included among their preparations would penetrate below the skin surface and kill bacteria there located, and destroy bacilli on the scalp surface;
- (c) Represented falsely that their preparations would prevent baldness, grow hair on bald heads and enable an individual to maintain a thick growth of hair for life; would reopen clogged hair passages in the scalp, energize hair papillae, make sluggish circulation in the scalp normal, and eliminate excessive falling hair, loose dandruff, itching and dryness and oiliness of the hair and scalp;
- (d) Represented that their preparations, treatments and methods were new scientific discoveries in the treatment of hair and scalp disorders; when in fact all the ingredients in said preparations, as well as said methods of treatment, have been used without success for many years in efforts to correct falling hair and prevent baldness; and
- (e) Represented falsely by the use of the designation "Trichologist" in their advertisements that certain of their operators or employees had had competent training in dermatology or other branches of medicine having to do with the diagnosis and treatment of scalp disorders affecting the hair;

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With capacity and tendency to deceive a substantial portion of the public into the mistaken belief that such representations were true and thereby induce it to visit respondents' offices for treatment and purchase of aforesaid products:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public, and constituted unfair and deceptive acts and practices in commerce.

Before *Mr. James A. Purcell*, hearing examiner.

Mr. George M. Martin and *Mr. J. M. Doukas* for the Commission.
Hogan, Kelleher & Bill, of New York City, for respondents.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission having reason to believe that Hair Experts, Inc., a corporation, and Robert W. Farrell, Harold E. Candler and Abram Jacobson as individuals and as officers of said corporation have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Hair Experts, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Michigan, with its principal office and place of business at 1214 Griswold Street, Detroit, Michigan.

Robert W. Farrell is the president of said corporation. The office and principal place of business of said respondent is 1214 Griswold Street, Detroit, Michigan.

Harold E. Candler is vice president and treasurer of said corporation. The office and principal place of business of said respondent is 1448 Wabash Street, Detroit, Michigan.

Abram Jacobson is the secretary of said corporation. The office and principal place of business of said respondent is 1214 Griswold Street, Detroit, Michigan.

The respondent, Hair Experts, Inc., also maintains and operates branches and retail stores in the cities of Philadelphia, Pennsylvania; New York, New York; Brooklyn, New York; Newark, New Jersey; Jamaica, Long Island; Baltimore, Maryland; Washington, D. C.; Boston, Massachusetts, and Pittsburgh, Pennsylvania, which places of business are operated under the name of Hair Experts, Inc., and which deal exclusively in the preparations sold, by respondents, and the use of said preparations in office treatments.

The individual respondents, individually and as officers of the corporate respondent, formulate, direct and control all of its business activities and policies. In connection with the control of the business activities of the main offices in Detroit and the branch offices, the respondents cause the preparation of all advertising copy used by such branches.

PAR. 2. In the course and conduct of their business the respondents, for several years last past, have been engaged in the sale and distribution of various cosmetic and medicinal preparations for external use in the treatment of conditions of the hair and scalp, and in the use of said preparations in connection with treatments administered in their various offices. Respondents cause said preparations, when sold, to be transported from the place of business of the corporate respondent in Michigan and from other manufacturers located in the State of Michigan and in other States to its various branches or retail stores owned and operated as hereinabove set forth and to purchasers thereof located in various other States of the United States and in the District of Columbia. Respondents maintain, and at all times mentioned herein have maintained a course of trade in said cosmetic and medicinal preparations in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. Respondent has adopted several methods in connection with the sale of their various preparations. First, respondents, through extensive advertising, invite persons to come to their places of business for diagnosis and treatment; whereupon certain series of treatments are recommended. If said treatments are agreed to, certain of their cosmetic and medicinal preparations are sold to such persons and used in the process of such treatments. Second, respondents sell home treatment kits with instructions to persons induced to visit respondents' said offices by virtue of said advertisements. These kits consist of respondents' cosmetic and medicinal preparations for the treatment of the hair and scalp. Third, certain of respondents' branches have sent traveling representatives to various cities, whose visits were extensively advertised in the cities to be visited which advertisements invited the public to call upon said representatives for diagnosis and advice. These representatives recommended either treatment at one of respondents' branches or the purchase of the home treatment kits previously described. Still another method employed by respondents was the mailing of questionnaires to prospective purchasers, which questionnaires when answered were followed up by offers of branch office treatment or the sale of home treatment kits previously described.

PAR. 4. In the course and conduct of their aforesaid business the respondents have disseminated, and have caused the dissemination of

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advertisements concerning their preparations by the United States mails and by various other means in commerce, as commerce is defined in the Federal Trade Commission Act; and respondents have also disseminated and have caused the dissemination of advertisements concerning their said preparations, by various means, for the purpose of inducing, and which were likely to induce, directly or indirectly, the purchase of their preparations in commerce, as commerce is defined in the Federal Trade Commission Act.

Among and typical of the false, misleading and deceptive statements and representations contained in said advertisements, disseminated and caused to be disseminated, as hereinabove set forth, by the United States mails, by advertisements in newspapers and periodicals, by circulars, leaflets, pamphlets and other advertising literature are the following:

THICKER HAIR

Within 6 Months!

NEW PROVED SCIENTIFIC DISCOVERY REVOLUTIONIZED

Past Methods Inducing Growth Faster

-Re-Grow Hair to Full Length *

Thin Hair gets Thicker Within 6 Months *

Excessive Hair Loss, Dandruff, Itching and Dryness (or oiliness) are more quickly corrected by this new type of treatment and weak diseased hair is more readily replaced by a strong, vigorous growth, so essential to true attractiveness in both social and business life.*

JUST THREE STEPS

First your scalp is thoroughly cleansed of the dandruff or the other disorder through special, gentle but effective antiseptics which penetrate below the skin surface to kill the source of the infection. Then rejuvenating or rebuilding treatments put the scalp in a condition conducive to the growth of strong, vigorous hair. Finally the different stimulating action of these advanced liquid formulae aid Nature in starting the growth of mature hair.

THICKER HAIR FOR A LIFETIME

Once started, this healthy hair grows to normal length.

*Robert W. Farrell, Trichologist * * ****WONDERFUL NEWS!**

Grow thicker hair within 6 months!

FREE Hair and Scalp Examination by Mr. Wayne M. Saari, Representative of nationally famous **HAIR EXPERTS, INC.** *

Here's the chance of a lifetime An opportunity to grow thicker hair within 6 months . . . and maintain it for the rest of your life! To analyze the condition which is retarding your hair growth, Mr. Saari will personally conduct private, professional hair and scalp examinations at the **Rowe Hotel** from 10 A. M. to 8 P. M. on Friday, October 24th. He will give you invaluable professional advice on how you can retain the hair you have . . . and still grow gloriously thicker hair *

Should your case require dermatological aids, Mr. Saari will have with him a sample kit of special laboratory-created formulae and chemo-therapeutical preparations that Hair Experts use in their world famous, hair growing profes-

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sional office treatments. This professional treatment kit has been especially created for those who cannot come into Hair Experts' office, yet still want to enjoy the amazing, gratifying, hair growing results of their treatments.

*Robert W. Farrell, Trichologist **

LOSING YOUR HAIR!

Our Modern Science-Based Treatments

RESTORE

Better Hair

Healthier Scalp

In 30 Days

or we pay the fee! *

YES in one short month Hair Experts, Inc.'s complete new **HAIR TREATMENTS** will cleanse out dandruff, clogged in hair passages, kill vast numbers of bacteria swarming beneath diseased scalp, relieves itchiness, revives blood circulation, establish more blood circulation, help nature better perform her function of growing healthy hairs from your scores of thousands of hair follicles—

Your hair will have more body, life and snap to it.

GROW THICKER HAIR! *

Our famous treatments can grow healthier luxuriously thicker hair! Whatever the condition that is obstructing your hair growth, Hair Experts will analyze it, eliminate the "hair-destroying bacillus", rejuvenate the hair and scalp to the best possible condition for thriving hair growth, and finally aid Continued Hair Growth through the years with specialized treatments now, and instructions for future personal use that will help you enjoy a Lifetime of

Thicker Hair! *

Eliminate the germ *

Eliminate dandruff itching *

Energize the papilla *

Thicker Hair within a few months.

PROFESSIONAL HAIR TREATMENTS *

Persons treated for thinning hair first see actual replacement hairs within about 2 months . . . and very abundantly thicker hair within months! *

Learn how to maintain it for a lifetime *

NEW SCIENTIFIC DISCOVERIES

Used in Hair Experts Exclusive Treatments

Help **GROW Thicker Hair**

Old Methods Revolutionized and Made Obsolete and Hair Experts' Nationally Famous Treatments Help Regrow "Fuzz" to Full Length, Full Strength! *

Once your scalp has been rejuvenated to hair growing activity, Hair Experts equip you to maintain that growth for a lifetime.

PROFESSIONAL-

HAIR TREATMENTS *

If your hair is thinning, or you have the symptoms of alopecia (gradual baldness) we urge you to delay no longer*

Let our proven methods save your hair, produce thicker hair *

YOUR SCALP

A Dynamic Hair Grower!

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AVOID BALDNESS . . .

Let Hair Experts "Normalize" Your Scalp to Help Produce THICKER HAIR within a Few Months!

Hair Experts Analyze and Rejuvenate the complete cycle of hair growth so that lost hair will be replaced naturally by strong, virile, obvious hair growth.

LOSING YOUR HAIR AND YOUR LOOKS?

Head for the Hair Experts for the professional care that will help you GROW THICKER HAIR*

Hair Experts' Specialized Rejuvenating System*

NOW! HAIR EXPERTS CAN HELP YOU GROW HAIR AT HOME!

WANT TO GROW THICKER HAIR?

Here's How Hair Experts Science-Based Treatments Can Help You
Hair Experts' Modern Treatments are Completely Comprehensive

1. They disgorge the scalp disorder that is stunting hair growth.
2. They normalize hair-growing activity.
3. They stimulate short, weak fuzz to full, vigorous growth.*

They stimulate the hair-making "factory" to dynamic production*

Will help you to gloriously, virile, thicker hair . . . and we'll teach you how to maintain it for life.

PAR. 5. Respondents' preparations are composed of the following ingredients in various combinations:

Wool Fat	Benzocain
Castor Oil	Benzoic Acid
White Oil	Mercury
Cantharides	Phenol
Thymol	Cresol
Isopropyl Alcohol	Stearic Acid
Jaborandi Leaves	Triethanolamine
Euresol	Cetyl Alcohol
Diethylene Glycol Monethylether	Resorcinol
Salicylic Acid	Natural Estrogenic
Castor Oil	Substance P. M. U.
Balsam Peru	Androgenic Substance
Capsicum	Sulphur
Menthol	Sorbitol
Chlorestone	Potassium Hydroxide
Ichthammol	Parasept M
Chloralhydrate	Ammonium Chloride
Pyridium Chloride	Sulfonated Oils

PAR. 6. Through the use of the aforesaid statements and representations and others similar thereto not specifically set out herein, respondents represented, directly and by implication, that the use of said prep-

arations, methods and treatments by their operators in their various places of business and by purchasers of their preparations, in their homes, will cause hair to grow when growth has ceased and resulted in thin hair or partial baldness; that the hair growing functions of the scalp will be rejuvenated; that fuzz on the scalp will be developed into normal hair; that the germicides included among their preparations will penetrate below the skin surface, kill bacteria there located and will destroy bacilli on the scalp surface; that their said preparations will prevent baldness, grow hair on bald heads and will enable an individual to maintain a thick growth of hair for life; will reopen clogged hair passages in the scalp, energize hair papillae, make sluggish blood circulation in the scalp normal, eliminate excessive falling hair, loose dandruff, itching and dryness and oiliness of the hair and scalp; and that the preparations, treatments and methods used by respondents are new, scientific discoveries in the treatment of hair and scalp disorders.

Respondents, by the use of the designation "Trichologist" in their advertisements in connection with certain of their operators or employees, thereby represent that said persons have had competent training in dermatology or other branches of medicine having to do with the diagnosis and treatment of scalp disorders affecting the hair.

PAR. 7. The said advertisements are misleading in material respects and constitute "false advertisements" as that term is defined in the Federal Trade Commission Act. In truth and in fact, the use of respondents' preparations, methods and treatments in their places of business and the use of their said preparations by persons in their homes will have no effect in causing hair to grow in cases of thin hair or partial baldness. Their use will not rejuvenate or have any effect on the hair growing functions of the scalp and will not cause fuzz to develop into normal hair. Their germicidal preparations will not penetrate below the skin surface nor will they destroy bacilli on the scalp surface. They will not prevent baldness, cause hair to grow on bald heads nor enable a person to maintain a thick growth of hair for any length of time. Said preparations will not reopen clogged hair passages, will not energize hair papillae, make sluggish blood circulation in the scalp normal, eliminate excessive falling hair, loose dandruff, itching, dryness or oiliness of the hair and scalp. The drugs contained in said preparations and the methods and treatments used by respondents are not new or scientific discoveries. As a matter of fact, all the ingredients in said preparations and respondents' methods of treatment have been used without success for many years in an effort to correct falling hair, to grow hair and to prevent baldness.