

FEDERAL TRADE COMMISSION DECISIONS



FINDINGS, ORDERS, AND STIPULATIONS

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**MEMBERS OF THE FEDERAL TRADE COMMISSION
AS OF JANUARY 13, 1936**

CHARLES H. MARCH, *Chairman.*

Took oath of office February 1, 1929, and August 27, 1935.¹

GARLAND S. FERGUSON.

Took oath of office November 14, 1927, January 9, 1928,¹ September 26, 1934,² and February 9, 1935.³

EWIN L. DAVIS.

Took oath of office May 26, 1933.

WILLIAM A. AYRES.

Took oath of office August 23, 1934.

ROBERT E. FREER.

Took oath of office August 26, 1935.

OTIS B. JOHNSON, *Secretary.*

Took oath of office August 7, 1922.

¹ Second term.

² Recess appointment.

³ Third term.

ACKNOWLEDGMENT

This volume has been prepared and edited by Richard S. Ely,
of the Commission's staff.

1. The first group of people who are interested in the study of the history of the United States are the people who are interested in the history of the United States.

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² Interlocutory order. See also S. & D. 721.

³ For interlocutory order see "Memoranda" 20-744 or S. & D. 720.

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⁴ For order of Circuit Court of Appeals on mandate, see "Memoranda," 20-741 or S. & D. 189.

⁵ Interlocutory order. See S. & D. 722.

⁶ For interlocutory order, see "Memoranda", 20-743 or S. & D. 716.

⁷ For interlocutory order, see "Memoranda", 20-744 or S. & D. 719.

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⁹ For final decree of Supreme Court of the District of Columbia, see "Memoranda," 3-542 et seq., or S. & D. 190.

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¹² For interlocutory order, see "Memoranda," 20-745 or S. & D. 722.

¹³ For interlocutory order, see "Memoranda," 20-745 or S. & D. 723.

¹⁴ For interlocutory order, see "Memoranda," 20-745 or S. & D. 721.

¹⁵ For interlocutory order, see "Memoranda," 20-744 or S. & D. 721.

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¹⁶ For order of the Supreme Court of the District of Columbia, denying petition for writ of mandamus, etc., see "Memoranda," 20-742 or S. & D. 704.

¹⁷ For order of the Supreme Court of the District of Columbia on mandate from Court of Appeals of the District of Columbia, see "Memoranda" 20-743 or S. & D., footnote, 650.

¹⁸ For interlocutory order, see "Memoranda" 20-743 or S. & D. 715.

¹⁹ For interlocutory order, see "Memoranda" 20-744 or S. & D. 719.

²⁰ For interlocutory order, see "Memoranda" 20-744 or S. & D. 718.

²¹ For interlocutory order, see "Memoranda" 20-743 or S. & D. 716.

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²² For interlocutory order, see "Memoranda" 20-745 or S. & D. 724.

²³ For interlocutory order, see "Memoranda" 20-743 or S. & D. 717.

²⁴ For interlocutory order, see "Memoranda" 20-744 or S. & D. 720.

²⁵ For interlocutory order, see "Memoranda," 20-743 or S. & D. 716.

²⁶ For interlocutory order, see "Memoranda," 20-744 or S. & D. 719.

²⁷ For interlocutory order in proceeding terminating in decision in 281 Fed. 744 (4-614), see "Memoranda," 20-743 or S. & D. 715.

For memorandum of decision of the Supreme Court of the District of Columbia declining to grant a supersedeas to operate as an injunction against Commission, pending appeal, and final decree dismissing plaintiff's bill on Nov. 15, 1927, see "Memoranda," 20-742 or S. & D. 651.

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²⁸ For interlocutory order, see "Memoranda," 20-743 or S. & D. 717.

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²⁹ For interlocutory order, see "Memoranda" 20-742 or S. & D. 715.

³⁰ For interlocutory order, see "Memoranda" 20-743 or S. & D. 716.

FEDERAL TRADE COMMISSION DECISIONS

FINDINGS AND ORDERS, JUNE 25, 1935, TO JANUARY 13, 1936

IN THE MATTER OF

GREAT NORTHERN FUR DYEING & DRESSING
COMPANY, INC., ET AL.

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

Docket 2035. Complaint, May 18, 1932—Order, June 25, 1935¹

Complaint charged respondent, Great Northern Co., dressers and dyers of rabbit skins for, and at the instance and request of, and in accordance with agreements with, the owners thereof, by processes which caused said skins to resemble appearance of dyed sealskin, respondents Brickner & Bernfeld, importers and sellers of Australian and New Zealand rabbit skins, and respondents Kutik Brothers, manufacturers of fur garments, with misbranding or mislabeling and advertising falsely or misleadingly, in that, with knowledge of the use to be made thereof in sales in interstate commerce, they respectively dress, dye, and sell rabbit skins and garments made thereof under said first-named respondent's long advertised and featured brands and marks, "Bonded Northern Seal", "Northern Seal", or "Golden Seal", with words "Dyed Cony" or "Seal-Dyed Cony" in small and inconspicuous (and sometimes illegible or unnoticeable) letters, so placed that former may be displayed without latter in opening the garment's lining and displaying said brands on the back of the skin or pelt, and in that they supply, transmit, and use garment labels furnished by said first-named respondent, bearing said trade marks and designations in large and conspicuous letters, and the other words in small and inconspicuous letters, and advertise and describe said furs and garments to be made therefrom as "Sealines", and encourage customers so to advertise and to feature or display such trade brands and names, and aid in the expense thereof;

With capacity and tendency to mislead and deceive the purchasing public into the belief that said furs and the garments made thereof, thus dyed, stamped, branded, labelled, and described, are made of the genuine, superior, and more costly sealskin, and into purchasing the same in such belief, and with effect of furnishing dealers therein and manufacturers with the means of thus misleading and deceiving purchasers, and aiding and abetting such

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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deception, and of diverting trade to them from competitors dressing, dyeing, and dealing in sealskins or rabbit skins, or garments thereof, truthfully described, and with capacity and tendency so to do; all to the prejudice of the public and competitors:

Ordered, respondents consenting, that respondents first named, and their agents, officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing furs other than by the use of the correct name of the fur as the last word in the designation thereof, and from use of the word "seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth; and, it appearing that respondents Kutik Bros. have discontinued said business, that proceeding as to them be closed.

Mr. James M. Brinson for the Commission.

Burnstine, Geist & Netter, of New York City, for respondents.

COMPLAINT

Acting in the public interest, pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Great Northern Fur Dyeing & Dressing Company, Inc., Brickner & Bernfeld, Inc., and Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik, trading under the firm name and style of Kutik Brothers, hereinafter called respondents, have been and are using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent Great Northern Fur Dyeing & Dressing Company, Inc., is now, and since March 1928, has been, a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal place of business at Pierini Park, Springfield Gardens, Long Island, in the State of New York. It has been, since its organization, and now is, engaged in the business of dressing and dyeing rabbit skins for their owners, including respondent Brickner & Bernfeld, Inc., by special processes which cause them to resemble dyed sealskins. It has rendered and renders such service at the instance and request of respondent Brickner & Bernfeld, Inc., and other owners of rabbit skins in accordance with, or in pursuance of, agreements with them, with the knowledge, expectation, purpose, and intent that the rabbit skins, or a substantial proportion thereof, dressed and dyed by it for respondent Brickner & Bernfeld, Inc., and other owners will be offered for sale and sold in interstate commerce by them to dealers in furs, or to manufacturers of fur garments, engaged in interstate commerce, or

will be used by the owners of the skins themselves for the manufacture of fur garments sold in such commerce.

Respondent Great Northern Fur Dyeing & Dressing Company, Inc., in the course and conduct of such business has been, since its organization in 1928, and now is, engaged in competition with individuals, partnerships, and corporations engaged in dressing or dyeing rabbit skins, or the skins of other fur-bearing animals for individuals, partnerships, and corporations selling rabbit skins or the skins of other fur-bearing animals, including seals, or garments manufactured therefrom, in interstate commerce.

Respondent Brickner & Bernfeld, Inc., has been since 1926, and now is, a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business in the city and State of New York. It has been since its organization and now is, engaged in the importation into the United States of Australian and New Zealand rabbit skins which it has caused and now causes to be dressed and dyed by respondent Great Northern Fur Dyeing & Dressing Company, Inc., to resemble dyed sealskins, and in their sale thereupon or thereafter, in commerce among and between the various States of the United States, to dealers in skins or furs, or manufacturers of fur garments.

Respondent Brickner & Bernfeld, Inc., in the course and conduct of such business has been, and now is, in competition with individuals, partnerships, and corporations engaged in the sale of skins of fur-bearing animals in interstate commerce.

Respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik have been for several years last past and now are, engaged in the business, under the firm name and style of Kutik Brothers, of manufacturing fur garments, and their sale in and among the various States of the United States. Their office and principal place of business is in the city and State of New York. It has been and is the practice of said respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik, as Kutik Brothers, in the course of their said business, to cause their products, when sold to be transported from their said place of business in the city and State of New York to purchasers of their products, in the various other States of the United States than the State of New York, and in such commerce among and between the various States of the United States, respondents Kutik Brothers have been, and are, in competition with individuals, partnerships, and corporations offering for sale or selling fur garments in interstate commerce.

PAR. 2. A. Pierini in 1926 established at Pierini Park, Long Island, in the State of New York, a business of dressing and dyeing rabbit skins by a process which causes them to resemble dyed sealskins.

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He adopted and used in such business the trade name Great Northern Fur Dyeing & Dressing Company. The business consisted in the importation of Australian and New Zealand rabbit skins, and in dyeing and dressing them, and thereafter in selling them in commerce among and between the various States of the United States, and also in dressing and dyeing rabbit skins for the owners thereof, in accordance with special contracts for such services. Sometime in 1925, A. Pierini caused a company to be incorporated under the laws of the State of New York under the name of Great Northern Fur Dyeing & Dressing Corporation to take over the business of the unincorporated concern which he had conducted theretofore under the name of Great Northern Fur Dyeing & Dressing Company. He continued to advertise his business under and by the name Great Northern Fur Dyeing & Dressing Company, and furs dyed by him under such name were widely advertised in trade journals and by means of large and striking display cards, which were distributed under the name of Great Northern Fur Dyeing & Dressing Company among purchasers and prospective purchasers of furs and fur garments in the various States of the United States. There was also published and circulated or distributed, among purchasers and prospective purchasers in the various States of the United States, a house organ called the Northern Seal Bulletin, in which impressive displays were made of fur garments described as "Northern Seal."

Trade journals, circulated throughout the fur trade including fur merchants or dealers in the various States of the United States, carried large and extensive advertisements of the Great Northern Fur Dyeing & Dressing Company, wherein were shown pictorial representations or illustrations of women arrayed in fur coats described and designated "Northern Seal." Large placards or display cards were caused by A. Pierini, under his name Great Northern Fur Dyeing & Dressing Company, to be conspicuously exhibited in places of business of dealers engaged in selling fur garments in other States of the United States than the State of New York, as well as in the State of New York, containing pictorial illustrations of women wearing fur garments described as "Northern Seal." It was the practice of A. Pierini and of the Great Northern Fur Dyeing & Dressing Company or Corporation to stamp, or caused to be stamped on the back of rabbit skins dressed or dyed by it, the brand name "Northern Seal", and in addition to featuring such trade name in all his advertisements, to describe and designate as "Sealines", garments made from rabbit skins dyed by him.

In 1927, A. Pierini, under the name Great Northern Fur Dyeing & Dressing Company, or his incorporated concern the Great North-

ern Fur Dyeing & Dressing Corporation, discontinued the practice of buying, dyeing, and selling rabbit skins on his or its own account, but continued in the business of dressing and dyeing rabbit skins for the owners thereof or manufacturers of fur garments.

As Great Northern Fur Dyeing & Dressing Company or Great Northern Fur Dyeing & Dressing Corporation which he controlled, he dyed or caused to be dyed rabbit skins to resemble sealskins to the extent of 7,000,000 in each of the years 1924, 1925, and 1926, about 5,000,000 in 1927, and 3,000,000 in 1928. It requires from 40 to 50 rabbit skins to construct a fur garment for women, and there were manufactured and sold, in interstate commerce from rabbit skins so dyed and stamped "Northern Seal", from 100,000 to 150,000 coats each year until 1928. It was the practice of A. Pierini and of the Great Northern Fur Dyeing & Dressing Company, after dressing and dyeing or after dyeing skins for their owners or for manufacturers of fur garments, to return or deliver them in boxes containing 50 skins, accompanied by a label bearing the words "Genuine Northern Seal", to be attached by manufacturers to the completed garment made from such skins on the outside of the lining, and in the conspicuous place where labels usually appear.

The stamps, brands, and labels so used or furnished by A. Pierini as the Great Northern Fur Dyeing & Dressing Company or Corporation did not carry or contain the name Great Northern Fur Dyeing & Dressing Company, or that of such corporation, or any other words than the name "Northern Seal", and it was the general practice of manufacturers of fur garments from or out of rabbit skins dyed by respondent A. Pierini, the Great Northern Fur Dyeing & Dressing Company, or by the Great Northern Fur Dyeing & Dressing Corporation controlled by him, to attach to such garments the labels furnished bearing the words "Genuine Northern Seal".

Sometime in 1926 the Federal Trade Commission caused a trade conference to be held of those engaged in the fur industry and trade. It was the consensus of opinion among those attending such conference that the use of such brands or names as "Northern Seal", "Golden Seal", "Belgian Seal", or "Baltic Seal", or any names containing the word "Seal" to describe dyed rabbit skins, when unaccompanied or unqualified by words showing clearly the true name of the fur, had a tendency to deceive the public. There were formulated, by such trade conference, certain rules which thereafter were approved and published by the Federal Trade Commission, relating to the manner or method to be followed in branding, stamping, describing, or designating furs or fur garments. The rules so adopted, which are pertinent, were as follows:

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Rule 1. In order to describe a fur, in every case the correct name of the fur must be the last word of the description, and if any dye or blend is used in simulating another fur, the word "dyed" or "blended" must be inserted between the name signifying the fur that is simulated and the true name of the fur: as, "Seal Dyed Muskrat" or "Mink Dyed Marmot".

Rule 4. Where goods are sold under a registered trade mark that trade mark should not, by intent or otherwise, be capable of misinterpretation by the public. In case of trade marks heretofore established in common use, the advertisers should invariably indicate by suitable descriptive matter in addition to the trade mark just what the fur is, or better, the trade mark should be modified so as to include the descriptive matter.

After publication of such rules, A. Pierini, as the Great Northern Fur Dyeing & Dressing Company, or the Great Northern Fur Dyeing & Dressing Corporation which he controlled, adopted and followed the practice of placing beneath the words "Northern Seal" stamped on rabbit skins dyed by him or it, at a distance of an inch therefrom, the words "Seal Dyed Coney", and on labels furnished owners of such skins the words "Seal Dyed Coney" were also placed beneath the words "Genuine Northern Seal" in small and inconspicuous letters.

In 1928 the respondent Great Northern Fur Dyeing & Dressing Company, Inc., was incorporated and organized, as set forth in paragraph 1 hereof, as a new and independent company to take over the property and business theretofore conducted by A. Pierini under the name "Great Northern Fur Dyeing & Dressing Company" and the property and business of the Great Northern Fur Dyeing & Dressing Corporation, which he controlled as aforesaid. Respondent adopted as its corporate name and its trade name precisely that formerly used by A. Pierini for more than ten years theretofore. It assumed the property and business of A. Pierini or the Great Northern Fur Dyeing & Dressing Company, or Great Northern Fur Dyeing & Dressing Corporation, and ever since has had, enjoyed, and maintained, and now has, enjoys and maintains the good will its said predecessor or predecessors have developed among the trade or purchasing public, including the fruits of the extensive advertising by its said predecessor or predecessors, and the widespread use of the trade mark "Northern Seal", and of such good will as may have accrued or has accrued from the sale and distribution each year for many years in interstate commerce of from 100,000 to 150,000 fur garments bearing the trade mark "Northern Seal", and the label "Genuine Northern Seal".

In April 1928 there was a consolidation or merger between the respondent Great Northern Fur Dyeing & Dressing Company, the Golden Fur Dyeing Company, and the Ideal-Belgian Fur Dyeing

Company, which companies had been and were engaged in dressing and dyeing rabbit skins to resemble dyed sealskins for owners of such skins or manufacturers of fur garments. Prior to such consolidation or merger the Golden Fur Dyeing Company had operated and controlled two factories in the city of Brooklyn and State of New York. At the time of the merger or consolidation it was the practice, and had been for many years theretofore, of the Golden Fur Dyeing Company to stamp rabbit pelts dyed by it with the words "Golden Seal" in large and conspicuous letters, enclosing them within a circle. Sometime in 1926, after the aforesaid trade conference, this company altered its trade mark by adding the words "Seal Dyed Coney" in small and inconspicuous letters at a distance of an inch or an inch and a half beneath the lower border of the circle inclosing the said trade mark "Golden Seal".

Since such consolidation or merger respondent Great Northern Fur Dyeing & Dressing Company, Inc., has used on rabbit skins dyed by it trade marks theretofore used, to wit, "Northern Seal", "Bonded Northern Seal", and registered trade marks formerly owned by, and acquired from, Golden Fur Dyeing Company and Ideal Belgian Fur Dyeing & Dressing Company respectively, "Golden Seal" and "Ideal-Belgian". It has been and is the practice of said respondent to stamp the best grade of rabbit skins dyed by it with the trade mark "Bonded Northern Seal", and to stamp the second grade of rabbit skins dyed by it with the trade mark "Northern Seal". The third grade of rabbit skins dyed by it have been and are stamped by said respondent either "Golden Seal" or "Ideal Belgian".

Respondent Great Northern Fur Dyeing & Dressing Company, Inc., has adopted and continued, and now follows, the practice of A. Pierini doing business under the name Great Northern Fur Dyeing & Dressing Company and the Great Northern Fur Dyeing & Dressing Corporation controlled by him, of furnishing with the number of rabbit skins required for fur garments, labels bearing the words "Northern Seal" or "Bonded Northern Seal" in large and conspicuous letters and the words "Seal Dyed Coney" in small and inconspicuous letters to be attached by manufacturers of garments from such skins to the completed garment at the usual place for labels on the outside of the lining. It also requests and encourages the use of such labels for such purpose.

It has been and also is the practice of respondent Great Northern Fur Dyeing & Dressing Company, Inc., to furnish owners of skins dyed by it and manufacturers of fur garments from such skins, tags to be attached to containers of the completed garment which have contained the name of respondent and its address, and have featured

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the trade mark "Northern Seal" in red, with the trade mark "Golden Seal" on one side and the trade mark "Ideal-Belgian" on the other side. Above the trade mark "Northern Seal" has appeared the word "Bonded" and beneath such trade mark in small and inconspicuous letters the words "Seal Dyed Coney." Such words have also appeared beneath the trade mark "Golden Seal" and beneath the trade mark "Ideal-Belgian" have appeared the words "Seal" and "Dyed Coney". The word "Seal" appears in larger and more conspicuous letters than the words "Ideal-Belgian", and the words "Dyed Coney" are expressed in letters so small as not to be legible or noticeable.

Said respondent Great Northern Fur Dyeing & Dressing Company, Inc., also features and exploits its corporate name and the aforesaid trade names or trade marks upon its stationery, including invoices, order forms, credit memoranda and letterheads on all of which the words "Ideal-Belgian Seal", "Bonded Northern Seal" or "Northern Seal" and "Golden Seal" appear in large and conspicuous letters, and the words "Dyed Coney" or "Seal Dyed Coney" appear in small and inconspicuous letters which are sometimes entirely illegible or unnoticeable. It follows the same practice with respect to display calendars and packing containers, and it advertises in the various trade papers which circulate in the different States of the United States among fur dealers, and in its advertisements features its said trade marks and describes garments made from rabbit skins dyed by it as "Sealines." It encourages and urges its customers to advertise garments made from rabbit skins dyed by it, and to feature or display its trade names, and contributes a portion of the expense of such advertisements.

PAR. 3. It has been and is the practice of respondent Brickner & Bernfeld, Inc., in the course and conduct of its business as described in paragraph 1 hereof, to cause its Australian and New Zealand rabbit skins imported into the United States by it, or a substantial proportion thereof, to be dressed and dyed to resemble dyed sealskins by respondent Great Northern Fur Dyeing & Dressing Company, Inc., as stated in said paragraph, and such rabbit skins dyed by said respondent Great Northern Fur Dyeing & Dressing Company, Inc., in pursuance of agreements with respondent Brickner & Bernfeld, have been and are returned to respondent Brickner & Bernfeld, Inc., after performance of such dyeing service, branded and stamped with the words "Bonded Northern Seal" or "Northern Seal" or "Golden Seal" and with the words "Seal Dyed Coney" in small letters inconspicuously placed some distance from or below the words "Bonded Northern Seal" or "Northern Seal" or "Golden Seal." Respondent Great Northern Fur Dyeing & Dress-

ing Company, Inc., has also furnished and furnishes respondent Brickner & Bernfeld, Inc., labels bearing the words "Northern Seal" or "Bonded Northern Seal" in large and conspicuous letters, with the words "Seal Dyed Coney" appearing below them in small and inconspicuous letters.

Such rabbit skins so dyed and stamped by respondent Great Northern Fur Dyeing & Dressing Company, Inc., have been offered for sale and sold by respondent Brickner & Bernfeld, Inc., in course of its business described in paragraph 1 hereof to dealers in rabbit skins and the skins of other fur-bearing animals and to manufacturers of fur garments in the State of New York and in the various other States of the United States than the State of New York, including respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik trading under the firm name and style of Kutik Brothers. Respondent Brickner & Bernfeld, Inc., has furnished and furnishes, along with rabbit skins so dyed and stamped by respondent Great Northern Fur Dyeing & Dressing Company, Inc., to its customers including the individual respondents trading as Kutik Brothers, the labels hereinbefore described and furnished respondent Brickner & Bernfeld, Inc., by respondent Great Northern Fur Dyeing & Dressing Company, Inc. Such labels have been and are furnished its customers, including said respondents Kutik Brothers, by respondent Brickner & Bernfeld, Inc., to be attached to garments made out of the dyed rabbit skins sold them, with the full knowledge that garments manufactured from such dyed rabbit skins by its customers, including respondents Kutik Brothers, would be sold in interstate commerce, and for the purpose and with the effect of promoting and facilitating the business of its customers, including said Kutik Brothers, in selling in such commerce garments made from dyed rabbit skins to the consuming public, as and for garments made from dyed sealskins.

Respondent Brickner & Bernfeld, Inc., in order to induce the purchase of its dyed rabbit skins and the sale of garments manufactured therefrom by its customers including respondents trading as Kutik Brothers, advertises in the various trade papers circulated in the various States of the United States, and among its various methods of advertisement has adopted and uses large display cards, posters, and circulars wherein and whereby it represents that Brickner & Bernfeld, Inc., is the world's largest "Sealine" house, and in said advertisements it particularly features the trade mark "Bonded Northern Seal" or "Golden Seal" in large and conspicuous letters with the words "Seal Dyed Coney" below them in small and inconspicuous letters.

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PAR. 4. Respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik, trading under the firm name and style of Kutik Brothers, in the course and conduct of their business as described in paragraph 1, have offered for sale and sold garments manufactured from dyed rabbit skins bearing the stamp or brand "Northern Seal" or "Bonded Northern Seal" or "Golden Seal", with the words "Seal Dyed Coney" in small and inconspicuous letters. Such garments so manufactured and sold by respondents Kutik Brothers have been and are so constructed that at or near the place on each fur garment where the labels of garments usually appear, the words "Northern Seal" or "Bonded Northern Seal" or "Golden Seal" may or can be exposed by ripping or opening the lining of the garment without exposure of the words "Seal Dyed Coney." Respondents Kutik Brothers have also placed or caused to be placed on the completed garments, manufactured from said dyed rabbit skins at the usual or appropriate place, labels furnished them as stated in paragraph 3 hereof by respondent Brickner & Bernfeld, Inc., and have sold and sell such garments advertised, described and designated as "Sealines".

PAR. 5. It requires from 40 to 50 rabbit skins for the construction of a coat for women, and from 7 to 8 sealskins. Garments made from rabbit skins dyed to resemble sealskins resemble garments made from dyed sealskins, but they resemble them in appearance only. Dyed rabbit skins are greatly inferior to the skins of seals in pliability and durability of the leather and in wearing quality and luster, and garments made from sealskins command prices far in excess of or substantially greater than the prices commanded by garments made from rabbit skins.

PAR. 6. There are now and have been for many years competitors of respondents offering for sale and selling in interstate commerce genuine dyed sealskins, and competitors offering for sale and selling in such commerce garments manufactured from genuine dyed sealskins.

There are now and for many years last past have been competitors of respondents offering for sale and selling, in interstate commerce, dyed rabbit skins clearly described and advertised as such, and there have been and are competitors of respondents offering for sale and selling, in such commerce, garments manufactured from dyed rabbit skins without any brand, stamp, advertisements, or description containing the word "seal", or thereby or otherwise suggesting or implying, by brand, stamp, trade mark, label, or other descriptive matter, that such garments have been or are made from or out of sealskins, or any other skins than rabbit skins.

PAR. 7. The practices of respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik trading under the firm name and style of Kutik Brothers, of offering for sale and selling, in course of the commerce described in paragraph 1 hereof, garments manufactured from rabbit skins dyed so as to resemble sealskins, branded or stamped "Northern Seal" or "Bonded Northern Seal" and labeled "Northern Seal" or "Bonded Northern Seal" with the words "Seal Dyed Coney" in small and inconspicuous letters, or garments made from dyed rabbit skins stamped "Golden Seal", with the words "Seal Dyed Coney" in small and inconspicuous letters, and of advertising such garments as "Sealines" have had and have, and each of them has had and has the capacity and tendency to mislead and deceive the public into the belief that the garments so dyed, stamped, branded, labeled, and described have been and are garments manufactured from genuine sealskins, and into the purchase of such garments in reliance on such erroneous belief. Such practices have also furnished and furnish dealers with the means to mislead and deceive the purchasing public into the belief that said garments have been and are manufactured from genuine sealskins by exposing the brand "Northern Seal" or "Bonded Northern Seal" or "Golden Seal" stamped on the pelts composing such garments without disclosing the words "Seal Dyed Coney", and thereby to support their false representations or pretences to the effect that the garments offered for sale are in fact made from genuine sealskins.

The practices of respondent Brickner & Bernfeld, Inc., of offering for sale and selling to dealers in skins and to manufacturers of fur garments, rabbit skins dyed and stamped as aforesaid by respondent Great Northern Fur Dyeing & Dressing Company, Inc., of furnishing purchasers of its skins so dyed and stamped the false and misleading labels hereinbefore described, and of advertising them as "Sealines", have had and have, and each of them has had and has the capacity and tendency to mislead and deceive, and has furnished and furnishes dealers and manufacturers with the means to mislead and deceive their respective purchasers into the belief that the dyed rabbit skins sold by respondent Brickner & Bernfeld, Inc., have been and are genuine sealskins, and have furnished and furnish such dealers, and manufacturers, with the means by which they have been and are enabled to supply dealers in fur garments with facilities for selling the completed garments made from such dyed rabbit skins and for garments made from genuine sealskins.

The practices of respondent Great Northern Fur Dyeing and Dressing Company, Inc., in dyeing rabbit skins for respondent Brickner muskrat furs, rabbit furs, seal furs and those of other fur-bearing

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on the backs of skins so dyed by it the words "Northern Seal" or "Bonded Northern Seal" or "Golden Seal" in large and conspicuous letters with the words "Seal Dyed Coney" in small and inconspicuous letters so placed with reference to the words "Northern Seal" or "Bonded Northern Seal" or "Golden Seal" that such words may be displayed without exposing the words "Seal Dyed Coney", in furnishing labels to be attached to garments manufactured from such skins bearing the words "Northern Seal" or "Bonded Northern Seal" in large and conspicuous letters with the words "Seal Dyed Coney" in small and inconspicuous letters, have, and each of them has aided, abetted, assisted, promoted, and facilitated the sale, in interstate commerce by respondent Brickner & Bernfeld, Inc., of dyed rabbit skins as and for genuine sealskins, and the sale in such commerce of garments made from dyed rabbit skins as and for garments made from genuine sealskins by respondents Kutik Brothers.

The aforesaid practices of respondent, Great Northern Fur Dyeing & Dressing Company, Inc., have had and have and each of them has had and has the capacity and tendency to divert trade to it and has diverted and does divert trade to it from competitors' dressing and dyeing, or dyeing the skins of rabbits, seals, or other fur-bearing animals, for their owners, either for sale in interstate commerce truthfully described, or for manufacture of fur garments sold or to be sold in interstate commerce truthfully described, or for sale by their owners to manufacturers of fur garments selling them in interstate commerce truthfully described; and by aiding, assisting, and abetting the sale in interstate commerce by respondent Brickner & Bernfeld and respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik trading under the firm name and style of Kutik Brothers, respectively, of rabbit skins and garments made from rabbit skins, the aforesaid practices of respondent Great Northern Fur Dyeing & Dressing Company, Inc., have had and have and each of them has had and has the capacity and tendency to divert trade and has diverted trade and does divert trade to respondent Brickner & Bernfeld, Inc., and to respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik trading under the firm name and style of Kutik Brothers, from their respective competitors offering for sale or selling in interstate commerce sealskins or rabbit skins truthfully described and garments made from sealskins or rabbit skins or the skins of other fur-bearing animals truthfully described.

The aforesaid practices of respondent Brickner & Bernfeld, Inc., have had and have and each of them has had and has the capacity and tendency to divert and does divert trade from competitors offer-

ing for sale or selling in interstate commerce skins of fur-bearing animals including those of seals and rabbits truthfully described; and the aforesaid practices of respondents Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik trading under the firm name and style of Kutik Brothers have had and have the capacity and tendency to divert and do divert trade to said respondents from competitors offering for sale or selling in interstate commerce garments made from or out of sealskins, rabbit skins or the skins of other fur-bearing animals truthfully described.

PAR. 8. The above and foregoing practices of respondents have been and are, and each of them has been and is to the prejudice of the public and of respondents' competitors, and the competitors of all of them, and have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 18th day of May 1932 issued its complaint against the respondents herein and caused the same to be served upon said respondents as required by law, in which complaint it is alleged that respondents have been and are using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 17, 1934, respondents filed an answer to said complaint in which they consented that the Commission may make, enter, and serve upon them an order to cease and desist from the violations of law alleged in the complaint in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, and it appearing that respondents Kutik Brothers have discontinued the business described in the complaint, and the Commission having considered the record, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondents, Great Northern Fur Dyeing & Dressing Company, Inc., and Brickner & Bernfeld, Inc., their officers, agents, representatives, and employees, in connection with

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the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another for the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondents shall, within 90 days from the date of the service upon them of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of their compliance with this order.

It is further ordered, That the proceeding be, and it hereby is closed as to Henry Kutik, Isador Kutik, Morris Kutik, and George Kutik, trading under the firm name and style of Kutik Brothers.

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Syllabus

IN THE MATTER OF

BAYONNE-NEWLAND FUR DRESSERS & DYERS, INC.

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

Docket 2121. Complaint, Nov. 9 1933—Order, June 25, 1935¹

Complaint charged respondent corporation, engaged in dressing, dyeing, marking, and designating skins of fur-bearing animals, at the instance and request of and in accordance with special agreements with, the owner-furriers or dealers, who sell the same thus dressed, dyed, marked, and designated to garment manufacturers, with misbranding or mislabeling, in stamping upon the backs of rabbit skins so dressed and dyed by it as to resemble sealskin fur, the letters "B" and "N", superimposed, together with word "Seal" in large and conspicuous letters, and, below, words "Dyed Cony" in much smaller and less conspicuous letters, with full knowledge and in aid of sale in interstate commerce by said owners of said rabbit skins thus dressed, dyed, and marked by it, and by said owners' manufacturer vendees of garments made therefrom, by reason of its aforesaid treatment and marking and their resemblance to the dyed fur of genuine seal, under the name or description "Sealines";

With capacity and tendency to mislead and deceive the public into the purchase of said skins as and for seal, with its superior pliability, durability, wearing quality and luster, and into the purchase of garments made therefrom as and for the more costly sealskin garments, and with effect of furnishing manufacturers and dealers, wholesale and retail, with the means enabling them to perpetrate a fraud upon said public by representing said garments as made of genuine seal, and exhibiting to customers and prospective customers, in support of such false representations, the word "Seal" stamped on the skins thereof, as hereinbefore set forth, and of aiding, assisting and abetting sale in interstate commerce of skins of rabbit and other fur-bearing animals, thus dressed, etc., by it, and of garments therefrom, as and for seal, by the owners and manufacturers, respectively, and by wholesale and retail dealers in said garments, and with further tendency and capacity to divert trade to owners of rabbit skins dressed and dyed by it, offered and sold in interstate commerce, and to manufacturers of garments made therefrom and wholesale dealers therein, offering the same in said commerce, and to latter's retail dealer customers in the United States, from dealers selling skins of rabbit and other fur-bearing animals, truthfully described, and from manufacturers and their wholesale dealers selling garments made from sealskin and skin of other fur-bearing animals, truthfully branded and described, and from their retail customer dealers in the various States; to the prejudice of the public and of the competitors of said corporation and its principals, and those thus aided, assisted and abetted by it in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur

¹The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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as the last word in the designation thereof, and from the use of the word "Seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "Dyed" or "Blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

Hershenstein, O'Brien & Tartalsky, of Jersey City, N. J., for respondent.

COMPLAINT

Acting in the public interest, pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Bayonne-Newland Fur Dressers & Dyers, Inc., hereinafter called respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent Bayonne-Newland Fur Dressers & Dyers, Inc. is now and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New Jersey with its principal office and place of business in Jersey City in said State and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and other skins of fur-bearing animals for the owners thereof.

Respondent has rendered and renders such service for owners of rabbit skins and the skins of other fur-bearing animals for the owners thereof, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling the skins of fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of skins, dressed, dyed, and trade-marked or otherwise marked or designated for them by respondent to sell them with the full knowledge of respondent to manufacturers of fur garments having their places of business in the city and State of New York or elsewhere in said State, and in the various other States of the United States, and such manufacturers have offered for sale and sold garments made from rabbit skins so dressed, dyed, and trade-marked or otherwise marked or designated in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the

United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing, and trade-marking or otherwise marking or designating rabbit skins and skins of other fur-bearing animals for their owners with the full knowledge, expectation, purpose and intent that such skins or garments made therefrom will be offered for sale and sold in interstate commerce, and the acts and practices of respondent hereinafter described in paragraph 2 hereof have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing and dyeing rabbit skins or the skins of other fur-bearing animals for their owners for sale in interstate commerce or to manufacturers of fur garments made therefrom to be sold in such commerce. The owners of rabbit skins, dressed, dyed, and trade-marked or otherwise marked or designated by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. Respondent uses and has used a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance the fur of genuine dyed sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it a mark, brand, or designation consisting of the letters "B" and "N", the one superimposed on the other, and below this the word "seal" in large and conspicuous letters with the words "dyed cony" below the border of the mark, brand, or designation in much smaller and less conspicuous letters.

Garments made from rabbit skins so dressed and dyed by respondent resemble garments made from dyed sealskins in appearance only, and are inferior to the skins of the seal in pliability and durability of the leather and wearing quality and luster of the fur, and garments made from sealskins command prices substantially greater than the prices of garments made from rabbit skins.

PAR. 3. Large quantities of rabbit skins are dressed, dyed, marked, branded, or designated by respondent, as described in paragraph 2 hereof, for manufacture into coats or other fur garments for women. Such garments bearing the aforesaid mark, brand, or designation of respondent on the back of the skins from which they have been and

are made have been and are sold by manufacturers thereof in the course of their business among and between the various States of the United States, under the name of or described as "Sealines" on account or by means of their resemblance to the dyed furs of genuine seals, resulting from the agency or service of respondent and mark, brand or designation conspicuously displaying the words "B & N Seal" as described in paragraph 2 hereof.

PAR. 4. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals and stamping or marking them truthfully, or omitting any stamp or mark, for their owners for sale in interstate commerce, or for manufacture into fur garments for sale in such commerce, in competition therein with rabbit skins or garments made therefrom, dyed and trade-marked or otherwise marked or designated by respondent as described in paragraph 2.

There are now and for many years last past have been competitors of the owners of rabbit skins dyed and trade-marked or otherwise marked or designated by respondent, and of manufacturers selling garments made therefrom, offering for sale and selling in interstate commerce dyed rabbit skins clearly described and advertised as such and garments made therefrom without any trade mark, brand, stamp, or other description containing the word "seal" or thereby or otherwise suggesting or implying by trade mark, brand, stamp, or other descriptive matter that such garments have been or are made from or out of sealskins, and there have been or are other competitors of the owners of rabbit skins dyed and trade-marked or otherwise marked or designated by respondent and of manufacturers selling in interstate commerce garments made therefrom, offering for sale and selling in interstate commerce garments made from genuine dyed seal-skin truthfully trade-marked, branded, and described.

PAR. 5. The acts and practices of the owners of the rabbit skins so dressed, dyed and branded for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from rabbit skins dyed to resemble sealskins and bearing the aforesaid brand, have had and have and each of them has had and has the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for sealskins, and into the purchase of garments made from such skins as and for garments made from sealskins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail,

with the means by which they have been and are enabled to perpetrate a fraud upon the purchasing public by representing that garments made from such skins are made of genuine seal fur, and by exhibiting to customers and prospective customers, stamped on such skins the word "seal" to support their false representations that such garments are made from genuine seal fur.

Such acts and practices by the owners of rabbit skins dressed, dyed, and stamped by respondent and by their vendees, the manufacturers of fur garments have had and have and each of them has had and has the capacity and tendency to divert trade to the owners of rabbit skins dyed, dressed, and stamped by respondent, who have offered for sale and sold them in interstate commerce, and to manufacturers of garments made from such skins, and wholesale dealers offering for sale and selling them in interstate commerce, and to their customers, the retail dealers in the various States of the United States, from dealers or furriers selling the skins of rabbit and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers and wholesale dealers selling in interstate commerce garments made from sealskins, rabbit skins and the skins of other fur-bearing animals truthfully branded and described, and from their customers, the retail dealers in the various States of the United States.

The acts and practices of respondent described in paragraph 2 hereof have aided, assisted, and abetted the owners of rabbit skins and the skins of other fur-bearing animals, dressed, dyed and stamped for them by respondent, in selling such skins in and among the various States of the United States as and for sealskins, and have aided, assisted, and abetted the manufacturers of garments from such skins and wholesale dealers therein in selling them in such commerce as and for garments made from sealskins, and their customers, retail dealers in the various States of the United States in so selling them to the consuming public.

PAR. 6. The above and foregoing practices of the owners of rabbit skins, dressed, dyed and stamped by respondent, and of their vendees, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors and the above and foregoing practices of respondent have been and are to the prejudice of the public and of respondent's competitors, and the competitor's of respondent's principals, and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods

of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Bayonne-Newland Fur Dressers & Dyers, Inc., a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 18, 1934, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on, to wit, the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered That respondent, Bayonne-Newland Fur Dressers & Dyers, Inc., its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony."

² Published as modified.

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3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat."

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat."

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

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IN THE MATTER OF

A. HOLLANDER & SON, INC., ET AL.

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2123. Complaint¹, Nov. 28, 1934—Order, June 25, 1935²*

Complaint charged respondent Hollander & Son, dressers and dyers of muskrat and rabbit skins by processes which caused same to resemble appearance of dyed sealskin, respondents Jacobson Brothers, Corn & Fenning, and Fenrab Company, engaged in purchasing such furs for dressing and dyeing by it and in selling same thereafter to garment manufacturers and fur dealers, and respondents Geller & Son, Oldman Brothers, and Abrams & Linden, engaged in purchasing such furs for dressing and dyeing by it, as aforesaid, or in purchasing such furs already thus dressed and dyed by it, from dealers therein, and in manufacturing fur garments thereof and selling same to dealers therein for resale to ultimate user purchasers, with misbranding or mislabeling and advertising falsely or misleadingly, in the respective dressing and dyeing, and selling muskrat and rabbit skins and garments made thereof, under said first-named respondent's widely advertised and featured brands, marks, and designations, which, in case of said muskrat, displayed conspicuously, words "Seal", "Hollander Seal", or "Hudson Seal", and, in case of said rabbit, words "Nubian Seal", together with words "Dyed Muskrat" or "Dyed Cony", respectively, in such small and inconspicuous letters in relation to the others as to be unnoticeable except on close inspection, and which are repeated on garment labels and tags supplied by said first-named respondent, which, through extensive advertisements in periodicals, window displays, pamphlets, and otherwise promotes and encourages sale under its trade name, letters, marks, designations, and plan, of said muskrat and rabbit furs, thus dressed, dyed, stamped, marked, and described by it for the owners in accordance with its agreements therewith, and of garments made thereof, thus labeled and tagged, and for the superior and more costly seal, and which in its aforesaid practices knowingly and intentionally aided, assisted, abetted, and caused such sales by its co-respondents;

With result of furnishing manufacturers and dealers, wholesale and retail, with the means enabling them to perpetrate a fraud upon the purchasing public by representing the furs thus dressed, dyed, and stamped by said first-named respondent, and garments made thereof, as seal, and of supporting such false representations by exhibiting to customers and prospective customers the marks or designations stamped thereon or the labels and tags attached thereto, supplied by it, or both, and with tendency and capacity to mislead and deceive the consuming public into the purchase of such furs and garments as and for the more pliable, durable, and costly seal, and to divert trade to them and to dealers offering or selling such furs or garments to their customers in interstate commerce, and to retailers

¹ Amended and supplemental.

² The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

thereof, from dealers selling in such commerce fur of muskrat, rabbit, seal, or other animals, truthfully marked and described, and from manufacturers and dealers selling in such commerce garments made from such furs, truthfully branded or described, and from their customers or vendees, the retailers; to the prejudice of the public and of said competitors.

Ordered, respondents consenting, that respondents first named, and their agents, officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing furs other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the words "Seal" or "Hudson Seal" as designations thereof, subject to permitted use thereof in an adjective sense, together with such words as "Dyed" or "Blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

Leber & Ruback, of Newark, N. J., for respondents.

AMENDED AND SUPPLEMENTAL COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that A. Hollander & Son, Inc., Jacobson Brothers, Inc., Corn & Fenning, Inc., B. Geller & Son, Inc., Fenrab Company, Inc., Oldman Brothers, Inc., and Abrams & Linden, Inc., have been and are using unfair methods of competition in commerce, as "commerce" is defined in said Act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its amended and supplemental complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, A. Hollander & Son, Inc., is now and for many years last past has been a corporation organized, existing and doing business under the laws of the State of Delaware, with its principal office and place of business in the city of Newark, State of New Jersey, and engaged in the business of dressing and dyeing furs, particularly muskrat fur and rabbit fur (cony).

PAR. 2. Respondents, Jacobson Brothers, Inc., Corn & Fenning, Inc., B. Geller & Son, Inc., Fenrab & Company, Inc., Oldman Brothers, Inc., and Abrams & Linden, Inc., are corporations organized, existing, and doing business under the laws of the State of New York with principal offices and places of business located in New York City. Respondents, Jacobson Brothers, Inc., and Corn & Fenning, Inc., have been for several years last past and now are engaged in the business of buying muskrat furs, and causing said furs to be dressed and dyed for each of said respondents, respectively, by A.

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Hollander & Son, Inc., and in the sale of said dressed and dyed furs to manufacturers of fur garments and dealers in furs. Said respondents, in connection with the sale of said dressed and dyed furs, cause same when sold to be transported to the purchasers thereof located in the city of New York, State of New York, and States of the United States other than the State of New York. Respondent, B. Geller & Son, Inc., has been and is engaged in the business of buying furs, particularly muskrat furs, and causing such muskrat furs to be dressed and dyed for it by respondent, A. Hollander & Son, Inc., and also of buying muskrat furs which have been dressed and dyed by respondent, A. Hollander & Son, Inc., from furriers or dealers in such furs, and in the manufacture of garments made from said dressed and dyed muskrat furs and in the sale of said garments to dealers for resale to ultimate user purchasers and of causing said garments, when so sold, to be transported to the purchasers thereof located in the city of New York, State of New York, and in States of the United States other than the State of New York.

Respondent, Fenrab Company, Inc., has been and is engaged in the business of buying rabbit furs (cony) and of causing said furs to be dressed and dyed for it by respondent, A. Hollander & Son, Inc., and in the sale of said dressed and dyed furs to dealers in furs and to manufacturers of fur garments. It causes said furs, when sold, to be transported to purchasers thereof in the city of New York, State of New York, and into the various other States of the United States than the State of New York. Respondents, Oldman Brothers, Inc., and Abrams & Linden, Inc., have been and are, and each of them has been and is engaged in the business of buying rabbit furs (cony) and of causing said furs to be dressed and dyed for them and each of them by respondent, A. Hollander & Son, Inc., and of buying rabbit furs (cony) which have been dressed and dyed by said respondent, A. Hollander & Son, Inc., from furriers dealing in such furs, and of manufacturing garments from said dressed and dyed rabbit furs (cony) and the sale of said garments to dealers for resale to the ultimate user purchasers, and of causing said garments, when so sold, to be transported to the purchasers thereof in the city of New York, State of New York, and in the various other States of the United States than the State of New York.

PAR. 3. Respondent, A. Hollander & Son, Inc., in the course and conduct of its said business has been and is in competition with other individuals, partnerships, and corporations engaged in the business of dressing and dyeing furs for the owners of said furs for

sale in interstate commerce or for sale to manufacturers to be made into garments for sale in such commerce.

Respondents, Jacobson Brothers, Inc., Corn & Fenning, Inc., and Fenrab Company, Inc., have been and are in the course and conduct of their business in competition with other individuals, partnerships, and corporations offering for sale and selling furs in interstate commerce.

Respondents, B. Geller & Son, Inc., Oldman Brothers, Inc., and Abrams & Linden, Inc., in the course and conduct of their business have been and are in competition with individuals, partnerships, and corporations engaged in the sale in interstate commerce of fur garments.

PAR. 4. Respondent, A. Hollander & Son, Inc., uses and has used a process for dressing and dyeing muskrat fur and rabbit fur (cony) which causes said furs to resemble in appearance the fur of seal. Garments made from said dressed and dyed muskrat fur and said dressed and dyed rabbit fur (cony) resemble and simulate in appearance only, garments made from dyed seal. Dressed and dyed muskrat fur and dressed and dyed rabbit fur (cony) are inferior to the fur of the seal in pliability and durability and in the wearing quality of the fur. Garments made from seal fur sell at prices greater than the sale prices of garments made from muskrat fur and rabbit fur (cony).

Respondent, A. Hollander & Son, Inc., stamps or causes to be stamped on the back of each of the muskrat furs dressed and dyed by it the word "Seal" in large and conspicuous letters. The words "Hollander" and "Seal" are stamped on said furs, at the top and bottom of the marking, respectively. Between these words appear the letters, "A. H. & S." Below the said word "Seal" in smaller and much less conspicuous letters appear the words "Dyed Muskrat" and between them and the word "Seal" appears the lower border of the design in which the word "Seal" is featured as aforesaid.

Respondent, A. Hollander & Son, Inc., stamps or causes to be stamped on the back of each of the rabbit furs (cony) dressed and dyed by it the words "Nubian Seal" in large and conspicuous letters. Below the words "Nubian Seal" appear in letters so small and inconspicuous as to be noticeable only after close inspection the words "Dyed Cony".

PAR. 5. It has been and is the practice of respondent, A. Hollander & Son, Inc., after dressing, dyeing, and stamping muskrat fur and rabbit fur (cony) for the owners of said furs, including the other respondents herein, in pursuance of agreements with them, to furnish labels and tags to be attached to garments made from such furs. The said labels and tags supplied by respondent, A. Hollander &

Son, Inc., for use on rabbit fur (cony) dressed, dyed, and stamped by it bear the name of said respondent, A. Hollander & Son, Inc., accompanied by the words "Nubian Seal" in large and conspicuous letters and below the words "Nubian Seal" the words "Dyed Cony" in letters so relatively small as to be unnoticeable except on close inspection. The said labels supplied by respondent, A. Hollander & Son, Inc., for use on muskrat fur dressed, dyed, and stamped by it bear in conspicuous type the words "Hudson Seal". Below these words in type so small as to be unnoticeable, except on close inspection, appear the words "Dressed and Dyed By", and below said words appear in large type the words "A. Hollander & Son". Under the words "A. Hollander & Son" appear in type unnoticeable, except on close inspection, the following: "Est. 1889 Dyed Muskrat". The words "Dyed Muskrat" are practically hidden from the view of or unnoticeable by an ultimate user of garments made from said fur. Tags furnished by A. Hollander & Son, Inc., as aforesaid, to be attached to garments made from muskrat fur dressed, dyed, and stamped by it bear the same legend as stamped on the back of muskrat furs.

PAR. 6. It has been and is the policy and practice of respondent, A. Hollander & Son, Inc., in order to encourage, promote, and extend the sale in commerce among and between the various States of the United States of muskrat and rabbit furs dressed, dyed, and stamped by it, and of garments made therefrom bearing the aforesaid labels and tags supplied by said respondent to owners of such furs or to manufacturers of garments therefrom, to engage in wide and extensive advertisements in magazines, newspapers, and other publications of general circulation in and through the various States of the United States.

In accordance with such policy and practice it has circulated and distributed among the trade in and through the various States of the United States, a house organ entitled "Hollander". In such organ issued in June 1934 said respondent, A. Hollander & Son, Inc., displays its aforesaid label and the words stamped on the muskrat fur it designates as aforesaid, but omits from such display the words "Dyed Muskrat". Across one of its pages appear the words "Endorsed From Coast to Coast" in large conspicuous black letters. It also contains the following:

Labels and tags (in large letters) are allotted on the basis of one each for every fifty skins. See that you get them with every shipment.

Below these words appear the words "Hollander, A H & S, Seal" in the regular design said respondent uses on muskrat fur dressed, dyed and stamped by it.

There also appears the following:

Reports from good stores throughout the country enthusiastically endorse the A. Hollander & Son plan for national advertising. Leading fur buyers everywhere are wiring in for labels and tags. "The most forward step ever taken in behalf of the fur industry", they say. Are you taking steps to reap your full share of benefit from this campaign. If not, do so at once. Make up your mind right now that tags and labels are to go into everyone of your coats. Make it a standing requirement on all your orders. Write us also for as many as you need to cover your present stock.

Again, in such house organ respondent displays its label for "Nubian Seal". It represents in connection therewith as follows:

The A. Hollander & Son national advertising will naturally increase the demand for all A. Hollander & Son products. Here are the two big "money furs" that will now become more profitable for you than ever. Each is the best in its class * * * concentrate on them * * * Feature them as "A. Hollander & Son products". You will thus gain extra advantage from our advertising. Your sales will quicken. Your profit will increase.

It has been and is the practice of respondent also to furnish dealers in and through the various States of the United States with posters, pamphlets, counter and window display cards wherein are featured fur garments of various kinds bearing the labels of respondent, A. Hollander & Son, Inc. One large piece of advertising literature in the form of a magazine it has circulated among the trade containing, among other things, in large and conspicuous letters, "A. Hollander & Son advertisements in national magazines will sell women from coast to coast." It also represents as follows:

Throughout the length and breadth of the country the name of A. Hollander & Son will spread as meaning the best in Hudson Seal.

It represents in such advertising literature that A. Hollander & Son Hudson Seal will be broadcast on the radio programs of leading magazines of general circulation in and through the United States.

In November 1934 appeared an advertisement of respondent, A. Hollander & Son, Inc., in a magazine of such character, in which the name of said respondent and the words "Hudson Seal" are printed in large, black outstanding letters. The words which it stamps on the back of muskrat pelts, to wit, "Hollander A H & S Seal" appear in such advertisement in connection with the representation of a woman wearing a fur garment. At one place in such advertisement the words "Hudson Seal" are followed by a mark so small as to be almost indistinguishable, and in the lower part of the advertisement without any apparent relationship to the language in connection with which it appears, there are the words "Dyed Musk-

rat" in the smallest letters appearing throughout the advertisement. The words are preceded by the same almost indistinguishable mark which appears after the words "Hudson Seal" in that part of the advertising hereinbefore indicated. There is in such advertisement no other indication or suggestion that the garment featured is not made from seal.

PAR. 7. It has been and is the practice of respondents, Jacobson Brothers, Inc., Corn & Fenning, Inc., and Fenrab Company, Inc., to cause and each of them now causes muskrat or rabbit furs, or both, to be dressed, dyed, marked and designated as described in paragraph 4 hereof by respondent, A. Hollander & Son, Inc., in accordance with agreements for such services and at the instance or suggestion of said respondent, A. Hollander & Son, Inc., or because of its practices described in paragraphs 4, 5 and 6 hereof, and thereupon to offer for sale and sell in commerce among and between the various States of the United States, such furs so dressed, dyed, stamped, and designated to manufacturers of fur garments or to other dealers in furs, together with the labels and stamps described in paragraphs 4, 5 and 6.

It has been and is the practice of respondent, B. Geller & Son, Inc., to cause, and it still causes respondent, A. Hollander & Son, Inc., to dress, dye, stamp, and designate its muskrat furs as described in paragraph 4 hereof, in accordance with agreements for such services and at the instance or suggestion of said respondent, A. Hollander & Son, Inc., or because of its practices described in paragraphs 4, 5 and 6 hereof, and also to buy from furriers or other dealers, muskrat furs so dressed, dyed, stamped, and designated by said respondent, A. Hollander & Son, Inc., and thereupon it has manufactured garments from such furs and has offered for sale and sold them in commerce among and between the various States of the United States with the labels and tags attached to each garment which have been furnished it by said respondent, A. Hollander & Son, Inc., as described in paragraph 5 hereof.

It has been and is the practice of respondent, Oldman Brothers, Inc., and of respondent, Abrams & Linden, Inc., to offer for sale and sell in interstate commerce, garments made from rabbit skins which, at the instance or request of respondent, A. Hollander & Son, Inc., or because of the practices of said respondent described in paragraphs 4, 5, and 6, they have caused respondent, A. Hollander & Son, Inc., to dress, dye, stamp, and designate as "Nubian Seal". It has also been its practice to attach to each and all of said garments the same labels and tags hereinbefore described for "Nubian Seal", which have been furnished them by respondent, A. Hollander & Son, Inc., as stated in paragraph 5 hereof.

PAR. 8. There have been for many years last past, and are individuals, partnerships and corporations offering for sale and selling in commerce among and between the various States of the United States, rabbit fur, muskrat fur and seal fur, and there have been and are individuals, partnerships and corporations offering for sale and selling in such commerce garments manufactured from rabbit fur, muskrat fur and seal fur, which have been and are truthfully described and designated.

PAR. 9. The word "seal", used in connection with furs, has signified and meant, and signifies and means to the purchasing or consuming public that the furs so designated have been and are the furs of the aquatic carnivorous mammal usually found in high latitudes known as seal or fur seal, and the word "seal" used in connection with fur garments has signified and meant, and now signifies and means to the purchasing or consuming public, garments made from the furs of such seal. Use of such word "seal" by respondents as a noun, whether preceded by the word "Hudson", "Hollander", or "Nubian", to describe or designate the furs hereinbefore mentioned, namely seal dyed muskrat and seal dyed rabbit (cony), is false, misleading and deceptive to the trade and the public.

The acts and practices of respondent, A. Hollander & Son, Inc., as described in paragraphs 4, 5, and 6 hereof, have suggested or instigated, aided, assisted, abetted and caused its correspondents herein to offer for sale and sell in interstate commerce muskrat furs and rabbit furs dressed, dyed, and stamped as described in the aforesaid paragraphs, in and among the various States of the United States as and for seal furs and garments made therefrom as and for garments made from seal furs, and such acts and practices of respondent, A. Hollander & Son, Inc., have been and are with the full knowledge, expectation, purpose, and intent that such furs or garments made therefrom would be offered for sale and sold in such interstate commerce by its correspondents herein, and such acts and practices have been and are directly related to, and in furtherance of their business.

The acts and practices of respondents, A. Hollander & Son, Inc., Jacobson Brothers, Inc., Corn & Fenning, Inc., B. Geller & Son, Inc., Fenrab Company, Inc., Oldman Brothers, Inc., and Abrams & Linden, Inc., have furnish manufacturers and dealers, wholesale and retail, with the means by which they have been and are able to perpetrate a fraud upon the purchasing public by representing that such furs so dressed, dyed, and stamped by respondent, A. Hollander & Son, have been or are seal furs, and that garments made from such furs have been and are made of seal furs, and by ex-

hibiting to customers and prospective customers the aforesaid mark or designation stamped on such furs, or the labels and tags attached to such garments and supplied by respondent, A Hollander & Son, Inc., or by both acts, to support their false representations that such garments are made from seal fur; and such acts and practices of respondents have had and have the tendency and capacity to mislead and deceive the consuming public into the purchase of such furs as and for seal furs and into the purchase of garments made from such furs as and for garments made from seal furs.

Such acts and practices of the aforesaid respondents have had and have, and each of them has had and has the capacity and tendency to divert trade to them and to dealers offering for sale or selling such furs, or garments made therefrom, to their customers in interstate commerce, to wit, the retail dealers, from dealers selling in such commerce muskrat furs, rabbit furs, seal furs and those of other fur-bearing animals truthfully marked and described, and from manufacturers and dealers selling, in such commerce, garments made from muskrat furs, rabbit furs, seal furs and those of other fur-bearing animals truthfully branded or described, and from their customers or vendees, the retail dealers.

PAR. 10. The above and foregoing practices of respondents have been and are, and the practice of each of them has been and is to the prejudice of the public and of the competitors of each and all of them, and have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST ⁸

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 28th day of November 1934 issued its amended and supplemental complaint against A. Hollander & Son, Inc., Jacobson Brothers, Inc., Corn & Fenning, Inc., B. Geller & Son, Inc., Fenrab Company, Inc., Oldman Brothers, Inc., and Abrams & Linden, Inc., respondents herein, and caused the same to be served upon said respondents as required by law, in which complaint it is alleged that respondents have been and are using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

⁸ Published as modified.

On January 25, 1935, respondents filed an answer to said complaint in which they consented that the Commission may make, enter and serve upon them an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondents, A. Hollander & Son, Inc., Jacobson Brothers, Inc., Corn & Fenning, Inc., B. Geller & Son, Inc., Fenrab Company, Inc., Oldman Brothers, Inc., Abrams & Linden, Inc., their officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or

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describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondents shall, within 90 days from the date of the service upon them of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of their compliance with this order.

Syllabus

IN THE MATTER OF

JOSEPH HOLLANDER, INC.

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

Docket 2124. Complaint, Nov. 9, 1933—Order, June 25, 1935¹

Complaint charged respondent, engaged in dressing, dyeing, and trade-marking or otherwise marking and designating, among others, muskrat skins at the instance and request of and in accordance with special agreements with the owner-furriers or dealers who sell the same, thus dressed, dyed, marked, and designated, to garment manufacturers and other dealers, with misbranding or mislabeling, in stamping on the backs of said muskrat skins, so dressed and dyed by it as to resemble the appearance of genuine dyed seal-skin, its registered trade-mark containing in large and conspicuous letters the words "Hollander" and "Seal", together with the words "Dyed Muskrat" in small letters, with intent and effect of furthering sale in interstate commerce of said muskrat skins, thus dressed, dyed and marked by it, by the owners thereof, and sale by said owners' manufacturer vendees of garments made therefrom, which resemble in appearance only the substantially more costly products made of the more pliable, durable, and better-wearing seal fur;

With capacity and tendency to mislead and deceive the public into the purchase of said skins and garments made thereof from such owner dealers and manufacturers, respectively, as and for sealskins or garments made thereof, and with effect of furnishing manufacturers and dealers, wholesale and retail, with the means enabling them to perpetrate a fraud upon the purchasing public by representing to their respective customers that said garments are made of genuine seal, and by exhibiting to them in support of such false representations the word "Seal" stamped thereon, and of aiding, assisting and abetting sale in interstate commerce of muskrat skins thus dressed, etc., by it, and of garments therefrom, as and for seal, by the owners and manufacturers, respectively, and with capacity and tendency to divert trade to such owner dealers and manufacturers and their respective customers from dealers or furriers selling the skins of muskrat, seal and other fur-bearing animals in interstate commerce, truthfully described, branded and marked, and from manufacturers similarly selling garments made thereof, and from their wholesale and retail dealer-customers; to the prejudice of the public and of the competitors of said owners and their manufacturer vendees, and of its principals and those thus aided, assisted and abetted by it in the sale of muskrat skins thus dressed, dyed and marked by it, and garments made thereof, as and for seal.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing furs other than by the use of the correct name of the fur

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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as the last word in the designation thereof, and from the use of the word "Seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "Dyed" or "Blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its power and duties, and for other purposes", the Federal Trade Commission charges that Joseph Hollander, Inc., hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Joseph Hollander, Inc., is now, and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New Jersey with its principal office and place of business in the city of Newark, in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating muskrat skins and the skins of other fur-bearing animals for the owners thereof.

Respondent uses and has used a process for dressing and dyeing muskrat skins which causes the fur of such skin to resemble in appearance the fur of genuine dyed sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it a trade mark which it has caused to be registered in the United States Patent Office, containing in large and conspicuous letters the words "Joseph Hollander," with "J. H. Inc." below the word "Hollander" enclosed within borders, and below them the word "Seal." The words "Hollander" and "Seal" are in large conspicuous display letters. Below this trade mark in small letters are the words "dyed muskrat."

Garments made from muskrat skins so dressed and dyed by respondent resemble garments made from dyed sealskins but in appearance only, and are inferior to the skins of seals in pliability and durability of the leather and wearing quality of the fur, and garments made from sealskins command prices substantially greater than the prices of garments made from muskrat skins.

Respondent has rendered and renders such service for owners of muskrat skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of

selling the skins of fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of skins dressed, dyed and trade-marked for them by respondent, to sell them in such commerce to other furriers or dealers and to manufacturers of fur garments, having their places of business in the various States of the United States, and such manufacturers have offered for sale and sold garments made from muskrat skins so dressed, dyed, and trade-marked for them by respondent, in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing and trade-marking muskrat skins for their owners with the full knowledge, expectation, purpose and intent that such skins or garments made therefrom will be offered for sale and sold in interstate commerce bearing the aforesaid brand or trade mark, and the aforesaid acts and practices of respondent have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing and dyeing the skins of fur-bearing animals for their owners for sale in interstate commerce or to manufacturers of fur garments made therefrom to be sold in such commerce. The owners of muskrat skins, dressed, dyed, and trade-marked by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. There are now and have been for many years last past competitors of respondent dressing and dyeing muskrat skins or skins of other fur-bearing animals for their owners, truthfully marked or described, for sale in interstate commerce, or for manufacture into garments for sale in such commerce in competition with muskrat skins or garments made therefrom, dyed and trade-marked by respondent as described in paragraph 1.

There are now and for many years last past have been competitors of the owners of muskrat skins dyed and trade-marked by respondent, and of manufacturers selling garments made therefrom, offering for sale and selling in interstate commerce dyed muskrat skins

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clearly described and advertised as such and garments made therefrom without any trade mark, brand, stamp, or other description containing the word "Seal" or thereby or otherwise suggesting or implying that such garments have been or are made from or out of sealskins, and there have been or are other competitors of the owners of muskrat skins dyed and trade-marked by respondent and of manufacturers selling in interstate commerce garments made therefrom, offering for sale and selling in interstate commerce garments made from genuine dyed sealskin truthfully trade-marked, branded, and described.

PAR. 3. The acts and practices of the owners of the muskrat skins so dressed, dyed, and branded for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from muskrat skins dyed to resemble sealskins and bearing the aforesaid brand or designation, have had and have the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for sealskins, and into the purchase of garments made from such skins as and for garments made from sealskins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail, with the means by which they have been and are enabled to perpetrate a fraud upon the purchasing public by representing to their respective customers that garments made from such skins are made of genuine seal fur, and by exhibiting to customers and prospective customers the trade mark stamped on such skins containing the word "seal", as described in paragraph 1 hereof, to support their false representations that such garments are made from genuine seal fur.

Such acts and practices by the owners of muskrat skins dressed, dyed, and stamped by respondent and by their vendees, the manufacturers of fur garments have had and have the capacity and tendency to divert trade to them and their respective customers from dealers or furriers selling the skins of muskrats and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers selling in interstate commerce garments made from muskrat skins, sealskins and the skins of other fur-bearing animals truthfully branded and described, and from their customers, wholesale and retail dealers.

The acts and practices of respondent described in paragraph 1 hereof have aided, assisted, and abetted the owners of muskrat skins dressed, dyed, and stamped for them by respondent, in selling such skins in and among the various States of the United States as and

for sealskins, and have aided, assisted, and abetted the manufacturers of garments from such skins in selling them in such commerce as and for garments made from sealskins.

PAR. 4. The above and foregoing practices of the owners of muskrat skins, dressed, dyed, and stamped by respondent and of their vendees, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors, and the above and foregoing practices of respondent have been and are to the prejudice of the public and of respondent's competitors, and the competitors of respondent's principals, and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Joseph Hollander, Inc., a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 17, 1934, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondent, Joseph Hollander, Inc., its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any

² Published as modified.

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dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words (regardless of corporate name, trade name or trademark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

Syllabus

IN THE MATTER OF
HUDSON FUR DYEING, INC.COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2125. Complaint, Nov. 9, 1933—Order, June 25, 1935¹*

Complaint charged respondent corporation, engaged in dressing, dyeing, trade-marking, or otherwise marking and designating, among others, rabbit skins, at the instance and request of and in accordance with special agreements with the owner furriers or dealers who sell the same, thus dressed, dyed, marked, and designated, by it, to garment manufacturers, with misbranding or mislabeling, in stamping upon the backs of rabbit skins, so dressed and dyed by it as to cause the fur thereof to resemble the appearance of the much superior seal, the words "Hudson Seal", with full knowledge and in aid of sale in interstate commerce, by said owners and manufacturers, respectively, of such skins and garments made thereof as and for seal on account of their resemblance to the dyed fur of genuine seal, due to its agency or service in thus marking, describing, and designating the same;

With capacity and tendency to mislead and deceive the public into the purchase of said skins and of garments made therefrom, from said owner and manufacturer vendors thereof, as and for seal and the substantially more costly sealskin garments, respectively, and with the effect of furnishing manufacturers and wholesale and retail dealers with the means enabling them to perpetrate a fraud upon the purchasing public by representing to their respective customers in the various localities of the several States in which their business is conducted that such garments are sealskin, and offering and selling the same to the public as and for genuine seal, and exhibiting the aforesaid trade mark in support of such misrepresentation, and of aiding, assisting, and abetting sale in interstate commerce of rabbit skins thus dressed, etc., by it, and of garments thereof, as and for seal, by the owners and manufacturers, respectively, and with capacity and tendency to divert trade to the owners offering and selling in interstate commerce rabbit skins, thus dressed, dyed and marked or stamped by it for them, and to manufacturers of garments made thereof similarly offering the same, from dealers or furriers selling skins of rabbit, seal, or other furbearing animals in such commerce, truthfully described and marked, and from manufacturers thus selling garments made of such skins, truthfully branded and described; to the prejudice of the public and of competitors of the aforesaid owners and of said owners' vendees, the manufacturers of garments thereof, and to the prejudice of the competitors of itself and of its principals and those thus aided, assisted and abetted by it in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer, or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the words

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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"seal" or "Hudson Seal" as designations thereof, subject to permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Hudson Fur Dyeing, Inc., hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Hudson Fur Dyeing, Inc., is now, and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New Jersey with its principal office and place of business in the city of Newark in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof.

Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling rabbit skins or the skins of other fur-bearing animals in commerce, among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, and trade-marked, or otherwise marked or designated, for them by respondent, to sell them with the full knowledge of respondent to manufacturers of fur garments, having their places of business in the city of Newark or elsewhere in the State of New Jersey, and in the various other States of the United States, and such manufacturers have offered for sale and sold garments made from rabbit skins so dressed, dyed, and trade-marked, or otherwise marked or designated, in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing, and trade-marking, or otherwise marking or designating, rabbit skins for their owners with the full knowledge, expectation, purpose, and intent that such skins or garments made

therefrom will be offered for sale and sold in interstate commerce, and the acts and practices of respondent hereinafter described in paragraph 2 hereof have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing and dyeing rabbit skins, or the skins of other fur-bearing animals, for their owners in pursuance of agreements therefor, for sale in interstate commerce, or for manufacture into garments to be sold in such commerce. The owners of rabbit skins, dressed, dyed, and trade-marked, or otherwise marked or designated, by respondent, and the manufacturers of garments therefrom, have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. The respondent uses and has used, a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance dyed sealskins, and causes such skins to be stamped, marked or designated on the backs thereof with the words "Hudson Seal." Dyed rabbit skins resemble dyed sealskins in appearance only and such skins are greatly inferior to the skins of seals, and garments made from sealskins command prices substantially greater than the prices commanded by garments made from rabbit skins.

PAR. 3. Large quantities of rabbit skins have been and are dressed and dyed by respondent so as to resemble and imitate sealskins, and stamped as aforesaid, for their owners, for manufacture into coats or other fur garments for women. Such garments have been and are sold by such manufacturers, among and between the various States of the United States, as and for garments made from sealskins on account of or by means of their resemblance to the dyed furs of genuine seals, resulting from the agency or service of respondent in marking, describing, and designating such skins as Hudson Seal.

PAR. 4. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals for their owners for sale in interstate commerce or to manufacturers of fur garments selling in such commerce, and either stamping or marking them so as clearly to indicate the kind or character of such skins, or omitting any mark or designation, and such skins and garments made from them have been and are sold in interstate commerce in competition with rabbit skins or garments made therefrom, dyed and stamped by respondent as described in paragraph 2.

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There are now and for many years last past have been competitors of the owners of rabbit skins so dyed and stamped by respondent, and of manufacturers selling garments made therefrom, offering for sale and selling in interstate commerce dyed rabbit skins clearly described and advertised as such, and garments manufactured from dyed rabbit skins without any trade mark, brand, stamp, or other description containing the word "seal" or thereby or otherwise suggesting or implying that such garments have been or are made from or out of sealskins, or any other skins than rabbit skins, and there have been and are other competitors of the owners of rabbit skins dyed and stamped by respondent and of manufacturers selling in interstate commerce garments made therefrom, offering for sale and selling in interstate commerce genuine dyed sealskins, or garments made therefrom, truthfully trade-marked, branded, or described.

PAR. 5. The acts and practices of the owners of the rabbit skins so dressed, dyed and stamped or branded for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from rabbit skins dyed to resemble sealskins bearing the brand, mark, or designation "Hudson Seal", have had and have the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for sealskins, and into the purchase of garments made from such skins as and for garments made from sealskins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail, with the means by which they have been and are enabled to perpetrate a fraud upon the purchasing public by representing to their respective customers in the various localities of the various States in which their business is conducted, that garments made from skins so dressed, dyed, and marked or stamped by respondent are sealskins, and by offering for sale and selling the same to the public as and for genuine sealskins and by exhibiting said trade mark to support such representation.

Such acts and practices by the owners of rabbit skins dressed, dyed and marked or stamped by respondent, and by the vendees of such owners, including manufacturers of fur garments, have had and have the capacity and tendency to divert trade to the owners of rabbit skins dyed, dressed, and so marked or stamped by respondent, who have offered for sale and sold them in interstate commerce and to manufacturers of garments made from such skins, offering for sale and selling the same in interstate commerce, from dealers or furriers selling the skins of rabbits and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers selling in interstate commerce garments made from seal-

skins, rabbit skins, and the skins of other fur-bearing animals, truthfully branded and described.

The acts and practices of respondent described in paragraph 2 have aided, assisted, and abetted the owners of rabbit skins dressed, dyed, and stamped or designated for them by respondent in selling such skins in and among the various States of the United States as and for sealskins, and have aided, assisted, and abetted the manufacturers of garments from such skins in selling them in such commerce as and for garments made from sealskins.

PAR. 6. The above and foregoing practices of the owners of rabbit skins dressed, dyed, and marked or stamped by respondent and of the vendees of such owners, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors, and the above and foregoing practices of respondent have been and are to the prejudice of the public and respondent's competitors and the competitors of respondent's principals, and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Hudson Fur Dyeing, Inc., a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 17, 1934, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission being now fully advised in the premises, modifies the said order to cease and desist, and

* Published as modified.

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It is now ordered, That respondent, Hudson Fur Dyeing, Inc., its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur, or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words (regardless of corporate name, trade name or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of their compliance with this order.

Syllabus

IN THE MATTER OF
MENDOZA FUR DYEING WORKS, INC.COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2126. Complaint, Nov. 9, 1933—Order, June 25, 1935¹*

Complaint charged respondent corporation, engaged in dressing, dyeing, and trade-marking or otherwise marking and designating, among others, rabbit skins, at the instance and request of, and in accordance with special agreements with, the owner-furriers or dealers who sell the same, thus dressed, dyed, and trade-marked or otherwise marked or designated, to garment manufacturers, or make use thereof themselves for garment manufacture, with misbranding or mislabeling, and advertising falsely or misleadingly, in describing or designating as "Mendoza Beaver", rabbit skins so dyed by it as to cause the fur thereof to resemble that of dyed beaver, using said words in advertising in magazines and trade literature of general circulation, together with the words "This stamp signifies genuine Mendoza Beaver and Mendoza Seal", and furnishing the owners of said skins, thus dyed by it, garment labels containing the words, "Mendoza Beaver", with full knowledge and in aid of sale in interstate commerce of said skins, thus dressed, dyed, and designated by it, and garments made therefrom, as and for beaver on account of their resemblance thereto, resulting from its said service, and advertisements and labels, describing, and designating, as aforesaid, such skins and garments made therefrom;

With capacity and tendency to mislead and deceive the public into the purchase of said skins and of garments made therefrom, from said owner and manufacturer vendors thereof, respectively, as and for beaver, and with effect of furnishing manufacturers and wholesale and retail dealers with the means enabling them to perpetrate a fraud upon the purchasing public by advertising in the various localities of the several States in which their businesses are conducted, garments made from skins so dressed and dyed by it, as "Mendoza Beaver", and by offering and selling the same to the public as and for genuine beaver, and of aiding, assisting, and abetting sale in interstate commerce of rabbit skins, thus dressed, etc., by it, and of garments thereof, as and for beaver, by the owners and manufacturers, respectively, and with capacity and tendency to divert trade to owners offering and selling in interstate commerce rabbit skins thus dressed and dyed by it, and to manufacturers selling in such commerce garments thereof, and to other vendees of said owners, and to wholesalers of such garments, and their customers, the retailers, from dealers or furriers selling the skins of rabbit and other fur-bearing animals in such commerce, truthfully described and marked, and from manufacturers and dealers selling therein garments made from beaver, rabbit, and other skins of fur-bearing animals, truthfully branded and described, and from their customers, the retailers; to the prejudice of the public and of competitors of the aforesaid owners of such rabbit skins, and of manufacturers of

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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garments therefrom, thus aided, assisted, and abetted by it in the sale of said skins and garments as and for beaver, and to the prejudice of competitors of itself and of its principals and those it thus aided, etc., in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer, or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing furs other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the words "Beaver" or "Seal" as designations thereof, subject to the permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

Mr. Philip L. Liebman, of New York City, for respondent.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Mendoza Fur Dyeing Works, Inc., hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Mendoza Fur Dyeing Works, Inc., is now, and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New York with its principal office and place of business in the city of New York, in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof. It uses, and has used a process for dyeing rabbit skins which causes the fur of such skins to resemble the fur of dyed beaver skins, and it describes and designates rabbit skins so dyed by it as "Mendoza Beaver".

Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling rabbit skins or the skins of other fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, and trade-marked or otherwise marked or designated for them by respondent, to sell them to manufacturers of fur garments, and others

described and designated as Mendoza Beaver, at the instance of, and in cooperation with, respondent. Such manufacturers have offered for sale and sold garments made from rabbit skins so dressed, dyed, and designated by respondent, in commerce among and between the various States of the United States, as "Mendoza Beaver", causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such service in dressing, dyeing, and designating rabbit skins for their owners, with the full knowledge, expectation, purpose, and intent that such skins, or garments made therefrom, will be offered for sale and sold in interstate commerce. In furtherance of such sales in interstate commerce it has been and is the practice of respondent to advertise in magazines, journals, and other trade literature of general circulation in and through the various States of the United States, in the course of which, it has used and uses the following language to describe rabbit skins dyed by it and garments made therefrom, to wit, "Mendoza Beaver". In such advertisements, or some of them, appear representations or stamps, below one of which is the following: "This stamp signifies genuine Mendoza Beaver and Mendoza Seal". Further to encourage, assist, and promote the sale of such garments in such commerce as and for garments made from beaver skins, it has been and is the practice of respondent to furnish the owners of rabbit skins, dyed by it to resemble beaver skins, with labels to be attached to garments made from such skins containing the words "Mendoza Beaver".

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships and corporations dressing and dyeing rabbit skins, or the skins of other fur-bearing animals, for their owners for sale in interstate commerce or for manufacture into garments to be sold in such commerce. The owners of rabbit skins dressed, dyed, described, or designated by respondent and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in interstate commerce.

PAR. 2. Large quantities of rabbit skins have been and are so dressed and dyed by respondent as to resemble and imitate beaver skins, for their owners, including M. D. Spigel, Inc., a manufacturing furrier, doing business in the city of New York and State of New York, for manufacture into coats or other fur garments for

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women. Such garments, usually bearing labels described in paragraph 2 hereof in a conspicuous place thereon, have been sold and are sold by such manufacturers, including said M. D. Spigel, Inc., among and between the various States of the United States, as and for Mendoza Beaver on account of or by means of their resemblance to the dyed furs of genuine beavers, resulting from the agency or service of respondent and its advertisements and labels describing and designating such skins and garments made therefrom as "Mendoza Beaver".

PAR. 3. There are now and have been for many years past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals, for their owners, either for sale in interstate commerce, or for sale for manufacture into garments for such commerce, who either stamp or mark them so as clearly to indicate the kind or character of such skins, or omit any mark or designation.

There are now and for many years last past have been competitors of the owners of rabbit skins dyed by respondent and of manufacturers selling garments made therefrom, offering for sale and selling in interstate commerce dyed rabbit skins clearly described and advertised as such, and garments manufactured from dyed rabbit skins without any trade mark, brand, stamp, label, or other description containing the word "beaver" or thereby or otherwise suggesting or implying that such garments have been or are made from or out of beaver skins, or any other skins than rabbit skins, and there have been and are other competitors of the owners of rabbit skins dyed by respondent and of manufacturers selling in interstate commerce garments made therefrom, offering for sale and selling in such commerce garments made from genuine dyed beaver skin truthfully trade-marked, branded, or described.

PAR. 4. The acts and practices of the owners of the rabbit skins so dressed and dyed for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from rabbit skins dyed to resemble beaver skins, described and designated as Mendoza Beaver, have had and have and each of them has had and has the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for beaver skins, and into the purchase of garments made from such skins as and for garments made from beaver skins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail, with the means by which they have been and are enabled to perpetrate a fraud upon the purchasing public by adver-

tising in the various localities of the various States in which their business is conducted, garments made from skins so dressed and dyed by respondent as Mendoza Beaver, and by offering for sale and selling the same to the public as and for genuine beaver.

Such acts and practices by the owners of rabbit skins dressed and dyed by respondent, and by the vendees of such owners, including manufacturers of fur garments, have had and have the capacity and tendency to divert trade to the owners of rabbit skins dyed and dressed by respondent, who have offered for sale and sold them in interstate commerce and to manufacturers of garments made from such skins, and wholesalers offering for sale and selling the same in interstate commerce, and to their customers, the retail dealers, from dealers or furriers selling the skins of rabbits and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers and dealers selling in interstate commerce garments made from beaver skins, rabbit skins and the skins of other fur-bearing animals, truthfully branded and described, and from their customers, the retail dealers.

The acts and practices of respondent described in paragraph 2 have aided, assisted, and abetted the owners of rabbit skins dressed and dyed for them by respondent in selling such skins in and among the various States of the United States as and for beaver skins, and have aided, assisted, and abetted the manufacturers of garments from such skins in selling them in such commerce as and for garments made from beaver skins.

PAR. 5. The above and foregoing practices of the owners of rabbit skins dressed and dyed by respondent and of the vendees of such owners, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors, and the above and foregoing practices of respondent have been and are to the prejudice of the public and respondent's competitors and the competitors of respondent's principals, and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the

² Published as modified.

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Federal Trade Commission, on the 9th day of November 1933, issued its complaint against Mendoza Fur Dyeing Works, Inc., a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 16, 1935, respondent filed an answer to said complaint in which it consented that the Commission may make, enter and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, that respondent, Mendoza Fur Dyeing Works, Inc., its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" or the word "beaver" alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony or dyed beaver, unless and until the word "seal" and the word "beaver" are compounded with the word "dyed" and such compounded word or words are immediately followed by the word "cony", as "seal-dyed cony" or "beaver-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the word "beaver" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words (regardless of corporate name,

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trade name or trade-mark), except that the word "seal" or the word "beaver" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "beaver-dyed cony" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

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IN THE MATTER OF
OAKLAND FUR DYEING, INC.

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

*Docket 2127. Complaint, Nov. 9, 1933—Order, June 25, 1935*¹

Complaint charged respondent corporation, engaged in dressing, dyeing, and trade-marking or otherwise marking and designating, among others, rabbit skins, at the instance and request of and in accordance with special agreements with the owner furriers or dealers who sell the same, thus dressed, dyed, marked, branded, or designated by it for them, to garment manufacturers, with misbranding or mislabeling in stamping on the backs of rabbit skins, so dressed and dyed by it as to cause the fur thereof to resemble the appearance of the much superior sealskin in pliability, durability, and wearing quality of the fur, the words "Oakland Seal" in large and conspicuous letters, together with the words "Dyed Cony" in small and inconspicuous letters, with full knowledge and in aid of sale in interstate commerce by said owners of such skins, thus dressed, dyed, and marked by it for them, and by the manufacturers of garments made therefrom under the designation "Sealines", on account of or by means of their resemblance to the dyed fur of genuine seal, resulting from its said agency or service and its aforesaid mark or brand, conspicuously displaying the words "Oakland Seal" ;

With capacity and tendency to mislead and deceive the public into the purchase of said skins and of garments made therefrom, from said owner and manufacturer vendors thereof, as and for seal, and the substantially more costly sealskin garments, respectively, and with effect of furnishing manufacturers and wholesale and retail dealers with the means enabling them to perpetrate a fraud upon the purchasing public by representing that said garments are made of genuine seal and by exhibiting to customers and prospective customers the words "Oakland Seal" stamped on the skins thereof in support of such false representation, and of aiding, assisting, and abetting sale in interstate commerce of rabbit skins thus dressed, etc., by it, and of garments therefrom, as and for seal, by the respective owners and manufacturers, and dealers therein in their various localities, and with capacity and tendency to divert trade to owners offering and selling in interstate commerce said skins, thus dyed, dressed and stamped by it for them, and to manufacturers of garments made thereof similarly offering the same, and to wholesale dealers therein and latter's retail dealer customers, from dealers or furriers selling skins of rabbit and other fur-bearing animals in such commerce, truthfully described and marked, and from manufacturers and wholesalers thus selling garments made of seal, rabbit, or skin of other fur-bearing animals, truthfully described and branded, and from their retail dealer customers; to the prejudice of the public and of competitors of the aforesaid owners and of said owners' vendees, the garment manufacturers, and to the prejudice of the competitors

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

of itself and of its principals, and those thus aided, assisted, and abetted by it in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer, or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the word "seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

COMPLAINT

Acting in the public interest pursuant to the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Oakland Fur Dyeing, Inc., hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Oakland Fur Dyeing, Inc., is now, and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New York with its principal office and place of business in the city of Brooklyn, in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof.

Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling rabbit skins or the skins of other fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, marked, branded, or designated for them by respondent, to sell them with the full knowledge of respondent to manufacturers of fur garments, having their places of business in the city and State of New York or elsewhere in said State, and in the various other States of the United States, and such manufacturers have offered for sale and sold garments made from rabbit skins so dressed, dyed, marked, branded, or designated in commerce among and between the various States of the United States, causing them when sold to be trans-

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ported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing, marking, branding, or designating rabbit skins for their owners with the full knowledge, expectation, purpose, and intent that such skins or garments made therefrom will be offered for sale and sold in interstate commerce, and the acts and practices of respondent hereinafter described in paragraph 2 hereof have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing, dyeing, marking, branding, or designating rabbit skins or the skins of other fur-bearing animals for the owners thereof for sale in interstate commerce or for sale to manufacturers to be made into fur garments to be sold in such commerce. The owners of rabbit skins, dressed, dyed, marked, branded, or designated by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. The respondent uses and has used, a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance the fur of genuine sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it in large and conspicuous letters the words "Oakland Seal". Below the words "Oakland Seal" respondent causes to be stamped the words "Dyed Cony" in small and inconspicuous letters.

Garments made from rabbit skins so dyed, marked, branded, or designated by respondent resemble garments made from dyed sealskins but in appearance only. Dyed rabbit skins are greatly inferior to the skins of seals in pliability and durability of the leather and in wearing quality and luster of the fur, and garments made from sealskins command prices far in excess of or substantially greater than the prices commanded by garments made from rabbit skins.

PAR. 3. It requires approximately fifty rabbit skins for the construction of coats for women, while it requires only seven sealskins for such purpose, and large quantities of rabbit skins are dressed, dyed, stamped, marked, branded, or designated by respondent, as described in paragraph 2 hereof, for manufacture into coats or

other fur garments for women. Such garments bearing the aforesaid mark, brand, or designation of respondent on the back of the skins from which they have been and are made, have been and are sold by manufacturers thereof in the course of their business among and between the various States of the United States, under the name of or described as "Sealines" on account or by means of their resemblance to the dyed furs of genuine seals resulting from the agency or service of respondent and its mark, brand or designation conspicuously displaying the words "Oakland Seal" as described in paragraph 2 hereof.

PAR. 4. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals, including the skins of muskrats and seals for their owners, to be sold in interstate commerce, to furriers or dealers or to manufacturers to be made into fur garments for sale in interstate commerce, whose practice has been and is either to stamp or mark such skins so as clearly to indicate their kind or character, or to omit any such stamp, mark, or designation. Skins so dressed and dyed by such competitors of respondent with or without stamp or other designation thereon, respecting the kind or character of the skins, and garments made from them have been and are offered for sale and sold in interstate commerce by furriers or dealers or manufacturers who have been and are competitors of the individuals, partnerships, and corporations for whom respondent performs and has performed the aforesaid service of dressing, dyeing, stamping, and branding such rabbit skins.

PAR. 5. The acts and practices of the owners of rabbit skins so dressed, dyed, and branded for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from rabbit skins dyed to resemble sealskins and bearing the aforesaid brand of "Oakland Seal", have had and have and each of them has had and has the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for sealskins, and into the purchase of garments made from such skins as and for garments made from sealskins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail, with the means by which they have been and are enabled to perpetrate a fraud upon the purchasing public by representing that garments made from such skins are made from genuine seal fur, and by exhibiting to customers and prospective customers stamped on such skins the words "Oakland Seal" to support their false representations that such garments are made from genuine seal fur.

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Such acts and practices by owners of rabbit skins so dressed, dyed, and stamped by respondent and by their vendees, the manufacturers of fur garments from such skins, have had and have and each of them has had and has the capacity and tendency to divert trade to the owners of rabbit skins so dyed, dressed, and stamped by respondent, who have offered for sale and sold them in interstate commerce, and to manufacturers of garments made from such skins and wholesale dealers offering for sale and selling the same in interstate commerce, and to their customers, the retail dealers, from dealers or furriers selling the skins of rabbits, and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers and wholesalers selling in interstate commerce garments made from sealskins, rabbit skins, and the skins of other fur-bearing animals truthfully branded and described, and from their customers, the retail dealers.

Such acts and practices by respondent, Oakland Fur Dyeing, Inc., described in paragraph 2 hereof, have aided, assisted, and abetted, and aid, assist, and abet the sale in commerce among and between the various States of the United States, by the owners of rabbit skins dressed, dyed, marked, branded, or designated for them by respondent, of such skins, as and for sealskins, and the sale in such commerce by manufacturers and wholesale dealers and the sale by dealers in the various States of the United States in their various localities, of garments made from such skins as and for garments made from sealskins.

PAR. 6. The above and foregoing practices of the owners of rabbit skins, dressed, dyed, and stamped by respondent and of their vendees, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors and the above and foregoing practices of respondent have been and are to the prejudice of the public and of respondent's competitors, and the competitors of respondent's principals, and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Com-

² Published as modified.

mission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933, issued its complaint against Oakland Fur Dyeing, Inc., a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 16, 1934, respondent filed an answer to said complaint, in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit, the 17th day of June 1935, the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondent, Oakland Fur Dyeing, Inc., its officers, agents, representatives and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination, or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to

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denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination, or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

Syllabus

IN THE MATTER OF

PHILIP A. SINGER & BRO., INC.

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 28, 1914

Docket 2128. Complaint, Nov. 9, 1933—Order, June 25, 1935.¹

Complaint charged respondent corporation, engaged in dressing, dyeing, and trade-marking or otherwise marking and designating, among others, rabbit skins, at the instance and request of and in accordance with special agreements with the owner furriers or dealers, who sell the same, thus dressed, dyed, and trade-marked by it for them, to garment manufacturers, with misbranding or mislabeling, in stamping upon the backs of rabbit skins, so dressed and dyed as to cause the fur thereof to resemble the appearance of the much superior seal with its greater pliability, durability, and wearing quality and luster, its registered trade mark containing in large and conspicuous letters, the words "Baltic Seal", together with the words, below, in small and inconspicuous letters, "Dyed Cony", and with furnishing said owners with garment labels containing said words printed as hereinabove set forth, with full knowledge and in aid of sale in interstate commerce by such owners and manufacturers, respectively, of such skins, thus dressed, dyed, and trade-marked by it, and garments made therefrom, under the name of or described as "Sealines", on account of their resemblance to the dyed fur of genuine seal, resulting from its aforesaid service and trade mark conspicuously displaying said words "Baltic Seal", as hereinabove set forth;

With effect of furnishing retail dealers in garments made from skins dyed by it to resemble and imitate seal and trade-marked as above set forth, the means of perpetrating a fraud upon the purchasing public by representing said garments as made of "Baltic Seal", and exhibiting to customers and prospective customers said mark stamped on the skins composing the same in support of such false representations, and of aiding, assisting, and abetting sale in interstate commerce of rabbit skins as and for seal, and of garments made thereof as and for the substantially more costly seal-skin product, and with capacity and tendency to divert trade to the aforesaid owners of such skins, thus dressed, dyed, and trade-marked by it for them, offering and selling the same in interstate commerce, and to manufacturers of garments thereof or wholesale dealers therein, similarly offering and selling the same, and to their retail dealer customers, from dealer-furriers selling skins of rabbit, seal and other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers or wholesale dealers selling in such commerce, garments made from seal or other skins as hereinabove set forth, truthfully branded and described, and from their retail dealer customers; to the prejudice of the public and of its competitors and those of its principals, thus aided, assisted, and abetted by it in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

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fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the word "seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Philip A. Singer & Bro., Inc., hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Philip A. Singer & Bro., Inc., is now, and for more than a year last past has been a corporation organized, existing, and doing business under the laws of the State of New Jersey with its principal office and place of business in the city of Newark, in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof. Respondent obtains skins to be dyed by it at the places of business of the owners of such skins in the city of New York, State of New York, and transports such skins in its own trucks from the State of New York to its own place of business at Newark in the State of New Jersey, where it dresses, dyes, trade-marks and then transports them in its own trucks from its said place of business to the respective places of business of the respective owners of such skins in the city of New York and State of New York. It also has transported to it by railroad quantities of such skins from customers in Pennsylvania, Massachusetts, and other States which respondent dresses, dyes, trade-marks and then causes to be transported by railroad or otherwise from the State of New Jersey into and through other States of the United States to the respective owners.

Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling rabbit skins or the skins of other fur-bearing animals in commerce

among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, and trade-marked for them by respondent, to sell them to manufacturers of fur garments, having their places of business in the city of New York or elsewhere in said State, and in the various other States of the United States, and such manufacturers have offered for sale and sold and offer for sale and sell garments made from rabbit skins dressed, dyed, and trade-marked or stamped by respondent as described in paragraph 2 hereof, in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing and trade-marking rabbit skins for their owners with the full knowledge, expectation, purpose, and intent that such skins will be offered for sale and sold in interstate commerce by such owners or garments made therefrom by their vendees, and the acts and practices of respondent hereinafter described in paragraph 2 hereof have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its said business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing and dyeing rabbit skins or the skins of other fur-bearing animals for the owners thereof for sale in interstate commerce or for sale to manufacturers to be made into fur garments to be sold in such commerce. The owners of rabbit skins, dressed, dyed, and trade-marked by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. The respondent uses and has used a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance the fur of genuine sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it a trade mark, which it has caused to be registered in the United States Patent Office, containing in large and conspicuous letters the words "Baltic Seal." Below the words "Baltic Seal" respondent causes to be stamped the words "Dyed Coney" in small and inconspicuous letters.

It has been and is the practice of respondent to furnish owners of rabbit skins dyed and so stamped or marked by it, labels to be at-

tached to garments made therefrom containing the words "Baltic Seal" in large and conspicuous letters and below them the words "Dyed Coney" in small and inconspicuous letters.

Garments made from rabbit skins so dyed and trade-marked by respondent resemble garments made from dyed sealskins but in appearance only. Dyed rabbit skins are greatly inferior to the skins of seals in pliability and durability of the leather and in wearing quality and luster of the fur, and garments made from sealskins command prices far in excess of or substantially greater than the prices commanded by garments made from rabbit skins.

PAR. 3. It requires approximately fifty rabbit skins for the construction of each coat for women, while it requires only seven sealskins for such purposes, and large quantities of rabbit skins are dressed, dyed, and trade-marked by respondent, as described in paragraph 2 hereof, for manufacture into coats or other fur garments for women. Such garments bearing the aforesaid trade-mark of respondent on the back of the skins from which they have been and are made, have been and are sold by manufacturers thereof in the course of their business among and between the various States of the United States, under the name of or described as "Sealines" on account or by means of their resemblance to the dyed furs of genuine seals, resulting from the agency or service of respondent and its trade mark conspicuously displaying the words "Baltic Seal" as described in paragraph 2 hereof.

PAR. 4. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals including the skins of muskrats and seals for their owners, to be sold in interstate commerce, to furriers or dealers or to manufacturers to be made into fur garments for sale in interstate commerce, whose practice has been and is either to stamp or mark such skins so as clearly to indicate their kind or character, or to omit any mark or designation of their kind or character. Skins so dressed and dyed by such competitors of respondent with or without stamp or other designation thereof, respecting the kind or character of the skins, and garments made from them have been and are offered for sale and sold in interstate commerce by furriers or dealers or manufacturers who have been and are competitors of the individuals, partnerships, and corporations for whom respondent performs and has performed the aforesaid service of dressing, dyeing, stamping, and branding such rabbit skins.

PAR. 5. The acts and practices of respondent described in paragraph 2 hereof have aided, assisted, and abetted the sale in interstate commerce of rabbit skins as and for sealskins and the sale of

garments made from such skins, as and for garments made from sealskins. More particularly, such acts and practices have furnished retail dealers, to whom manufacturers or others have sold garments made from rabbit skins, dyed by respondent to resemble and imitate sealskins and trade-marked by respondent as described in paragraph 2, the means by which such retail dealers can perpetrate fraud upon the purchasing public by representing that such garments are made of "Baltic Seal" fur, the designation respondent has attached to the skins from which such garments are made, and by exhibiting to customers and prospective customers the trade-mark stamped on such skins containing the said words "Baltic Seal" to support their false representations that such garments are made from genuine seal fur.

Such acts and practices by respondent have had and have the capacity and tendency to divert trade to the owners of rabbit skins, dressed, dyed, and trade-marked by respondent, who have offered for sale and sold the same in interstate commerce and to manufacturers of garments made from such skins or wholesale dealers offering for sale and selling the same in interstate commerce and to their customers, the retail dealers, from dealers or furriers selling the skins of rabbits, seals and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers or wholesale dealers selling in interstate commerce garments made from sealskins, rabbit skins and the skins of other fur-bearing animals, truthfully branded and described, and from their customers, the retail dealers.

PAR. 6. The above and foregoing practices of respondent have been and are and each of them has been and is to the prejudice of the public and of respondent's competitors and the competitors of respondent's principals or those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Philip A. Singer & Bro., Inc., a corporation,

² Published as modified.

respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 17, 1934, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on, to wit, the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondent, Philip A. Singer & Bro., Inc., its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to de-

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note or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

Syllabus

21 F. T. C.

IN THE MATTER OF

VAN DYE WAY CORPORATION

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

Docket 2129. Complaint, Nov. 9, 1933—Order, June 25, 1935¹

Complaint charged respondent corporation, engaged in dressing, dyeing, and trade-marking or otherwise marking and designating, among others, rabbit skins, at the instance and request of and in accordance with special agreements with the owner furriers or dealers who sell the same, thus dressed, dyed, marked, stamped, or branded by it for them, to garment manufacturers, with misbranding or mislabeling, in stamping upon the backs of rabbit skins so dressed and dyed by it as to cause the fur thereof to resemble the appearance of the much superior seal, with its better pliability, durability, wearing quality, and luster, its mark, brand, or designation displaying, in addition to initials of its name, the words "Lapin Seal", in large capital letters, and, in small and inconspicuous letters, noticeable only after close inspection, the words "Dyed Cony", with full knowledge and in aid of sale in interstate commerce by said owners and manufacturers, respectively, of such skins thus dressed, dyed, marked, stamped, or branded by it for them, and garments made therefrom under the name or description "Sealines", on account of their resemblance to the dyed fur of genuine seal, resulting from its aforesaid agency or service, and its said mark, brand, or designation;

With the effect of furnishing wholesale or retail dealers in garments made from said skins, dyed by it to resemble and imitate seal and marked, stamped, branded, or designated as hereinabove set forth, the means of perpetrating a fraud upon the purchasing public by representing said garments as the substantially more costly sealskin product, and by exhibiting to customers and prospective customers the aforesaid brand and designation stamped thereon, containing the words "Lapin Seal", in support of their said false representations, and of aiding, assisting, and abetting sale in interstate commerce of rabbit skins and of garments made thereof as and for seal, and with capacity and tendency to divert trade to said owners offering and selling in interstate commerce such rabbit skins, thus dressed, dyed, and marked by it, and to manufacturers offering and selling in such commerce garments made therefrom, and to latter's wholesale and retail dealer vendees, from furriers or dealers selling in such commerce the skins of rabbit and other fur-bearing animals, truthfully described and marked, and from manufacturers thus selling garments made from seal, or skin of rabbit or other fur-bearing animals, truthfully branded and described, and from latter's wholesale and retail dealer vendees; to the prejudice of the public and of its competitors and those of its principals, thus aided, assisted and abetted by it in such practices.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer, or advertisement of dyed muskrat

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

Complaint

fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the word "seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "dyed" or "blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

Mr. Emanuel J. Freiberg, of New York City, for respondent.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Van Dye Way Corporation, hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Van Dye Way Corporation, is now, and for more than a year last past has been a corporation, organized, existing, and doing business under the laws of the State of New Jersey with its principal office and place of business in the city of Patterson, in said State, and engaged in the business of dressing, dyeing, and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof.

Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners have been and are furriers or dealers engaged in the business of selling rabbit skins or the skins of other fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, marked, stamped, or branded, for them by respondent, to sell them to manufacturers of fur garments, having their places of business in the city and State of New York or elsewhere in said State, and in the various other States of the United States, and such manufacturers have offered for sale and sold and offer for sale and sell garments made from rabbit skins dressed, dyed, marked, stamped, or branded by respondent in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing, marking, stamping, or branding rabbit skins for their owners with the full knowledge, expectation, purpose, and intent that such skins or garments made therefrom will be offered for sale and sold in interstate commerce, and the acts and practices of respondent hereinafter described in paragraph 2 hereof have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships, and corporations, dressing and dyeing rabbit skins or the skins of other fur-bearing animals for their owners, for sale in interstate commerce or to manufacturers of garments therefrom to be sold in such commerce.

The owners of rabbit skins, dressed, dyed, branded, marked, or designated by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships, and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. The respondent uses and has used a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance the fur of genuine sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it the following mark, brand, or designation: Enclosed within a border rectangular in shape, the capital letters "V. D. W." are conspicuously displayed, while superimposed across the middle portion of the letters "V. D. W.", almost extending from one end to the other end of the rectangular border, and enclosed within a similar but smaller border, conspicuously appear the words "Lapin Seal" in large capital letters. Immediately under the lower part of the larger border within which both letters and the designation "Lapin Seal" appear, respondent has caused and causes to be stamped in small and inconspicuous letters the words "Dyed Cony" which are noticeable only after close inspection.

Garments made from rabbit skins so dyed, marked, branded, or designated by respondent resemble garments made from dyed sealskins but in appearance only. Dyed rabbit skins are greatly inferior to the skins of seals in pliability and durability of the leather and in wearing quality and luster of the fur, and garments made from sealskins command prices far in excess of or substantially greater than the prices commanded by garments made from rabbit skins.

PAR. 3. It requires approximately fifty rabbit skins for the construction of coats for women, while it requires only seven sealskins

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for such purpose, and large quantities of rabbit skins are dressed, dyed, stamped, or marked by respondent, as described in paragraph 2 hereof, for manufacture into coats or other fur garments for women. Such garments bearing the aforesaid mark, brand, or designation of respondent on the back of the skins from which they have been and are made, have been and are sold by manufacturers thereof in the course of their business among and between the various States of the United States, under the name of or described as "Sealines" on account or by means of their resemblance to the dyed furs of genuine seals, resulting from the agency or service of respondent and its mark, brand, or designation conspicuously displaying the words "Lapin Seal" as described in paragraph 2 hereof.

PAR. 4. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals including the skins of muskrats and seals for their owners, to be sold in interstate commerce, to furriers or dealers or to manufacturers to be made into fur garments for sale in interstate commerce, whose practice has been and is either to stamp or mark such skins so as clearly to indicate their kind or character, or to omit any mark or designation of their kind or character. Skins so dressed and dyed by such competitors of respondent with or without stamp or other designation thereon, respecting the kind or character of the skins, and garments made from them have been and are offered for sale and sold in interstate commerce by furriers or dealers or manufacturers who have been and are competitors of the individuals, partnerships and corporations for whom respondent performs and has performed the aforesaid service of dressing, dyeing, stamping, and branding such rabbit skins.

PAR. 5. The acts and practices of respondent described in paragraph 2 hereof have aided, assisted, and abetted the sale in interstate commerce of rabbit skins as and for sealskins and the sale of garments made from such skins as and for garments made from sealskins. More particularly, such acts and practices have furnished wholesale or retail dealers, to whom manufacturers have sold garments made from rabbit skins, dyed by respondent to resemble and imitate sealskins and marked, stamped, branded, or designated by respondent as described in paragraph 2, the means by which such dealers can perpetrate fraud upon the purchasing public by representing that such garments are made of seal fur, and by exhibiting to customers and prospective customers the brand or designation stamped on such skins containing the said words "Lapin Seal" to support their false representations that such garments are made from genuine seal fur.

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Such acts and practices by respondent have had and have the capacity and tendency to divert trade to the owners of rabbit skins, dressed, dyed and marked, branded or designated by respondent, who have offered for sale and sold the same in interstate commerce and to manufacturers of garments made from such skins offering for sale and selling the same in interstate commerce, and to their vendees, the dealers, wholesale and retail, from dealers or furriers selling the skins of rabbits, and of other fur-bearing animals in interstate commerce, truthfully described and marked and from manufacturers selling in interstate commerce garments made from sealskins, rabbit skins and the skins of other fur-bearing animals, truthfully branded and described, and from their vendees, the wholesale and retail dealers.

PAR. 6. The above and foregoing practices of respondent have been and are and each of them has been and is to the prejudice of the public and of respondent's competitors and the competitors of respondent's principals and those it has aided, assisted, and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Van Dye Way Corporation, a corporation, respondent herein, and caused the same to be served upon respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

On May 17, 1934, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935 the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

² Published as modified.

It is now ordered, That respondent, Van Dye Way Corporation, its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name or trademark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

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21 F. T. C.

IN THE MATTER OF

ICELAND FUR DYEING COMPANY

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2130. Complaint, Nov. 9, 1933—Order, June 25, 1935¹*

Complaint charged respondent corporation, engaged in dressing, dyeing and trade-marking or otherwise marking and designating, among others, rabbit skins, at the instance and request of and in accordance with special agreements with the owner furriers or dealers who sell the same, thus dressed, dyed, marked, branded or designated by it for them, to garment manufacturers, with misbranding or mislabeling, in stamping on the backs of rabbit skins, so dressed and dyed by it as to cause the fur thereof to resemble the appearance of genuine seal with its much superior pliability, durability, wearing quality and luster, the mark, brand or designation "Iceland Seal" in large and conspicuous letters, together with the words "Trade-Mark" and, below, in smaller and less conspicuous letters, the words "Dyed Cony", and with furnishing owners of such skins, for delivery to their garment manufacturer vendees, garment labels bearing the words "Iceland Seal" in large and conspicuous letters, with full knowledge and in aid of sale in interstate commerce, by said owners and manufacturers, respectively, of such skins, thus dressed and marked by it, and garments made therefrom; With capacity and tendency to mislead and deceive the public into the purchase of said skins, as and for seal, and of garments made therefrom, as and for the substantially more costly sealskin product, and with effect of furnishing manufacturers and wholesale and retail dealers with the means enabling them to perpetrate a fraud upon the purchasing public by representing said garments as made from genuine seal and by exhibiting to customers and prospective customers the words "Iceland Seal" stamped on the skins thereof or the aforesaid label, or both, in support of their said false representations, and of aiding, assisting and abetting sale in interstate commerce of rabbit and other skins dressed, etc., by it, and of garments thereof as and for seal, by the owners and manufacturers, respectively, and by latter's wholesale and retail dealer vendees in their various communities, and with capacity and tendency to divert trade to said owners offering and selling in interstate commerce such rabbit skins, thus dressed, dyed and marked by it, and to manufacturers of garments made therefrom, and to wholesale dealers offering and selling the same in such commerce, and to their retail dealer customers, from dealers or furriers selling in such commerce the skins of rabbit and other fur-bearing animals, truthfully described and marked, and from manufacturers and wholesale dealers similarly selling garments made from seal, or skin of rabbit or other fur-bearing animals, truthfully described and branded, and from their retail dealer vendees; to the prejudice of the public and of competitors of said owners and of their manufacturer and other vendees, and of its own competitors and of its principals and those thus aided, assisted and abetted by it in such practices.

¹ The order is published as modified as of that date. Original order, not printed, was made as of May 16, 1935.

Ordered, respondent consenting, that respondent, its officers, etc., in connection with the dyeing or dressing, sale, offer or advertisement of dyed muskrat fur or dyed cony (rabbit) fur, in interstate commerce, cease and desist from describing fur other than by the use of the correct name of the fur as the last word in the designation thereof, and from the use of the word "Seal" as designation thereof, subject to permitted use thereof in an adjective sense, together with such words as "Dyed" or "Blended", as in said order in detail set forth.

Mr. James M. Brinson for the Commission.

Mr. George J. Beldock, of New York City, for respondent.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the Federal Trade Commission charges that Iceland Fur Dyeing Company, hereinafter designated respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Iceland Fur Dyeing Company is now and for more than a year last past has been a corporation organized, existing and doing business under the laws of the State of New York with its principal office and place of business in the city of Brooklyn in said State, and engaged in the business of dressing, dyeing and trade-marking or otherwise marking and designating rabbit skins and the skins of other fur-bearing animals for the owners thereof.

The respondent uses and has used, a process for dressing and dyeing rabbit skins which causes the fur of such skins to resemble in appearance the fur of genuine sealskins, and thereupon respondent stamps or causes to be stamped on the back of each of the skins so treated by it the mark, brand or designation "Iceland Seal," in large and conspicuous letters. Under the lower part of the border within which the words "Iceland Seal" are enclosed appear the words "Trade Mark," and below them appear the words "Dyed Coney" in smaller and less conspicuous letters than those in which the words "Iceland Seal" appear.

Garments made from rabbit skins so dyed, marked, branded, or designated by respondent resemble garments made from dyed seal-skins but in appearance only. Dyed rabbit skins are greatly inferior to the skins of seals in pliability and durability of the leather and in wearing quality and luster of the fur, and garments made from seal-skins command prices far in excess of or substantially greater than the prices commanded by garments made from rabbit skins.

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Respondent has rendered and renders such service for owners of rabbit skins, at their instance and request and in pursuance of and in accordance with special agreements therefor. Such owners are and have been furriers or dealers engaged in the business of selling rabbit skins or skins of other fur-bearing animals in commerce among and between the various States of the United States. It has been and is the practice of said owners of rabbit skins dressed, dyed, marked, branded, or designated for them by respondent, to sell them in interstate commerce to other furriers or dealers and to manufacturers of fur garments, having their places of business in the various States of the United States, and such manufacturers have offered for sale and sold garments made from rabbit skins so dressed, dyed, and marked or stamped by respondent, bearing the said brand "Iceland Seal," in commerce among and between the various States of the United States, causing them when sold to be transported from their several places of business to purchasers located in various other States of the United States than the State or States wherein are situated such places of business.

It has been and is the practice of respondent to render such services in dressing, dyeing, and marking rabbit skins for their owners with the full knowledge, expectation, purpose, and intent that such skins or garments made therefrom will be offered for sale and sold in interstate commerce, and the said acts and practices of respondent have been and are directly related to and in furtherance of such business by the owners of such skins and the manufacturers of garments therefrom. Further to facilitate the sale as and for garments made from sealskins of garments made from rabbit skins so dyed and stamped or marked by it, respondent has furnished and furnishes owners of such skins for delivery to their vendees, manufacturing garments therefrom, labels to be attached to the completed garment, which bear the words "Iceland Seal" in large and conspicuous letters.

In the course and conduct of its business respondent has been and is engaged in competition with other individuals, partnerships and corporations, dressing and dyeing rabbit skins or the skins of other fur-bearing animals for the owners thereof for sale in interstate commerce or for sale to manufacturers to be made into fur garments, to be sold in such commerce. The owners of rabbit skins so dressed, dyed, marked, branded, or designated by respondent, and the manufacturers of garments therefrom have been and are in competition with individuals, partnerships and corporations engaged in the sale of similar or competitive products in like commerce.

PAR. 2. There are now and have been for many years last past competitors of respondent dressing and dyeing rabbit skins or skins of other fur-bearing animals, including the skins of seals, for their owners, to be sold in interstate commerce, to furriers or dealers or manufacturers to be made into fur garments for sale in interstate commerce, whose practice has been and is either to stamp or mark such skins so clearly as to indicate their kind or character, or to omit any mark or designation of their kind or character. Skins so dressed and dyed by such competitors of respondent with or without stamp or other designation thereon respecting the kind or character of the skins, and garments made from them have been and are offered for sale and sold in interstate commerce by furriers or dealers or manufacturers who have been and are competitors of the individuals, partnerships, and corporations for whom respondent performs and has performed the aforesaid service of dressing, dyeing, stamping, and branding such skins.

PAR. 3. The acts and practices of the owners of the rabbit skins dressed, dyed, and branded for them by respondent at their instance and request, in offering for sale and selling such skins in interstate commerce, and the acts and practices of manufacturers of fur garments in offering for sale and selling in interstate commerce garments made from rabbit skins dyed to resemble sealskins and bearing the aforesaid brand of "Iceland Seal" have had and have and each of them has had and has the capacity and tendency to mislead and deceive the public into the purchase of such skins as and for sealskins, and into the purchase of garments made from such skins as and for garments made from sealskins. Such acts and practices have furnished manufacturers and dealers, wholesale and retail, with the means by which they have been and are able to perpetrate a fraud upon the purchasing public by representing that garments made from such skins are made of genuine seal fur, and by exhibiting to customers and prospective customers stamped on such skins the words "Iceland Seal" or the aforesaid label on such garments, or by both acts, to support their false representations that such garments are made from genuine seal fur.

Such acts and practices by the owners of rabbit skins, dressed, dyed, and stamped by respondent and by their vendees, the manufacturers of fur garments have had and have and each has had and has the capacity and tendency to divert trade to the owners of rabbit skins dyed, dressed and stamped by respondent, who have offered for sale and sold them in interstate commerce, and to manufacturers of garments made from such skins, and wholesale dealers offering for

sale and selling the same in interstate commerce, and to their customers, the retail dealers, from dealers or furriers selling the skins of rabbits and of other fur-bearing animals in interstate commerce, truthfully described and marked, and from manufacturers and wholesale dealers selling in interstate commerce garments made from sealskins, rabbit skins and the skins of other fur-bearing animals truthfully branded and described, and from their vendees the retail dealers in the various States of the United States.

The acts and practices of respondent described in paragraph 1 hereof have aided, assisted, and abetted the owners of rabbit skins and the skins of other fur-bearing animals, dressed, dyed, and stamped for them by respondent, in selling such skins in and among the various States of the United States as and for sealskins, and have aided, assisted and abetted the manufacturers of garments from such skins in selling them in such commerce as and for garments made from sealskins, and their vendees, wholesale and retail dealers, in their various communities in such practice.

PAR. 4. The above and foregoing practices of the owners of rabbit skins dressed and dyed by respondent and of the vendees of such owners, including the manufacturers of garments from such skins, have been and are to the prejudice of the public and of their competitors, and the above and foregoing practices of respondent have been and are to the prejudice of the public and respondent's competitors and the competitors of respondent's principals, and those it has aided, assisted and abetted in such practices in interstate commerce, which practices have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST ²

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 9th day of November 1933 issued its complaint against Iceland Fur Dyeing Company, a corporation, respondent herein, and caused the same to be served upon said respondent as required by law, in which complaint it is alleged that respondent has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

² Published as modified.

On May 16, 1935, respondent filed an answer to said complaint in which it consented that the Commission may make, enter, and serve upon it an order to cease and desist from the violations of law alleged in the complaint, in accordance with the provisions of Section (b) of Rule V of the Rules of Practice of the Commission; and the Commission having accepted said answer, issued an order to cease and desist on May 16, 1935, and thereafter, on to wit the 17th day of June 1935, the Commission, being now fully advised in the premises, modifies the said order to cease and desist, and

It is now ordered, That respondent, Iceland Fur Dyeing Company, its officers, agents, representatives, and employees, in connection with the dyeing or dressing, sale, offering for sale, or advertising of dyed muskrat fur or dyed cony (rabbit) fur, cease and desist from:

1. Describing furs in any other way than by the use of the correct name of the fur as the last word of the description, and when any dye or blend is used simulating another fur the true name of the fur appearing as the last word of the description must be immediately preceded by the word "dyed", or "blended", compounded with the name of the simulated fur.

2. Using the word "seal" alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony, unless and until the word "seal" is compounded with the word "dyed" and such compounded word is immediately followed by the word "cony", as "seal-dyed cony".

3. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed muskrat unless and until the word "seal" or the words "Hudson Seal" are compounded with the word "dyed" and such word or words so compounded are immediately followed by the word or words signifying or designating the true name of the fur, as "seal-dyed muskrat" or "Hudson Seal-dyed muskrat".

4. Using the word "seal" or the words "Hudson Seal" standing alone or in connection, combination or conjunction with any other word or words (regardless of corporate name, trade name, or trade mark), except that the word "seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat or cony fur, as "seal-dyed muskrat" or "seal-dyed cony", and except that the words "Hudson Seal" may be used as an adjective to denote or describe the color or character of the dye of muskrat fur, as "Hudson Seal-dyed muskrat".

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5. Using the word "Hudson" standing alone or in connection, combination or conjunction with any other word or words to describe or designate dyed cony (rabbit) fur.

It is further ordered, That the respondent shall, within 90 days from the date of the service upon it of the order herein, file with the Commission a report in writing, setting forth in detail the manner and form of its compliance with this order.

Syllabus

IN THE MATTER OF

M. J. HOLLOWAY & COMPANY

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914, AND OF SEC. 3 OF AN ACT OF CONGRESS APPROVED JUNE 16, 1933.

Docket 2265. Complaint, Dec. 17, 1934—Decision, June 25, 1935

Where a corporation engaged in the manufacture and sale of candy, including such break-and-take assortments as (1) individually wrapped, penny caramels, together with a number of larger pieces or packages of candy to be given as prizes to chance purchasers of a few of said caramels, the concealed color of which, unlike the others, was not uniform throughout, (2) assortments composed of small caramels and larger bars, together with push cards or punch boards, through use of which it was determined, in accordance with explanatory legends thereon set forth and the chance number pushed or punched thereon, at a cost of a penny a punch, whether a caramel or bar should be received by the person making such chance selection, and the last remaining number on which also entitled person punching the same to an additional piece or prize, (3) its "Mystery Chest" assortment composed of large and small pieces of candy and small toys or prizes arranged in individual compartments within which they were concealed by a paper covering, so marked as to show the separate compartments, but not the contents thereof, so that the purchaser's chance selection decided the particular piece, and toy or prize, if any, secured for the money paid, (4) its so-called "Game of Skill" assortment composed of 150 individually wrapped caramels and 65 candy bars, to be given to the chance purchasers of as many caramels, with different colored centers, described by it on assortment's cover, not ordinarily seen, as larger in size than the others, facts being difference, if any, was too small to be discernible, and selection was made wholly by lot or chance, and (5) two-box assortments, separately billed at times, but sold together, and respectively containing assorted caramels, a few of which had concealed centers of a different color than the others, and larger pieces or bars, the number of which corresponded to that of the different colored center caramels, and so arranged that the two boxes might be displayed by the retailer as a single assortment, and the larger pieces distributed as prizes to purchasers of the smaller caramels as hereinbefore set forth;

Sold said assortments and push cards or punch boards to wholesalers and jobbers, so packed and assembled that they could be displayed for sale and distribution to the purchasing public, as hereinbefore set forth, without alteration or rearrangement, and could not, except in the case of said two-box assortments, be resold to the public except as a lottery or gaming device, without unwrapping, unpacking, disassembling, or rearranging the same, with knowledge and intent that said candy would and should thus be resold

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by the retailer; in competition with concerns who regard such a method of sale and distribution as morally bad and one which encourages gambling, and especially among children, and as injurious to the industry in merchandising a chance or lottery rather than candy, and providing retailers with the means of violating the laws of the several States, and who refuse to sell candy so packed and assembled that it can be resold to the public by lot or chance;

With the result of putting at a disadvantage, by reason of their said refusal to adopt such practices, said competitors, who can compete on even terms only through following the same to meet the demand and preference for such candy from certain dealers and small retailers, chiefly, and that of the children from the frequently nearby schools, who purchase said candy by reason of the gambling feature connected therewith, in preference to the so-called "straight goods", and who constitute by far the largest class of purchasers and consumers thereof, and who supply the principal demand therefor, some competitors began the sale and distribution of candy for resale to the public by lot or chance, to meet the constant demand and preference for candy thus sold, trade was diverted to said individual from competitors declining to follow such a practice, freedom of fair and legitimate competition in the industry concerned was restrained and harmed, sales of those dealing in the "straight goods" products exclusively were markedly decreased whenever and wherever the competition of the break-and-take assortments, with their necessarily smaller pieces or inferior quality, was encountered, by reason, principally, of the gambling or lottery feature connected with the latter, gambling among children was taught and encouraged, and the public policy of many of the States, some of which have laws making the operation of lotteries and gambling devices penal offenses, was violated:

Held, That such acts and practices, under the conditions and circumstances set forth, were all to the prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. Henry C. Lank for the Commission.

Beach, Fathchild & Scofield, of Chicago, Ill., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that *M. J. Holloway & Company*, a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said Act of Congress, and in violation of the Act of Congress approved June 16, 1933, known as the "National Industrial Recovery Act", and it appearing to said 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:

Count 1

PARAGRAPH 1. Respondent is a corporation organized under the laws of the State of Illinois, with its principal office and place of business in the city of Chicago, State of Illinois. Respondent, for more than five years last past, has been engaged in the manufacture of candy and in the sale and distribution thereof to wholesale dealers and jobbers located at points in the various States of the United States, and causes said products when so sold to be transported from its principal place of business in the city of Chicago, Ill., to purchasers thereof in other States of the United States and in the District of Columbia, at their respective places of business, and there is now and has been for more than a year last past a course of trade and commerce by the said respondent in such candy between and among the States of the United States and in the District of Columbia. In the course and conduct of the said business, respondent is in competition with other corporations, individuals, and partnerships engaged in the manufacture of candy and in the sale and distribution thereof in commerce between and among the various States of the United States and within the District of Columbia.

PAR. 2. In the course and conduct of its business as described in paragraph 1 herein respondent sells and has sold to wholesale dealers and jobbers various packages or assortments of candy so packed and assembled as to involve the use of a lottery scheme when sold and distributed to the consumers thereof.

Certain of said packages are hereafter described for the purpose of showing the methods used by respondent but this list is not all-inclusive of the various sales plans which respondent has been or is using to distribute candy by lot or chance.

(a) Several of said assortments of candy are composed of a number of pieces of caramel candies of uniform size, shape, and quality, contained within a wrapper, together with a number of larger pieces of candy or packages of candy, which larger pieces of candy or packages of candy are to be given as prizes to purchasers of said caramels of uniform size, shape, and quality in the following manner:

The majority of said caramels are of the same color throughout but a few of said caramels have centers of a different color. The color of the center of these caramels is effectively concealed from the prospective purchasers by the wrapper in which they are contained until a selection or a purchase has been made and the wrapper re-

moved. The said caramels of uniform size, shape, and quality in said assortment retail at the price of one cent each, but the purchasers who procure one of the said caramels having a center of a different color than the majority are entitled to receive and are to be given free of charge one of the said larger pieces of candy or packages of candy heretofore referred to. The aforesaid purchasers of said candies who procure a caramel having a center colored differently from the majority are thus to procure one of the said larger pieces of candy or packages of candy wholly by lot or chance.

(b) Several of said assortments of candy are composed of a number of small pieces of caramel candy and a number of larger pieces of candy together with a device commonly referred to as a push card. The candy contained in said assortment is distributed to purchasers of pushes from said card in the following manner:

The pushes from said card are one cent each and when a push is made a number is disclosed. There are as many separate numbers on the card as there are pushes and the numbers begin with one. The card bears a legend or legends informing the prospective customer as to which numbers receive the small pieces of caramel candy and which numbers receive the larger pieces of candy, for example: The "Holloway's Advertiser Package" contains 110 caramels and 41 caramel bars and the push card bears the following legends: Numbers 1 to 40 receive Holloway bar, numbers 41 to 150 receive Holloway caramel. The numbers on the card are effectively concealed from the purchasers or prospective purchasers until a push or selection has been made and the particular push separated from the card. The candy contained in said assortment is thus distributed to purchasers of pushes from said card wholly by lot or chance.

(c) Another assortment of candy distributed by respondent is composed of a number of small pieces of caramel candy together with a number of larger pieces of candy and is distributed to purchasers thereof in the following manner:

The assortment is contained within a large box, which is divided into a number of small compartments. Each compartment contains one of the small pieces of caramel candy or one of the larger pieces of candy. Over all of the separate compartments is fastened a sheet of paper so marked as to show each of the compartments but not the contents thereof. The purchaser selects the compartment desired and pushes or tears the paper covering therefrom and is entitled to receive the candy contained therein. The contents of each compartment retail at the price of one cent each and the purchaser procures either one of the small pieces of caramel candy or one of

the larger bars of candy, the same being determined wholly by lot or chance.

(d) Another assortment distributed by the respondent is similar in all of its detail to the assortments described in subparagraph (a) above, but the package is known and described by respondent as "Game of Skill" and the lid of the box in which said assortment is contained bears a legend as follows: "The yellow core caramels in this box are larger in size than the other caramels. Therefore, a skillful person can detect these larger caramels". The pieces of caramel are each contained within a wrapper and are of the same size or so nearly the same size as to make it impossible when contained within such wrapper for the purchaser to distinguish the difference in the size thereof. The purchaser of the caramels having a yellow core is entitled to receive and is to be given free of charge a larger piece of candy and these larger pieces of candy are thus distributed to the purchasers of the small caramels wholly by lot or chance and the statement on the box above quoted is a mere subterfuge, in an effort to avoid the effect of distributing candy by a lottery scheme.

(e) The respondent also distributes an assortment of caramels, the majority of which have centers of the same color, but a small number of which have centers of a different color and with this assortment of caramels the respondent sells and distributes an assortment of larger bars of candy, containing approximately the same number of bars of candy as there are caramels with centers colored differently from the majority in the first assortment just above described, and while these two assortments are sometimes billed separately the respondent sells the same number of each to his customers, who in turn resell in the same manner to the retail dealers. The larger bars of candy are distributed as prizes to purchasers of the smaller caramels in the same manner as where they are packed in the same assortment as described in subparagraph (a) above. The purpose of respondent in so packing these separate assortments is a subterfuge in an effort to avoid the effect of selling candy to be distributed by a lottery scheme, and the respondent is placing in commerce merchandise to be sold by means of a lottery scheme. The respondent packs these separate assortments so that they may be sold at retail by a lottery scheme and the respondent knows that in many cases they will be and are sold by means of a lottery scheme and purchasers of the smaller caramels which retail at the price of one cent each, thus procure larger bars of candy wholly by lot or chance.

PAR. 3. The wholesale dealers and jobbers to whom respondent sells his assortments resell said assortments of candy to retail dealers and

said retail dealers expose said assortments for sale and sell said candy to the purchasing public in accordance with the aforesaid sales plans. Respondent thus supplies to and places in the hands of others the means of conducting lotteries in the sale of its products in accordance with the sales plans herein above set forth, as a means of inducing purchasers thereof to purchase respondent's said products in preference to candy offered for sale and sold by its competitors.

PAR. 4. The sale of said candy to the purchasing public, above alleged involves a game of chance or the sale of a chance to procure such larger pieces of candy or packages of candy in the manner alleged. Such games of chance, and the sale along with the sale of such candy of such chance to procure such larger pieces of candy or packages of candy in the manner alleged are contrary to the established public policy of the several States of the United States and the District of Columbia and of the Government of the United States, and in many of the States of the United States are contrary to local criminal statutes.

By reason of the said facts, many persons, firms and corporations who make and sell candy in competition with respondent as above alleged are unwilling to offer for sale or sell candies so packed and assembled as above alleged, or otherwise arranged and packed for sale to the purchasing public so as to involve a game of chance, or the sale with such candy of a chance to procure larger pieces of candy by chance; and such competitors refrain therefrom.

PAR. 5. Many dealers in and ultimate purchasers of candy are attracted by respondent's said methods and manner of packing said candy and by the element of chance involved in the sale thereof, in the manner above described, and are thereby induced to purchase said candy so packed and sold by respondent in preference to candies offered for sale and sold by said competitors of respondent who do not use the same or equivalent methods. Many dealers in candies are induced to purchase said candies so offered for sale and sold by respondent in preference to all others, because said ultimate purchasers thereof give preference to respondent's said candies on account of said game of chance so involved in the sale thereof.

PAR. 6. The use of said methods by respondent has the tendency and capacity unfairly, and because of said game of chance alone, to divert to respondent trade and custom from its said competitors who do not use the same or equivalent methods; to exclude from said candy trade all competitors who are unwilling to and who do not use the same or equivalent methods; to lessen competition in said candy trade, and to tend to create a monopoly of said candy trade in respondent and such other distributors of candy as use the same or

equivalent methods, and to deprive the purchasing public of the benefit of free competition in said candy trade. The use of said methods by respondent has the tendency and capacity unfairly to eliminate from said candy trade all actual competitors, and to exclude therefrom all potential competitors, who do not adopt and use said method or equivalent methods that are contrary to public policy and to criminal statutes as above alleged. Many of said competitors of respondent are unwilling to adopt and use said methods, or any method involving a game of chance or the sale of a chance to win something by chance, because such method is contrary to public policy or to the criminal statutes of certain of the States of the United States, or because they are of the opinion that such a method is detrimental to public morals and to the morals of the purchasers of said candy, or because of any or all of such reasons.

PAR. 7. The aforementioned methods, acts and practices of the respondent are all to the prejudice of the public and of respondent's competitors as hereinabove alleged. Said methods, acts and practices constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

Count 2

PARAGRAPH 1. Respondent is a corporation organized under the laws of the State of Illinois, with its principal office and place of business in the city of Chicago, State of Illinois. Respondent, for more than three years last past has been engaged in the manufacture of candy and in the sale and distribution thereof to wholesale dealers and jobbers located at points in the State of Illinois and at points in various other States of the United States, and causes said products, when so sold, to be transported from its principal place of business in the city of Chicago, Ill., to the purchasers thereof in the State of Illinois, and to other purchasers thereof in other States of the United States and in the District of Columbia, at their respective places of business, and there is now and has been for more than three years last past a course of trade and commerce by the said respondent in such candy in the State of Illinois and among the States of the United States and in the District of Columbia. In the course and conduct of the said business, respondent is in competition with other corporations, individuals, and partnerships engaged in the manufacture of candy and in the sale and distribution thereof in commerce between and among the various States of the United States and within the District of Columbia.

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PAR. 2. As grounds for this paragraph of this complaint, the Federal Trade Commission relies upon the matters and things set out in paragraph 2 of count 1 of this complaint to the same extent as though the allegations thereof were set out at length herein, and said paragraph 2 of count 1 of this complaint is incorporated herein by reference and adopted as the allegations of this paragraph of this count and is hereby charged as fully and as completely as though the several averments of said paragraph 2 of said count 1 were repeated verbatim.

PAR. 3. As grounds for this paragraph of this complaint, the Federal Trade Commission relies upon the matters and things set out in paragraph 3 of count 1 of this complaint to the same extent as though the allegations thereof were set out at length herein and said paragraph 3 of count 1 of this complaint is incorporated herein by reference and adopted as the allegations of this paragraph of this count and is hereby charged as fully and as completely as though the several averments of said paragraph 3 of said count 1 were repeated verbatim.

PAR. 4. As grounds for this paragraph of this complaint, the Federal Trade Commission relies upon the matters and things set out in paragraph 4 of count 1 of this complaint to the same extent as though the allegations thereof were set out at length herein and said paragraph 4 of count 1 of this complaint is incorporated herein by reference and adopted as the allegations of this paragraph of this count and is hereby charged as fully and as completely as though the several averments of said paragraph 4 of said count 1 were repeated verbatim.

PAR. 5. As grounds for this paragraph of this complaint, the Federal Trade Commission relies upon the matters and things set out in paragraph 5 of count 1 of this complaint to the same extent as though the allegations thereof were set out at length herein and said paragraph 5 of count 1 of this complaint is incorporated herein by reference and adopted as the allegations of this paragraph of this count and is hereby charged as fully and as completely as though the several averments of said paragraph 5 of said count 1 were repeated verbatim.

PAR. 6. As grounds for this paragraph of this complaint, the Federal Trade Commission relies upon the matters and things set out in paragraph 6 of count 1 of this complaint to the same extent as though the allegations thereof were set out at length herein and said paragraph 6 of count 1 of this complaint is incorporated hereby by reference and adopted as the allegations of this paragraph of this count and is hereby charged as fully and as completely as though the several averments of said paragraph 6 of said count 1 were repeated verbatim.

PAR. 7. Under and pursuant to the provisions of Section 2 of said National Industrial Recovery Act, the President of the United States

on the 16th day of June 1933 by his executive order in writing appointed Hugh S. Johnson to be the Administrator for Industrial Recovery under Title I of said Act.

Under and pursuant to the provisions of said National Industrial Recovery Act, National Confectioners' Association of the United States, Inc., a corporation, as a representative of the Candy Manufacturing Industry, submitted to the President of the United States an application for the approval of a Code of Fair Competition for the Candy Manufacturing Industry.

Said application was duly referred to said Hugh S. Johnson, as such administrator, by and before whom such further action was taken and proceedings were had that on the 9th day of June 1934 said Johnson, as such administrator, submitted a certain Code of Fair Competition for the Candy Manufacturing Industry to the President of the United States, together with his written report containing an analysis of said code of fair competition, and with his recommendations and findings with respect thereto, wherein said administrator found that the said code of fair competition complies in all respects with the pertinent provisions of Title I of the National Industrial Recovery Act, and that the requirements of classes (1) and (2) of subsection (a) of Section 3 of said Act had been met. The concluding paragraphs of said report are in the following words, to wit:

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is a trade association truly representative of the aforesaid industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(c) The Code is not designed to and will not permit monopolies or monopolistic practices.

(d) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

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(e) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

It is recommended, therefore, that this Code be approved.

Respectfully,

HUGH S. JOHNSON, *Administrator*.

June 9, 1934.

Thereafter, and on the 11th day of June 1934 the President of the United States made and issued his certain written executive order wherein and whereby he adopted and approved the report, recommendations and findings of said administrator, and ordered that the said code of fair competition be, and the same thereby was, approved, and by virtue of said National Industrial Recovery Act the provisions of said code became, and still are, the standard of fair competition for the Candy Manufacturing Industry, and became and still are binding upon every member thereof, except that said code of fair competition when so approved was approved with a proviso that Rule 19, Article VIII thereof was stayed for a period of 10 days. Successive subsequent administrative orders were severally duly made and entered by which the provisions of said Rule 19, Article VIII, were stayed for fixed periods designated in said several orders, the latest date to which said Rule 19 was stayed being July 30, 1934. On July 30, 1934, said Rule 19, Article VIII, became in full force and effect. On and since said July 30, 1934, the said code of fair competition, including said Rule 19, Article VIII, has been and is in full force and effect and became, and still is, binding upon every member of said industry.

Rule 19, Article VIII, of said code provides as follows:

No member of the industry shall sell or distribute the type of merchandise commonly referred to as 'break and take', 'picks', or 'draws', or merchandise of a like character, serving the same purpose.

Among persons engaged in said trade and among the purchasing public the language of said Rule 19 is understood to refer to and include candies offered for sale and sold by the methods used by respondent as above alleged. The language of said Rule 19 does refer to and include candies so offered for sale and sold. Candies offered for sale and sold by the methods so used by respondent are of the type of merchandise commonly referred to as "break and take", "picks", or "draws", and are merchandise of a like character, serving the same purpose, within the intent and meaning of said Rule 19, Article VIII.

Notwithstanding said provisions of said Rule 19, Article VIII, of said code of fair competition, respondent has continued to, and does, use said methods of competition hereinabove alleged and described, and has been and is offering for sale and selling to wholesale dealers,

jobbers, and retail dealers certain packages or assortments of candy so packed and assembled as to involve the use of a lottery scheme when sold and distributed to the consumers thereof, as hereinabove alleged and set forth.

PAR. 8. The above alleged methods, acts and practices of the respondent are and have been in violation of the standard of fair competition for the Candy Manufacturing Industry of the United States. Such violation of such standard in the aforesaid transactions in interstate commerce and in other transactions which affect interstate commerce in the manner set forth in paragraph 6 of count 1 hereof, are in violation of Section 3 of the National Industrial Recovery Act and they are unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act as amended.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to Create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint in two counts upon the respondent, M. J. Holloway & Company, charging in count 1 of the aforesaid complaint that the said respondent had been and was using unfair methods of competition in commerce as "commerce" is defined in said Act of Congress and charging in count 2 of the aforesaid complaint that the said respondent had been and was using unfair methods of competition in commerce in violation of the Act of Congress approved June 16, 1933, known as the National Industrial Recovery Act, and thereafter respondent duly filed answer thereto. Testimony and evidence were received, duly recorded and filed in the office of the Commission and subsequently the proceeding came regularly on for a final hearing before the Commission on said complaint, answer, testimony and evidence, briefs of counsel for the Commission and counsel for the respondent. Oral argument was waived and the Commission having duly considered the matter and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this, its findings as to the facts as to count 1 of the aforesaid complaint and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, M. J. Holloway & Company, is a corporation organized and doing business under the laws of the State of Illinois, with its principal office and place of business in the city of

Chicago, Ill. Respondent is now and for several years last past has been engaged in the manufacture of candy in Chicago, Ill., and in the sale and distribution of said candy to wholesale dealers and jobbers in the State of Illinois and other States of the United States. It causes said candy when sold to be shipped or transported from its principal place of business in the State of Illinois to purchasers thereof in Illinois and in the States of the United States other than the State of Illinois. In so carrying on said business, respondent is and has been engaged in interstate commerce and is and has been in active competition with other corporations and with partnerships and individuals engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by respondent were several assortments of candy each composed of a number of pieces of caramel candies of uniform size, shape and quality, contained within a wrapper, together with a number of larger pieces of candy or packages of candy to be given as prizes to purchasers of said caramels of uniform size, shape and quality in the following manner:

The majority of the said caramel candies are of the same color throughout but a few of said caramels have centers of a different color. The color of the centers of these caramels is effectively concealed from the prospective purchasers by the wrapper in which they are contained until a selection or a purchase has been made and the wrapper removed. The said caramels of uniform size, shape and quality in said assortment retail at the price of one cent each but the purchasers who procure one of the said caramels having a center of a different color than the majority, are entitled to receive and are to be given free of charge one of the said larger pieces of candy or packages of candy. The aforesaid purchasers of said candies who procure a caramel having a center colored differently from the majority, are thus to procure one of the said larger pieces of candy or packages of candy wholly by lot or chance.

The respondent manufactures, sells and distributes several assortments involving the above lottery or chance feature. The pieces of candy of uniform size, shape and quality are generally 150 in number but, occasionally, vary a few pieces more or a few pieces less and the larger pieces of candy or packages of candy also vary in number in the several assortments, but the principle or sales plan is the same as to each of the said assortments.

PAR. 3. Respondent also manufactures, sells and distributes several assortments of candy each of which is composed of a number of small pieces of candy together with a number of larger pieces of candy and a device commonly referred to as a push card or punch board, con-

taining a definite number of pushes or punches. The candy contained in said assortment is sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated discs and concealed within each disc is a number. These numbers correspond to the number of discs there are on the board but they are not arranged consecutively. Such numbers are so concealed that they can not be ascertained until a push or selection has been made and the disc separated from the board. The push cards or punch boards bear legends giving prospective customers information as to which numbers concealed on the board receive one of the smaller pieces of candy and which numbers receive one of the larger pieces of candy. It is usual for the last push on a card to receive a prize in addition to the merchandise called for by the number obtained and the said push card, ordinarily, has a label informing the prospective purchaser as to what additional candy will be received for such last push. Sales are one cent each and purchasers procuring a number calling for one of the small pieces of candy receive the same and purchasers receiving a number calling for one of the larger pieces of candy are entitled to receive the same without payment of additional money. The fact as to whether a purchaser obtains one of the smaller pieces of candy or one of the larger pieces of candy for the purchase price of one cent is thus determined wholly by lot or chance.

Respondent distributes numerous assortments which involve the same principle or sales plan in the sale and distribution to the consuming public of said assortments. These assortments are described by respondent by various trade names and one of such assortments is "Holloway's Big Sam". The push card for the said assortment bears the following legend:

1¢ per sale HOLLOWAY'S BIG SAM 1¢ per sale

Notice—State, county, and city Officials—This is not a gambling device. It is used in this instance in advertising Holloway's Candy Bars.

Nos. 1 to 25 receive Holloway bar.

Nos. 26 to 150 receive Holloway caramel.

Last push on this card will receive the large candy bar.

The fact as to whether a purchaser obtains a small caramel or a bar of candy (which bars are much larger than the caramels) for the purchase price of one cent, is thus determined wholly by lot or chance in the same manner as described above.

PAR. 4. Another assortment which respondent manufactures, sells and distributes, is described by respondent as "Holloway's Mystery Chest". This assortment is composed of a number of small pieces

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of caramel candy together with a number of larger pieces of candy and a number of small toys or prizes and is distributed to purchasers thereof in the following manner:

The assortment is contained within a large box which is divided into a number of small compartments. Each compartment contains one of the small pieces of caramel candy or one of the larger pieces of candy and some of the compartments contain one of the toys or prizes. Over all of the separate compartments is fastened a sheet of paper so marked as to show each of the compartments but not the contents thereof. The purchaser selects the compartment desired and pushes or tears the paper covering therefrom and is entitled to receive the candy and toy or prize, if any, contained therein. The contents of each compartment retail at the price of one cent each and until a purchaser makes his selection and removes the paper cover from the compartment he does not know whether he will receive one of the small pieces of candy, one of the large pieces of candy or a small piece of candy and a toy for the price paid. The candy in said assortment is thus distributed to the consuming public wholly by lot or chance.

PAR. 5. Another assortment which respondent manufactures, sells and distributes is known and described by respondent as "Game Of Skill" and is similar in all of its details to the assortments described in paragraph 2 hereof. The name "Game of Skill" appears on one end of the lid of the box in which said assortment is contained and on the top of the lid are the following legends.

The yellow core caramels in this box are larger in size than the other caramels. Therefore, a skillful person can detect these larger caramels.

When the lid is taken off the box and the assortment displayed to the consuming public, these legends are not seen ordinarily. The said assortment is composed of 150 pieces of wrapped caramel candies and 65 candy bars. Of the 150 wrapped caramels 85 are of the same color throughout and 65 have a yellow core or center. The pieces of caramel are each contained within a wrapper and are of the same size or so nearly the same size as to make it impossible, when contained within such wrapper, for the purchaser to distinguish the difference in the size thereof. In this connection the evidence discloses that the caramels with the yellow core and those with the plain centers are of the same material and from the same mix or batch of candy as those without the yellow core and that 31 of the caramels with the core weigh the same as 34 of the caramels without the core. The candy which was before the examiner at the time the evidence was being taken, could not, because of its very nature, be retained for permanent comparison as to the size but the weight, as above re-

ferred to, clearly discloses that there is only a very small difference, if any, in the size, both kinds of caramels being of the same shape. The purchaser who procures one of the caramels having a yellow core, receives as a prize one of the larger pieces of candy contained in said assortment and the wrapper around the pieces of caramel effectually conceals the color of the center from the prospective purchaser until a selection has been made and the wrapper removed. The said larger pieces of candy are thus distributed to the consuming public wholly by lot or chance.

PAR. 6. Another assortment which respondent manufactures, sells, and distributes, is contained within two boxes, one box having assorted caramels, the majority of which have centers of the same color, but a small number of which have centers of a different color; the other box contains larger pieces or bars of candy and the number of bars therein is approximately the same as there are caramels with centers colored differently from the majority in the first box above mentioned, and while these two boxes are sometimes billed separately the respondent sells the same number of each to his customers, wholesale dealers, who in turn resell in the same manner to the retail dealers. The two boxes are so packed that they may be displayed by the retail dealers as a single assortment and the larger pieces or bars of candy are distributed as prizes to purchasers of the smaller caramels in the same manner as where they are packed in the same assortment and as described in paragraph 2 herein. The larger pieces or bars of candy are thus distributed to the purchasing public wholly by lot or chance and the respondent in so packing said assortment knows that the same may and will be used as a lottery or chance assortment when sold to the consuming public by the retail dealer.

PAR. 7. The lottery, prize or draw packages described in paragraphs 2, 3, 4, 5, and 6 above, are generally referred to in the candy trade or industry as "break and take", or "draw" packages. The packages or assortments of candy without the lottery, prize or draw features in connection with their resale to the public are generally referred to in the candy trade or industry as "straight goods". These terms will be used hereafter in these findings to describe these respective types of candy.

PAR. 8. Numerous retail dealers purchase the assortments described in paragraphs 2, 3, 4, 5, and 6 above, from wholesale dealers or jobbers who in turn have purchased said packages from respondent and such retail dealers display said assortments for sale to the public as packed by the respondent and the candy contained in said assortment is sold and distributed to the consuming public by lot or chance.

PAR. 9. All sales made by respondent are absolute sales and respondent retains no control over the goods after they are delivered to the wholesale dealer or jobber. The assortments are assembled and packed in such manner that they can be displayed by the retail dealer for sale and distribution to the purchasing public, as above described, without alteration or rearrangement. An examination of the assortments of candy described in paragraphs 2, 3, 4, and 5 herein, as packed, assembled and sold by respondent shows that said assortments cannot be resold to the public by the retail dealers except as a lottery or gaming device, unless said retail dealers unwrap, unpack, disassemble or rearrange the said assortments.

In the sale and distribution to jobbers and wholesale dealers for resale to retail dealers, of assortments of candy, assembled and packed as described in paragraphs 2, 3, 4, 5 and 6 herein, respondent has knowledge that said candy will be resold to the purchasing public by retail dealers, by lot or chance and it packs and assembles such candy in the way and manner described so that it may and shall be resold to the public by lot or chance by said retail dealers.

PAR. 10. The sale and distribution of candy by the retail dealers by the methods described in these findings, is the sale and distribution of candy by lot or chance and constitutes a lottery or gaming device.

Competitors of respondent appeared as witnesses in this proceeding and testified, and the Commission finds as a fact that many competitors regard such method of sale and distribution as morally bad and encouraging gambling, especially among children; as injurious to the candy industry, because it results in the merchandising of a chance or lottery instead of candy; and as providing retail merchants with the means of violating the laws of the several States. Because of these reasons some competitors of respondent refuse to sell candy so packed and assembled that it can be resold to the public by lot or chance. These competitors are thereby put to a disadvantage in competing. Certain retailers who find that they can dispose of more candy by the "Break and Take" method, buy respondent's products and the products of others employing the same methods of sale, and thereby trade is diverted to respondent, and others using similar methods, from said competitors. Said competitors can compete on even terms only by giving the same or similar devices to retailers. This they are unwilling to do, and their sales of "Straight Goods" candy show a continued decrease.

There is a constant demand for candy which is sold by lot or chance, and in order to meet the competition of manufacturers who

sell and distribute candy which is sold by such methods, some competitors of respondent have begun the sale and distribution of candy for resale to the public by lot or chance. The use of such methods by respondent in the sale and distribution of its candy is prejudicial and injurious to the public and its competitors, and has resulted in the diversion of trade to respondent from its said competitors, and is a restraint upon and a detriment to the freedom of fair and legitimate competition in the candy industry.

PAR. 11. The principal demand in the trade for the "Break and Take" candy comes from the small retailers. The stores of these small retailers are in many instances located near schools and attract the trade of the school children. The consumers or purchasers of the lottery or prize package candy are principally children, and because of the lottery or gambling feature connected with the "break and take" or "draw" package, and the possibility of becoming a winner, it has been observed that the children purchase them in preference to the "straight goods" candy when the two types of packages are displayed side by side.

Witnesses from several branches of the candy industry testified in this proceeding to the effect that children prefer to purchase the lottery or prize package candy because of the gambling feature connected with its sale. The sale and distribution of "break and take" or "draw" packages or assortments of candy or of candy which has connected with its sale to the public the means or opportunity of obtaining a prize or becoming a winner by lot or chance, teaches and encourages gambling among children, who comprise by far the largest class of purchasers and consumers of this type of candy.

PAR. 12. The pieces of candy in the "break and take" packages of all manufacturers of that type of candy are either smaller in size than the corresponding pieces of "Straight Goods" candy or the quality of the candy in the "break and take" or "draw" packages is poorer than that in the "straight goods" assortments. It is necessary to make this difference between either the size of the individual pieces of candy or the quality of the candy in order to compensate for the value of the prizes or premiums which are distributed with the "break and take" or "draw" goods.

PAR. 13. There are in the United States many manufacturers of candy who do not manufacture and sell lottery or prize assortments of candy and who sell their "straight goods" candy in interstate commerce in competition with the "break and take" or "draw" candy, and manufacturers of the "Straight Goods" type of candy have noted a marked decrease in the sales of their products whenever and wherever the lottery or prize candy has appeared in their markets. This

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decrease in the sales of "straight goods" candy is principally due to the gambling or lottery feature indicated with the "break and take" or "draw" candy.

PAR. 14. In addition to the assortments described in paragraphs 2, 3, 4, 5, and 6, herein, the respondent manufactures candy which it sells to wholesalers and jobbers without any lottery or chance features.

PAR. 15. The sale and distribution of candy by lot or chance is against the public policy of many of the States of the United States and some of said States have laws making the operating of lotteries and gambling devices penal offenses.

CONCLUSION

The aforesaid acts and practices of respondent, M. J. Holloway and Company, under the conditions and circumstances set forth in the foregoing findings of fact are all to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce and constitute violations of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST, ETC.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission (in two counts, count 1 thereof charging a violation of Section 5 of An Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and count 2 thereof charging a violation of the National Industrial Recovery Act), the answer of the respondent, the testimony taken and the briefs filed and the Commission having made its findings as to the facts and conclusions that as to count 1, the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is hereby ordered, As to count 1 of the aforesaid complaint, that the respondent, M. J. Holloway & Company, its officers, directors, agents, representatives and employees, in the manufacture, sale and distribution in interstate commerce, of candy and candy products, do cease and desist from:

(1) Selling and distributing to jobbers and wholesale dealers for resale to retail dealers, candy so packed and assembled that sales of

such candy to the general public are to be made or may be made by means of a lottery, gaming device or gift enterprise.

(2) Supplying to or placing in the hands of wholesale dealers and jobbers, packages or assortments of candy which are used or may be used without alteration or rearrangement of the contents of such packages or assortments, to conduct a lottery, gaming device or gift enterprise in the sale or distribution of the candy or candy products contained in said assortment to the public.

(3) Packing or assembling in the same package or assortment of candy for sale to the public at retail, pieces of candy of uniform size, shape, and quality, having centers of a different color, together with larger pieces of candy, which said larger pieces of candy are to be given as prizes to the purchaser procuring a piece of candy with a center of a particular color.

(4) Supplying to or placing in the hands of wholesale dealers and jobbers assortments of candy together with a device commonly called a push card or punch board, for use or which may be used in distributing or selling said candy to the public at retail.

(5) Furnishing to wholesale dealers and jobbers a device commonly called a push card or a punch board either with packages or assortments of candy or candy products or separately, bearing a legend or legends or statements informing the purchaser that the candy or candy products are being sold to the public by lot or chance or in accordance with a sales plan which constitutes a lottery, gaming device or gift enterprise.

It is further ordered, That respondent, M. J. Holloway & Company, within 30 days after the service upon it of this order, shall file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

And it is hereby further ordered, That, by reason of the decision of the Supreme Court of the United States in *A. L. A. Schechter Poultry Corporation v. United States of America*, decided May 27, 1935,¹ count 2 of the complaint in this proceeding be and the same hereby is dismissed.

MEMORANDA

The Commission, as of the same date, promulgated findings and orders in four other candy lottery cases. Except for the varying allegations describing the different respondents, and the nature of the various lottery assortments used, the findings appear to be similar to those in the principal case above, as do the orders, except in so far as they necessarily reflect the varying nature of the particular

¹ 295 U. S. 495.

assortments used. As in the principal case, the complaints are in two counts, one challenging the use of said acts and practices as violating Section 5, and the other challenging said acts and practices as also in violation of Section 3 of the National Industrial Recovery Act in that they violate the code of fair competition for the candy manufacturing industry. Orders to cease and desist in the respective cases include a paragraph dismissing the second count, on account of the decision of the Supreme Court in the *Schechter case* on May 27, 1935, 295 U. S. 495. The four cases referred to follow, there being set forth only those varying paragraphs, as hereinbefore explained, which deal with the particular respondent and the particular form of the chance or lottery assortment or assortments employed:

Southern Premium Manufacturing Co., in its own name and right and trading as Ryan Candy Co. Docket 2270. Complaint, December 20, 1934. Decision, June 25, 1935.¹

PARAGRAPH 1. The respondent, Southern Premium Manufacturing Company, is a corporation organized under the laws of the State of Texas with its principal office and place of business in the city of Dallas, Tex. Respondent is now and for several years last past has been engaged in the manufacture of candy in Dallas, Tex., and in the sale and distribution of said candy to retail and wholesale dealers and jobbers in the State of Texas and other States of the United States. It causes said candy when sold to be shipped or transported from its principal place of business in the State of Texas to purchasers thereof in Texas and in the States of the United States other than the State of Texas. In carrying on its said business respondent has on numerous occasions made use of the trade name, Ryan Candy Company, and its merchandise is sometimes sold and advertised in its own name, Southern Premium Manufacturing Company, and sometimes sold and advertised in the trade name, Ryan Candy Company. In so carrying on said business, respondent is and has been engaged in interstate commerce and is and has been in active competition with other corporations and with partnerships and individuals

¹ In addition to the paragraphs 1 to 4, set forth describing the respondent and the nature of the assortments employed by it, the findings in this particular case contain a paragraph which sets forth that—

At or about the time the complaint was issued in this case, but subsequent to the beginning of the investigation as to the acts and practices of respondent, the respondent endeavored to confine the sales of the assortments as described in paragraph 2 to the State of Texas, but occasionally sales of such assortments are made in States other than the State of Texas. The assortments described in paragraph 3 above are distributed generally to respondent's customers located throughout the United States. The assortments described in paragraph 4 above are principally to customers within the State of Texas but respondent occasionally sells the same to customers in other States than the State of Texas.

engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by respondent were several assortments of candy each composed of a number of pieces of candy of uniform size, shape and quality together with a number of larger pieces of candy or smaller boxes of candy to be given as prizes to purchasers of said candies of uniform size, shape and quality, in the following manner:

The majority of said pieces of candies of uniform size, shape and quality have centers of the same color, but a small number of said candies have centers of a different color. The color of the centers of these candies is effectively concealed from the prospective purchasers until a purchase or selection has been made and the candy broken open. The said candies of uniform size, shape and quality in said assortments retail at one cent each, but the purchasers who procure one of said candies having a center of a different color than the majority of said candies, are entitled to receive, and are to be given free of charge one of the said larger pieces or small boxes of candy heretofore referred to. The purchaser of the last piece of candy in said assortment is entitled to receive and is to be given free of charge a larger piece of candy or a small box of candy. The aforesaid purchasers of said candy who procure a candy having a center colored differently from the majority of said pieces of candy thus procure one of the said larger pieces or small boxes of candy wholly by lot or chance.

Respondent manufactures, sells and distributes several assortments involving the above lottery or chance feature. The pieces of candy of uniform size, shape and quality are generally 150 in number, but occasionally vary a few pieces more or a few pieces less, and the prizes are generally larger pieces of candy or small boxes of candy, but occasionally other articles of merchandise are included as prizes, however, the principle or sales plan is the same as to each of the said assortments.

PAR. 3. Respondent also manufactures, sells and distributes several assortments of candy, each of which is composed of a number of small pieces of candy together with a number of larger pieces of candy and a device commonly referred to as a push card or punch board containing a definite number of pushes or punches. The candy contained in said assortments is sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated discs and concealed within each disc is a number. These numbers correspond to the number of discs there are on the board but they are not arranged consecutively.

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Such numbers are so concealed that they cannot be ascertained until a push or selection has been made and the disc separated from the board. The push cards or punch boards bear legends giving prospective customers information as to which numbers concealed on the board receive one of the small pieces of candy and which numbers receive one of the larger pieces of candy. It is usual for the last push on a card to receive a prize in addition to the merchandise called for by the number obtained and the said push card, ordinarily, has a label informing the prospective purchaser as to what additional candy will be received for such last push. Sales are one cent each and purchasers procuring a number calling for one of the small pieces of candy receive the same and purchasers receiving a number calling for one of the larger pieces of candy receive the same without payment of additional money. The fact as to whether a purchaser obtains one of the small pieces of candy or one of the larger pieces of candy for the purchase price of one cent is thus determined wholly by lot or chance.

Respondent distributes numerous assortments which are slightly different in detail but which involve the same principle or sales plan in the sale and distribution to the consuming public of said assortments. One of such assortments is described by respondent as "Pop Deal" and the push card or punch board in said assortment bears the following legends:

NO BLANKS		
Piece candy with each sale		
1¢	Nos. 10, 20, 30, 40, 50, 60, 70, 80, 90,	1¢
Sale	100, 110, 120, 130, 140, 150,	Sale
	5, 15, 25, 35, 45, 55, 65,	
	75, 85, 95, receive bar	
	candy. All other numbers receive	
	1¢ piece candy	
	Last sale receives large prize	
	All numbers that end in 5 and 0 win.	

The fact as to whether a purchaser receives a small piece of candy or a bar of candy or the large prize is thus determined wholly by lot or chance in the same manner as described above.

PAR. 4. The respondent also sells and distributes to concessionaires operating with road shows, medicine shows, tent shows, free shows, circuses and carnivals, an assortment of candy composed of a number of small boxes of candy each containing five pieces of candy and a prize. The small boxes of candy retail at the price of ten cents each and the prizes in said boxes consist of various articles of merchandise of varying value. The particular prize or the value thereof cannot

be ascertained by the ultimate purchaser until a selection or purchase has been made and the box broken open. The said candy is thus sold by means of a lottery or gift enterprise.

H. I. Sifers, individually and trading as Sifers Confection Co.
Docket 2276. Complaint, January 2, 1935. Decision, June 25, 1935.

PARAGRAPH 1. Respondent, H. I. Sifers is an individual doing business under the trade name Sifers Confection Company and has his principal office and place of business in the city of Kansas City, State of Missouri. Respondent is now and for several years last past has been engaged in the manufacture of candy in Kansas City, Missouri, and in the sale and distribution of said candy to wholesale dealers and jobbers in the State of Missouri and in other States of the United States. He causes said candy when sold to be shipped and transported from his principal place of business in the State of Missouri to purchasers thereof in Missouri and in the states of the United States other than the State of Missouri. In so carrying on said business, respondent is and has been engaged in interstate commerce and is and has been in active competition with other individuals and with corporations and partnerships engaged in the manufacture of candy and in the sale and distribution of same in interstate commerce.

PAR. 2. Among the candies which respondent manufactures, sells and distributes are several assortments of candy, each of which is composed of a number of bars of candy together with a box of candy and device commonly referred to as a push card or punch board containing a definite number of pushes or punches. The candy contained in said assortments is sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated discs and concealed within each disc is a number. These numbers correspond to the number of discs there are on the board but they are not arranged consecutively. Such numbers are so concealed that they cannot be ascertained until a push or selection has been made and the disc separated from the board. The push cards or punch boards bear legends giving prospective customers information as to which numbers concealed on the board entitled the customer to one bar of candy and which numbers entitle the customer to more than one bar of candy and the number of such bars. The last push or punch on a board entitles the customer to receive the box of candy contained in said assortments. The sales are five cents each and purchasers procuring a number calling for one of the bars of candy received the same and purchasers receiving a number calling for more than one bar of candy are entitled

to receive such bars without payment of additional money. The fact as to whether a purchaser obtains one or several of the bars of candy for the purchase price of five cents is thus determined wholly by lot or chance.

Respondent distributes numerous assortments which involve the same principle or sales plan in the sale and distribution to the consuming public of said assortments. These assortments are described by respondent by various trade names and one of such assortments is Sifers Valomilk Dips. The push card or punch board for said assortment bears the following legend:

Number 13 Receives FOUR 5¢ VALOMILK DIPS	} 5¢ per sale
Number 23 Receives THREE 5¢ VALOMILK DIPS	
Numbers 5-10-20-25-30-40-50-60 each receive TWO 5¢ VALOMILK DIPS	

All other numbers receive a 5¢ VALOMILK DIP except the last number pushed which receives LARGE BOX HARRY SIFERS HAND ROLLED CHOCOLATES.

Notice to State, County, and City Officials: THIS IS NOT A GAMBLING DEVICE but an Advertising Medium. The Punches in this advertisement are sold for 5¢ each and will be accepted by the merchant for a Sifers 5¢ Valomilk Dip. Some numbers will receive extra Valomilk Dips. The last number punched will receive a Box of Harry Sifers Hand Rolled Chocolates.

The fact as to whether a purchaser obtains one, two, three or four bars of candy for the purchase price of five cents is thus determined wholly by lot or chance in the same manner as above described.

Queen Anne Candy Co. Docket 2277. Complaint, January 3, 1935. Decision, June 25, 1935.

PARAGRAPH 1. Respondent, Queen Anne Candy Company, is a corporation organized under the laws of the State of Indiana with its principal office and place of business in the city of Hammond, Ind. Respondent is now and for several years last past has been engaged in the manufacture of candy in Hammond, Ind., and in the sale and distribution of said candy to wholesale dealers and jobbers in the State of Indiana and other States of the United States. It causes said candy when sold to be shipped and transported from its principal place of business in the State of Indiana to purchasers thereof in Indiana and in the States of the United States other than the State of Indiana. In so carrying on said business, respondent is and has been engaged in interstate commerce and is and has been in active competition with other corporations and with partnerships and individuals engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by respondent are several assortments of candy, each composed of a number of pieces of candy of uniform size, shape and quality, together with a number of larger pieces of candy to be given as prizes to purchasers of said candies of uniform size, shape and quality:

The majority of said pieces of candy of uniform size, shape, and quality in said assortments have centers of the same color but a small number of said candies have centers of a different color. The color of the centers of these candies is effectively concealed from the prospective purchasers until a purchase or selection has been made and the candy broken open. The said candies of uniform size, shape, and quality in said assortments retail at one cent each but the purchasers who procure one of the said candies having a center of a different color than the majority of said candies, are entitled to receive and are to be given free of charge one of the said larger pieces of candy heretofore referred to. The aforesaid purchasers of said candy who procure a candy having a center colored differently from the majority of said pieces of candy thus procure one of the said larger pieces of candy wholly by lot or chance.

The respondent manufactures, sells, and distributes several assortments involving the above lottery or chance feature. The pieces of candy of uniform size, shape, and quality are generally 150 in number but occasionally vary a few pieces more or a few pieces less, and the larger pieces of candy also vary in number in the several assortments, but the principle or sales plan is the same as to each of the said assortments.

PAR. 3. Respondent also manufactures, sells, and distributes several assortments of candy, each of which is composed of a number of bars of candy together with a number of packages of candy and a device commonly referred to as a "push card" or "punch board", containing a definite number of "pushes" or "punches". The candy contained in said assortments is sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated disks, and concealed in each disk is a legend. Such legends are so concealed that they cannot be ascertained until a push or selection has been made and the disk separated from the board. The push cards or punch boards bear legends on the front thereof, giving prospective customers information as to which legends on the disks concealed on the board receive bars of candy and how many, and which receive the small packages of candy. It is usual for the last punch on a board to receive a prize in addition to the merchandise called for by the legend on the disk.

Sales are five cents each and purchasers procuring a legend calling for one bar of candy receive the same, and purchasers receiving a legend calling for more than one bar of candy or for one of the small packages of candy receive the same without payment of additional money. The fact as to whether a purchaser obtains one bar of candy or several bars or one of the small packages of candy for the purchase price of five cents, is thus determined wholly by lot or chance.

Respondent distributes numerous assortments which involve the same principle or sales plan in the sale and distribution to the consuming public of said assortments, and these assortments are composed of different types of candy and some of them have numbers on the push cards or punch boards instead of legends, and on some of the boards the purchasers who procure numbers or legends which do not call for a prize receive nothing but the privilege of pushing or punching the number from the board for his money, while other purchasers receive bars or packages of candy of varying value for their purchase. These assortments are described by respondent by various trade names. One of such assortments is "Assortment No. 126" which respondent describes as "Football". The push card or punch board in said assortment bears the following legends:

ASSORTMENT NO. 126

5¢ per sale	FOOTBALL	5¢ per sale
All winners		No blanks
Touchdown.....	Receives 1 fancy package	
Field Goal.....	Receives 1 fancy package	
Safety.....	Receives 3 bars	
Forw'd Pass.....	Receives 2 bars	
End Run.....	Receives 1 bar	
Fumble.....	Receives 1 bar	
Tackle.....	Receives 1 bar	

Last punch on card receives a fancy package

Notice: This is not a Gambling device. Every punch receives full value. Extra awards for advertising.

The fact as to whether a purchaser receives a fancy package, 3 bars of candy, 2 bars of candy, or 1 bar of candy for the purchase price of 5 cents is thus determined wholly by lot or chance in the same manner as described above.

PAR. 4. Another assortment which respondent manufactures, sells and distributes is contained within two boxes, one box having pieces of candy of uniform size, shape and quality, the majority of which have centers of the same color but a small number of which have centers of a different color. The other box contains larger pieces or

bars of candy and the number of bars is approximately the same as there are pieces of candy with centers colored differently from the majority in the first box above mentioned and the two boxes are so packed that they may be displayed by the retail dealers as a single assortment and the larger pieces or bars of candy are distributed as prizes to purchasers of the smaller pieces of candy in the same manner as where they are packed in the same assortment and as described in paragraph 2 herein. Larger pieces or bars of candy are thus distributed to the purchasing public wholly by lot or chance and the respondent in so packing said assortment knows that the same may and will be used as a lottery or chance assortment when sold by the retail dealer.

Magic City Candy Co. Docket 2280. Complaint, January 9, 1935. Decision, June 25, 1935.¹

PARAGRAPH 1. Respondent, Magic City Candy Company, is a corporation organized under the laws of the State of Alabama with its principal office and place of business located in the city of Birmingham, Ala. Respondent is now and for several years last past has been engaged in the manufacture of candy in Birmingham, Ala., and in the sale and distribution of said candy to wholesale dealers and jobbers in the State of Alabama and other States of the United States. It causes said candy when sold to be shipped or transported from its principal place of business in the State of Alabama to purchasers thereof in Alabama and in the States of the United States other than the State of Alabama. In carrying on said business, respondent is and has been engaged in interstate commerce and is and has been in active competition with other corporations and with partnerships and individuals engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by the respondent was an assortment of candy consisting of 48 candy bars of uniform quality, size and shape. Each of said candy bars was contained within a wrapper and within each of said wrappers was a slip of paper which had printed thereon certain legends. These legends were that the bar was free or that the retail price of the bar was 1 cent or 2 cents or 3 cents, and these were the prices or the conditions on which said bar of candy was sold to the consumer. The said printed slips were effectively concealed from the prospective purchaser until a selection had been made and the wrapper removed. The ultimate consumers thus procured bars of candy of uniform quality, size and shape

¹ In addition to the paragraphs above set forth, findings also contain a paragraph to effect that respondent discontinued manufacture, distribution and sale of lottery assortments described at or about time complaint issued, though subsequent to beginning of Commission's investigation.

free of charge or at a price of 1 cent, 2 cents or 3 cents, the same being determined wholly by lot or chance.

The respondent enclosed with each of said assortments a display card for use by the retail dealer, which display card bore legends or statements informing the purchasing public that the said assortment was being sold in accordance with the sales plan above described.

PAR. 3. Another assortment manufactured, sold and distributed by respondent was composed of a number of small pieces of candy together with a number of larger pieces of candy and a small package of candy, and also a device commonly referred to as a push card or punch board containing a definite number of pushes or punches. The candy contained in said assortment was sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated discs (in this instance, 150) and concealed within each disc is a number. These numbers correspond to the number of discs there are on the board but they are not arranged consecutively. Such numbers are so concealed that they cannot be ascertained until a selection has been made and the disc separated from the board. The push card or punch board bears legends giving prospective customers information as to which numbers concealed on the board receive one of the small pieces of candy and which numbers receive one of the larger pieces of candy. The last push or punch receives the small package of candy. Sales are 1 cent each and purchasers procuring a number calling for one of the small pieces of candy receive the same and purchasers receiving a number calling for one of the larger pieces of candy receive the same without payment of additional money. The fact as to whether a purchaser obtains one of the small pieces of candy or one of the larger pieces of candy for the purchase price of 1 cent is thus determined wholly by lot or chance.

The legends on the push card or punch board furnished with the above described assortment are as follows:

No blanks!

1 cent Sale

Nos. 1 to 120, Inclusive, receive one chocolate bite.

Nos. 121 to 150, Inclusive, receive an advertising bar.

Last sale receives

THE ASSORTED BOX

PAR. 4. Another assortment distributed by respondent was composed of a number of candy bars together with a device commonly referred to as a pull card. The candy contained in said assortment was sold or distributed in the following manner:

The pull card is a piece of paper board having a number of gummed discs partially pasted thereon, and under each of these partially pasted discs is a printed slip bearing a legend. The legends on said printed slips vary. The said pull card has printed at the top thereof information as to the number of candy bars to which the customer is entitled for the particular legend procured. Sales are 5 cents each and all purchasers receive one bar of candy, but the purchaser obtaining certain legends receives two candy bars, some four candy bars and some ten candy bars, depending upon the legend on the printed slip. The pull card with this assortment has the following information printed at the top thereof (Commission's Exhibit No. 5):

Pla-Ball Featuring	Candy Card
: :	5¢ a bat
Candy bars	

Home Run receives.....	10 candy bars
Three Base Hit receives.....	4 candy bars
Two Base Hit receives.....	4 candy bars
One Base Hit receives.....	2 candy bars
Base on Balls receives.....	1 candy bar
Strike out receives.....	1 candy bar
Foul Ball receives.....	1 candy bar
Last Play receives.....	10 candy bars

EVERY TICKET A WINNER

The fact as to whether a purchaser received one candy bar, two candy bars, four candy bars, or ten candy bars for the purchase price of 5 cents was thus determined wholly by lot or chance.

The appearances in the preceding four cases, before *Mr. Robert S. Hall*, trial examiner, were as follows:

Mr. Henry C. Lank for the Commission.

Overton & Cervin of Dallas, Tex., for Southern Premium Manufacturing Co.; *Beach, Fatchild & Scofield* of Chicago, Ill., for Sifers Confection Co. and Queen Anne Candy Co., and *Mr. Ben Davis* of Birmingham, Ala., for Magic City Candy Co.

Complaint

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IN THE MATTER OF

UNIVERSAL PARTS MFG. CORPORATION

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

Docket 2369. Complaint, Apr. 18, 1935—Order, June 26, 1935

Ordered, respondent waiving testimony or hearing, and submitting proceeding to Commission, on complaint, answer, and amended answer, that said respondent, in connection with the sale and distribution in interstate commerce of automobile replacement parts and accessories, do cease and desist from directly or indirectly using or causing to be used the word "Manufacturing" or the abbreviation "Mfg." in connection or in conjunction with any word or words or in any way as a trade name or designation for its products or for the products of others or in advertising said products or in any way which may have the capacity and tendency to confuse, mislead or deceive purchasers into the belief that said products are made or manufactured by said respondent, when such is not the fact.

Mr. John W. Hildrop for the Commission.

Butler, Pope, Ballard & Elting, of Chicago, Ill., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Universal Parts Mfg. Corporation, a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in 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. Universal Parts Mfg. Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois, with its principal place of business located at Chicago in the State of Illinois, and is now and for more than one year last past has been engaged in the sale of automobile replacement parts and accessories, and in the distribution of said products in commerce between and among various States of the United States; causing said products, when sold, to be shipped from its place of business in the State of Illinois to purchasers thereof located in various of the States of the United States of America other than the State of Illinois. In the course and conduct of its business aforesaid, respondent, Universal Parts Mfg. Corporation has been

at all times herein mentioned in substantial competition with other corporations and with individuals, firms, partnerships, and associations engaged in the sale and distribution of similar products between and among the various States of the United States.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, respondent Universal Parts Mfg. Corporation has adopted and still uses as and for a corporate and trade name under which to carry on its said business the words "Universal Parts Mfg. Corporation", and has regularly used, displayed, and featured and still regularly uses, displays, and features said corporate and trade name, including the abbreviation "mfg." for the word "manufacturing", in advertisements and advertising matter widely distributed in soliciting the sale of and selling its products in commerce between and among the various States of the United States; when in truth and in fact the said products have not been and are not manufactured by the said Universal Parts Mfg. Corporation, and when in truth and in fact the said Universal Parts Mfg. Corporation has not owned, operated, or controlled and does not own, operate, or control any foundry, shop, or factory wherein said products have been or are manufactured or fabricated; and when in truth and in fact the products in which respondent has dealt and still deals have been and are manufactured in foundries, shops, and factories, none of which has been or is owned, operated, or controlled by respondent.

PAR. 3. There is and has been a preference on the part of a large portion of the buying public, for automobile replacement parts and accessories bought directly from the manufacturers thereof, which preference is based upon the understanding and belief that by dealing directly with a manufacturer, a middleman's profit is saved to the purchaser, and that by dealing directly with a manufacturer a better grade of goods is obtained in addition to a saving in price.

PAR. 4. The false and misleading statements and representations made by respondent as set out in paragraph 2 hereof have had and still have the capacity and tendency to and do mislead and deceive the buying public into the belief that such statements and representations are true and that by purchasing the aforesaid products from respondent the said purchasing public is dealing directly with the manufacturer thereof and to purchase from respondent in such beliefs; and said statements and representations of respondent have had and still have the capacity and tendency to, and do, unfairly divert trade to respondent from the competitors of respondent who actually manufacture and sell in interstate commerce like and similar products to those sold and distributed by respondent, and also those competitors of respondent who do not manufacture similar and like products to those of respondent but who do not use the words "manufacturing"

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or "mfg." as a part of their corporate name or in advertising and describing such products and who truthfully advertise and describe the same. Thereby substantial injury is done by respondent to substantial competition in interstate commerce.

PAR. 5. The acts and practices heretofore set forth in paragraph 2 hereof are all to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission upon the record including the complaint and respondent's answer and amended answer thereto, in which amended answer, filed June 14, 1935, respondent waived the taking of testimony or any hearing in the cause and submits the proceeding to the Commission on the complaint and on the amended and original answer filed therein; the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That the respondent, Universal Parts Mfg. Corporation, in connection with the sale and distribution in interstate commerce of automobile replacement parts and accessories, do cease and desist from directly or indirectly using or causing to be used the word "Manufacturing" or the abbreviation "Mfg." in connection or in conjunction with any word or words or in any way as a trade name or designation for its products or for the products of others or in advertising said products or in any way which may have the capacity and tendency to confuse, mislead, or deceive purchasers into the belief that said products are made or manufactured by said respondent, when such is not the fact.¹

It is further ordered, That the respondent, Universal Parts Mfg. Corporation, shall within 30 days after the service upon it of a copy of this order, file with the Federal Trade Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

¹ In said amended answer respondent, among other things, set forth that it had changed its name to "Universal Parts, Inc." preceding complaint, and its intention not to resume the abandoned name prior to ownership, operation or control of place in which its products are made.

Syllabus

IN THE MATTER OF

MEADOW BROOK CANDY COMPANY

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF
SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914, AND OF SEC. 3
OF AN ACT OF CONGRESS APPROVED JUNE 16, 1933

Docket 2266. Complaint, Dec. 17, 1934—Decision, June 27, 1935

Where a corporation engaged in the manufacture and sale of candy, including break-and-take assortments composed of candy bars of uniform quality, size and shape, and a number of larger pieces, together with push cards or punch boards through use of which it was determined, in accordance with explanatory legends thereon set forth and the chance number pushed or punched thereon, at a cost of five cents a punch, whether one or two bars of candy or one of the larger pieces should be received by the person making such chance selection, with the last remaining number also entitling the person punching the same to a large piece—

Sold said assortments and push cards or punch boards to retail and wholesale dealers and jobbers, so assembled and packed that they could be displayed for sale and distribution to the purchasing public by lot or chance, with knowledge and intent that they would and should thus be resold; in competition with concerns who regard such a method of sale and distribution as morally bad and one which encourages gambling, and especially among children, and as injurious to the industry in merchandising a chance or lottery rather than candy, and providing retailers with the means of violating the laws of the several States, and who refuse to sell candy so packed and assembled that it can be resold to the public by lot or chance;

With the result of putting at a disadvantage, by reason of their said refusal to adopt such practices, said competitors, who can compete on even terms only through following the same to meet the demand and preference for such candy from certain dealers and small retailers, chiefly, and that of the children from the frequently nearby schools, who purchase said candy by reason of the gambling feature connected therewith, in preference to the so-called "straight goods", and who constitute by far the largest class of purchasers and consumers thereof, and who supply the principal demand therefor, some competitors began the sale and distribution of candy for resale to the public by lot or chance, to meet the constant demand and preference for candy thus sold, trade was diverted to said individual from competitors declining to follow such a practice, freedom of fair and legitimate competition in the industry concerned was restrained and harmed, sales of those dealing in the "straight goods" products exclusively were markedly decreased whenever and wherever the competition of the break-and-take assortments, with their necessarily smaller pieces or inferior quality, was encountered, by reason, principally, of the gambling or lottery feature connected with the latter, gambling among children was taught and encouraged, and the public policy of many of the States, some of which have laws making the operation of lotteries and gambling devices penal offenses, was violated:

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Held, That such acts and practices, under the conditions and circumstances set forth, were all to the prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. Henry C. Lank for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Meadow Brook Candy Company, a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said Act of Congress, and in violation of the Act of Congress approved June 16, 1933, known as the National Industrial Recovery Act, and it appearing to said 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:

Count 1¹

PARAGRAPH 1. Respondent is a corporation organized under the laws of the State of Illinois, with its principal office and place of business in the city of Moline, State of Illinois. Respondent, for more than three years last past, has been engaged in the manufacture of candy and in the sale and distribution thereof to wholesale dealers and jobbers and to retail dealers located at points in the various States of the United States, and causes said products when so sold to be transported from its principal place of business in the city of Moline, Ill., to purchasers thereof in other States of the United States and in the District of Columbia, at their respective places of business, and there is now and has been for more than three years last past a course of trade and commerce by the said respondent.

¹ Count 2 of the complaint, not published, charges respondent with violating Section 3 of the National Industrial Recovery Act and the practice of unfair methods of competition in violation of Section 5 of the Federal Trade Commission Act, in that the methods, acts and practices alleged in Count 1 violate the standard of fair competition for the Candy Manufacturing Industry of the United States, namely, Rule 19, Article VIII of the code of fair competition for said industry, prohibiting the sale or distribution by any member thereof of "break and take" merchandise. The averments of said Count 2, paragraph 1 of which repeats the averments of paragraph 1 of count 1, are in other respects similar to those in count 2 in the complaint against M. J. Holloway & Co., Docket 2265, in which case findings and order issued as of June 25, 1935. See *supra*, at page 79.

ent in such candy between and among the States of the United States and in the District of Columbia. In the course and conduct of the said business, respondent is in competition with other corporations, individuals, and partnerships engaged in the manufacture of candy and in the sale and distribution thereof in commerce between and among the various States of the United States and within the District of Columbia.

PAR. 2. In the course and conduct of its business as described in paragraph 1 herein, respondent has sold to wholesale dealers and jobbers and to retail dealers certain packages and assortments of candy so packed and assembled as to involve the use of a lottery scheme when sold and distributed to the consumers thereof.

One of said assortments is composed of a number of bars of candy together with a device commonly referred to as a push card. The bars of candy contained in said assortment are to be given to purchasers of pushes from said card in the following manner:

Pushes from said card are five cents each and when a push is made a number is disclosed. The card bears a statement or statements informing the prospective customer as to which numbers receive bars of candy and the number of such bars. All purchasers of pushes from said card receive one bar of candy but certain pushes, depending upon the number printed thereon, entitle the purchaser to additional bars of candy. The purchaser of the last punch on said card is entitled to receive a larger bar of candy. The numbers on said card are effectively concealed from the purchaser or prospective purchaser until a push or selection has been made and the particular push separated from the card. The candy contained in said assortment is thus distributed to purchasers of pushes from said card wholly by lot or chance.

PAR. 3. The wholesale dealers and jobbers to whom respondent sells its assortments, resell said assortments of candy to retail dealers and said retail dealers and the retail dealers to whom respondent sells direct, expose said assortments for sale in connection with the aforesaid push cards and sell said candies to the purchasing public in accordance with the aforesaid sales plan. Respondent thus supplies to and places in the hands of others the means of conducting lotteries in the sale of its products in accordance with the sales plan hereinabove set forth, as a means of inducing purchasers thereof to purchase respondent's said product in preference to candies offered for sale and sold by its competitors.

PAR. 4. The sale of said candy to the purchasing public as above alleged involves a game of chance or the sale of a chance to procure such additional bars of candy in the manner alleged. Such game of chance and the sale along with the sale of such candy of such chance to procure such additional bars of candy in the manner alleged are contrary to the established public policy of the several States of the United States and the District of Columbia and of the Government of the United States, and in many of the States of the United States are contrary to local criminal statutes.

By reason of the said facts, many persons, firms and corporations who make and sell candy in competition with respondent as above alleged are unwilling to offer for sale or sell candies so packed and assembled as above alleged, or otherwise arranged and packed for sale to the purchasing public so as to involve a game of chance, or the sale with such candy of a chance to procure larger or additional pieces of candy by chance; and such competitors refrain therefrom.

PAR. 5. Many dealers in and ultimate purchasers of candies are attracted by respondent's said method and manner of packing said candy and by the element of chance involved in the sale thereof in the manner above described, and are thereby induced to purchase said candy so packed and sold by respondent in preference to candies offered for sale and sold by competitors of the respondent who do not use the same or an equivalent method. Many dealers in candies are induced to purchase said candies so offered for sale and sold by respondent in preference to all others because said ultimate purchasers thereof give preference to respondent's said candies on account of said game of chance so involved in the sale thereof.

PAR. 6. The use of said method by respondent has the tendency and capacity unfairly, and because of said game of chance alone, to divert to respondent trade and custom from its competitors who do not use the same or an equivalent method; to exclude from said candy trade all competitors who are unwilling to and do not use the same or an equivalent method; to lessen competition in said candy trade, and to tend to create a monopoly of said candy trade in respondent and such other distributors of candy as use the same or an equivalent method, and to deprive the purchasing public of the benefit of free competition in said candy trade. The use of said method by respondent has the tendency and capacity unfairly to eliminate from said candy trade all actual competitors, and to exclude therefrom all potential competitors, who do not adopt and use said method or an equivalent method that is contrary to public policy and to criminal statutes as above alleged. Many of said competitors of respondent are unwilling to adopt and use said method, or any method

involving a game of chance or the sale of a chance to win something by chance, because such methods are contrary to public policy or to the criminal statutes of certain of the States of the United States, or because they are of the opinion that such methods are detrimental to public morals and to the morals of the purchasers of said candy, or because of any or all of such reasons.

PAR. 7. The aforementioned method, acts and practices of the respondent are all to the prejudice of the public and of respondent's competitors as hereinabove alleged. Said method, acts and practices constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint in two counts upon the respondent, Meadow Brook Candy Company, charging in count 1 of the aforesaid complaint that the said respondent had been and was using unfair methods of competition in commerce as "commerce" is defined in said act of Congress and charging in count 2 of the aforesaid complaint that the said respondent had been and was using unfair methods of competition in commerce in violation of the Act of Congress approved June 16, 1933, known as the National Industrial Recovery Act, and thereafter respondent duly filed answer thereto. Testimony and evidence were received, duly recorded and filed in the office of the Commission and subsequently the proceeding came regularly on for a final hearing before the Commission on said complaint, answer, testimony and evidence and brief of counsel for the Commission. No brief was filed on behalf of respondent and oral argument was not requested. The Commission having duly considered the matter and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this, its findings as to the facts as to count 1 of the aforesaid complaint and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Meadow Brook Candy Company, is a corporation organized under the laws of the State of Illinois with its principal office and place of business located in the city of Moline,

Findings

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Ill. Respondent is now and for several years last past has been engaged in the manufacture of candy in Moline, Ill., and in the sale and distribution of said candy to retail and wholesale dealers and jobbers in the State of Illinois and other States of the United States. It causes said candy when sold to be shipped or transported from its principal place of business in the State of Illinois to purchasers thereof in Illinois and in the States of the United States other than the State of Illinois. In carrying on said business, respondent is and has been in active competition with other corporations and with partnerships and individuals engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by respondent was an assortment of candy consisting of a number of candy bars of uniform quality, size and shape, together with a number of larger pieces of candy and a device commonly referred to as a push card or punch board containing a definite number of pushes or punches. The candy contained in said assortment was sold or distributed in the following manner:

The push card or punch board is a piece of paper board having a definite number of partially perforated discs (in this instance, 30) and concealed within each disc is a number. These numbers correspond to the number of discs there are on the board, but they are not arranged consecutively. Said numbers are so concealed that they cannot be ascertained until a selection has been made and the disc separated from the board. The push card or punch board bears legends giving prospective customers information as to which numbers concealed on the board receive only one bar of candy and which numbers receive two bars of candy, and which numbers receive one of the larger pieces of candy. Sales are 5 cents each, but the fact as to whether the purchaser obtains one or two bars of candy or one of the larger pieces of candy for the purchase price of 5 cents is thus determined wholly by lot or chance.

The legends on the push card or punch board furnished with the above described assortment are as follows:

5¢ ALL WINNERS 5¢

#30-37 Deal

All numbers ending in 0 or 5 receive two bars.

Numbers 18-28-38 receive LARGE LOAF.

LAST PUNCH ON CARD RECEIVES LARGE LOAF

ALL OTHER NUMBERS RECEIVE A BAR

PAR. 3. The respondent discontinued the manufacture, distribution and sale of the assortment described in paragraph 2 above, on or before July 1, 1934.

The respondent, during the years 1932, 1933, and the early part of 1934, manufactured, sold and distributed various assortments involving the sale of candy by lot or chance, but the manufacture, sale and distribution of all such assortments, including the one described in paragraph 2 above, were discontinued shortly prior to July 1, 1934.

PAR. 4. Lottery, prize, or draw packages similar to the one described in paragraph 2 above are generally referred to in the candy trade or industry as "break and take" or "draw" packages. The packages or assortments of candy without the lottery, prize or draw features in connection with their resale to the public are generally referred to in the candy trade or industry as "straight goods." These terms will be used hereafter in these findings to describe these respective types of candy.

PAR. 5. Numerous retail dealers purchased the assortment described in paragraph 2 above, either from respondent or from wholesale dealers or jobbers who in turn had purchased said assortment from respondent, and such retail dealers displayed said assortment for sale to the public as packed by the respondent and the candy contained in said assortment was sold and distributed to the consuming public by lot or chance.

PAR. 6. All sales made by respondent are absolute sales and respondent retains no control over the goods after they are delivered to the dealer. The assortment was assembled and packed in such manner that it could be displayed by the retail dealer for sale and distribution to the purchasing public, as above described, without alteration or rearrangement.

In the sale and distribution to retail dealers and jobbers and wholesale dealers for resale to retail dealers of an assortment of candy assembled and packed as described in paragraph 2 herein, respondent had knowledge that said candy would be resold to the purchasing public by retail dealers by lot or chance, and it packed and assembled such candy in the way and manner described so that it might be and should be resold to the public by lot or chance, by said retail dealers.

PAR. 7. The sale and distribution of candy, by the retail dealers by the method described in these findings, is the sale and distribution of candy by lot or chance and constitutes a lottery or gaming device.

Competitors of respondent appeared as witnesses in this proceeding and testified, and the Commission finds as a fact that many competitors regard such method of sale and distribution as morally bad and encouraging gambling, especially among children; as injurious to the candy industry, because it results in the merchandising of a chance or lottery instead of candy; and as providing retail merchants with the means of violating the laws of the several States. Because of

these reasons some competitors of respondent refuse to sell candy so packed and assembled that it can be resold to the public by lot or chance. These competitors are thereby put to a disadvantage in competing. Certain retailers who find that they can dispose of more candy by the "break and take" method, buy respondent's products and the products of others, employing the same methods of sale, and thereby trade is diverted to respondent, and others using similar methods, from said competitors. Said competitors can compete on even terms only by giving the same or similar devices to retailers. This they are unwilling to do; and their sales of "straight goods" candy show a continued decrease.

There is a constant demand for candy which is sold by lot or chance and in order to meet the competition of manufacturers who sell and distribute candy which is sold by such methods, some competitors of respondent have begun the sale and distribution of candy for resale to the public by lot or chance. The use of such method by respondent in the sale and distribution of its candy is prejudicial and injurious to the public and its competitors, and has resulted in the diversion of trade to respondent from its said competitors, and is a restraint upon and a detriment to the freedom of fair and legitimate competition in the candy industry.

PAR. 8. The principal demand in the trade for the "break and take" or "draw" candy comes from the small retailers. The stores of these small retailers are in many instances located near schools and attract the trade of the school children. The consumers or purchasers of the lottery or prize package candy are principally children, and because of the lottery or gambling feature connected with the "break and take" or "draw" package, and the possibility of becoming a winner, it has been observed that the children purchase them in preference to the "straight goods" candy when the two types of packages are displayed side by side.

Witnesses from several branches of the candy industry testified in this proceeding to the effect that children prefer to purchase the lottery or prize package candy because of the gambling feature connected with its sale. The sale and distribution of "break and take" or "draw" packages or assortments of candy or of candy which has connected with its sale to the public the means or opportunity of obtaining a prize or becoming a winner by lot or chance, teaches and encourages gambling among children, who comprise by far the largest class of purchasers and consumers of this type of candy.

PAR. 9. The pieces of candy in the "break and take" or "draw" packages of all manufacturers of that type of candy are either smaller

in size than the corresponding pieces of "straight goods" candy or the quality of the candy in the "break and take" or "draw" packages is poorer than that in the "straight goods" assortments. It is necessary to make this difference between either the size of the individual pieces of candy or the quality of the candy in order to compensate for the value of the prizes or premiums which are distributed with the "break and take" or "draw" goods.

PAR. 10. There are in the United States many manufacturers of candy who do not manufacture and sell lottery or prize assortments of candy and who sell their "straight goods" candy in interstate commerce in competition with the "break and take" or "draw" candy, and manufacturers of the "straight goods" type of candy have noted a marked decrease in the sales of their products whenever and wherever the lottery or prize candy has appeared in their markets. This decrease in the sales of "straight goods" candy is principally due to the gambling or lottery feature indicated with the "break and take" or "draw" candy.

PAR. 11. The sale and distribution of candy by lot or chance is against the public policy of many of the States of the United States and some of said States have laws making the operating of lotteries and gambling devices penal offenses.

CONCLUSION

The aforesaid acts and practices of respondent, Meadow Brook Candy Company, under the conditions and circumstances set forth in the foregoing findings of fact are all to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce and constitute violations of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to Create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST, ETC.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission (in two counts, count 1 thereof charging a violation of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and count 2 thereof charging a violation of the National Industrial Recovery Act) the answer of the respondent, the testimony taken and the Commission having made its findings as to the facts and conclusion that as to count 1, the respondent has violated the provisions of

an Act of Congress approved September 26, 1914, entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is hereby ordered, That the respondent, Meadow Brook Candy Company, its officers, directors, agents, representatives, and employees, in the manufacture, sale and distribution in interstate commerce, of candy and candy products, do cease and desist from:

(1) Selling and distributing to jobbers and wholesale dealers for resale to retail dealers and to retail dealers direct, candy so packed and assembled that sales of such candy to the general public are to be made or may be made by means of a lottery, gaming device or gift enterprise.

(2) Supplying to or placing in the hands of retail and wholesale dealers and jobbers, packages or assortments of candy which are used or may be used without alteration or rearrangement of the contents of such packages or assortments, to conduct a lottery, gaming device or gift enterprise in the sale or distribution of the candy or candy products contained in said assortment to the public.

(3) Supplying to or placing in the hands of retail and wholesale dealers and jobbers assortments of candy together with a device commonly called a push card or punch board, for use or which may be used in distributing or selling said candy to the public at retail.

(4) Furnishing to retail and wholesale dealers and jobbers a device commonly called a push card or a punch board either with packages or assortments of candy or candy products or separately, bearing a legend or legends or statements informing the purchaser that the candy or candy products are being sold to the public by lot or chance or in accordance with a sales plan which constitutes a lottery, gaming device or gift enterprise.

It is further ordered, That respondent, Meadow Brook Candy Company, within 30 days after the service upon it of this order, shall file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

And it is hereby further ordered, That by reason of the decision of the Supreme Court of the United States in *A. L. A. Schechter Poultry Corporation v. United States of America*, decided May 27, 1935,² count 2 of the complaint in this proceeding be and the same hereby is dismissed.

² 295 U. S. 495.

Memorandum

MEMORANDUM

Dante Candy Co., Docket 2267. Complaint, December 17, 1934. Decision, June 27, 1935.

Findings and order in this matter were similar to those in the Meadow Brook case above, except for the variance dealing with the respondent and the particular scheme employed as set forth in paragraphs 1 and 2 of the findings, below, and as reflected in the order. As in the principal case, the complaint was in two counts, the first charging a violation of Section 5 of the Federal Trade Commission Act by reason of the practices employed, and the second charging also violation of Section 3 of the National Industrial Recovery Act through the violation of the code of fair competition for the candy manufacturing industry in the use of such break-and-take assortments. Second count was dismissed by a paragraph included in the cease and desist order, on account of the Supreme Court decision in the *Schechter case*, 295 U. S. 495. Said paragraphs 1 and 2 follow:

PARAGRAPH 1. The respondent, Dante Candy Company, is a corporation organized under the laws of the State of Illinois with its principal office and place of business located in the city of Chicago, Ill. Respondent is now and for several years last past has been engaged in the manufacture of candy in Chicago, Ill., and in the sale and distribution of said candy to retail and wholesale dealers and jobbers in the State of Illinois and other States of the United States. It causes said candy when sold to be shipped or transported from its principal place of business in the State of Illinois to purchasers thereof in Illinois and in the States of the United States other than the State of Illinois. In carrying on said business, respondent is and has been in active competition with other corporations and with partnerships and individuals engaged in the manufacture of candy and in the sale and distribution of the same in interstate commerce.

PAR. 2. Among the candies manufactured and sold by respondent was an assortment of candy composed of a number of pieces of candy of uniform size, shape and quality together with a number of larger pieces of candy and a toy to be given as prizes to purchasers of said candies of uniform size, shape and quality, in the following manner:

The majority of said pieces of candies of uniform size, shape and quality have centers of the same color, but a small number of said candies have centers of a different color. The color of the centers of these candies is effectively concealed from the prospective purchasers until a purchase or selection has been made and the candy broken open. The said candies of uniform size, shape and quality in said assortment retail at one cent each, but the purchasers who procure

Memorandum

one of the said candies having a center of a different color than the majority of said candies, are entitled to receive, and are to be given free of charge one of the said larger pieces of candy above mentioned. The purchaser of the last piece of candy in said assortment is entitled to receive and is to be given free of charge the toy above mentioned. The aforesaid purchasers of said candy who procure a candy having a center colored differently from the majority of said pieces of candy thus procure one of the said larger pieces of candy wholly by lot or chance.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. Henry C. Lank for the Commission.

Complaint

IN THE MATTER OF

HARRY SCHLIFTMAN, TRADING AS EAGLE SUPPLY
COMPANY

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

Docket 2393. Complaint, May 17, 1935—Order, June 29, 1935.

Consent order requiring respondent Harry Schliftman, individually, or trading as Eagle Supply Company, or trading under any other name, his agents, etc., in connection with the sale or offer for sale or distribution of paint in interstate commerce, to cease and desist from—

- (1) Using the words "Manufactured by Masterkraft Color Company, Brooklyn, New York", in advertisements, or on brands or labels affixed to containers or to packages of any such paint, or otherwise, and from using any other word, or words, or representations of similar tenor, import or substance, unless and until such company becomes in reality an existing and operating concern and such paint has been in fact manufactured by such concern; or
- (2) Using any statement, representation or assertion to the effect that any such paint is the product of, or is manufactured, packed, distributed or marketed by, any company or concern, when such company or concern is fictitious, or when in fact such paint is not the product of, or has not been so manufactured, packed, distributed, or marketed by, such company or concern.

Mr. Astor Hogg for the Commission.

Kayman & Schwartz, of Brooklyn, N. Y., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Harry Schliftman, an individual, trading as Eagle Supply Company, hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent Harry Schliftman is an individual trading under the name and style of Eagle Supply Company, with his principal place of business located in the city of New York in the State of New York. He is now engaged and for more than two years last past has been engaged in the business of selling and distributing paint between and among the various States of the United States. He now causes and for more than two years last past has caused such paint,

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when sold by him, to be transported from his place of business in the city of New York aforesaid to the purchasers thereof, some located in the State of New York and others in the various other States of the United States; and there is now and has been for more than two years last past a constant current of trade in commerce by said respondent in such paint between and among the various States of the United States. In the course and conduct of his said business respondent is now and for more than two years last past has been in substantial competition with other persons and with corporations, firms and partnerships engaged in the sale and distribution of paint between and among the various States of the United States.

PAR. 2. In the course and conduct of his business described in paragraph 1 hereof, respondent caused and causes labels to be affixed to the containers of his paint which he has sold and does sell and distributes to the purchasers thereof located in the various States of the United States on which labels appeared and appear the words "Manufactured by Masterkraft Color Company, Brooklyn, N. Y."

In truth and in fact said paint so labeled, sold and distributed as aforesaid is not and was not manufactured by a company of that name. The name "Masterkraft Color Company, Brooklyn, N. Y." is fictitious. No such company by the name of "Masterkraft Color Company" exists or has ever existed in Brooklyn, N. Y., or engaged in any business as represented by respondent.

PAR. 3. The foregoing false and misleading statement used by respondent is and was made for the purpose of deceiving and has had the tendency and capacity to mislead and deceive a large part of the purchasing public and the trade, and to cause them to purchase the paint of the respondent under the mistaken belief that it was manufactured by Masterkraft Color Company, Brooklyn, N. Y., when such paint was not manufactured by Masterkraft Color Company of Brooklyn, N. Y. Said false and misleading statement and representation used by respondent as aforesaid has and had the capacity and tendency to unfairly divert trade to respondent from those of his competitors engaged in a like and similar business but who do not falsely represent the origin or manufacture of their paint. Thereby substantial injury is done and has been done by respondent to substantial competition in interstate commerce.

PAR. 4. The foregoing alleged acts and practices of respondent Harry Schlifman, trading as Eagle Supply Company, are each and all to the prejudice of the purchasing public and competitors of respondent, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 17th day of May 1935 issued its complaint against the above-named respondent in which it is alleged that respondent is and has been using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act. On the 28th day of June 1935 the respondent filed his consent answer to the said complaint wherein he waives hearing on the charges set forth in the complaint and refrains from contesting the proceeding and consents that the Commission, without trial, without evidence, and without findings as to the facts or other intervening proceedings may make, enter, and serve upon him, in accordance with the provisions of paragraph (b) of Rule V of the Rules of Practice of the Commission, an order to cease and desist from the practices alleged in the complaint in connection with the sale in interstate commerce of paint, and the Commission being now fully advised in the premises—

It is ordered, That the respondent Harry Schlifftman, individually, or trading as Eagle Supply Company, or trading under any other name, his agents, representatives, servants, and employees, in connection with the sale or offering for sale or distribution of paint in interstate commerce, do cease and desist from:

(1) Using the words "Manufactured by Masterkraft Color Company, Brooklyn, New York", in advertisements, or on brands or labels affixed to containers or to packages of any such paint, or otherwise, and from using any other word, or words, or representations of similar tenor, import or substance, unless and until such company becomes in reality an existing and operating concern and such paint has been in fact manufactured by such concern.

(2) Using any statement, representation or assertion to the effect that any such paint is the product of, or is manufactured, packed, distributed or marketed by, any company or concern, when such company or concern is fictitious, or when in fact such paint is not the product of, or has not been so manufactured, packed, distributed or marketed by, such company or concern.

It is further ordered, That the respondent within 60 days after service upon him of this order file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist hereinbefore set out.

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IN THE MATTER OF

JAMES D. BOULGER, TRADING AS EASTERN
TEXTILE COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2287. Complaint, Jan. 26, 1935—Decision, July 2, 1935*

Where an individual engaged in the sale of cotton remnants by mail order to individual purchasers in the various States; in advertising said remnants in newspapers and magazines of general and wide circulation among the States,—

- (a) Offered and described the same as "dress goods" and as "new and clean", and used the words "4 yds. of each or more" to describe the yardage of the remnants sent purchasers, in such a manner as to mislead and deceive the purchasing public into the belief that all of said remnants were suitable for making dresses, and were new and clean goods, and that each pattern or selection sent purchasers would contain four yards or more in one piece, the facts being that most of them were not of sufficient size or quality to be suitable for making dresses and were not new and clean, but contained tears and misprints in the case of many and were damaged and stained, and none of the selections or patterns sent contained four yards or more of the particular pattern or selection;
- (b) Used the statement "5 yds. extra" in offering said remnants, in such a manner as to cause purchasers thereof to believe that five yards were given with each order without additional charge, and held out special offers or bargains or prices as available only to buyers making their purchases at once or within a limited period, through using the words "this month" in conjunction with or in close proximity to the words "special offer" or "special bargain", the facts being he did not give such extra yardage without additional charge, and said special offers, bargains or prices were not thus limited, but were available to any and all purchasers at any time; and
- (c) Described said remnants as sold "direct to you" and "direct from the mills", notwithstanding the fact he neither owned nor operated any mill or factory of any kind whatsoever; with the result that the purchasing public was misled into the belief that he owned and operated a mill or factory in which said remnants were produced;

With the effect of diverting business to said individual from competitors, including those who in nowise misrepresent their goods, and with tendency so to divert, to their injury and prejudice:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury and prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Edward M. Averill*, trial examiner.

Mr. S. Brogdyné Tev, II for the Commission.

Mr. T. M. Hayes, of Greenfield, Mass., for respondent.

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COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that James D. Boulger, doing business as Eastern Textile Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Said respondent, James D. Boulger, doing business as Eastern Textile Company, is an individual and has his principal office and place of business in the city of Greenfield and in the State of Massachusetts. Said respondent has been for some time past engaged in the advertisement, sale and distribution of dress goods between and among the different States of the United States. Said respondent has advertised, sold, and distributed, and has caused and still causes the said articles in which he deals to be transported from his place of business into and through other States of the United States to various purchasers located at points in the various States of the United States.

In the course and conduct of his said business, the respondent is in competition with other individuals, partnerships and corporations engaged in the sale, distribution and transportation of like and similar goods, wares and merchandise in commerce between and among the various States of the United States.

PAR. 2. The respondent advertises his business in newspapers and magazines having general circulation in the various States of the United States. The following statements and representations appear in such advertisements:

[Here appears, stacked one on another, picture of 5 bolts of materials of various patterns]

15 yds. DRESS GOODS

Also

Bargain!—This month 97¢ + pstg. Special offer 5 yards EXTRA gingham, percales, prints, voiles, chambrays, shirtings, crepes, etc.

New clean goods direct to you at a big saving. Latest assorted colors, 4 yards of each or more. The very newest patterns for dresses. Our finest quality.

Send no money. Pay Postman when delivered.

15 yards 97¢ plus delivery charges.

20 yards only \$1.29, postage prepaid, if money accompanies order. Satisfaction guaranteed or money back.

EASTERN TEXTILE COMPANY

Dept. F-69

Greenfield, Masa.

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PAR. 3. Statements and representations made by respondent in his advertising, as set out above, are all and each false and misleading in that, to wit:

1. The respondent does not give 5 yards extra with each order.
2. Respondent does not own or operate a factory or mill, and "direct to you" is false and untrue.
3. The wares, goods and merchandise are wholly unsuited for dress purposes.
4. Respondent does not refund money to dissatisfied customers.
5. The statement, "15 yards dress goods—97¢" is not true in that the said respondent does not give 15 yards for 97¢.
6. The 15 yards of goods are not a special bargain any month, as advertised by the respondent.
7. The goods, wares and merchandise of said respondent are not "clean" as advertised by him, but are soiled, stained and damaged.
8. The statement "4 yards of each (pattern) or more" is misleading in that purchasers believe they will receive 4 yards of each pattern in one piece. In truth and in fact, no piece of goods contains 4 yards of the same pattern.
9. The statement "the very newest, latest patterns for dresses" is false in that such patterns as delivered are not the latest.

PAR. 4. The above representations made by the respondent are each and all to the injury and prejudice of the public and of respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon the respondent James D. Boulger, trading as the Eastern Textile Company, charging said respondent with the use of unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act.

Respondent having entered his appearance and filed his answer to said complaint hearings were had and evidence introduced in support of the allegations of the complaint and on behalf of the respondent. Subsequent to said hearings counsel for the Commission

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and for the respondent entered into a stipulation of the facts of the case and it was further stipulated by and between counsel for the Commission and counsel for the respondent that the Commission might make and serve upon the respondent an order to cease and desist from the unfair methods of competition alleged in the complaint.

Thereupon this proceeding came on for final hearing and the Commission having duly considered the record and being fully advised in the premises makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent James D. Boulger, trading as the Eastern Textile Company, has his principal office and place of business in the city of Greenfield, State of Massachusetts.

PAR. 2. Respondent is now and has been for more than one year last past engaged in the business of merchandising cotton remnants, selling said remnants by mail order to individual purchasers located in the various States of the United States and in the District of Columbia. Said respondent in the course and conduct of his business causes said cotton remnants to be transported in interstate commerce from his said place of business in the State of Massachusetts, to, into, and through States of the United States other than Massachusetts to purchasers thereof located in the various States of the United States and in the District of Columbia.

PAR. 3. Since the time said respondent has been engaged in the sale and distribution of cotton remnants the public advertising of said respondent has been done by means of newspapers and magazines having general and wide circulation between and among the several States of the United States and in the District of Columbia.

PAR. 4. In the advertisements in which the respondent offers for sale the remnants sold as described herein the said respondent uses the words "dress goods" to describe said remnants in such a manner as to mislead and deceive the purchasing public into the belief that all of the said remnants are suitable for making dresses when in fact most of them are not of sufficient size or quality to be suitable for such purposes.

The respondent also uses the statement "5 yds. extra" in advertising the remnants offered for sale and sold by him in a manner so as to cause the purchasers of such remnants to believe that five yards of such remnants or dress goods were given with each order without additional charge. The respondent does not give five yards extra with each order without additional charge and his use of the said words is misleading and deceptive to purchasers and prospective purchasers.

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Respondent advertises the remnants sold by him as aforesaid as being sold "direct to you" and "direct from the mills" with the result that the purchasing public is misled into the belief that respondent owns and operates a mill or factory in which said remnants are produced. He does not in fact own or operate any mill or factory of any kind whatsoever.

The respondent represents in his advertising of the remnants offered for sale and sold by him as aforesaid that special offers or special bargains or prices are available only to purchasers who make their purchases at once or within a limited period, whereas the said special offers, bargains or prices are not so limited but are available to any and all purchasers at any time.

In the advertisements in which the respondent offers for sale the remnants sold as described herein the said respondent uses the words "new and clean" to describe said remnants in such a manner as to mislead and deceive the purchasing public into the belief that all of the remnants are new and clean goods, whereas in fact most of the remnants sold by respondent to purchasers are not new and clean but many of them contain tears, misprints, and are damaged and stained.

In his advertising in which the respondent offers for sale the remnants sold as described herein the said respondent uses the words "4 yds. of each or more" to describe the yardage of each remnant sent purchasers in such a manner as to mislead and deceive the purchasing public into the belief that of each pattern or selection sent purchasers there will be four yards or more of it in one piece, whereas in fact none of the selections or patterns sent purchasers by said respondent contain four yards or more of that particular pattern or selection.

PAR. 5. During the time above referred to other individuals, firms and corporations in the various States of the United States and in the District of Columbia are and have been engaged in the sale and distribution of cotton remnants in interstate commerce and such other individuals, firms, and corporations have caused and still cause their cotton remnants when sold by them to be transported to, and into, the various States of the United States and the District of Columbia. Said respondent has been during the aforesaid time in the sale of his remnants in direct competition in interstate commerce with such other individuals, firms and corporations hereinbefore mentioned.

PAR. 6. There are among the competitors of the respondent in the sale of cotton remnants those who in nowise misrepresent their goods and respondent's acts and practices as hereinbefore set out tend to and do divert business to respondent from his competitors to the injury and prejudice of such competitors.

CONCLUSION

The practices of said respondent under conditions and circumstances described in the foregoing findings are all to the injury and prejudice of the public and to respondent's competitors and constitute unfair methods of competition in commerce and are violations of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing before the Federal Trade Commission upon the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's answer to the Commission's complaint, the stipulation as to the facts of the case entered into by counsel for the Commission and counsel for the respondent and further agreement by the respondent herein, agreeing and consenting that the Commission may make, issue and serve upon him an order to cease and desist from the unfair methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That James D. Boulger, trading as Eastern Textile Company, his officers, directors, representatives, agents, servants, and employees in connection with the sale or offering for sale of the so-called dress remnants in interstate commerce between and among the several States of the United States and in the District of Columbia do cease and desist from:

(1) Using the words "dress goods" to describe or designate remnants sold or offered for sale by respondent unless and until in conjunction therewith in equally conspicuous letters the word "remnants" appears.

(2) Representing that five yards of each of the remnants are given with each order unless and until five yards are given with each order without additional charge.

(3) From using the words "direct to you" in conjunction with or in close proximity with the word "mill" and from using the words "direct to you" or "direct from mill" unless and until said respondent owns or operates a mill or factory from which the said remnants are shipped direct to the purchasers of said remnants.

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(4) From using the words "this month" in conjunction with or in close proximity with the words "special offer" or "special bargain" unless and until such offers or special bargains are limited to a given month.

(5) From representing that the said remnants are "new and clean". unless and until such goods are new and clean and do not contain misprints, stains, and spots.

(6) From using the statement "4 yds. of each or more" unless and until respondent furnishes four yards of each pattern or selection sent to purchasers.

It is ordered, That the respondent James D. Boulger, trading as Eastern Textile Company shall within 60 days after service upon him of this order file with the Commission in writing setting forth in detail the manner and form of his compliance with this order.

Complaint

IN THE MATTER OF

EXCELSIOR SILVERWARE CORPORATION

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

Docket 2386. Complaint, May 13, 1935—Order, July 8, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the advertisement, offer and sale in interstate commerce of silver-plated products, to cease and desist from—

- (a) Use of the words "Sheffield Reproductions" or like or similar words or expressions implying or intending to imply that the said product is made or reproduced in accordance with process employed by the silversmiths of Sheffield, England, in the manufacture of "Sheffield Silverware" or "Sheffield Plate", when such is not the fact; and
- (b) Use of the word "Sheffield" either independently or in connection or conjunction with any other word or words or in any other way to designate or describe silver-plated ware which has not been made in Sheffield, England, in accordance with the process used by the silversmiths of Sheffield, England, in the manufacture of "Sheffield Silverware" and "Sheffield Plate".

Mr. Marshall Morgan for the Commission.

Naphtali & Raisman, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Excelsior Silverware Corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act of Congress, and it appearing to said 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. Respondent, Excelsior Silverware Corporation, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at 103-105 Mott Street in the city of New York. It is now and for more than two years last past has been engaged in the manufacture of silver-plated hollow-ware and in the sale thereof between and among the various States of the United States. It causes such silver-plated hollow-ware when sold by it to be transported to the purchasers thereof in the State of New York and to

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other purchasers located in various other States of the United States and there is now and has been for more than two years last past a constant current of trade and commerce by respondent in such silver-plated hollow-ware between and among the various States of the United States. In the course and conduct of its said business respondent is now and for more than two years last past has been in substantial competition in commerce between and among the various States of the United States, with various other corporations, and with partnerships, firms and individuals engaged in the sale of silver-plated hollow-ware.

PAR. 2. In the course and conduct of its said business described in paragraph 1 hereof the respondent manufactures and sells two principal lines of merchandise, each being a silver-plated hollow-ware product on which the silver has been deposited by electrolytic process. One of these lines consists of silver-plated nickel ware, the other of silver-plated ware with a base of copper. Respondent company employs a salesman on a commission basis, who calls on retailers, chiefly department stores, in various States with a sample book containing photographs of Excelsior silver-plated products, such products being marked with a style number on said photographs and so billed to the customer on the invoices used by respondent.

PAR. 3. Respondent uses in the manufacture of its products what is known as the electro-plating process which consists of the deposition of an adherent coat of silver on a less noble base metal by passing an electric current through a bath or electrolyte of silver salts containing ions or atoms of silver in solution.

The plated silverware thus produced varies in quality and value according to the composition of the base metal, the workmanship upon its form, including the decoration, and the amount and fineness of the silver deposited upon the base metal. While Federal specifications for silver-plated tableware, including hollow-ware, have been adopted by the Government, no standards have been fixed by the trade for the composition of the base metal nor for the fineness or quantity of silver in the case of silver-plated hollow-ware. The quality of such ware cannot be determined except by laboratory tests and the purchasing public is obliged to depend upon the reputation of the maker or seller thereof or the reputation of the trade.

PAR. 4. About the year 1742 there was originated in Sheffield, England, a process for the production of silver-plated ware, which process involved the welding of the silver-plate to one or both sides of a sheet or bar of copper to form one thoroughly coherent mass which was rolled to the desired thickness and subsequently worked into the desired form. The ware produced by this process was properly known

as copper-rolled plate, though this name was not used as a trade name or designation. The copper-rolled plate of Sheffield, England, acquired a very considerable reputation for excellence in quality, workmanship and design, and though the name "Sheffield" was not generally impressed upon or affixed to the ware itself, which was identified by the maker's registered hallmark, the copper-rolled plate came to be generally known and is still known as Sheffield. About a century after the discovery of the copper-rolled silver-plating process above described, the cheaper electro-plating process was discovered, displacing copper-rolled plate, which practically went out of production.

Silverware and silver-plated ware made by silversmiths of Sheffield, England, have been and still are highly regarded by the trade and the public of the United States, England, and other countries, as of uniform, reliable, and dependable quality and the words "Sheffield Silver", "Sheffield Plate", and "Sheffield Silver-plate Ware", when used in connection with silverware or silver-plated ware have signified and denoted and now signify and denote to a substantial portion of the public that such silverware or plated silverware was manufactured in Sheffield, England, and is of the quality which has become associated with that name and industry. While the cheaper electro-plating process, as stated, displaced copper-rolled plate, which practically went out of production, there have been and still are from time to time importers of copper-rolled plate in the United States and there is a considerable trade in copper-rolled plate in this country at prices which reflect not only its value as plated ware but its artistic and historic value as well. The name Sheffield as applied to silver at the present time implies the quality and value peculiar to the copper-rolled process, as well as the process itself and its use is a representation thereof.

PAR. 5. In the course and conduct of its business as aforesaid respondent company has advertised, does now advertise, and has offered for sale, and sells its silver-plated copper base trays and other articles as Sheffield reproductions, said advertisements being sent to retailers in the several States of the United States, and reading in part as follows:

These four Excelsior Sheffield reproductions brought extra profits to New York Stores.

Beneath the above, printed in heavy black type, across a four-page folder, appear and have appeared photographic representations, respectively, of a vegetable dish, relish dish, and two serving trays, each made so as to imitate the engraving of Sheffield plate and stated to be in each instance "heavily silver-plated copper."

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On bills or invoices printed by respondent company and distributed by it throughout various States of the United States to firms and individuals purchasing goods from respondent appears and has appeared the following printed in conspicuous type across the top of said invoices:

Excelsior Silverware Corporation
Manufacturers of
Silver-plated Sheffield Reproductions.

When in truth and in fact the said silver-plated hollow-ware advertised and sold in interstate commerce by respondent company as "Sheffield Reproduction" and "Sheffield Reproductions" is not and never has been a reproduction in any essential aspect or particular of the famous copper-rolled silver plate of Sheffield, England, variously known by the words or terms "Sheffield", "Sheffield Silver", "Sheffield Plate", and "Sheffield Silver-Plated Ware". Said alleged reproductions are not "copper-rolled plate" made by fusing silver plate so as to form one thoroughly united mass and do not contain other fundamental characteristics of "Sheffield" plate in connection with their fabrication, but in truth and in fact are relatively modern imitation plate made by the much cheaper process of electro-plating hereinbefore described, intended to resemble as much as possible in design and appearance the famous and highly valuable Sheffield plated ware, and are neither Sheffield plate nor reproductions thereof.

PAR. 6. The use by the respondent of the term or words "Sheffield Reproductions", as herein set out is a misrepresentation of the character and quality of respondent's products and has and has had the capacity and tendency to mislead and deceive the public into the erroneous belief that the silver-plated hollow-ware thus designated and advertised by respondent was and is of the quality and workmanship which have been and still are associated with Sheffield silver, and to purchase respondent's products in such belief; tends to create and does create an undue preference for the silver-plated ware advertised and sold by respondent, and tends to induce and does induce the purchase of such silver-plated ware by a substantial portion of the trade and the public in preference to silver-plated ware manufactured and sold by respondent's competitors some of whom deal in wares manufactured in Sheffield, England, and others of whom refrain from the use of such terms in connection with wares not manufactured by the copper-rolled plate process, of the silver-smiths of Sheffield, England.

As a result of such false and misleading representations on the part of respondent trade is diverted to respondent from such competitors in interstate commerce and thereby substantial injury is done and has been done by the respondent to substantial competition in interstate commerce and there is being and has been placed in the hands of respondent's representatives, dealers and distributors an instrument by means of which they mislead and deceive and have misled and deceived the purchasing public.

PAR. 7. Said representations of respondent contained in its respective advertising and mailing matter used by and distributed through respondent's representatives, dealers and distributors, have resulted in injury to respondent's competitors and to retail dealers and to the prejudice of the buying public, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission on the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's amended answer thereto in which respondent waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding and, pursuant to the provisions of the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter, and serve upon respondent without a trial, without evidence and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That the respondent, Excelsior Silverware Corporation, its officers, agents, servants, and employees, in connection with the advertising, offering for sale, and sale in interstate commerce and in the District of Columbia of silver-plated products do cease and desist from:

(1) The use in its advertising or printed matter distributed in interstate commerce of the words "Sheffield Reproductions" or like or similar words or expressions implying or intending to imply that the said product is made, manufactured or reproduced in accordance with the process of manufacture employed by the silversmiths of

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Sheffield, England, in the manufacture of "Sheffield Silverware" or "Sheffield Plate" when such is not the fact.

(2) The use of the word "Sheffield" either independently or in connection or conjunction with any other word or words or in any other way to designate, describe, or advertise silver-plated ware which has not been made or manufactured in Sheffield, England, in accordance with the process used by the silversmiths of Sheffield, England, in the manufacture of "Sheffield Silverware" and "Sheffield Plate".

It is further ordered, That the respondent within 60 days from and after the date of service upon it of this order shall file with the Commission a report or reports in writing, setting forth in detail the manner and form in which it is complying with the order to cease and desist hereinabove set out.

Syllabus

IN THE MATTER OF

J. DORSEY MARKWOOD, TRADING AS ELECTRO-MAGNETIC BELT COMPANY, AND A. A. BAIRD AND V. A. MOLITOR, COPARTNERS TRADING AS VITA-NOID OF KANSAS CITY

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

Docket 2177. Complaint, May 4, 1934—Decision, July 22, 1935

Where an individual engaged in the manufacture and sale of electro-magnetic belts or so-called "Vita-Noids" for the prevention, treatment, cure or relief of various ailments and pathological conditions by self-treatment in the home of the ultimate purchaser and user or wearer through the operation of the magnetic field created by said belt when attached to the electric circuit—

(a) Made such statements in booklets supplied by him to dealer purchasers for distribution to members of the public who bought said Vita-Noids as "stimulation of the life forces into normal activity is the object", "Vita-Noid is designed to rid the body of waste toxic matter and when properly used should begin to produce results after only a few treatments"; and

Where two individuals engaged separately and in association with one another, and as partners, in the sale of said devices or Vita-Noids purchased from the aforesaid individual, in soliciting sale thereof through advertisements in magazines, newspapers, printed circulars, letters, radio broadcasts, and in personal interviews, and with the knowledge of said first named individual—

(b) Made such statements as that science had made wonderful progress in the treatment of disease by electro-magnetism which had brought health and happiness to thousands, and that the Vita-Noid created a remarkable curative agent, had helped thousands of persons including those who, with rare exceptions, were extremely discouraged with the results of other treatments for their afflictions, in which it had produced results that were nothing short of miraculous, and that the device by reason of the electro-magnetism produced by it tended thoroughly to eliminate toxic products from the system, and that diseases which arose directly or indirectly from such poisoning, among which it included many well-known diseases and ailments of a serious nature, including arthritis, high blood pressure, heart trouble, neuritis, rheumatism, sciatica, and tumors and ulcers, had responded very successfully to treatment with said device;

The facts being that the strength of the magnetic field created thereby covered about 17 gauss near the center of the circular space formed by the belt, electro-magnetic fields covering many thousands of gauss produce no demonstrable physical or physiological effect in the body, and, while eddying electric currents, changes or stresses termed "hysterisis" are continually present in the tissues of the body both in health and disease and, when produced by the heart, are strong enough to be recorded, measured and read by a physical apparatus, there is no instrument capable

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of measuring any hysteresis produced in the body by the use of said belt, magnetism has no effect upon bacteria, the cause of many ailments, and application or use of said device in physio-therapy does not and has not produced or caused and cannot produce or cause any demonstrable physiological change or effect in the body of any person subjected to its application or use, either for the prevention, cure or relief of any physical ailment or pathological condition or for any other purpose, and the statements and representations made to the public in respect of the results to be obtained by the public through the use thereof in self-treatment for the prevention, cure or relief of physical ailments and conditions afflicting the user were each and all palpably fraudulent, and false statements and representations, as said various individuals knew or with the use of ordinary and reasonable care should have known;

With capacity and tendency to deceive and mislead members of the public into the belief that such representations and statements were true and into purchasing said Vita-Noid in reliance upon such fraudulent statements and representations and with intent and effect of deceiving, misleading and inveigling members of the public who were the unfortunate victims of ailments and diseases, of which they in general knew little or nothing as to their causes and effects, and which in many instances were incurable, into purchasing said device for \$50 or \$75, as the case might be, and of also causing them thereby to neglect or delay obtaining competent medical advice or assistance for the treatment of their ailments, with the probability of their progressing in many cases from a condition in which competent medical skill or timely use of proper appliances in physio-therapy might have availed to relieve or cure the ailments or conditions, until the victim was beyond aid, and with the result of diverting trade in electric appliances used in physio-therapy to said individuals from their competitors:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. Edward E. Reardon for the Commission.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that J. Dorsey Markwood, trading as Electro-Magnetic Belt Co., and A. A. Baird and V. A. Molitor, copartners trading as Vita-Noid of Kansas City, hereinafter referred to as respondents, have been and are using unfair methods of competition in violation of the provisions of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent J. Dorsey Markwood is an individual who trades at Minneapolis, Minn., under the name of Electro-Mag-

netic Belt Company. There is no such company, and respondent Markwood is the sole owner and proprietor of the business hereinafter described in this paragraph. Since about the year 1931 the respondent J. Dorsey Markwood has been and is now engaged at the said city of Minneapolis in the business of manufacturing and selling an electric belt which, from the date of November 11, 1931, he has so sold under the name of Dorsey's Vita-Noid. Dorsey's Vita-Noid is an apparatus resembling a horse collar and consists of a coil of insulated wire, having an imitation leather covering, with a connection to be fastened in an ordinary lamp socket carrying an alternating current of electricity. Said apparatus is sold with the claims and representations of respondent that when it is applied to the human body and used according to the instructions accompanying it, it has therapeutic value and effect in the treatment of many of the ailments and diseases of mankind. This apparatus is so sold to distributors who in turn resell the same to the ultimate purchasers or users thereof. Among the said distributors are respondents C. A. Baird and V. A. Molitor.

When orders are received for such apparatuses they are packed at said city of Minneapolis, Minn., and shipped by respondent Markwood into and through other States of the United States to the places of business of such distributors, many of which are outside of the State of Minnesota. The terms of sale imposed by respondent are usually cash on delivery. Accompanying each apparatus are written instructions for its use and a so-called guaranty bond signed by respondent Markwood. The bond guarantees against defects in the materials and workmanship. The written instructions recommend the use of Vita-Noid for insomnia, anemia, low blood pressure, nervousness, functional heart trouble, rheumatism, arthritis, constipation, high blood pressure, ulcers, tumors, stomach trouble, skin diseases, neuritis, lumbago, sciatica, varicose veins, and local pains.

In the course and conduct of said business, respondent Markwood is in competition with other individuals and corporations engaged in the sale of sundry medicinal remedies and surgical and electrical instruments and appliances used in the treatment of the sick and injured in commerce between and among various States of the United States.

PAR. 2. Respondents A. A. Baird and V. A. Molitor are copartners, who for about the year last have traded and are now trading under the name Vita-Noid of Kansas City, and as such copartners and under such trade name they purchase said apparatuses from respondent Markwood and sell the same at and from Kansas City, Mo., to purchasers thereof for use by them in treating their ailments, sick-

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nesses and diseases. Many of these said purchasers reside outside of the State of Missouri, and when orders for said apparatuses are received or taken by respondents Baird or Molitor, said apparatuses with the instructions and bond mentioned in paragraph 1 hereof, are packed at said Kansas City, Mo. and shipped into and through other States of the United States to the places of residence of such purchasers.

In the course and conduct of said business, respondents Baird and Molitor are in competition with other individuals and corporations, engaged in the sale of medicinal remedies and surgical and electrical apparatus and instruments and other appliances used in the treatment of the sick and injured, in commerce between and among various States of the United States.

Respondents Baird and Molitor seek and solicit and have sought and solicited the sale of said device to the public located throughout the States of the United States, reaching said public through and by means of radio talks, advertisements in magazines having general circulation in the States of the United States, in newspapers, in letters, through and by means of circulars, booklets and printed matter containing reported testimonials and other literature and through and by means of employees, solicitors, and agents.

The said last-named respondents, in order to induce the public to purchase said device, make and have made and caused to be made many false, misleading, and deceptive statements concerning said Vita-Noid in such radio talks and such magazines, newspapers, letters, circulars, booklets and other literature and printed matter and through such employees, solicitors, and agents. Among such statements so made are the following:

Vita-Noid is not presented as a cure-all, but because electrical magnetism as produced by the Vita-Noid tends to thoroughly eliminate toxic products from the entire system, the following diseases which arise directly and indirectly from toxic poisoning have very successfully responded to the Vita-Noid:

Asthma	Nervous disorder
Arthritis	Neuritis
Bronchitis	Paralysis
Constipation	Poor circulation
Dropsy	Prostatic gland
Eczema	Rheumatism
Gall bladder	Sciatica
Goiter	Sinus trouble
Hemorrhoids	Stomach trouble
High blood pressure	Tumors
Heart trouble	Ulcers
Insomnia	Varicose veins
Lunibago	

During the past few years, the same knowledge and skill that has been applied to the perfection of almost everything else, has been applied, quite naturally, to the making of more efficient and useful therapeutic solenoids.

Today we have a solenoid that is a splendid example of the modern, scientific age in which we live. This appliance is called Vita-Noid. * * *

Science has made wonderful progress for the treatment of diseases with electro-magnetism.

Electro-magnetism has brought health and happiness to thousands. * * *

An amazing discovery proves new way to health.

New Vita-Noid proves merit.

Many remarkable recoveries reported. Powerful curative agent is produced by Vita-Noid. Thousands already helped.

Sufferers everywhere are turning to the Vita-Noid, the new appliance that has proved effective in many cases formerly thought to be hopeless.

Because Vita-Noid is no respecter of persons, isn't it reasonable to suppose that what it has done for others, who once suffered exactly as you are today, it will do for you?

Dorsey's Vita-Noid is designed to rid the body of waste toxic matter and when properly used should begin to produce results after only a few treatments. In certain stubborn, chronic cases of long standing, the patient should not expect marked relief short of two or three months use.

Respondents Baird and Molitor provide each purchaser of Vita-Noid with the book of instructions containing the statements as set forth in paragraph 1 hereof.

Respondents Baird and Molitor have been and are using two broadcasting stations in Kansas City, Mo., for the purpose of advertising the Vita-Noid apparatus. Such broadcasts, so made by said respondents, reach the people of many States. Some of the statements in these broadcasts are as follows:

Vita-Noid, that modern therapeutic appliance made for use right in your home is getting results, which in many cases seem nothing short of the miraculous. * * *

Following this several instances where people were supposed to have been cured by the use of Vita-Noid are recited.

* * * Vita-Noid has for a long time and is daily proving a decided blessing to mankind. With few exceptions the people who get Vita-Noid are the people whom nothing else has been able to help. We shall go farther than that and say that with rare exceptions the people who get Vita-Noid are a discouraged and extremely discouraged group of people; yet, among that class of individuals, the Vita-Noid is producing results that in many cases are nothing short of miraculous.

Many statements are made in these radio talks, all of which are laudatory of the therapeutic value and effect of Vita-Noid and in which in addition to the ailments mentioned in the printed advertising, claims are made that gall bladder and kidney trouble may be cured by the use of Vita-Noid.

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PAR. 3. The statements made in the book of instructions described in paragraph 1 hereof and the advertising of respondents Baird and Molitor described in paragraph 2 are false and misleading in that:

(a) Said device Vita-Noid is not a scientific invention, nor a scientific apparatus.

(b) That said apparatus will not cure, aid in the cure, nor is its use proper treatment for any of the diseases or afflictions mentioned in paragraph 1 or paragraph 2 hereof nor will it cure or relieve diseases, sicknesses or the ailments of mankind of any kind or nature.

(c) That the said apparatus, when used as directed, or otherwise, is incapable of transmitting energy or remedial force to the human body in such an amount as to have therapeutic value or effect.

PAR. 4. At the time of entering business relations for the purchase and sale of said Vita-Noid, to wit, in the summer of 1933, respondent Baird, representing himself and his copartner respondent Molitor, met with respondent Markwood at the latter's place of business in the said city of Minneapolis, Minn., and it was then and there agreed between respondents that respondent Markwood would furnish with each Vita-Noid apparatus, for use in advertising the same, the book of instructions described in paragraph 1 hereof and that respondents Baird and Molitor would use the same together with the advertising described in paragraph 2 hereof and through the media named and described therein in the sale and promotion of the sale of said apparatus.

That respondent Markwood did so furnish to the other respondents said book of instructions and that the same together with the advertising described in paragraph 2 hereof was and is now used by them in the sale and promotion of the sale of the said apparatus in the manner and form as set forth in paragraphs 1 and 2 of this complaint.

PAR. 5. The aforesaid false, misleading, and deceptive statements and representations, used by respondents, as in this complaint heretofore set forth have and have had the capacity and tendency to, and do induce the public to purchase and use the device Vita-Noid in the belief that said statements and representations are true, and to divert trade to this respondent from its said competitors.

PAR. 6. The above alleged acts and practices of respondent Markwood and the above alleged acts of respondents Baird and Molitor are each and all to the prejudice of the public and to the competitors of respondent Markwood and respondents Baird and Molitor, and

the acts of respondent Markwood and the acts of respondents Baird and Molitor as above set forth consist of unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914 (38 Stat. 717), the Federal Trade Commission issued and served its complaint upon the above-named respondents charging them with the use of unfair methods of competition in commerce in violation of the provisions of said Act.

The respondents having filed their answers herein to the complaint, hearings were had and evidence was thereupon introduced on behalf of the Commission and the respondents before an examiner of the Federal Trade Commission duly appointed.

Thereupon this proceeding came on for final hearing on the brief filed on behalf of the Commission, and the Commission having duly considered the record and being fully advised in the premises finds that this proceeding is in the interest of the public and makes this its findings as to the facts and the conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent J. Dorsey Markwood is an individual residing in Minneapolis, Minn. He is and has been, at all times, since sometime in or about November 1931, engaged, under the trade name Electro-Magnetic Belt Co. and with a usual place of business at Minneapolis, in the business of the manufacture and sale of electro-magnetic belts, called Dorsey's Vita-Noid, an appliance hereinafter more particularly described, which is made and sold to be used or operated by connecting it with an alternating electric current, such as is usually supplied by public service corporations to residences for ordinary household purposes. The electro-magnetic belts of the respondent are hereinafter referred to as Dorsey's Vita-Noids.

PAR. 2. During all the times above mentioned, the respondent Markwood made and sold Dorsey's Vita-Noids for use by members of the public in self-therapeutic treatment for the purpose of the prevention, the cure, or the relief of the user from any one or more physical ailments, diseases, or pathological conditions of the human body, among those mentioned and referred to hereinafter, to which the user was subject, or to which the user thought or believed he was subject or suffering from.

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In the course of his business the respondent, Markwood, sold Dorsey's Vita-Noids, at the average price of \$22.50 each, among others, to dealers, including respondents Baird and Molitor, purchasers thereof, located in various States of the United States, other than Minnesota and including Iowa, Nebraska, Missouri, and Wisconsin, for resale by respondents Baird and Molitor and the other dealers to members of the public for their use in self-therapeutic treatment as above stated.

The respondent Markwood caused Dorsey's Vita-Noids, when so sold by him, to be transported from Minnesota to the purchasers, including respondents Baird and Molitor, located in other States.

PAR. 3. Respondent A. A. Baird is an individual residing in Sioux City, Iowa. He was engaged at all times, from sometime in November 1931 to February 1934 in the business of the sale of Dorsey's Vita-Noids to members of the public for their use in self-therapeutic treatment as stated in paragraph 2 hereof, at first, with a place of business at Waterloo, Iowa, and later with places of business at Lincoln, Nebr. and Kansas City, Mo.

In 1933 and 1934 he and respondent Molitor, as copartners, doing business under the trade name, Vita-Noid of Kansas City, were engaged in the sale of Dorsey's Vita-Noids to members of the public, for the use mentioned and referred to above, with a place of business at Kansas City, Mo.

PAR. 4. Respondent V. A. Molitor is an individual residing in Minneapolis, Minn. He became associated in 1931 with respondent Baird, as manager of the business of respondent Baird at Waterloo, Iowa, in the sale of Dorsey's Vita-Noids to members of the public for use in self-therapeutic treatment as set forth in paragraph 2 hereof. He was also associated with respondent Baird at Kansas City, Mo. in the sale of Dorsey's Vita-Noids to members of the public for the use above mentioned and referred to, and in 1933 and 1934 he and Baird conducted business, as copartners, in the sale of Dorsey's Vita-Noids to members of the public for the said use under the trade name, Vita-Noid of Kansas City, with a place of business at Kansas City, Mo.

PAR. 5. During the times mentioned in paragraphs 3 and 4 hereof, respondents, Baird and Molitor, sold Dorsey's Vita-Noids, some at \$50 and others at \$75 each, as set forth in said paragraphs, to members of the public, purchasers thereof, located in Kansas, Oklahoma, and various other States of the United States, other than Missouri or the State of origin of the shipment, and they caused Dorsey's Vita-Noids, when so sold by them, to be transported from Missouri, or from the State of origin of the shipment, to the purchasers.

PAR. 6. During all the times mentioned and referred to above, other individuals, firms, and corporations, located in various States of the United States and hereinafter referred to as sellers, are and have been engaged, respectively, some of them in the business of the manufacture and sale, and others in the business of the sale of various appliances, that are and have been made and sold to be used or operated for use in therapeutic treatment for the prevention, cure or relief from physical ailments, diseases, or pathological conditions of the human body by connecting them with an alternating electric current, such as is supplied by public service corporations to residences for ordinary household purposes.

Some of the appliances are and have been sold by the sellers to members of the public and to dealers for resale to the public for use in self-therapeutic treatment in the case of certain physical ailments, diseases or pathological conditions of the human body including some of the ailments, diseases, or conditions, referred to in paragraph 2 hereof. Others of the appliances are and have been sold by the sellers to members of the public, physicians and others skilled in their use for the therapeutic treatment of certain other physical ailments, diseases or pathological conditions of the human body.

The sellers during said times, have sold the respective appliances above referred to and described to dealers for resale and to members of the public, purchasers thereof, located in States other than the State of the seller or the State of origin of the shipment and the sellers, respectively, have caused the appliances, when so sold by them, to be transported from the State of the seller, or the State of origin of the shipment, to the purchasers.

PAR. 7. The respondent Markwood, and the respondents Baird and Molitor, during all the times mentioned and referred to in paragraphs 2 and 5 hereof, are and have been, respectively, in substantial competition in interstate commerce in the sale of the appliances, Dorsey's Vita-Noids, with the individuals, firms, and corporations referred to as sellers in paragraph 6 hereof.

PAR. 8. During the times above mentioned and referred to, the appliance, called Dorsey's Vita-Noid, consisted of a coil containing about 470 turns of No. 20 American wire gauge wire which appeared to be aluminum. The separate layers of wire were insulated from each other by brown paper. The inside of the coil was stiffened with a piece of impregnated burlap. The whole was wrapped in padding and sewed up in a covering of artificial leather. When assembled and ready for use, it somewhat resembled a horse collar in size and general appearance. Permanently attached to the covering

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was a metal housing provided with two toggle switches, marked "off-on" and "high-low".

When in use by a member of the public for the treatment of ailments, diseases, or pathological conditions of the human body, it was connected with the electric current in the residence of the user.

The frequency of the alternating electric current supplied to residences by public service corporations varies in different cities. It lies between 50 and 65 cycles per second.

When the appliance, Dorsey's Vita-Noid, is connected to an 115-volt, 60 cycle alternating current with the toggle switch in the "high" position and with a current of 1.27 amperes flowing, a magnetic field is created. The strength of the magnetic field so created measures about 17 gauss near the center of the circular space formed by the apparatus.

When the appliance, Dorsey's Vita-Noid, is connected to an 115-volt, 60-cycle alternating current, the values of the current and power with the toggle switch in each of the positions "high" and "low" are stated in the table below. From these data the effective resistance and reactance of the appliance can be computed and is as given in the table. In the table there are also included the values of resistance obtained from measurements with direct current. The table of measurements referred to is as follows:

	Switch position	
	"Low"	"High"
Volts applied.....	115	115
Current in amperes.....	1.21	1.27
Power in watts.....	108	74
Effective resistance in ohms.....	74	46
Effective reactance in ohms.....	59.7	78.5
Direct-current resistance in ohms.....	45.3	45.4

PAR. 9. Immediately prior to the time when the respondents Baird and Molitor began the sale of Dorsey's Vita-Noids in 1931, they had each been engaged from 1929 to 1931, in the sale of electro-magnetic belts called the Theronoid¹ to members of the public, for use in self-therapeutic treatment for the same purpose of use mentioned and referred to in paragraph 2 hereof for which Dorsey's Vita-Noids were sold.

PAR. 10. The Theronoid Belt, above mentioned and referred to, consisted of a coil containing about 612 turns of No. 20 American wire gauge wire which appeared to be aluminum. The separate layers

¹ See 17 F. T. C. 298.

of wire were insulated from each other by brown paper. The inside of the coil was stiffened with a piece of impregnated burlap. The whole was wrapped in padding and sewed up in a covering of artificial leather. When assembled and ready for use, it resembled a horse collar in size and general appearance. The appliance was provided with two toggle switches, marked "off-on" and "high-low."

When in use by a member of the public for the treatment of ailments, diseases or pathological conditions of the human body, it was connected with the electric current in the residence of the user.

When the Theronoid Belt was connected to an 120-volt, 60-cycle alternating current, with the toggle switch on and in the "high" position and a current of 1.34 amperes flowing, a magnetic field was created. The strength of the magnetic field so created measured about 22 gauss near the center of the circular space formed by the belt.

When the Theronoid Belt was connected to an 120-volt, 60-cycle alternating current, the values of the current and power with the toggle switch on and in each of the positions "low" and "high" are stated in the table below. From these data the effective resistance and reactance of the Theronoid Belt can be computed and is as given in the table, as follows:

	Switch on—	
	"Low"	"High"
Volts applied.....	118	119.2
Current in amperes.....	1.34	1.46
Power in watts.....	123	93
Effective resistance in ohms.....	68	43.6
Effective reactance in ohms.....	55	69

The construction of Dorsey's Vita-Noid Belt and its use and the effect of its use is and has been similar in all essential respects to the construction and use and the effect of the use of the Theronoid Belt.

There is iron in the blood plasms and in the red corpuscles, and in the muscles. There are traces of iron in nearly all human or animal tissues. Such iron is nonmagnetic. It is not permanently or spontaneously magnetic. Electro-magnetic fields measuring many thousands of gauss can produce no demonstrable physical or physiological effect in the human body. The electro-magnetic fields produced by Dorsey's Vita-Noids or the Theronoid measure only from 17 to 22 gauss.

PAR. 11. Electrical changes, or stresses, or eddying electric currents or differences in electrical stress or potential are continually present in all tissues of the human body both in health and in disease. They vary with the intensity of the activity at the time and vary in different parts of the body. The body normally is continually under the influence, or in the fields of those electrical stresses. They are by-products of the chemical changes of life, and under their influence, or despite them, health or growth proceeds, and while under their influence the various ailments, diseases, or pathological conditions of the human body, including those for the prevention, the cure or the relief of which Dorsey's Vita-Noids and the Theronoid were sold to members of the public, develop, progress, and sometimes kill the person afflicted with them.

Such stresses or eddying electric currents are termed hysteresis, and are produced in the human body, among other activities, by the beating heart. When produced by the beating heart they are strong enough to be recorded, measured and read by a physical apparatus. But, there is no instrument known to exist that is capable of recording or measuring any hysteresis that may be produced in the human body by the use of Dorsey's Vita-Noid Belt.

PAR. 12. The respondent Markwood, in the course of his business in the sale of Dorsey's Vita Noids, as set forth in paragraph 2 hereof, delivered a booklet of information concerning the operation and use of Dorsey's Vita-Noids with each Vita-Noid that he sold to his dealer-purchasers, including respondents Baird and Molitor, which he intended the dealers to deliver to each member of the public who purchased a Vita-Noid for self-treatment as above set forth. The dealers, in turn, delivered one of the booklets to each member of the public to whom they sold a Vita-Noid.

Among other statements, the booklet so delivered to the public contained the following:

Stimulation of the life forces into normal activity is the object.

When the maximum benefits have been obtained, it is not necessary to use the appliance daily.

Dorsey's Vita-Noid is designed to rid the body of waste toxic matter, and when properly used, should begin to produce results after only a few treatments. In certain stubborn, chronic cases of long standing, the patient should not expect marked relief short of two or three months' use.

Remember, it is not advisable to continue using the appliance after the desired results have been obtained by the patient.

Since Dorsey's Vita-Noid is designed to stimulate vital processes of oxidation by which processes toxic waste matter is prepared for normal elimination from the body, it is recommended that the patient drink one or two glasses of water before each treatment, and a total of eight or ten glasses daily.

PAR. 13. Respondents Baird and Molitor, in the course of their business in the sale of Dorsey's Vita-Noids as above set forth, and at all times to the knowledge of respondent Markwood, solicited members of the public throughout various States of the United States by means of advertisements in magazines, newspapers, printed circulars, and letters, and through numerous radio broadcasts and in personal interviews to purchase Dorsey's Vita-Noids for self-therapeutic treatment for the purpose above described and referred to.

In the course of such solicitation and by the said means the respondents Baird and Molitor made and caused statements and representations to be made to the public, concerning the use and the effect of the use of Dorsey's Vita-Noids, among others, statements, and representations to the effect, as follows:

That science has made wonderful progress in the treatment of disease by electro-magnetism; that electro-magnetism has brought health and happiness to thousands, and that thousands were already helped by it; that Dorsey's Vita-Noids create a remarkable curative agent which has helped thousands of persons; that people who get the Vita-Noids and are helped by its use are those who, with rare exceptions, are extremely discouraged with the results of other means of treating their ailments or diseases, yet, that the Vita-Noid has produced results in such instances that are nothing short of miraculous; that the Vita-Noid because of the electrical magnetism produced by it tends thoroughly to eliminate toxic products from the entire system and that diseases which arise directly and indirectly from toxic poisoning have very successfully responded to treatment with the Vita-Noid; and that amongst such diseases were the following, and many others:

Asthma	Nervous disorder
Arthritis	Neuritis
Bronchitis	Paralysis
Constipation	Poor circulation
Dropsy	Prostatic gland
Eczema	Rheumatism
Gall bladder	Sciatica
Golter	Sinus trouble
Hemorrhoids	Stomach trouble
High blood pressure	Tumors
Heart trouble	Ulcers
Insomnia	Varicose veins
Lumbago	

PAR. 14. Magnetism has no effect upon bacteria, the cause of many ailments or diseases, either upon their growth, their reproduction or their virulence. The application or use of Dorsey's Vita-Noids in physio-therapy (that is, treatment by mechanical appliances or ap-

paratus, as distinguished from medical therapy), does not and has not produced or caused, and it cannot produce or cause any demonstrable physiological change or effect in the body of any person subjected to its application or use either in treatment for the prevention, the cure, or the relief of any physical ailment, disease or pathological condition, or for any other purpose.

PAR. 15. The respondents knew, or with the use of ordinary and reasonable care should have known, that the statements and representations, above mentioned and referred to, made and caused to be made by them to the public, of the results of the use of Dorsey's Vita-Noids, obtained or to be obtained by members of the public in self-treatment for the prevention, cure or relief from the physical ailments, diseases or pathological conditions, which afflicted the user, as the case might be, were each and all false statements and representations. The statements or representations to the effect that the application or use of Dorsey's Vita-Noid would help, or has helped any purchaser of it whom nothing else was able to help, in the case of those suffering from the diseases above mentioned, were absurd and palpably fraudulent.

The respondents' said statements had the capacity and tendency to deceive and mislead members of the public into the belief that they were true and in reliance upon that belief into purchasing Dorsey's Vita-Noids. The statements and representations were fraudulent when made and were made and caused to be made by them with the intent and purpose of seducing, deceiving, misleading and inveigling members of the public, unfortunate victims, suffering from ailments and diseases, the causes and effects of which in general they knew little or nothing, and which were in many instances incurable or beyond assistance from medical science or skill, into purchasing Dorsey's Vita-Noids for the substantial sums of \$50 and \$75 for use in self-treatment as above described and referred to. And members of the public were seduced, deceived, misled and inveigled thereby into purchasing the same to their great loss in money, and in further consequence thereof were thereby caused to neglect, or delay obtaining competent medical advice or assistance with the still further consequence that the physical ailments or diseases, to which they were subject, were likely in many instances to progress from a condition, where competent medical science or skill or proper appliances used in physio-therapy, if timely applied, might avail to relieve or cure, to a condition where the afflicted persons were beyond human aid.

The respondents by means of the said statements and representations in the sale of Dorsey's Vita-Noids caused trade in appliances used in physio-therapy to be diverted to them from competitors.

CONCLUSION

The practices of the respondents under the conditions and circumstances described in the foregoing findings are and have been to the prejudice of the public and of respondents' competitors and are unfair methods of competition in commerce and constitute a violation of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission, upon the complaint of the Commission, the answer of the respondents, testimony and evidence introduced, and upon the brief upon the part of the Commission, and the Commission having made its findings as to the facts and its conclusion that the respondents, J. Dorsey Markwood, trading as Electro-Magnetic Belt Co., and respondents, A. A. Baird and V. A. Molitor, copartners trading as Vita-Noid of Kansas City, have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That respondent J. Dorsey Markwood, trading as Electro-Magnetic Belt Company, or under his own or any other trade name; the respondents A. A. Baird and V. A. Molitor, individually, and as copartners trading as Vita-Noid of Kansas City; the agents, representatives, and employees of the respondents, in the sale of or in offering the appliance called Dorsey's Vita-Noid for sale in interstate commerce to dealers for resale or to the public for use; or in the sale similarly of any other appliance sold or offered for sale by them in interstate commerce under any other name or designation which is designed and constructed to create an electro-magnetic field by means of electric current caused to flow through the appliance and which is intended, represented, and sold to be used in therapeutic treatment for the prevention, the cure, or the relief of the user from any one or more physical ailments, diseases or pathological conditions, to which the user is or may be subject, by having the subject of the treatment within the electro-magnetic field created by the appliance and without being in physical contact with the electric current creating the electro-magnetic field during the treatment, do

Cease and desist from making or causing others to make statements or representations to the public throughout the various States of

the United States by means of advertisements in magazines or newspapers, in printed circulars or in correspondence by letters, or through radio broadcasts, or verbally in personal interviews, as follows, or substantially to the same effect, namely:

That science has made progress in the treatment of disease by electro-magnetism; that electro-magnetism has brought health and happiness to thousands and that thousands were already helped by it; that Dorsey's Vita-Noids, or any appliance similarly designed and constructed for similar purpose of use, has created or will create a curative agent which has helped thousands of persons who have become discouraged with the results of other treatments for ailments or diseases; that Dorsey's Vita-Noids or any other similar appliance because of the electrical magnetism produced by it tends, or will tend to eliminate toxic products from the human system and that diseases which arise directly or indirectly from toxic poisoning have responded or will respond to treatment with Dorsey's Vita-Noid or any other appliance similarly designed and constructed for the same purpose or use; that among the diseases which have successfully responded or will respond to treatment with Dorsey's Vita-Noid or any other appliance similarly designed and constructed for similar purpose or use are the following and many others:

Asthma	Nervous disorder
Arthritis	Neuritis
Bronchitis	Paralysis
Constipation	Poor circulation
Dropsy	Prostatic gland
Eczema	Rheumatism
Gall bladder	Sciatica
Golter	Sinus trouble
Hemorrhoids	Stomach trouble
High blood pressure	Tumors
Heart trouble	Ulcers
Insomnia	Varicose veins
Lumbago	

It is further ordered, That the respondents, J. Dorsey Markwood and A. A. Baird and V. A. Molitor, shall within 30 days after the issuance of this order file with the Federal Trade Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Complaint

IN THE MATTER OF

WHOLESALE RADIO SERVICE CO., INC.

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

Docket 2458. Complaint, June 26, 1935—Order, July 22, 1935

Consent order requiring respondent corporation, in connection with the sale in interstate commerce of hacksaw blades, to cease and desist from using the word "Tungsteel", or words of similar import, to describe such blades until and unless the steel from which they are manufactured contains tungsten metal in such quantity and proportion as to be steel commonly known and described as tungsten steel.

Mr. Edw. W. Thomerson for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Wholesale Radio Service Co., Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent is a corporation organized and existing under and by virtue of the laws of the State of New York with its principal office and place of business in the city of New York, State of New York, and with branch offices and places of business in the city of Newark, State of New Jersey, and in the city of Atlanta, State of Georgia.

PAR. 2. Respondent is now and has been for the several years last past engaged in the mail-order wholesale business, offering for sale and selling, among other things, hacksaw blades to customers located at various points in the several States of the United States, and in causing said hacksaw blades, when so sold, to be transported from its said place of business located in the States of New York, New Jersey, and Georgia, as above alleged, into and across the several States of the United States to the said purchasers thereof located at various points in said several States of the United States

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other than New York, New Jersey, and Georgia. Other corporations and partnerships, associations and persons, who do not use the methods used by the respondent as hereinafter alleged, have been and are likewise engaged in offering for sale and selling hacksaw blades in said commerce among the several States of the United States. Respondent, in the course and conduct of its business as aforesaid, is in substantial competition with such other corporations and partnerships, associations and persons so engaged in offering for sale and selling said products in said commerce.

PAR. 3. Hacksaw blades are used throughout the several States of the United States to cut steel and such users of such blades believe that hacksaw blades which contain tungsten metal in a proper content are more durable and more desirable for that purpose than are hacksaw blades which do not contain tungsten metal in a proper content. Such users prefer a hacksaw blade containing tungsten metal to a hacksaw blade which does not contain such metal. It is more expensive to manufacture hacksaw blades containing tungsten metal in the proper content than it is to manufacture hacksaw blades not containing tungsten metal in proper content, and blades containing tungsten metal sell for a higher price than do blades which do not contain tungsten metal. The term "tungsten steel" and "tungsteel" are used in the trade and among users of hacksaw blades as meaning that blades so designated contain tungsten metal in proper content. Hacksaw blades which contain tungsten metal in proper content and hacksaw blades which do not contain said metal in proper content are similar in appearance and cannot be distinguished by the users thereof from a casual examination of such blades. Hacksaw blades which do not contain tungsten metal are not as salable as and are inferior to blades which do contain tungsten metal. Hacksaw blades containing tungsten metal in proper content are considered by users to be of first quality, flexible, fast cutting, and long lived.

PAR. 4. Respondent, within the two years last past, in the course and conduct of its business in said commerce as aforesaid, has advertised, sold, and distributed certain hacksaw blades under the name "Tungsteel" and has distributed to users and purchasers of hacksaw blades in said commerce, a certain catalog which contains the following representations concerning said blades:

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HACKSAW BLADES

Made of Tungsteel. Strictly First Quality Very flexible. Fast cutting and long lived. Fully guaranteed. Shpg. wt. 1 lb.

Stock No.	Size	Per doz. Your cost
XP 14965-----	8"	39¢
XP 14966-----	10"	49¢
XP 14967-----	12"	59¢

and in truth and in fact, said hacksaw blades did not and do not contain any tungsten metal at all, were and are not first quality and were and are not flexible, fast cutting and long lived.

PAR. 5. The acts and practices of the respondent in designating, advertising, and representing its hacksaw blades as hereinabove set forth are misleading and deceptive and have the tendency and capacity to and do confuse, mislead and deceive a substantial part of the users and purchasers of such blades into the erroneous belief that such hacksaw blades contain tungsten metal in proper content. The acts and practices of the respondent have the tendency and capacity to induce users and purchasers of hacksaw blades who desire blades containing tungsten metal to buy and use respondent's said hacksaw blades instead of blades which do contain tungsten metal in proper content, thereby substantially diverting trade to respondent from competitors of respondent who manufacture and sell hacksaw blades containing tungsten, and from competitors who manufacture and sell hacksaw blades which do not contain tungsten and who do not so misrepresent their products.

PAR. 6. The above acts and practices of the respondent are all to the injury and prejudice of the public and of the competitors of respondent, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for hearing by the Federal Trade Commission upon the record, including the complaint and the answer of the respondent, in which answer it waives hearing of the charges set forth in the complaint, refrains from contesting the proceedings, and, pursuant to Rule V of the Rules of Practice and Procedure,

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consents that the Commission may make, enter, issue, and serve upon it, without trial, evidence, findings as to the facts, or other intervening procedure, an order to cease and desist from the violations of law charged in the complaint, and the Commission, having duly considered the matter, and being fully advised in the premises, finds that the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

It is now ordered, That the respondent, Wholesale Radio Service Co., Inc., a corporation, cease and desist from using, directly or indirectly, the word, "Tungsteel", or a word or words of similar import or meaning, alone or in connection with any other word or words to brand, designate, or describe hacksaw blades sold or offered for sale by it in commerce among the several States of the United States and in the District of Columbia, until and unless the steel from which such hacksaw blades are manufactured contains tungsten metal in such quantity and proportion as to be steel that is commonly known and described as tungsten steel.

It is further ordered, That the respondent shall, within 60 days after service upon it of a copy of this order, file with the Federal Trade Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

HARRY GREENBERG AND LEO JOSEFSBERG, DOING
BUSINESS AS GREENBERG & JOSEFSBERG, G. & J.
MANUFACTURING CO., G. & J. PRODUCTS, AND AMERI-
CAN MERCHANDISE CO.

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

Docket 2303. Complaint, Feb. 27, 1935—Decision, July 23, 1935

Where a firm sold toothpicks, purchased in and imported from, Japan, and packaged in small quantities in cartons, which were of substantially the same size as those theretofore used for a number of years by a competitor engaged in the sale of a similar domestic product, and which in the arrangement of labels, and depictions, colors, and arrangement of printed words and statements thereon contained, and construction, and instructions to user, so closely imitated the labels and cartons of said competitor as to simulate the same; with the effect of confusing, deceiving and misleading the trade and public into the belief that said foreign made and imported toothpicks thus sold by it were the domestic product of said competitor, and into purchasing the same in reliance upon such erroneous belief, and with capacity and tendency so to do, and with the result that it was thereby enabled to and did pass off said toothpicks as and for those of competitors and trade was diverted to it from them:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice and injury of competitors and the public, and constituted unfair methods of competition.

Before *Mr. William C. Reeves*, trial examiner.

Mr. Edward E. Reardon for the Commission.

SYNOPSIS OF COMPLAINT

Reciting its action in the public interest, pursuant to the provisions of the Federal Trade Commission Act, the Commission charged respondent partners engaged in importing household articles and novelties and with place of business in New York City, with simulating cartons and labels of competitors in violation of Section 5 of such Act, prohibiting the use of unfair methods of competition in interstate commerce; in that as charged, they sold toothpicks imported from Japan, in cartons which in size, construction, labels, printed matter thereon contained, color, arrangement, instructions to open and general appearance were identical or substantially identical with those used for 12 years by a competitor for the sale of its domestic products and come to be known by the public for many years as

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identifying said domestic product with said competitor, and as superior to similar products made in other countries; with capacity and tendency thereby to confuse, deceive and mislead the trade and public and with effect of so doing, under ordinary conditions prevailing in the usual course of business in the sale of such products, and of inducing purchase of their said Japanese toothpicks as and for the domestic product of said competitor and of diverting thereby trade to themselves and to dealers in their said products from competitors and those dealing in the products of competitors, all to the prejudice of the public and their competitors.¹

Upon the foregoing complaint, the Commission made the following

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914 (38 Stat. 717), the Federal Trade Commission issued and served its complaint upon the above-named respondents charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act.

The respondents having filed their answer herein to the complaint, a hearing was had and evidence was thereupon introduced on behalf of the Commission and the respondents before an examiner of the Federal Trade Commission duly appointed.

Thereupon this proceeding came on for final hearing on the briefs filed on behalf of the Commission and the respondents, and upon oral argument by counsel for the Commission and for the respondents, and the Commission having duly considered the record and being fully advised in the premises finds that this proceeding is in the interest of the public and makes this its findings as to the facts and the conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondents, Harry Greenberg and Leo Josefsberg, are and have been copartners doing business under the trade names, Greenberg & Josefsberg; G. & J. Manufacturing Co.; G. & J. Products; and, American Merchandise Co., having at all times, since on or about January 21, 1930, a place of business in the city of New York, N. Y.

¹ The facts alleged in the complaint as to the details involved in such simulation including the precise wording, appearance and arrangement of labels, etc., are set forth verbatim or substantially verbatim in the findings, infra.

PAR. 2. Prior to September 1934 the respondents, in the usual course of their business, purchased 50 gross of wooden toothpicks in Japan and caused them to be imported into the United States.

PAR. 3. Prior to the time that the toothpicks referred to in paragraph 2 hereof were imported by the respondents into the United States, toothpicks were and had been sold at all times since June 1931 by one of the respondents' competitors to retail dealers throughout the United States and had been and were being resold by the retail dealers to the public, put up or packaged in small quantities in cartons having labels and printed matter on the labels on the sides and ends of the cartons, substantially as follows:

1. On the flat top side a label with a design on the lower half of the label representing white birch trees on a yellow background, with two narrow parallel lines extending lengthwise across the label and a brown strip at the foot of the label representing the ground or earth. Imposed on the yellow background appears a trade mark consisting of a blue shield on which is displayed a spread eagle in white with blue shading, and the words in conspicuous type, on the shield on a white background, as follows:

THE DIAMOND MATCH CO.

U. S. A.

On the upper part of the flat top side label a design representing the foliage of the white birch trees in brown color, and carrying in white letters in conspicuous type the words:

DIAMOND BRAND
DOUBLE POINTED-TAPERED-FLAT
TOOTHPICKS
POLISHED WHITE BIRCH

2. On the opposite side, or bottom of the carton, a label with a yellow background and a brown marginal line, on which the trade mark above described appears, and, beneath the trade mark, in conspicuous type, the words and statements are printed, as follows:

THIS IS OUR TRADE MARK
AND ITS USE ON A PACKAGE OF WOOD
PRODUCTS INSURES DIAMOND QUALITY
OF BOTH MATERIALS AND WORKMANSHIP
EVERY ONE PERFECT

3. On the front vertical side, a label with a yellow background and brown marginal line, on which the above described trade mark appears in white, in the center of the label, and the words and state-

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ments are printed in conspicuous type across the entire label and trade mark, as follows:

DOUBLE POINTED-TAPERED-FLAT MADE,
POLISHED, AND PACKED BY
MACHINE, UNTOUCHED BY HANDS

4. On one of the ends, a label with a yellow background and brown marginal line, on which the above described trade mark appears in white, and on which the following words and statements are printed in conspicuous type across the label:

A PERFECT TOOTHPICK
MACHINE MADE FROM
SELECTED WHITE BIRCH
HIGHLY POLISHED
U. S. A.

5. On the opposite end, a label with a yellow background and brown marginal line, on which the above described trade mark appears in white, and printed in conspicuous type across the label are the words and statements as follows:

DOUBLE POINTED, FLAT,
TAPERED, AND HIGHLY POLISHED,
THE MOST PERFECT TOOTHPICKS MADE

6. All the labels above mentioned and referred to are and have been printed on the white paper of which the cartons were made and cover the respective sides and ends of the cartons with the exception of the narrow edges formed by the sides and ends. The edges of the cartons are white.

At the center of the lower white edge of the flat top side of the cartons beneath the lower brown strip on the label, the words in legible type and in brown color, were printed, as follows:

Lift Cover Here

PAR. 4. The respondents sold the toothpicks mentioned in paragraph 2 hereof during the months of September, October, November, and December 1934 to retail dealers for resale by them to the public, among others, to retail dealers located in Pennsylvania, New Jersey, Ohio, Indiana, and Illinois. And respondent caused the said toothpicks, when so sold by them, to be transported from New York to the purchasers in their respective States.

At the time the toothpicks were purchased by the respondents in Japan and at all times when they were sold by the respondents and

resold by the retail dealers, who purchased them from the respondents for resale, the said toothpicks were put up or packaged in small quantities in cartons of substantially the same size as the cartons of the respondents' competitor mentioned and referred to in paragraph 3 hereof, and with labels printed on the sides and ends of respondents' cartons, with printed matter on the labels in the same or approximately the same colors; in the same size type; and in substantially the same arrangement of the printed words and statements on the labels as in the case of the labels on the said cartons of the respondents' competitor, and substantially, as follows:

1. On the flat top side, a label with a design on the lower half of the label representing white birch trees on a yellow background with two narrow parallel lines extending lengthwise across the label, and a brown strip at the foot of the label representing the ground or earth.

On the upper part of the flat top side label a design representing the foliage of the white birch trees in brown color, and carrying in white letters in conspicuous type of substantially the same size as the letters on the corresponding label on the cartons referred to in paragraph 7 hereof, the respondents' brand name "conqueror" together with other words, as follows:

CONQUEROR BRAND
DOUBLE POINTED-TAPERED-FLAT
TOOTHPICKS
POLISHED WHITE BIRCH

2. On the opposite side, or bottom, of the carton, a label with a yellow background and a brown marginal line, on which the trademark consisting of a diamond figure and the word "products" with the letters arranged in vertical order therein between the capital letters "G" and "J", and other words and statements in substantially the same size type and arrangement as the corresponding labels of the cartons of the Diamond Match Company mentioned and described in subdivision 2 of paragraph 7 hereof, and as follows:

THIS IS OUR TRADE MARK
AND ITS USE ON A PACKAGE OF WOOD
PRODUCTS INSURES DIAMOND QUALITY
OF BOTH MATERIALS AND WORKMANSHIP
EVERY ONE PERFECT

3. On the front vertical side, a label with a yellow background and brown marginal line on which the words and statements are printed in type of substantially the same size and color and in the same

arrangement as on the corresponding label of the cartons of respondent's competitors referred to in subdivision 3 of paragraph 7 hereof, as follows:

DOUBLE POINTED-TAPERED-FLAT
MADE, POLISHED, AND PACKED BY MACHINE,
UNTOUCHED BY HANDS

with the words "Made in Japan" in small type just above the brown marginal line in the lower righthand corner of the label.

4. On one of the ends of the carton, a label with a yellow background and brown marginal line on which the same words and statements are printed, and in the same size type, in the same arrangement and in substantially the same color as on the corresponding label of the cartons of respondents' competitors mentioned and described in subdivision 4 of paragraph 7 hereof, as follows:

A PERFECT TOOTHPICK
MACHINE MADE FROM
SELECTED WHITE BIRCH
HIGHLY POLISHED

5. On the opposite end, a label with a yellow background and brown marginal line on which the same words and statements are printed, and in the same size type, in the same arrangement and in substantially the same color as on the corresponding label of the cartons of respondents' competitors mentioned and described in subdivision 5 of paragraph 7 hereof, as follows:

DOUBLE POINTED, FLAT
TAPERED AND HIGHLY POLISHED
THE MOST PERFECT TOOTHPICKS MADE

6. All the labels mentioned and referred to are labels that are printed on and have been printed on the white paper of which the cartons or packages were made and they cover the respective top, sides and ends of the cartons with the exception of the narrow edges formed by the sides and ends. The edges of respondents' carton are white.

At the center of the lower white edge of the flat top side of the cartons, beneath the brown strip on the label, the words in legible type and in brown color were and are printed as follows:

Lift Cover Here

PAR. 5. During all the times above mentioned and referred to, besides the respondents and the respondents' competitor above referred to, other individuals, firms, and corporations hereinafter referred

to as sellers, located in the various States of the United States, are and have been engaged in the business of the manufacture and of the sale of toothpicks to dealers located in the District of Columbia and in the various States of the United States for resale to members of the public, users of toothpicks.

The sellers have caused the toothpicks, when sold by them, respectively, to be transported from the State of the seller or from the State of origin of the shipment to, into, and through other States and the District of Columbia, to the purchasers.

PAR. 6. During all the times above mentioned and referred to, the respondents are and have been in substantial competition in interstate commerce with the other individuals, firms, and corporations referred to as sellers in paragraph 5 hereof, including the competitor of respondents referred to in paragraph 3 hereof, in the sale of toothpicks, including the toothpicks mentioned and referred to in paragraph 4 hereof.

PAR. 7. The pictorial design on the labels on the cartons of the respondents mentioned and described in paragraph 4 hereof, in which respondents sold toothpicks that were made in and imported from a foreign country, closely imitated in color and other respects the pictorial design on the label on the flat top side of the cartons in which toothpicks were sold by the competitor of the respondents referred to in paragraph 3 hereof. The printed matter on the labels on respondents' cartons was in the same size type and printed in the same or approximately the same colors and in substantially the same arrangement as in the case of the labels on the cartons of the respondents' competitor, as set forth respectively in paragraphs 3 and 4 hereof, and in those respects imitated the printed matter on the labels on the cartons of their competitor.

PAR. 8. The effect of the design and arrangement of the printed matter above described on respondents' labels or cartons was the simulation by respondents of the cartons or packages of their said competitor. Such simulation by the respondents of the cartons and labels of their competitor had at all the times above mentioned and referred to the capacity and tendency to confuse, deceive, and mislead the trade and public and was calculated to, and it did, confuse, deceive, and mislead the trade and public into the belief that the toothpicks which were made in a foreign country and sold by respondents were toothpicks made in the United States and sold by respondents' competitor; and in reliance upon such erroneous belief, into purchasing the respondents' toothpicks instead of the toothpicks made in the United States and sold by respondents' competitors. By such means the respondents were enabled to pass

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off and they did pass off their said toothpicks as and for the toothpicks of their competitors.

PAR. 9. In consequence of the practices of the respondents above set forth, trade in toothpicks was diverted to the respondents from competitors to the substantial injury and prejudice of such competitors and to the substantial injury and prejudice of the public.

CONCLUSION

The practices of the respondents, Harry Greenberg and Leo Josefsberg, doing business under the above mentioned trade names, under the conditions and circumstances described in the foregoing findings, were to the prejudice and injury of competitors of the respondents and were to the prejudice and injury of the public, and were unfair methods of competition in commerce and constitute a violation of the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission, upon the complaint of the Commission, the answer of the respondents, testimony and evidence introduced, and upon the brief on the part of the Commission; and the Commission having made its findings as to the facts and its conclusion that the respondents, Harry Greenberg and Leo Josefsberg, doing business under the trade names Greenberg & Josefsberg, G. & J. Manufacturing Co., G. & J. Products, and American Merchandise Co., have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That the respondents, Harry Greenberg & Leo Josefsberg, copartners, doing business under the trade names Greenberg & Josefsberg, G. & J. Manufacturing Co., G. & J. Products, and American Merchandise Co., or under any other trade name, their agents, representatives, and employees, in the sale and offering for sale of toothpicks or other merchandise in interstate commerce, do—

Cease and desist from selling or offering for sale, or causing others to sell or offer toothpicks or other merchandise for sale in boxes, cartons or other packages, whose dress or appearance, when sold to dealers for resale or to the public for use or consumption, is contrived or otherwise formed with or without the use of attached labels, by means of pictorial or other designs or printed words or state-

ments in type of the same or approximately the same size, form and arrangement, in white or black or in colors, so that the dress or appearance simulates the dress or appearance of boxes, cartons, or other packages, in which similar merchandise is sold or offered for sale by a competitor, with the effect that the dress or appearance of the boxes, cartons or packages has the capacity and tendency to confuse, deceive and mislead dealers and members of the public into the belief that respondents' toothpicks or merchandise are toothpicks or merchandise of the competitor.

It is further ordered, That the respondents, Harry Greenberg and Leo Josefsberg, shall within 30 days after the service of this order file with the Federal Trade Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Complaint

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IN THE MATTER OF

DOUGLAS P. BORDEN, TRADING AS MORMILES

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2333. Complaint, Mar. 16, 1935—Order, July 26, 1935*

Consent order requiring respondent, his agents, etc., in connection with the sale or offer of automobile tires in interstate commerce, to cease and desist from—

- (a) Representing in any manner that any automobile tires, the reconditioning of which has been limited to the repair of worn or damaged portions and to vulcanizing and painting the tires so that they will present a new appearance, and to regrooving treads which have worn smooth by cutting through the smooth face a tread design, are reconstructed tires; or
- (b) Representing in any manner that said tires so sold and distributed by him have their original treads when such is not the fact.

Mr. Astor Hogg for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Douglas P. Borden, an individual, trading as Mormiles, hereinafter referred to as respondent, has been and is using unfair methods of competition in interstate commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent is, and at all times hereinafter mentioned was an individual trading as Mormiles, with his principal place of business located in the city of Chicago, in the State of Illinois. He is, and for more than one year last past has been engaged in the business of repairing partially used or discarded automobile tires and in the sale and distribution thereof. His sales are to wholesalers and retailers located throughout the United States and the District of Columbia, and pursuant to such sales, shipments are made from respondent's place of business in Chicago, Ill., into and through various States of the United States other than the State of the point of origin of such shipments and in the District of Columbia. There are in the United States other persons, firms, and corporations engaged in the business of repairing partially

used or discarded automobile tires and the sale and distribution thereof, who, pursuant to such sales, ship their products into and through the various States of the United States other than the States of the point of origin of such shipments, and with such other persons, firms, and corporations respondent is, and at all times hereinafter mentioned has been in active and substantial competition.

PAR. 2. In the course and conduct of his business, as described in paragraph 1 hereof, respondent purchases and has purchased used and discarded automobile tires from various sources, which tires he causes to be repaired by one or more or all of the following operations thereon, viz, (1) replacing torn or rotten fabric in the body of the tires, (2) adding new rubber where necessary in the side walls and vulcanizing, (3) regrooving treads which had or have worn smooth by cutting through the smooth face a design simulating the design of the manufacturer of the tire, and (4) upon completion of the said repair work, painting the tire to give it a fresh appearance. After repairing the tires, as alleged herein, respondent engaged and still engages in the sale and distribution thereof in the manner set out in paragraph 1 hereof.

PAR. 3. Respondent, in aid of the sale of said tires, advertises in magazines and newspapers published in many of the States of the United States, and also in letters on stationery and in circulars sent to his customers and prospective customers residing in the several States in the United States. In and through such media, respondent has made and still makes the following representations concerning such tires:

(a) Mormiles Reconstructed Tires Guaranteed Five Thousand Miles. Mormiles Reconstructed Tires can be had in all leading makes — Firestone — Goodyear — General — U. S.—Goodrich. They are shipped to you with original tread and each one carries a Five Thousand Mile guarantee.

(b) Guaranteed for Five Thousand Miles. There are more miles of transportation in Mormiles Reconstructed Quality Tires than in new low-priced tires, and the price is less than half. * * * Original treads on all Mormiles Reconstructed Tires.

(c) Mormiles tire regroovers and vulcanizers. Full line of reconstructed tires. Car dealers are making a nice profit on their used cars when they equip them with Mormiles Reconstructed Tires—Guaranteed for Five Thousand Miles.

(d) Send us a trial order today and you will always use Mormiles Reconstructed Tires on your resale cars.

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PAR. 4. The statements and representations made by respondent in his advertising as set forth in paragraph 3 hereof are false and misleading in this, to wit:

(1) The automobile tires advertised, sold and distributed by respondent, as alleged in paragraphs 1, 2, and 3 hereof, are not reconstructed tires, and the repairing of said tires in the manner herein referred to, is not such as to be properly represented, designated, or referred to as "reconstructed".

(2) The repaired tires do not in all instances contain their original treads as alleged, but are provided or equipped with a tread so cut or vulcanized as to simulate the original tread.

PAR. 5. The false and misleading statements and representations used by respondent in aid of the sale of said tires, as set forth in paragraph 3 hereof, had and have the capacity and tendency to induce the purchasing public to purchase and use respondent's said automobile tires in the belief that said statements and representations made as to them are true, and had and have the capacity and tendency to unfairly divert trade from competitors of respondent engaged in the sale in interstate commerce of like automobile tires to the respondent, which said competitors truthfully and honestly advertise and represent their products.

PAR. 6. The acts and things done by respondent are to the injury and prejudice of the public and the competitors of respondent in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 16th day of March 1935 issued its complaint against the above-named respondent, in which it is alleged that the respondent is and has been using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act. On the 25th day of July 1935 the respondent filed his consent answer to the said complaint wherein he waives hearing on the charges set forth in the complaint and refrains from contesting the proceeding and consents that the Commission, without trial, without evidence, and without findings as to the facts or other intervening procedure may make, enter, issue, and serve upon him in accordance

with the provisions of paragraph (b) of Rule V of the Rules of Practice of the Commission, an order to cease and desist from the practices alleged in the complaint in connection with the sale of automobile tires in interstate commerce and the Commission now being fully advised in the premises—

It is ordered, That the respondent Douglas P. Borden, individually or trading as Mormiles, or trading under any other name, his agents, representatives, servants, and employees, in connection with the sale or offering for sale or distribution of automobile tires in interstate commerce, do cease and desist from:

(a) Representing in any manner that any automobile tires, the reconditioning of which has been limited to the repair of worn or damaged portions and to vulcanizing and painting the tires so that they will present a new appearance, and to regrooving treads which have worn smooth by cutting through the smooth face a tread design, are reconstructed tires; or

(b) Representing in any manner that said tires so sold and distributed by him have their original treads when such is not the fact.

It is further ordered, That the respondent within 60 days after the service upon him of this order shall file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist hereinabove set out.

Complaint

21 F. T. C.

IN THE MATTER OF

LOUISE NORRIS, TRADING AS LOUISE NORRIS CO.

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2415. Complaint, May 25, 1935—Order, July 27, 1935*

Consent order requiring respondent, her agents, etc., in connection with the sale or offer in interstate commerce of the product "Louise Norris Permanent Lash and Brow Coloring", to cease and desist from representing by radio or other advertising, labels, photographs, printed testimonials, booklets or in any other way that said product when used in coloring the eyelashes or eyebrows is harmless, scientific or scientifically compounded, has been perfected by medical authorities so as not to be dangerous when used as directed, or that its use has been approved by the Government or boards of health.

Mr. E. J. Hornibrook for the Commission.

Mr. Richard B. Kirwan, of Kansas City, Mo., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Louise Norris, trading as Louise Norris Co., hereinafter referred to as respondent, has been or is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Louise Norris, is an individual trading as Louise Norris Co. with her office and principal place of business in Kansas City, State of Missouri.

At and from said city and under said trade name, she is now and for several years last past, has been engaged in the sale of beauty shop preparations, among which is a product sold by her for use by women in the coloring of their eyelashes and eyebrows, under the name of "Louise Norris Permanent Lash and Brow Coloring".

PAR. 2. This said product, described in paragraph 1 hereof, is sold by respondent principally to wholesalers and jobbers of beautifying products in the several States of the United States, who sell the same to beauty parlors and shops, also located in the several

States of the United States and the latter sell the same to the consuming public. A small proportion of said product is sold by respondent direct to members of the consuming public residing in the several States of the United States.

Respondent, when said product is so sold by her, causes the same to be shipped from said Kansas City, State of Missouri, into and through other States of the United States, to her said purchasers at their respective places of business or residence.

PAR. 3. In the sale of the said "Louise Norris Permanent Lash and Brow Coloring" respondent is in substantial competition with corporations, copartnerships, and individuals engaged in selling and offering for sale in interstate commerce of compounds, chemicals, or materials for use and used in the coloring of eyelashes and eyebrows of women.

PAR. 4. Respondent, in aid of the sale of said "Louise Norris Permanent Lash and Brow Coloring", has advertised and is advertising the same in newspapers, magazines and periodicals of general circulation in the United States and in pamphlets, booklets, letters, bulletins, printed testimonials, and other printed matter and by and through the use of photographs and other pictures and on labels attached to the containers thereof and inclosed in such containers caused by respondent to be circulated among consumers and prospective consumers of said product who reside in the several States of the United States. In and through said advertising media respondent makes the following among other false and misleading representations:

- (1) That said product is safe and harmless.
- (2) That it is scientific.
- (3) That it is approved by the United States Government and health boards.
- (4) That medical authorities of high repute helped to perfect it.

PAR. 5. The representations set forth in the paragraph last above are false and misleading in that:

1. Said product is not safe and harmless; it contains dangerous drugs or chemicals and its use as directed may and at times does result in inflammation or poisoning of the skin, ulceration, and sloughing thereof, toxic effects and other illnesses, and may cause blindness or death.

2. Said product is not a scientific product, nor is it scientifically compounded.

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3. Said product is not and never has been approved by the United States Government or boards of health and the boards of health of three of the great cities of the United States have excluded it from sale therein.

4. Medical authorities of high repute or other medical authorities have not helped to perfect such product and such product is not now and never has been perfected so as not to be potentially harmful and dangerous when used as directed by respondent.

PAR. 6. Each and all of the said representations described in paragraph 4 hereof have and have had the capacity and tendency to mislead and deceive the purchasing public into the erroneous belief that they are true, and each and all of the said representations have and have had the tendency and capacity to induce the purchase of said respondent's product and have and have had the tendency and capacity to divert trade from and otherwise injure respondent's said competitors.

PAR. 7. The above alleged acts and practices are all to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondent having been granted by the Commission permission to withdraw its original answer filed herein on the 12th day of June 1935, and having so withdrawn such answer and having filed in lieu thereof a consent answer in which respondent consents, agrees and states that she desires to waive hearing on the charges set forth in the complaint herein and not to contest this proceeding, and refrains from contesting the same and consents, agrees and states that the Federal Trade Commission without trial, without evidence, and without findings as to the facts may make, enter, issue, and serve upon her an order to cease and desist from the violations of the law alleged in the complaint,

Now, therefore, This proceeding having come on to be heard by the Federal Trade Commission on the complaint of the Commission, and the said consent answer of respondent, and the Commission being fully advised in the premises—

It is ordered, That respondent, Louise Norris, trading as Louise Norris Co., or trading under any other name or style, her agents, employees, or representatives, in connection with the sale or offering for sale in interstate commerce of the product "Louise Norris

Permanent Lash and Brow Coloring", cease and desist from representing in newspapers, magazines, or periodicals, or in or through any other advertising media, including radio broadcasts, or by or through the use of pamphlets, booklets, letters, bulletins, printed testimonials, or by or through the use of photographs, pictures, or printed matter of any kind, or by or through the use of labels or in any other manner or way, that said product when used in the coloring or dyeing of the eyelashes or eyebrows of human beings:

(1) Is safe or harmless.

(2) May be used without danger to the skin, the eyes, the eyesight and the health of users thereof.

(3) Is a scientific product.

(4) Is scientifically compounded.

(5) Its use as an eyelash or eyebrow coloring has been approved by the United States Government or boards of health.

(6) That medical authorities of high repute or other medical authorities have helped to perfect said product, or that the same is now or ever has been perfected so as not to be dangerous when used as directed.

It is further ordered, That respondent shall, within 60 days after the service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which she has complied with this order.

Syllabus

21 F. T. C.

IN THE MATTER OF
THE RUBBER MANUFACTURERS ASSOCIATION,
INC., ET AL.

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

Docket 2354. Complaint, Apr. 5, 1935—Order, July 29, 1935

Consent order requiring respondent corporations, excepting respondent association, their officers, etc., in connection with the sale and offer of mechanical rubber goods, including fire hose and chemical hose, in interstate commerce, and when acting by understanding or agreement among themselves or between any two or more of them or with others, acting directly or by or through respondent association, forthwith to cease and desist from—

- (a) Fixing prices, at which said commodities would be sold;
 - (b) Fixing prices at which their wholesaler and retailer customers would be required to sell such commodities;
 - (c) Fixing prices at which they would sell, or offer to sell, such commodities to cities, States and other governmental and public agencies;
 - (d) Communicating in any manner to one another, or other manufacturers or competitors, the price at which they proposed or intended to sell commodities in the future, for the purpose and with the effect of hindering or preventing competition between and among themselves, or any two or more of them, or with others; provided that nothing herein shall prevent the disclosure of future prices in the ordinary course of business;
 - (e) Fixing uniform terms and conditions of sale under which they propose to sell such commodities, for the purpose or with the effect of hindering or preventing competition;
 - (f) Seeking to influence or persuade competing manufacturers or dealers with regard to the price at which such competitor or competitors would or should sell such commodities, for the purpose or with the effect of suppressing or hindering or preventing competition;
 - (g) Refusing to supply such commodities to any wholesaler or retailer, or other customer because he failed or refused to quote, or agree to quote, or sell at prices fixed by them; and
 - (h) Classifying buyers or prospective buyers of such commodities for the purpose and with the effect of suppressing or preventing competition among themselves, or any two or more of them, or with others; and
- Ordered further, that complaint be dismissed as to two specified individual respondents who only recently became members of the code authority for the rubber industry and did not participate in any of the activities of said authority during the time when the acts and things alleged in the complaint were done.

Before *Mr. William C. Reeves*, trial examiner.

Mr. Edward L. Smith and *Mr. Robt. N. McMillen* for the Commission.

Davis, Polk, Wardwell, Gardiner & Reed, of New York City, for respondents, who were also severally and variously represented, as

follows: *Mr. John V. Groner*, of New York City for Rubber Manufacturers Association, Inc., *A. L. Viles*, *J. D. Lippman*, *O. C. Pahline*, *A. B. Newhall*, *F. D. Hendrickson*, *R. E. Drake*, *Wm. Lichtenstein*, *B. B. Felix*, *F. Thatcher Lane*, *W. L. Finger*, *J. H. Connors*, *H. N. Young*, *C. D. Garretson*, *A. D. Kunze* and *Hamilton Abert*; *Backes & Backes*, of Trenton, N. J., for *Acme Rubber Manufacturing Co.*, *Hamilton Rubber Manufacturing Co.*, *The Home Rubber Co.*, and *Mercer Rubber Co.*; *Johnson, Clapp, Ives & Knight*, of Boston, Mass., for *Boston Woven Hose & Rubber Co.*; *Taft, Stettinius & Hollister* of Cincinnati, Ohio, for *The Cincinnati Rubber Manufacturing Co.*; *Gunnison, Fish, Gifford & Chapin*, of Erie, Pa., for *Continental Rubber Works*; *Mr. J. L. McKnight* and *Mr. F. C. Leslie*, of Akron, Ohio, for *The B. F. Goodrich Rubber Co.*; *Mr. Frederick R. Wahl* and *Mr. Harold G. Capron*, of Akron, Ohio, for *The Goodyear Tire & Rubber Co.*; *Kenefick, Cooke, Mitchell, Bass & Letchworth*, of Buffalo, N. Y., for *Hewitt Rubber Corp.*; *Zimmerman, Myers & Kready*, of Lancaster, Pa., for *Manhattan Rubber Manufacturing Division of Raybestos-Manhattan, Inc.*; *Pillsbury, Madison & Sutro*, of San Francisco, Calif., for *Pioneer Rubber Mills*; *Mr. Ralph L. Kryder* of Akron, Ohio, for *Quaker City Rubber Co.*; *Spence, Hopkins, Walser & Hotchkiss*, of New York City, for *The Republic Rubber Co.*; *Lowe & Dougherty*, of New York City, for *Thermoid Rubber Co.*; *Arthur & Dry*, of New York City, for *U. S. Rubber Products, Inc.*; and *MacCoy, Brittain, Evans & Lewis*, of Philadelphia, Pa., for *Whitehead Brothers Rubber Co.*

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, the Federal Trade Commission, having reason to believe that the Rubber Manufacturers Association, Inc., a corporation; and *A. L. Viles*, *J. D. Lippman*, *O. C. Pahline*, *A. B. Newhall*, *F. D. Hendrickson*, *R. E. Drake*, *Wm. Lichtenstein*, *B. B. Felix*, *F. Thatcher Lane*, *W. L. Finger*; and *J. H. Connors*, *H. N. Young*, *C. D. Garretson*, *A. D. Kunze* and *Hamilton Abert*; and *Acme Rubber Manufacturing Company*, a corporation, *American Rubber Manufacturing Company*, a corporation, *Boston Woven Hose & Rubber Company*, a corporation, *The Cincinnati Rubber Manufacturing Company*, a corporation, *Continental Rubber Works*, a corporation, *The B. F. Goodrich Rubber Company*, a corporation, *The Goodyear Tire & Rubber Company, Inc.*, a corporation, *Hamilton Rubber Manufacturing Company*, a

corporation, Hewitt Rubber Corporation, a corporation, The Home Rubber Company, a corporation, The Manhattan Rubber Manufacturing Division of Raybestos-Manhattan, Inc., a corporation, Mercer Rubber Company, a corporation, Pioneer Rubber Mills, a corporation, Quaker City Rubber Company, a corporation, The Republic Rubber Company, a corporation, Thermoid Rubber Company, a corporation, U. S. Rubber Products, Inc., a corporation, and Whitehead Brothers Rubber Company, a corporation, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act; and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Rubber Manufacturers Association, Inc., hereinafter referred to as association respondent, is an incorporated membership trade association, organized under the laws of the State of Connecticut, with its place of business at 444 Madison Avenue, New York, N. Y. Its membership consists of persons, partnerships and corporations, including the respondents named in paragraph 4 hereof, engaged in the manufacture of rubber goods.

Within this respondent association is informally organized the Mechanical Rubber Goods Division, consisting of the persons, partnerships, and corporations engaged in the manufacture of mechanical rubber goods, including fire hose and chemical hose, among whom are included the respondents named in paragraph 4 hereof.

PAR. 2. Respondents A. L. Viles, J. D. Lippman, O. C. Pahline, A. B. Newhall, F. D. Hendrickson, R. E. Drake, Wm. Lichtenstein, B. B. Felix, F. Thatcher Lane, J. H. Connors and W. I. Finger constitute, and since about June 22, 1934, have constituted, the members and administrative officers of the Code Authority for the Rubber Manufacturing Industry, under the Code of Fair Competition for the Rubber Manufacturing Industry, approved by the President December 15, 1933, created under and by virtue of the provisions of the National Industrial Recovery Act, approved June 16, 1933. Said Code Authority hereinafter will be referred to as the Master Code Authority.

PAR. 3. Respondents J. H. Connors, H. N. Young, C. D. Garretson, A. D. Kunze and Hamilton Abert constitute, and since about June 22, 1934, have constituted, the members and administrative officers of the Divisional Code Authority for the Mechanical Rubber Goods Division of the Rubber Manufacturing Industry, created pursuant to the provisions of the above mentioned Code of Fair Competition for the Rubber Manufacturing Industry. Said Code Authority hereinafter will be referred to as the Divisional Code Authority.

PAR. 4. Acme Rubber Manufacturing Company is a corporation organized and existing under the laws of the State of _____, with its principal place of business at Trenton, N. J.

American Rubber Manufacturing Company is a corporation organized under the laws of the State of _____, with its principal place of business at Park Avenue and Watt Street, Oakland, Calif.

Boston Woven Hose & Rubber Company is a corporation organized under the laws of the State of Massachusetts, with its principal place of business at 29 Hampshire Street, Cambridge, Mass.

The Cincinnati Rubber Manufacturing Company is a corporation organized under the laws of the State of Ohio, with its principal place of business at Norwood, in said State.

Continental Rubber Works is a corporation organized under the laws of the State of Pennsylvania, with its principal place of business at Erie, in said State.

The B. F. Goodrich Rubber Company is a corporation organized under the laws of the State of Michigan, with its principal place of business at Akron, Ohio.

The Goodyear Tire and Rubber Company, Inc., is a corporation organized under the laws of the State of Delaware, with its principal place of business at Akron, Ohio.

Hamilton Rubber Manufacturing Company is a corporation organized under the laws of the State of New Jersey, with its principal place of business at Trenton, in said State.

Hewitt Rubber Corporation is a corporation organized under the laws of the State of New York, with its principal place of business at Buffalo, in said State.

The Home Rubber Company is a corporation organized under the laws of the State of New Jersey, with its principal place of business at Trenton, in said State.

Manhattan Rubber Manufacturing Division of Raybestos-Manhattan, Inc., is a corporation organized under the laws of the State of New Jersey, with its principal place of business at New York, N. Y.

Mercer Rubber Company is a corporation organized under the laws of the State of _____, with its principal place of business at Hamilton Square, N. J.

Pioneer Rubber Mills is a corporation organized under the laws of the State of _____, with its principal place of business at San Francisco, Calif.

Quaker City Rubber Company is a corporation organized under the laws of the State of Pennsylvania, with its principal place of business at Wissinoming, in said State.

The Republic Rubber Company is a corporation organized under the laws of the State of Ohio, with its principal place of business at Youngstown, in said State.

Thermoid Rubber Company is a corporation organized under the laws of the State of New Jersey, with its principal place of business at Trenton, in said State.

U. S. Rubber Products, Inc., is a corporation organized under the laws of the State of New Jersey, with its principal place of business at 1990 Broadway, New York, N. Y.

Whitehead Brothers Rubber Company is a corporation organized under the laws of the State of New Jersey, with its principal place of business at Trenton, in said State.

The respondents named in this paragraph, 4, hereinafter will be referred to as the corporate respondents.

PAR. 5. All of the corporate respondents are, and at all times hereinafter mentioned have been, engaged in the sale of mechanical rubber products, including fire hose and chemical hose, to wholesalers of, dealers in, and consumers of said commodities located throughout the United States; and pursuant to such sales, and as a part thereof, regularly have shipped and do ship such commodities to their said customers at their respective places of business in States other than the States of the origin of such shipments. Prior to May 1933 these respondents were in active competition with each other, and with other members of the industry, in making and seeking to make such sales; and, but for the facts alleged in paragraphs 6 and 7 hereof, such competition would have continued to the present time. These respondents manufacture the total supply of fire hose and chemical hose in the United States.

PAR. 6. In or about the month of May, 1933, the corporate respondents, and other members of the association respondent, acting with and through the association respondent, entered into and thereafter carried out an agreement, combination and conspiracy, as hereinafter more particularly set forth, for the purpose of restraining trade in mechanical rubber goods, including fire hose and chemical hose, fixing prices at which such commodities should be and would be sold, suppressing competition among corporate respondents in their sales to wholesalers, dealers and consumers, suppressing competition among dealers in said commodities, and suppressing competition between said corporate respondents and dealers in sales to consumers of such commodities. Respondents A. L. Viles, J. D. Lippman, O. C. Pahline, A. B. Newhall, F. D. Hendrickson, R. E. Drake, Wm. Lichtenstein, B. B. Felix, F. Thatcher Lane, W. L. Finger, J. H. Connors, H. N. Young, C. D. Garretson, A. D. Kuntze and Hamilton Abert thereafter

and in or about the month of June, 1934, and after their appointment and qualification as members and administrative officers of the respective Code Authorities, as alleged in paragraphs 2 and 3 hereof, entered into and joined in said agreement, combination and conspiracy, and under color of the power and authority given them as said Code Authorities, aided and assisted in carrying out and accomplishing the purposes of said agreement, combination and conspiracy, as hereinafter more particularly set forth.

PAR. 7. In forming said agreement, combination, and conspiracy, and to carry out and accomplish its purposes, the respondents have done and performed, and still do and perform, the following acts and things:

(1) Corporate respondents, with other members of the association respondent, acting through and with the association respondent—

(a) Agreed to fix from time to time, and did fix from time to time, uniform prices at which all would and did sell rubber goods, including fire hose and chemical hose.

(b) Agreed to fix from time to time, and did fix from time to time, uniform prices at which their wholesaler and retailer customers should resell such rubber goods.

(c) From time to time agreed upon uniform prices to be quoted by them in response to invitations by cities and other governmental and public agencies.

(d) Agreed to file, and from time to time filed, with the association respondent the prices at which they would sell such rubber goods, agreed that such prices would be, and such prices were, uniform as among said respondents, and agreed that none would sell below the prices so filed.

(e) Agreed upon the terms and conditions that were to be a part of all sales made, including, but without limitation, discounts for cash and allowance for freight.

(f) Investigated all reported departures by any manufacturer of such rubber goods from the prices and terms of sale so agreed upon and fixed, and by mass action and mass persuasion forced the manufacturer so departing from such agreements to rectify such departure.

(g) Agreed to refuse to supply, and did refuse to supply, any wholesaler or retailer with their said products who failed or refused to quote or to sell at prices fixed by these respondents as alleged in subdivision (b) above, and agreed to and did close to such offending wholesaler or retailer all sources of supply.

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(2) Respondent members and administrative officers of the Master Code Authority and of the Divisional Code Authority, acting under color of office and employing power and authority pretended by them to be theirs as members and administrative officers of such Code Authorities, which pretended powers and authority were not given them by any provisions of the said Code, but which were expressly withheld from them by Article VIII thereof, have cooperated with and aided the association respondent and the corporate respondents in carrying out and accomplishing the purposes of said agreement, combination and conspiracy, alleged in paragraph 6 hereof, by—

(a) Investigating, checking, exhorting, advising, and requiring the several members of the industry under their jurisdiction to adhere to certain prices on mechanical rubber goods and particularly fire hose, which prices they knew were fixed by agreement as alleged in paragraph 7 hereof.

(b) Interpreting, construing and enforcing rules with respect to uniform terms of sale, to the end that no discount or price advantage accrue to any customer of the members of the industry.

(c) Arbitrarily and without authority classifying buyers without giving them a chance to be heard, and enforcing such classification on the industry in the face of direction of the National Recovery Administrator to the contrary.

(d) Advising, encouraging and assisting members of the industry not to grant to the Federal Government, State governments, and municipalities the benefits of price competition contemplated by Executive Order 6767 of the President of the United States.

(e) Encouraging, assisting and cooperating with members of the industry in requiring wholesalers and retailers to maintain resale prices fixed by agreement of the corporate respondents.

(f) Actively assisting and cooperating with the members of the industry in the conduct of boycotts directed against those who did not maintain resale prices dictated by the corporate respondents.

PAR. 8. The said agreement, combination and conspiracy and the things done thereunder and pursuant thereto, as hereinabove alleged, have had and have the effect of unduly restraining trade among the States of the Union in rubber goods, particularly fire hose and chemical hose; of substantially suppressing competition among the respondents in sales to wholesalers, retailers and consumers, and among wholesalers in their sales to retailers, and among retailers in their sales to consumers, and between respondents and retailers in their

sales to consumers; of substantially enhancing prices to the consuming public and maintaining prices at artificial levels; and otherwise depriving the public of the benefits that would flow from normal competition among and between the respondents, wholesalers and retailers. And such agreement, combination and conspiracy and the things done thereunder and pursuant thereto, as above alleged, constitute unfair methods of competition within the meaning of the Act of Congress approved September 26, 1914, above entitled, and are to the prejudice of the public interest.

ORDER TO CEASE AND DESIST

The Commission having the above matter under consideration, and it appearing that the respondents, with the exception of J. D. Lippman and A. B. Newhall, have made application to withdraw the answers heretofore filed by them, and tender in lieu thereof consent answers under the Rules of Practice of the Commission, wherein said respondents, although insisting that all things done by them were warranted by the Code for this industry formulated and approved under the National Industrial Recovery Act, and therefore done in good faith, nevertheless waive hearing on the charges set forth in the complaint and consent that the Commission may make, enter, issue, and serve upon them, without hearing, without evidence, and without findings as to the facts, an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having duly considered the complaint and such answers and being fully advised in the premises—

It is therefore ordered, That the respondents, The Rubber Manufacturers Association, Inc., a corporation; A. L. Viles, O. C. Pahline, F. D. Hendrickson, R. E. Drake, Wm. Lichtenstein, B. B. Felix, F. Thatcher Lane, W. L. Finger, J. H. Connors, H. N. Young, C. D. Garretson, A. D. Kunze, and Hamilton Abert; and Acme Rubber Manufacturing Company, a corporation; American Rubber Manufacturing Company, a corporation; Boston Woven Hose & Rubber Company, a corporation; The Cincinnati Rubber Manufacturing Company, a corporation; Continental Rubber Works, a corporation; The B. F. Goodrich Rubber Company, a corporation; The Goodyear Tire & Rubber Company, Inc., a corporation; Hamilton Rubber Manufacturing Company, a corporation; Hewitt Rubber Corporation, a corporation; The Home Rubber Company, a corporation; Raybestos-Manhattan, Inc., a corporation; Mercer Rubber Company, a corporation; Pioneer Rubber Mills, a corporation; Quaker City Rubber Company, a corporation; The Republic Rubber Company, a corpora-

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tion; Thermoid Rubber Company, a corporation; United States Rubber Products, Inc., a corporation; and Whitehead Brothers Rubber Company, a corporation; be and hereby are permitted to withdraw the answers heretofore filed by them, and to file consent answers in lieu thereof, and the substituted answers tendered are received and filed.

It is further ordered, That said corporate respondents, except the respondent association, their officers, agents, representatives, and employees, forthwith cease and desist, in connection with the business of selling and offering for sale mechanical rubber goods, including fire hose and chemical hose, in interstate commerce, from doing and performing, by understanding, agreement or combination among themselves or between or among any two or more of them, or with others, acting directly or by or through the respondent association, the following acts and things:

- (1) Fixing prices, at which said commodities would be sold.
- (2) Fixing prices at which their wholesaler and retailer customers would be required to sell such commodities.

- (3) Fixing prices at which they would sell, or offer to sell, such commodities to cities, States and other governmental and public agencies.

- (4) In any manner communicating to one another, or other manufacturers or competitors, the price at which they proposed or intended to sell commodities in the future, for the purpose and with the effect of hindering or preventing competition between and among themselves, or any two or more of them, or with others; provided that nothing herein shall prevent the disclosure of future prices in the ordinary course of business.

- (5) Fixing uniform terms and conditions of sale under which they propose to sell such commodities, for the purpose or with the effect of hindering or preventing competition.

- (6) Seeking to influence or persuade competing manufacturers or dealers with regard to the price at which such competitor or competitors would or should sell such commodities, for the purpose or with the effect of suppressing or hindering or preventing competition.

- (7) Refusing to supply such commodities to any wholesaler or retailer, or other customer because he failed or refused to quote, or agree to quote, or sell at prices fixed by them.

- (8) Classifying buyers or prospective buyers of such commodities for the purpose and with the effect of suppressing or preventing competition among themselves, or any two or more of them, or with others.

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It is further ordered, That said individual respondents, A. L. Viles, O. C. Pahline, F. D. Hendrickson, R. E. Drake, Wm. Lichtenstein, B. B. Felix, F. Thatcher Lane, W. L. Finger, J. H. Connors, H. N. Young, C. D. Garretson, A. D. Kunze and Hamilton Abert, their agents and representatives, acting as individuals or in a representative capacity as members or officers of a code authority or other organization, forthwith cease and desist from doing or performing, or aiding, assisting or cooperating with the other respondents or any of them in doing or performing, any of the acts or things restrained by the above terms of this order.

The Commission finding that respondents, J. D. Lippman and A. B. Newhall, have only recently become members of the Code Authority for the Rubber Industry and did not participate in any of the activities of the Code Authority during the time the acts and things alleged in the complaint were done, it is ordered that the complaint as to these two respondents be dismissed.

It is further ordered, That within 60 days from the date of the service of this order upon said respondents, they shall file with the Commission a report in writing setting forth in detail the manner and form in which this order has been complied with.

Complaint

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IN THE MATTER OF

BAKER PAINT & VARNISH COMPANY

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2429. Complaint, June 6, 1935—Order, July 29, 1935*

Consent order requiring respondent company, its officers, etc., in connection with the sale, offer or distribution of paints in interstate commerce, to cease and desist from using the words "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil", or the words "zinc and lead" or "zinc lead", or words or initials of like tenor or substance to describe, advertise, brand or label paint or paint pigment, unless and until the pigment in such paint is composed wholly of lead carbonate and zinc oxide, or lead sulphate and zinc oxide in sufficient quantity and proportion to be substantial and effective.

Mr. Astor Hogg for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission has reason to believe that Baker Paint & Varnish Company, a corporation hereinafter referred to as respondent, has been and is now using unfair methods of competition in interstate commerce as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent is and at all times hereinafter mentioned was a corporation organized, created and existing under and by virtue of the laws of the State of New Jersey, having its main office and principal place of business in the city of Jersey City in said State. It is and for more than two years last past has been engaged in the business of selling and distributing paint and paint materials to dealers and consumers located throughout the United States and in the District of Columbia, and pursuant to such sales shipments are made to the respective purchasers thereof from respondent's place of business in Jersey City, N. J., into and through various States of the United States other than the State or point of origin of such shipments and in the District of Columbia. There

are in the United States other corporations, persons, and firms engaged in the business of selling and distributing paint and paint materials who, pursuant to such sales, ship their products into and through the various States of the United States other than the States or points of origin of such shipments, and with such other corporations, persons, and firms respondent is and at all times hereinafter mentioned has been in active and substantial competition.

PAR. 2. Among the products sold and distributed by respondent as set forth in paragraph 1 hereof, is a white paint material which material respondent brands, designates, and describes as "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil." For more than two years last past respondent has offered for sale and sold and continues to offer for sale and sells said product packed in pails or containers of the capacity of 50 pounds, 25 pounds, and 12½ pounds, all conspicuously branded with the words "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil"; and it has further caused and still causes said product to be advertised, represented, offered for sale and sold as and for, and under the brand, designation, and description of "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil", and as and for a product whose pigment is composed wholly or in greater part of lead carbonate or lead sulphate and oxide of zinc, or a mixture thereof, whereas in truth and in fact said product is not zinc oxide nor white lead, nor is it a product whose pigment is composed in whole or in greater proportion of lead carbonate or lead sulphate and zinc oxide or a mixture thereof, but the pigment of said product consists principally, predominantly and in greater proportion of other inert materials. The word "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil" in the paint trade and to the purchasing and consuming public mean a paint pigment consisting of zinc and lead in approximately equal proportions. Respondent's so-called "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil" product is inferior in quality to said zinc oxide and lead as understood by the trade and purchasing public.

PAR. 3. Respondent's branding and representing and describing its product referred to in paragraph 2 hereof, as "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil" and as and for a product whose pigment consists solely or in greater part of lead carbonate or lead sulphate and zinc oxide, or a mixture

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thereof, is false, misleading, and deceptive, and had and has the capacity and tendency to and does mislead and deceive a substantial part of the trade and purchasing and consuming public into the erroneous belief that said product is zinc oxide and lead as understood in paint trade and by the purchasing and consuming public, or that the pigment of said product is composed of lead carbonate or lead sulphate and zinc oxide or a mixture thereof.

PAR. 4. The acts and practices of respondent of branding, selling and representing its said product as hereinabove set forth has the capacity and tendency to, and does, mislead and deceive the purchasing public and places in the hands of dealers in said product a means and instrument for committing fraud and deception upon the public, and a means and instrument by which said product may be and is sold and delivered to and purchased by the purchasing and consuming public under and because of the erroneous belief set forth in paragraph 3 hereof.

PAR. 5. There are, among the competitors of respondent mentioned in paragraph 1 hereof, many individuals, partnerships and corporations which sell and distribute in competition with respondent, and in interstate commerce, paint materials similar in general appearance to respondent's so-called "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil", and which are in fact zinc oxide and lead whose pigment is composed for the greater part of lead carbonate or lead sulphate and zinc oxide or a mixture thereof, which competitors in nowise misrepresent the character of said material or its ingredients. Respondent's acts and practices hereinabove set forth have the capacity and tendency to, and do, unfairly divert trade from said competitors.

PAR. 6. The aforesaid acts and practices of respondent in the sale and distribution of its said product, under the circumstances and conditions set forth herein, are all to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on June 6, 1935, issued its complaint

against the above named respondent, in which it is alleged that respondent is and has been using unfair methods of competition in interstate commerce in violation of Section 5 of said Act. On June 21, 1935, the respondent filed its answer to the said complaint, wherein it states that it refrains from contesting the proceedings herein.

Pursuant to the provisions of paragraph (b) of Rule V of the Commission's Rules of Practice (a copy of which provisions were set forth in the notice attached to the complaint which was served upon respondent) respondent admits the allegations of the complaint, waives hearing thereon and authorizes the Commission, without a trial, without evidence and without findings as to the facts or other intervening procedure to make, enter, issue and serve upon it an order to cease and desist from the practices alleged in the complaint, in connection with the sale in interstate commerce of paint; and the Commission being now fully advised in the premises:

It is ordered, That respondent, Baker Paint and Varnish Company, its officers, agents, servants, representatives and employees, in connection with the sale or offering for sale, or distribution of paints in interstate commerce, do cease and desist from:

Using the words "Baker's Z & L Combination WHITE Ground in strictly pure Refined Linseed Oil"; or the words "zinc and lead" or "zinc lead", or words or initials of like tenor, import or substance to describe, advertise, brand or label paint or paint pigment, unless and until the pigment in such paint is composed of a combination consisting wholly of lead carbonate and zinc oxide, or a combination of lead sulphate and zinc oxide, each in sufficient quantity and proportion to be substantial and effective.

It is further ordered, That respondent, within 60 days after the service upon it of this order, shall file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order to cease and desist hereinabove set out.

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IN THE MATTER OF

WILLIAM LITTMAN AND MAX LITTMAN, COPARTNERS,
DOING BUSINESS UNDER THE TRADE NAME AND
STYLE OF IMPERIAL LABORATORIESCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 28, 1914*Docket 2300. Complaint, Feb. 19, 1935—Decision, Aug. 5, 1935*

Where an individual engaged in the manufacture of permanent hair waving appliances and products, including a permanent hair waving lotion and permanent wave sachets sent to customers through the United States in response to orders secured by advertisements in leaflets and booklets, describing said products,—

- (a) Included the word "Laboratories" in his trade name and prominently featured the same in his aforesaid advertising and represented that said lotion had been perfected by leading chemists, the facts being said preparation was compounded by him at his place of business in which the only equipment consisted of three chemical vats, electrical burning equipment, stoves and weighing scales, and he did not have in his employ any chemist, though employing a consulting chemist who checked the product at the laboratory of the university in which said chemist was an instructor, after its preparation by said individual, nor did he have a laboratory for the making and compounding of such lotion and other similar products, to wit, at the least, a microscope and soapstone sink, soapstone furnace and canopy, glass retort stills, proper density machines, measuring glasses, hydrometers and temperature glasses; and
- (b) Represented that said lotion would wave hair of any character without drying or altering its texture, and the felt used in his sachets was treated so that it would absorb the lotion evenly, assuring a uniform steaming of every curl applied, facts being process of putting permanent waves into the hair necessarily changes texture thereof, and the felt in said sachets had not been treated so that it absorbed the lotion evenly and assured uniform steaming of every curl to which applied;

With capacity and tendency to mislead and deceive the purchasing public into the belief that he maintained a laboratory in which his products were analyzed, compounded and tested, and cause public to purchase his said lotion because of the erroneous belief so engendered, and divert business to himself, to the substantial injury and prejudice of competitors, among whom there are those who truthfully and correctly advertise their said products, and do not in any way misrepresent their trade status, or falsely represent that they maintain and operate a laboratory or laboratories in which their products are compounded:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury and prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. William C. Reeves*, trial examiner.

Mr. Astor Hogg for the Commission.

Mr. Charles F. Consaul, of Washington, D. C., for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that William Littman and Max Littman, copartners doing business under the trade name and style of Imperial Laboratories, hereinafter referred to as the respondents, have been and are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondents are copartners doing business under the trade name and style of Imperial Laboratories, with their place of business in the city of New York, N. Y. Said copartners, trading under the name of Imperial Laboratories, are now and have been for more than two years last past engaged in the business of manufacturing permanent wave appliances and products and in the sale and distribution of said products in interstate commerce to the purchasing and consuming public throughout the several States of the United States. Respondents cause their said products when so sold to be transported from their said place of business in the State of New York into and through other States of the United States to the purchasers thereof located in States of the United States other than the State of origin of such shipment, and in the District of Columbia, and in so carrying on their business respondents maintain a constant current of trade and commerce in said products between the State of New York and other States of the United States and in the District of Columbia. In the course and conduct of their said business, respondents are in competition with other corporations, partnerships and individuals engaged in the sale and distribution of like products in commerce between and among various States of the United States, and in the District of Columbia, which products so sold and distributed by such competitors are to be used for purposes similar to those purposes for which respondents' products are to be used.

PAR. 2. In the course and conduct of their business respondents have adopted as and for a trade name under which to carry on their said business the words "Imperial Laboratories" and have used said trade name and featured the same in advertisements and advertising matter, letterheads, circulars and other media widely circulated in interstate commerce. In truth and in fact, said William Littman and Max

Littman do not own, control or operate any place devoted to experimental study in any branch of natural science or to the application of scientific principles in testing and analyzing or in the preparation of drugs or chemicals, and have never owned, controlled or operated any such place so devoted to such uses. The use by respondents, William Littman and Max Littman, of the word "Laboratories" in their corporate name and in their advertising is false and misleading.

PAR. 3. In the course and conduct of their business as described in paragraph 1 hereof, respondents, William Littman and Max Littman, trading under the name of Imperial Laboratories, in order to aid the sale of their said products, have caused to be published certain leaflets, booklets, and circulars, and other similar publications, and have distributed the said booklets, leaflets, circulars, and other publications throughout various States of the United States, in which said booklets, leaflets, circulars and other publications respondents have made numerous false and misleading statements and representations, among which are the following:

Our lotion, which has been perfected by leading chemists, is made of the finest ingredients. It will wave hair of any character without drying or altering its texture * * *

The felt used in our sachets is treated so that it will absorb the lotion evenly, assuring the uniform steaming of every curl applied.

In truth and in fact:

- (a) Said product has not been "perfected by leading chemists" nor has the formula thereof been invented or improved by such chemists.
- (b) Said process of permanent waving would not and does not wave hair of any character without drying it or altering its texture.
- (c) The felt used in the sachets has not been treated in any way which has rendered it "superior" nor is it "superior" to ordinary felt.

PAR. 4. There are among the competitors of respondents described in paragraph 1 hereof manufacturers, sellers and distributors of like hair wave products and who, in truth, own, operate and use laboratories for making up and compounding such products; there are also among such competitors persons, firms and corporations which do not own or operate laboratories and who do not make such representations as those made by respondents as set out in paragraph 3.

PAR. 5. The said representations made by respondents about their products, as set forth in paragraphs 3 and 4 hereof, and the use of the trade name "Imperial Laboratories" as set out in paragraph 2 hereof, have the capacity and tendency to deceive the purchasing public and induce purchasers to buy the products of respondents in and on

account of the belief that said representations are true. Said representations have had and do have the tendency and capacity to induce purchases of respondents' products because of the erroneous belief that they are true, and thus divert trade to respondents from competitors of respondents engaged in the sale in interstate commerce of such products as sold and distributed by respondents which said competitors truthfully and honestly advertise and represent their products.

PAR. 6. The acts and things done by respondents are to the injury and prejudice of the public and the competitors of respondents in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon the respondents, William Littman and Max Littman, copartners trading under the name and style of Imperial Laboratories, charging them with unfair methods of competition in violation of Section 5 of said Act, and respondents duly filed their answer thereto. Thereafter, respondents having entered their appearance, testimony was taken and evidence received in support of the complaint and on behalf of respondents, and duly reduced to writing and recorded and filed in the office of the Commission. Subsequently, this proceeding came on for final hearing on the record and the Commission having duly considered the record and the briefs and oral arguments of counsel for the Commission and the respondents, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and the conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The place of business of respondent William Littman is located in the city of New York, State of New York. Respondent William Littman is engaged in the business of manufacturing permanent wave appliances and products and in the sale and distribution of said products in interstate commerce to the pur-

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chasing and consuming public throughout the several States of the United States causes said products when so sold to be transported from his place of business in New York, through, and into other States of the United States to his said vendees at their respective points of location and residence. In the course and conduct of his said business respondent William Littman is in competition with other individuals and with firms, partnerships and corporations engaged in the sale and distribution of like products in commerce between and among the various States of the United States, which products so sold and distributed by such competitors are used for purposes similar to those purposes for which respondent's products are used.

William Littman is the sole owner and operator of the business of Imperial Laboratories. Max Littman neither owns or controls or has any interest in the business of Imperial Laboratories.

PAR. 2. Respondent William Littman does business under the name and style of Imperial Laboratories and in the course and conduct of his business causes advertisements, leaflets, booklets, and circulars, describing his permanent hair waving lotion and permanent wave sachets to be sent by mail to customers and prospective customers throughout the United States. Through said means respondent obtains many orders for the hair wave lotion and permanent wave sachets and upon receiving said orders respondent fills the same and completes the sales thus made by causing said products so ordered and sold to be transported from his said place of business in the city of New York, State of New York, to such vendees at their respective points of location in States other than the State of New York.

PAR. 3. In all of his said advertisements, leaflets, booklets, circulars, and other trade literature which he sends to customers and prospective customers, respondent William Littman causes his aforesaid trade name, Imperial Laboratories, to be prominently featured and set forth.

The lotion sold and distributed by respondent is compounded by him at his place of business at 303 Fourth Avenue, New York, N. Y. The lotion is made up of ingredients purchased by him on the open market in New York, N. Y. The only equipment which respondent, William Littman, has at the place where the lotion is compounded consists of three chemical vats or crocks, electrical burning equipment used in burning the ingredients, stoves, and scales for weighing the chemicals. He does not have in his employ any chemist for the compounding or mixing his lotion. He employs two of his brothers, neither of whom are chemists, who mix or compound the ingredients

that make up the lotion. He does employ a consulting chemist who is an instructor at Columbia University. After the lotion has been compounded by respondent at his place of business, this consulting chemist tests the product at the laboratory of Columbia University. But no test of the product is made at the place of business of respondent, William Littman, and at no time or at any place are the ingredients that make up the lotion tested.

A laboratory, for the making and compounding of lotions and other products of the nature of those made and compounded by respondent, William Littman, has in attendance for the purpose of compounding and testing such products, a chemist or chemists. Such laboratory must at least have the following equipment: A microscope and soapstone sink, together with soapstone furnace with a canopy covering thereon to take off the fumes when the fumes burn the different ingredients; glass retort stills to distill different items; proper machines to determine the density of the product; and measuring glasses and different kinds of hydrometers and temperature glasses. Respondent William Littman did not and does not have in his establishment in which his products are prepared, mixed and compounded any of the equipment specified in this paragraph as is necessary for the purpose of analyzing, testing and compounding the product prepared and sold by him nor does he have nor did he have at any time at such establishment a chemist or chemists in attendance for the purpose of analyzing, testing, and compounding his products. Said respondent does not and did not own, operate or maintain a laboratory for testing, analyzing, or compounding the products sold by him as above stated.

PAR. 4. Respondent in his leaflets, booklets, circulars and other advertising literature, makes the following false and misleading statements and representations regarding his products:

Our lotion, which has been perfected by leading chemists, is made of the finest ingredients. It will wave hair of any character without drying or altering its texture * * *.

The felt used in our sachets is treated so that it will absorb the lotion evenly, assuring a uniform steaming of every curl applied.

The permanent hair wave lotion sold and distributed by respondent, William Littman, under the representations hereinabove set out, has not been and is not perfected by leading chemists. The process of putting permanent waves into hair necessarily changes the texture thereof. Respondent's lotion will not serve to wave the hair without altering the texture of the hair. The sachets sold and distributed by the respondent consist of felt attached to pieces of aluminum foil. The felt so sold and distributed has not been treated so that it will

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absorb the lotion evenly, assuring a uniform steaming of every curl to which it is applied.

PAR. 5. There are in the United States many individuals, firms, partnerships, and corporations engaged in the sale and distribution in interstate commerce of permanent hair waving lotions and permanent wave sachets who truthfully and correctly advertise their products and who do not in any way misrepresent their trade status or falsely represent that they maintain and operate a laboratory or laboratories where their products are compounded.

The use of the term "laboratories" or "laboratory" by respondent has the capacity and tendency to mislead and deceive the purchasing public into the belief that respondent maintains and operates a laboratory where his products are analyzed, compounded and tested and has the capacity and tendency to cause said public to purchase his lotions because of the erroneous belief so engendered.

The acts and practices all as hereinabove set forth have the capacity and tendency to divert business to respondent, to the substantial injury and prejudice of competitors.

CONCLUSION

The practices of said respondent, William Littman, under the conditions and circumstances hereinbefore set forth are all to the injury and prejudice of the public and respondent's competitors, and constitute unfair methods of competition in commerce and are in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard and considered by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents thereto, the testimony, evidence, briefs and argument, and the Commission having made its findings as to the facts with its conclusion that William Littman, trading as "Imperial Laboratories" has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That respondent William Littman, individually and trading as Imperial Laboratories or trading under any other name or names, his agents, representatives, servants and employees, in connection with the sale or offering for sale or distribution of per-

manent hair waving lotions and permanent wave sachets in interstate commerce, do cease and desist from:

(1) Using as a part of his trade name the word "Laboratories" or the word "Laboratory" or any other word or words of similar tenor or effect, unless and until he actually maintains a place where scientific investigations are conducted.

(2) Representing in any manner that respondent's products are manufactured or compounded in a laboratory or laboratories when such is not the fact.

(3) Representing in any manner, directly or indirectly that the permanent hair wave lotion which he sells and distributes, has been perfected by leading chemists or that it will wave hair without altering the texture of the hair.

(4) Representing in any manner, directly or indirectly, that the felt used in the sachets which he sells and distributes, is treated so that it will absorb the lotion evenly, when such is not the fact.

It is hereby further ordered, That the complaint against Max Littman, be and the same hereby is dismissed.

It is further ordered, That respondent William Littman shall within 60 days after the service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

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IN THE MATTER OF
RENESOL CORPORATION AND CHARLES GOLDBLATT
AND MAURICE GOLDBERG, INDIVIDUALLY

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

Docket 2357. Complaint, Apr. 9, 1935—Decision, Aug. 6, 1935

Where a corporation engaged in the sale of a product for the treatment of epilepsy, consisting of phenobarbital and bicarbonate of soda, and called Renesol; and two individuals, its executive officers, who controlled and owned all its stock and formed, controlled and directed its policies, practices and management; in offering and describing said preparation in advertisements, in newspapers and periodicals of general circulation, in letters in reply to inquiries, and in circulars and other printed matter—

Represented directly or by implication that said preparation constituted a cure for said ailments through such statements, among numerous others, in their extensive trade literature as "has helped thousands of epilepsy sufferers regain a new life of joyous health", "Medical science triumphs", "Complete relief from all fits and embarrassments", "This marvelous discovery", etc., "Gain health and happiness", and, while professing therein to disavow any claims to a permanent cure for said ailment, nevertheless through testimonial statements of physicians highly praising said preparation and their results therewith, and in other ways through such statements as "It is admitted by all honest doctors, and by healers of every school that there is no *single medicine*, no *special* method of treatment which will cure epilepsy", and in numerous other statements emphasizing the importance of diet and other matters, adroitly suggested cure or permanent relief through use of said preparation; facts being said preparation, though a useful agent for relieving said ailment, ameliorating its discomforts and prolonging the interval between attacks, is not a cure therefor and there is no known cure therefor;

With capacity and tendency to mislead purchasing public into belief that through use thereof, cure or permanent relief may be effected if accompanied by correct hygienic habits and proper course of diet, and to divert trade to it from competitors offering like or other competitive products for the treatment of said affliction and other nervous conditions generally:

Held, That such acts and practices, under the conditions and circumstances set forth, were to the prejudice of competitors and of the public, and constituted unfair methods of competition.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. James M. Brinson for the Commission.

Nathan D. Shapiro & Brothers, of Brooklyn, N. Y., for respondent.

Complaint

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Renesol Corporation and Charles Goldblatt and Maurice Goldberg, individually, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, issues its complaint stating its charges thereof as follows:

PARAGRAPH 1. Respondents Charles Goldblatt and Maurice Goldberg are now, and since September 1928, have been engaged in the business of offering for sale and selling a preparation or compound for the treatment of epilepsy.

In 1928 the said individual respondents caused to be incorporated under the laws of the State of New York, Nurosol Laboratories, Inc., and in 1929 they caused such corporation to change its name to the Renesol Laboratories, Inc. In 1933 they caused the name of the Renesol Laboratories Incorporated to be changed to the Renesol Corporation. It has been and is owned, dominated, controlled and directed by individual respondents Charles Goldblatt and Maurice Goldberg, who have controlled, managed and directed and now control, manage and direct its affairs and any and all activities of said company since its incorporation, and have been and are responsible for its policies, methods and practices.

Nurosol Laboratories Incorporated, under its original name of Renesol Laboratories Incorporated and its present name of Renesol Corporation, has been and is a corporate instrumentality through and by means of which individual respondents have conducted their business of selling their preparation or compound for the treatment of epilepsy.

In the course and conduct of the aforesaid business respondent, the Renesol Corporation, under the direction and control of the individual respondents Charles Goldblatt and Maurice Goldberg, has offered for sale and sold the said preparation or compound under the name Renesol in commerce among and between the State of New York and the various States of the United States, and the District of Columbia, and when sold it has caused the same to be transported from its place of business in the city and State of New York to purchasers of such product located in various other States of the United States than the State of New York, and in the District of Columbia.

In the course and conduct of such business respondents, Renesol Corporation and Charles Goldblatt and Maurice Goldberg, have been and are, and each of them has been and is, in competition with

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individuals, partnerships, and corporations, offering for sale or selling in interstate commerce, bromides, luminal, phenobarbital, similar products or other products or substances for use in the treatment of epilepsy.

PAR. 2. It has been and is the practice of respondent, the Renesol Corporation, and at the instance and under the direction of Charles Goldblatt and Maurice Goldberg individually and as officers thereof, to solicit purchasers for the preparation or compound as described in paragraph 1 hereof, and to offer it for sale and sell it by means of advertisements in newspapers and magazines of general circulation in and through the various States of the United States, by means of letters in reply to inquiries from prospective customers, circulars, and other written and printed matter containing false and misleading representations and statements to the effect that medical science has at last discovered a cure in Renesol, the new remedy that has been officially approved by the leading epilepsy specialists of the day and that it is the most positive and complete relief known to the medical profession today and is used and recommended by the greatest physicians the world over. It has been and is the practice of respondent to transmit to individuals suffering from epilepsy and to purchasers and prospective purchasers of its product, circular letters containing such representations and statements as the following, to wit:

RENESOL	
WILL HELP YOU—IF YOU SUFFER FROM	
EPILEPSY	CONVULSIONS
FALLING SICKNESS	FITS
SLEEPLESSNESS	NERVOUSNESS

USED AND RECOMMENDED BY PHYSICIANS THE
WORLD OVER

BEFORE YOU DECIDE

In the important matter of your Health and Happiness you owe to yourself to investigate before deciding that you can't be helped. The famous "Renesol" treatment has helped thousands of epilepsy sufferers regain a New Life of Joyous Health. It will help you too!

RENESOL IS GUARANTEED!

It is Safe, Quick and Effective!

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IT CONTAINS

No Bromides—No Opium—No Morphine.
No Habit-forming Drugs of Any Kind.

MEDICAL SCIENCE TRIUMPHS

Great specialists have waged a relentless war upon one of the most terrifying of diseases—Epilepsy. All the world now sings the praise of these great doctors who have succeeded in discovering a New Remedy that gives COMPLETE RELIEF FROM ALL FITS AND EMBARRASMENTS! This marvelous discovery, the RENESOL TREATMENT, has aroused NEW HOPE, NEW HEALTH AND NEW LIFE wherever used.

RENESOL—100% EFFICIENT

No matter who you are, what your age may be, where you live or how far the disease which is torturing you has gone—RENESOL is the magic name which spells NEW LIFE AND NEW HEALTH.

GAIN HEALTH AND HAPPINESS

It is so simple for you to again take your rightful place in your community. Strong, healthy, normal, respected by your friends and loved by your family,—all yours if you will but have faith enough in yourself to MAKE THE RENESOL TEST AT OUR EXPENSE!"

CAUTION! BEWARE OF BROMIDES

It is a generally accepted fact that in a vast number of Epileptic cases the Bromide treatment has accomplished more harm than good.

RENESOL

CONTAINS NO BROMIDES!

Renesol has helped thousands . . and it will help you too or cost you nothing.

RENESOL

IS GUARANTEED TO HELP YOU IF YOU—SUFFER—FROM—

EPILEPSY	CONVULSIONS	FALLING SICKNESS
SLEEPLESSNESS	FITS	NERVOUSNESS

A Boon to Suffering Mankind

A BLESSED REMEDY!

"RENESOL" has done all this and more for thousands of sufferers from Epilepsy everywhere. It has been used successfully by patients all over the world. Letters from sufferers throughout the civilized world testify to the beneficial results achieved by using "RENESOL".

For many years remedies consisting mostly of bromides have been used by epileptics. These bromide medicines—and most liquid medicines for epilepsy contain bromides—were often worse than useless, causing symptoms in themselves often more terrible than the disease itself.

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"RENESOL" contains no bromides or other harmful habit-forming drugs. Nor is it harmful to the stomach, kidneys or skin. In other words, there is absolutely no danger in using RENESOL. Countless epileptics may well give heart-felt thanks that such remedy, harmless and beneficial, is available to help them bring back good health and happiness.

RENESOL CAN HELP YOU

We will let you judge for yourself the effectiveness of "RENESOL". Regardless of how advanced your case may be or how many other medicines you have tried, we ask you to try our remedy. If it does not help you—and you are the sole judge—your money will be refunded upon request.

HOW TO STOP EPILEPTIC ATTACKS WITH RENESOL!

"RENESOL" has brought joy, happiness and new health to thousands of sorely afflicted epileptics.

"RENESOL" has proven effective where other remedies have failed. Epileptics who had previously given up all hope were, after using this marvelous remedy, restored to a life of usefulness and happiness.

"RENESOL" will help restore your appetite and give you the opportunity to live a normal, active life. It will avoid embarrassments and spells which have made your life a continuous misery.

BEWARE OF BROMIDES

About fifty years ago, the first scientific attempt at obtaining a relief for epileptic attacks was made. This was known as the Bromide Treatment. Immediately this treatment became known the world over and epileptics everywhere were at once given the benefit of it. Soon, however, it became apparent that the Bromide Treatment was a "false alarm", to use a colloquial expression. With the widespread use of the bromides by the medical profession, it was ascertained that not only was it untrue and preposterous to call them a positive relief, but also that they produced results which in themselves were more dangerous and harmful than epileptic fits. Anyone who had any experience at all either in taking or administering bromides is well aware of the hideous skin eruptions which they produce, as well as the manner in which they depress and stupefy the individual.

IT IS A GENERALLY ACCEPTED FACT THAT IN A VAST NUMBER OF EPILEPTIC CASES THE BROMIDE TREATMENT HAS ACCOMPLISHED MORE HARM THAN GOOD

In truth and in fact the product offered for sale and sold as Renesol has not been and is not a remedy or cure for epilepsy. The product at first was called Nurosol and consisted of phenobarbital, but when the name "Renesol" was substituted for that of "Nurosol" in selling such product, sodium bicarbonate was added by respondent to the product. The active ingredient of the compound, however, has been and still is phenobarbital, which is a coal tar derivative possessing a strong sedative action and is also a powerful and

dangerous hypnotic. It was sold, until the expiration of covering patents, under the trade name of luminal.

There is no cure of, or remedy for, epilepsy known to medical science except in some instances by operation when it occurs in the form known as Jacksonian Epilepsy, and the most that can be accomplished in the treatment of epilepsy is the mitigation or the alleviation of the disease by reducing the force or effects of seizures or convulsions, by ameliorating the pain and suffering, or by extension or prolongation of the intervals between seizures or convulsions. There are various types and degrees of epilepsy and a great multiple of variations of the disease. There are rarely two cases of epilepsy which are alike. Each case of such disease should receive and must receive individual attention in order to accomplish satisfactory results. The most common methods of relieving sufferers from epilepsy have been and are the use of so-called bromides and luminal, the former of which is the older method, having been administered for more than fifty years, while the latter has been used also since its discovery in Germany in 1911. Neither, however, is known as, nor is expected to be, a cure, and they can only afford relief.

There are many symptomatic conditions appearing in connection with epilepsy which are also characteristic of other diseases or conditions, such as brain lesions, meningitis, diseases that affect the spine or nervous system, poisoning from strychnine, which may all produce fits, spasms, and convulsions similar to epileptic seizures. It is unsafe and dangerous for individuals suffering from such diseases to use the product of respondent in such conditions which, if treated with Renesol, might produce death because of the fact that the disease from which the individual is suffering would be masked by the sedative use of the product Renesol, and by the time proper diagnosis could be made the actual disease would be too far advanced to cure. The product offered for sale and sold as Renesol cannot be safely used, except under medical supervision. Its indiscriminate use may lead to extremely dangerous results. There are convulsions in childhood also, whose outward manifestations are akin to those of epilepsy, but which are due to other causes or conditions, in connection with which the use of phenobarbital or luminal, the active principal of the product of respondent, would probably be fatal.

Renesol is not a recent discovery of medical science nor has it been or is it approved officially or otherwise by leading specialists of epilepsy as a remedy therefor. It does not furnish the most positive and complete relief from epilepsy known to the medical

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profession and it is not used and recommended by the greatest physicians throughout the world or any part of the world.

It has been and is the policy and practice of respondent by means of false and misleading representations made to purchasers and prospective purchasers to educate or influence the public or the portion thereof among whom it has been able to distribute its literature into the belief that they either have or are about to suffer from epilepsy and to present its product Renesol as the only effective method by which epilepsy may be relieved or cured or averted. To such end and for such purpose it has caused to be circulated and distributed a booklet entitled "Can Epilepsy be Cured?". It purports to be issued by the educational division of respondent corporation. Its outer page bears the legend "A frank statement to sufferers of epileptic fits who are constantly seeking a cure". The booklet contains eleven pages. It consists of a discussion of the character of epilepsy, the means of identifying it, its causes, the appropriate treatment which it declares is Renesol, and alleged testimonials purporting to be from physicians and from sufferers from epilepsy who have used Renesol. The implication therefrom is clear and definite that Renesol will effect permanent relief from epilepsy and restore the sufferer to normal health and strength provided in connection with the use of Renesol the sufferer acquires correct hygienic habits and follows a proper course of diet.

The booklet entitled "Can Epilepsy be Cured?", circulated by respondent to induce the purchase of Renesol, contains false and misleading representations to the following effect:

That one or more of the following causes produces epilepsy, to wit: mental conflict such as when high-strung persons are continually forced to work or live under distasteful conditions; food sensitivity; that just as use of particular foods produces hives, so the same "protein sensitization" that produces hives may also cause epilepsy; autointoxication, that is, poisoning of the blood stream due to acids, waste, toxins of the body resulting from constipation, hardening of the arteries, excessive use of alcohol, lead poisoning, disturbances of the thyroid, pituitary and para thyroid glands, intestinal worms, decaying teeth, eye strain or obstruction of the nasal passages, disease of the ears, tumors, tuberculosis, meningitis or abscess. The booklet also contains in large and conspicuous letters the words "How to Recognize Epilepsy". Under such title appear the following false and misleading representations "how epilepsy may be recognized by a number of minor symptoms", that is, pallor of the face, nervous irritability and dizziness, inability to remember things, thirst, or a

ravenous appetite, an inclination to scream, hot spells or other symptoms of a short duration.

In truth and in fact the causes which respondent assigns for epilepsy, or one or more of them, are daily occurrences in the lives of a substantial proportion and probably of the major proportion of the purchasing public.

The minor symptoms by which respondents represent epilepsy may be recognized are conditions, one or more of which are daily reflected in the experiences of a substantial proportion of the purchasing public.

The false representations and statements with their implications employed by respondents in the aforesaid booklet have the capacity and tendency to mislead those among whom such booklet is distributed into the belief or apprehension that they have or are about to suffer from epilepsy and into the purchase of Renesol as a positive relief therefrom.

PAR. 3. There are individuals, partnerships and corporations offering for sale and selling in interstate commerce preparations for the treatment of epilepsy and nervous conditions of every kind truthfully advertised or described.

PAR. 4. The acts and practices of respondent as described in paragraph 2 hereof have had and have the capacity and tendency to mislead the purchasing public into the belief that the representations of respondent, Renesol Corporation, are true and into the purchase of Renesol in reliance on such erroneous belief.

The aforesaid practices of respondent Renesol Corporation have had and have the capacity and tendency to divert trade to it from individuals, partnerships and corporations offering for sale and selling like, or other competitive products for the treatment of epilepsy and nervous conditions generally.

PAR. 5. The acts and practices of respondent as described in paragraph 2 hereof have been and are all to the prejudice of the public and respondents' competitors and have been and are unfair methods of competition in commerce in violation of the provisions of Section 5 of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

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the Federal Trade Commission issued and served a complaint upon respondents, the Renesol Corporation and Charles Goldblatt and Maurice Goldberg, individually, charging them with unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act.

The respondents having entered their appearance and filed their answer, the Federal Trade Commission thereupon duly designated June 4, 1935 at 10 a. m. daylight saving time, in the city of New York and State of New York, as the time and place for taking testimony and receiving evidence in support of the complaint and on behalf of respondents and an examiner for the Commission, before whom such testimony should be taken and evidence received.

At the time and place so designated by the Commission, and before its examiner so appointed, there appeared as attorney for the Commission, James M. Brinson; and as attorney for respondents, Leon J. Shapiro, who thereupon entered into a stipulation as to the facts subject to the approval of the Federal Trade Commission, which stipulation the Commission has approved and does now and hereby expressly approve.

It is provided in such stipulation that submission of testimony and evidence in support of the complaint, and on behalf of the respondents, and any other, further or intervening procedure be waived and that the Federal Trade Commission may forthwith proceed to file its report stating its findings as to the facts, with its conclusion drawn therefrom and thereupon issue and serve an order to cease and desist, predicated thereon and in accordance therewith.

Thereupon this matter regularly came on for final hearing before the Commission on the record and the Commission having duly considered such record and being fully advised in the premises files this, its report, stating its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Renesol Corporation, is now and for several years last past has been a corporation, organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at New York City in said State. It is the same corporation with changed name, as the Renesol Laboratories, Inc., which executed a stipulation with the Federal Trade Commission on November 20, 1933. Individual respondents, Charles Goldblatt and Maurice Goldberg, caused Renesol Laboratories, Inc., originally to be incorporated and caused its name subsequently to be changed to Renesol Corporation, the change

of such name from that of Renesol Laboratories, Inc., to Renesol Corporation being in pursuance of the stipulation with the Commission. Since the organization of Respondent Corporation the individual respondents have been and now are its executive officers. They have owned and controlled and now own and control all of the stock of Renesol Corporation; have formulated, controlled, and directed and now formulate, control, and direct, all of its policies, practices, and methods and have the sole and exclusive charge and management of all of its activities and affairs in connection with offering for sale or the sale of Renesol in the course of the commerce hereinafter described.

In the course and conduct of its business, corporate respondent, the Renesol Corporation, has offered for sale and sold and now offers for sale and sells in commerce among and between the various States of the United States, a product which it described and still describes as Renesol, consisting of phenobarbital plus bicarbonate of soda in certain proportions, for the treatment of the state or condition, in the course of or in connection with which the individual is subject to convulsions or so-called epileptic seizures or fits, that is to say, the state or condition generally known as epilepsy.

It has been and is the practice of the corporate respondent to transport, or cause such product when sold, to be transported from its place of business in the city and State of New York to purchasers located in the various other States of the United States.

In the course and conduct of its business, the corporate respondent has been and is in competition with individuals, partnerships and corporations, offering for sale and selling in interstate commerce, bromides, luminal, phenobarbital and similar products or other products or substances for use in the treatment of epilepsy.

PAR. 2. It has been and is the practice of the corporate respondent to solicit purchasers for the preparation or compound as described in paragraph 1 hereof, and to offer it for sale and sell it by means of advertisements in newspapers and magazines of general circulation in and through the various States of the United States, by means of letters in reply to inquiries from prospective customers, circulars, and other written and printed matter, containing among their representations and statements the following, to wit:

RENESOL WILL HELP YOU—IF YOU SUFFER FROM	
EPILEPSY	CONVULSIONS
FALLING SICKNESS	FITS
SLEEPLESSNESS	NERVOUSNESS

USED AND RECOMMENDED BY PHYSICIANS THE WORLD OVER

BEFORE YOU DECIDE in the important matter of *your Health and Happiness* you owe it to yourself to investigate before deciding that you can't be

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helped. The famous 'RENESOL' treatment has helped thousands of epilepsy sufferers regain a NEW LIFE OF JOYOUS HEALTH. It will help you too! RENESOL IS GUARANTEED! It is Safe, Quick and Effective! IT CONTAINS No Bromides—No Opium—No Morphine. No Habit-forming Drugs of Any Kind.

MEDICAL SCIENCE TRIUMPHS. Great specialists have waged a relentless war upon one of the most terrifying of diseases—Epilepsy. All the world now sings the praise of these great doctors who have succeeded in discovering a New Remedy that gives COMPLETE RELIEF FROM ALL FITS AND EMBARRASMENTS! This marvelous discovery, the RENESOL TREATMENT, has aroused NEW HOPE, NEW HEALTH AND NEW LIFE wherever used. RENESOL—100% EFFICIENT. No matter who you are, what your age may be, where you live or how far the disease which is torturing you has gone—RENESOL is the magic name which spells NEW LIFE AND NEW HEALTH.

GAIN HEALTH AND HAPPINESS. It is so simple for you to again take your rightful place in your community. Strong, healthy, normal, respected by your friends and loved by your family,—all yours if you will but have faith enough in yourself to MAKE THE RENESOL TEST AT OUR EXPENSE!

CAUTION! BEWARE OF BROMIDES. It is a generally accepted fact that in a vast number of epileptic cases the Bromide treatment has accomplished more harm than good. RENESOL contains no bromides!

Renesol has helped thousands—and it will help you too or cost you nothing.

RENESOL IS GUARANTEED TO HELP YOU IF YOU—SUFFER—FROM—EPILEPSY, SLEEPLESSNESS, CONVULSIONS, FITS, FALLING SICKNESS, NERVOUSNESS. A Boon To Suffering Mankind.

A BLESSED REMEDY! "RENESOL" has done all this and more for thousands of sufferers from Epilepsy everywhere. It has been used successfully by patients all over the world. Letters from sufferers throughout the civilized world testify to the beneficial results achieved by using "RENESOL."

For many years remedies consisting mostly of bromides have been used by epileptics. These bromide medicines—and most liquid medicines for epilepsy contain bromides—were often worse than useless, causing symptoms in themselves often more terrible than the disease itself.

"RENESOL" contains no bromides or other harmful habit-forming drugs. Nor is it harmful to the stomach, kidneys or skin. In other words, there is absolutely no danger in using RENESOL. Countless epileptics may well give heart-felt thanks that such remedy, harmless and beneficial is available to help them bring back good health and happiness.

RENESOL CAN HELP YOU. We will let you judge for yourself the effectiveness of "RENESOL". Regardless of how advanced your case may be or how many other medicines you have tried, we ask you to try our remedy. If it does not help you—and you are the sole judge—your money will be refunded upon request.

HOW TO STOP EPILEPTIC ATTACKS WITH RENESOL! "RENESOL" has brought joy, happiness and new health to thousands of sorely afflicted epileptics. "RENESOL" has proven effective where other remedies have failed. Epileptics who had previously given up all hope were, after using this marvelous remedy, restored to a life of usefulness and happiness.

"RENESOL" will help restore your appetite and give you the opportunity to live a normal, active life. It will avoid embarrassments and spells which have made your life a continuous misery.

BEWARE OF BROMIDES. About fifty years ago, the first scientific attempt at obtaining a relief for epileptic attacks was made. This was known as the Bromide Treatment. Immediately this treatment became known the world over and epileptics everywhere were at once given the benefits of it. Soon, however, it became apparent that the Bromide Treatment was a "false alarm", to use a colloquial expression. With the widespread use of the bromides by the medical profession, it was ascertained that not only was it untrue and preposterous to call them a positive relief, but also that they produced results which in themselves were more dangerous and harmful than epileptic fits. Anyone who had any experience at all either in taking or administering bromides is well aware of the hideous skin eruptions which they produce, as well as the manner in which they depress and stupefy the individual. **IT IS A GENERALLY ACCEPTED FACT THAT IN A VAST NUMBER OF EPILEPTIC CASES THE BROMIDE TREATMENT HAS ACCOMPLISHED MORE HARM THAN GOOD.**

After execution of the stipulation between the corporate respondent and the Federal Trade Commission, to which reference has hereinbefore been made, the corporate respondent discontinued the representations and statements just above given with the exception that it has continued to represent and still represents that the product "Renesol" is used and recommended by physicians the world over and that "Renesol" is guaranteed, contains no bromides—no opium—no morphine—no habit-forming drugs of any kind, in the sense in which the words "habit-forming" are generally known and understood—as an uncontrolled craving; and the advertising matter of corporate respondent is distributed among those suffering from epilepsy, who can sustain no injury from the continued use of the product.

Respondent has also continued to use or is using a pamphlet which it distributes among purchasers and prospective purchasers, which among other things contains the following statements:

GAIN HEALTH AND HAPPINESS. Take your Rightful Place in Your Community. Make the Renesol Test at our Expense.

Respondent Renesol Corporation has continued to circulate and now circulates among purchasers and prospective purchasers a booklet in the various States of the United States entitled "Can Epilepsy Be Cured?" This booklet contains the following statements:

DOES "RENESOL" CURE? "RENESOL" lays no claims to a cure for Epilepsy—but rather to a satisfactory and effective relief for epileptic attacks which is the most that can be expected from any treatment for Epilepsy. Many patients, after taking "RENESOL" over a period of six months to a year, write that they have been "cured"—that they have no more attacks. While these reports are very encouraging, the RENESOL CORPORATION insists on telling these people that the absence of attacks does not necessarily mean they are cured. There is no permanent cure. Sufferers should continue

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with the treatment, even though they have no more attacks, because epileptic attacks may return if the medicine is completely discontinued, or the rules of health broken for even a short period of time. Also, it may be worth emphasizing that the "RENESOL" Treatment becomes less and less expensive as it is continued, because the dosage is gradually reduced, so that very little of the medicine is required to keep the attacks under control.

The following excerpts from various parts of the booklet, some of them by respondent Renesol Corporation and others by physicians whose opinions are, by this booklet, conveyed to sufferers from epilepsy clearly suggest cure or permanent relief and it is to be noted from one of the passages that respondent recommends services of physicians only when the sufferer has a physician.

The next question naturally is: What is considered to be the most effective medicine to take, and what are the proper rules of health to follow while taking this treatment. By taking this well-recommended medicine regularly and following the rules of health faithfully, the sufferer from epilepsy can obtain as near a complete cure as medical science, with all its research, investigation, and study has been able to accomplish, to date.

RENESOL has proven highly satisfactory in the treatment of Epilepsy in even the most stubborn cases. RENESOL is non-habit forming and can be taken with complete safety by man, woman or child when adhering to the prescribed dosage. You can have no better proof of the excellence of RENESOL in the treatment of Epilepsy than the four letters on pages six and seven. They have been selected from letters received from different parts of the world and are typical of their high praise. It will pay you to read carefully what authorities say about RENESOL.

Dr. Líznaí Imre, M. D., graduate of the Hungarian University of Science, Municipal Specialist, connected with the St. Stephen Hospital in Hungary—"I cannot refrain from sending you my sincere congratulations for the remarkable Renesol Treatment. In my experience in treating the disease, Epilepsy, Renesol is the one remedy that I can unhesitatingly recommend.

"In Renesol I found neither bromides nor any other harmful or habit-forming drugs. It is safe to use for adults or children. In practically every case treated, the attacks stopped immediately and the general condition of the patient was greatly improved. In some instances before Renesol was used I thought there was no help possible. Renesol, however, brought quick and sure relief.

"Wishing you well-deserved success and hoping that every sufferer from epilepsy has the good fortune of learning about your remarkable Renesol Treatment."

Dr. Jose Valcarcel, of the Medical Faculty at the Central University of Madrid, formerly on the General Hospital of Madrid, Professor at the Medical School at Madrid, etc.—"Renesol must come as blessed news to thousands of epilepsy victims all over the world. These poor people may now find quick relief from all seizures and other symptoms through your wonderful medicine. And—of inestimable advantage, they may use the Renesol Treatment right at home, and get the same fine results as though they were taking it under a local doctor's directions.

"In my experience with Renesol, I found it thoroughly effective in almost every instance. In fact, some cases that I had previously considered as hopeless, were quickly relieved. It contains no bromides (most of the medicines previously on the market contained harmful bromides) and no harmful or habit-forming drugs. Children can use with the same safety and effectiveness as grownups.

"Renesol should be brought to the attention of every epileptic sufferer."

Dr. Clarence J. Miner, formerly Major on the Medical Staff of the British Army and later Staff Surgeon of the National Military Home of Marion, Indiana, U. S. A.—"I have carefully studied the effect of the Renesol Treatment on many hundreds of Epilepsy sufferers. Familiar as I am with the medicines used for this purpose, I was gratified and surprised at the wonderful results shown on sufferers using your remedy. People whose cases were so far gone that I hardly dared hope could be helped, showed immediate and marvelous relief after using Renesol for a short time. In almost every case, the terrible attacks stopped, the mind was keener, the appetite better, and general health restored to normal. This same result was obtained in children as well as in elderly people.

"In my many years of practice, yours is the only remedy for the treatment of Epilepsy which meets with my complete approval. I unhesitatingly recommend it for every person suffering from Epilepsy, and hope that many millions of sufferers throughout the world will learn of its blessings."

Dr. Sarat G. Mukerji, graduate of the National Medical College, Calcutta; formerly on the Staff of Surgeons, British-India Navigation Co.; Pathologist at the Rhode Island State Hospital for Mental Diseases—"Many cases of Epilepsy have come under my observation in India and America. In treating these unfortunate sufferers I have had occasion to study the various remedies on the market.

"Until I investigated your splendid Renesol Remedy, I did not believe that an effective, non-habit forming treatment for Epilepsy existed. Most of the remedies that I had seen previously contained bromides. Some even had harmful drugs which were exceedingly dangerous to use.

"In Renesol, I am very glad to state, I found not only a remedy that was exceptionally effective in the majority of cases, but a remedy that was absolutely free from bromides or other habit-forming drugs. Renesol may be used by anyone, young or old, without any bad after-effects whatsoever. And your remedy has the further advantage of being perfectly safe and effective for use even without the personal attention of a physician.

"My experience with your product leads me to unhesitatingly recommend it for anyone suffering from Epilepsy. And my hope is that many unfortunate victims of this disease will discover for themselves the quick and sure relief Renesol brings."

After all the above quoted glowing tributes to Renesol there appears on page 11 of the booklet, the following:

At this point we want to emphasize that any physician or company who promises a positive cure for Epilepsy, should be classed as a charlatan. Such a statement is absolutely untrue and unjustified. Indeed, it is far better to take no treatment at all than to take a treatment that is sold under a promise that it is a definite cure. These medicines consist chiefly of Bromides or other harmful habit-forming drugs. Any sufferer who tries any of these so-called

"cures" which are highly advertised, of course, finally gives up completely discouraged and in a worse physical condition than he was before. Furthermore, these sufferers usually become pessimistic, and believe that there can be no possible help for them, a belief that is absolutely unwarranted by the real facts.

And also on same page the following statements appear:

In closing we want to state that if you are a sufferer from Epilepsy, and are taking the proper treatment, *you need not be discouraged*. You are every bit as good or your neighbor and fellowmen. Remember that many of the world's greatest figures were afflicted with Epilepsy, yet attained to supreme heights of genius and accomplishment. Napoleon, Julius Caesar, Dostoyevsky, and scores of others were outstanding examples. Let us add also, that if you are under the treatment of a physician at the present time, or under the care of a hospital, by all means follow out their advice as regards medicine, diet, etc. After all, your physician knows what is best for you, and is undoubtedly giving you the benefit of the latest and most scientific treatment for your trouble.

Let no one mislead you and sway you from the correct path. *The "RENESOL" Treatment and Health Lessons are the true road to relief from attacks and a marvelous improvement in your health.*

Indicative of the adroit method by which the corporate respondent, while disclaiming such efficacy in ambiguous phraseology, seeks, even now, to promise a cure of or remedy for Epilepsy or from epileptic attacks, the following excerpts from the said booklet are conclusively significant of the purpose, intent, and probable effect of the booklet, especially when considered with the pamphlet entitled "Gain Health and Happiness."

CAN EPILEPSY BE CURED? It is admitted, by all honest doctors, and by healers of every school, that there is no *single* medicine, no *special* method of treatment which will cure epilepsy.

Also, most physicians are candid enough to tell you that, to bring about normal physiological functioning in any epileptic is of infinitely greater importance than to fill him full of all the sedatives in the pharmacopoea.

A sound mind and a normal nervous system can be found only in a healthy body. He will, therefore, do his utmost to put the body in this healthy condition.

In other words, all schools of medicine agree that in addition to the proper medicine, the patient must acquire correct hygienic habits and follow a proper course of diet. This combination is of primary importance in relieving the distressing symptoms of epilepsy.

THE "RENESOL" TREATMENT. RENESOL is a preparation for the relief of epilepsy, used and recommended throughout the civilized world. It contains NO bromides or other dangerous habit-forming drugs.

Countless suffering epileptics may well give heartfelt thanks that the day of old remedies is past. For over fifty years the old remedies, consisting mostly of bromides, were all that unfortunate epileptics found available. These bromide medicines, and all liquid medicines for epilepsy contained bromides, were often WORSE than useless, causing symptoms in themselves more terrible than epilepsy.

"RENESOL" has often proven effective in cases where other remedies have failed. Epileptics who had previously given up all hope were, after using this marvelous remedy, restored to a life of usefulness and happiness.

When "RENESOL" is used and directions carefully followed, attacks often stop in a short time; mental sluggishness disappears; the appetite is improved and the patient lives a normal, active life, free from the terrible embarrassments and terrifying spells which have made life a continuous misery.

"RENESOL" has been endorsed by physicians in Europe, Asia, and America.

"RENESOL" has proved successful on patients all over the world.

PAR. 3. The product Renesol is not a cure for the disease known as Epilepsy, nor for the state or conditions during which the individual patient is subject to so-called convulsive seizures or epileptic fits and there is known to medical science no cure for such disease or condition, but it may be relieved, its discomforts ameliorated and the intervals between its attack may be more or less prolonged.

The substance variously known as phenobarbital or luminal or Renesol which is heretofore stated to be phenobarbital plus bicarbonate of soda, may be and frequently has been and is a useful agent for the accomplishment of the above purpose.

PAR. 4. There have been, for several years last past, and now are individuals, partnerships, and corporations offering for sale and selling in interstate commerce, in competition with respondent, Renesol Corporation preparations or compounds of various kinds including luminal, phenobarbital bromides, or other substances for the treatment of Epilepsy.

PAR. 5. The acts and practices of respondent Renesol Corporation and of respondents Charles Goldblatt and Maurice Goldberg, individually, who have controlled and directed and are controlling and directing respondent Renesol Corporation, as described in paragraphs 1 and 2 hereof, have had and have the capacity and tendency to mislead the purchasing public into the belief that by the use of Renesol Epilepsy can be cured or permanent relief effected if accompanied by correct hygienic habits and a proper course of diet.

The aforesaid practices of respondents have had and have the capacity and tendency to divert trade to respondent Renesol Corporation from individuals, partnerships and corporations offering for sale and selling like or other competitive products for the treatment of Epilepsy and other nervous conditions generally.

CONCLUSION

The acts and practices of respondents as described in paragraphs 1 and 2 hereof have been and are all to the prejudice of the public and competitors of respondent Renesol Corporation and have been

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and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of the Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard upon the complaint, the answer and a stipulation of the facts by and between the attorney for the Commission and the attorney for respondents, which stipulation has been and is approved by the Commission, and all others and further intervening procedure having been duly waived in such stipulation and respondents having consented therein that the Commission may forthwith file its report stating its findings as to the facts and conclusion drawn therefrom and thereupon issue and serve its order to cease and desist predicated thereon and in accordance therewith, and the Federal Trade Commission having made and filed its report in writing stating its findings as to the facts with its conclusion drawn therefrom that respondents have been and are violating the provision of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That respondents Renesol Corporation, its officers, agents, employees and representatives and Charles Goldblatt and Maurice Goldberg, individually, and their agents, employees, and representatives, in connection with the sale or offering for sale of Renesol or any product of the same or substantially the same composition or ingredients in interstate commerce, by respondent Renesol Corporation, or by any other means or agency, corporate or otherwise, cease and desist in magazines, journals, newspapers, periodicals, pamphlets, booklets, leaflets, or in any form of printed or written matter or by means of so-called radio broadcasting, directly or indirectly from:

(1) Representing Renesol or any product of the same or substantially the same composition or ingredients as a cure for Epilepsy or as a remedy by which permanent relief from Epilepsy or from Epileptic fits, attacks, seizures, or convulsions can be effected.

(2) From using words or phrases, or statements not directly accompanied by apt and adequate explanation or qualification, which signify or imply or which may be construed to signify or imply that Renesol in conjunction with correct hygienic habits and a proper course of diet, can cure Epilepsy, or can afford permanent relief

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from fits, seizures, attacks, or convulsions, usually incidental to Epilepsy or characteristic thereof.

(3) From representing Renesol as other than an agent for the treatment of Epilepsy whose effectiveness or worth depends on its continued or permanent use.

(4) From representing that by use of Renesol, whether in conjunction with correct hygienic habits and a proper course of diet, or not, sufferers from Epilepsy can regain *health and happiness* or can be restored to a life of usefulness and happiness.

It is further ordered that respondents shall within 60 days from service on them of this order file a report in writing with the Federal Trade Commission setting forth in detail the manner and form of their compliance with such order.

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IN THE MATTER OF

ARMSTRONG RUBBER COMPANY, INCORPORATED

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2365. Complaint, Apr. 15, 1935—Order, Aug. 8, 1935*

Consent order requiring respondent corporation, its officers, etc., in connection with the advertisement, offer for sale, and sale in interstate commerce and in the District of Columbia of automobile tires and tubes, to cease and desist from—

Representing by advertisements, circulars, catalogs or by any other manner that prices at which it sells its products to the consumer are manufacturer's wholesale prices, or that it sells its products to the consumer under a plan or method of distribution by means of which all costs, profits or other charges of middlemen are eliminated, or that the proceeds of such savings by reason of the elimination of such middlemen, accrue to purchasers from it, unless and until such representations are true in fact; or Representing in advertisements, circulars, catalogs or otherwise that the tires sold by it contained more plies of fabric in their composition than is the case.

Mr. Marshall Morgan for the Commission.

Mr. Albert H. Barclay, of New Haven, Conn., and *Tilson, Stanley & McCuen*, of Washington, D. C., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Armstrong Rubber Company, Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act of Congress, and it appearing to said 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. Respondent Armstrong Rubber Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey with its principal office and place of business in the city of West Haven, Conn. It is now and for more than two years last past has been engaged in the manufacture of automobile tires and tubes and in the sale thereof between and among the various States of the United States. It causes such automobile tires and tubes when sold by it to be transported to the purchasers thereof in the State of Connecticut and to other pur-

chasers located in the various States of the United States and there is now and has been for more than two years last past a constant current of trade and commerce by respondent in such automobile tires and tubes between and among the various States of the United States. In the course and conduct of its said business the respondent is now and for more than two years last past has been in substantial competition in commerce between and among the various States of the United States with various other corporations and with partnerships, firms and individuals engaged in the sale of automobile tires and tubes.

PAR. 2. In the course and conduct of its said business, as described in paragraph 1 hereof, the respondent Armstrong Rubber Company has entered into and still enters into arrangements with wholesale and retail tire dealers and distributors engaged in the sale of automobile tires, tubes and accessories in various States of the United States, under and by virtue of which said arrangements such dealers and distributors carry and sell the tires and tubes of respondent on consignment. Automobile tires and tubes were and are consigned to such dealers and distributors under and in pursuance of a so-called "Consignment Agreement". Under the terms of such agreement it is provided that the merchandise shall be consigned at prices indicated by respondent in a "Manufacturer's Net Price List" attached to the consignment agreement. Title to the consigned merchandise and to the proceeds thereof, it is provided, is to remain vested in the respondent. It is further provided in said consignment agreement that the consignee is to use his best efforts to sell said consigned merchandise at the best price that can be obtained therefor over and above said consigned price. Sales of consigned merchandise are to be made by the consignee only for cash on delivery and in no instance for less than the consigned price. It is further provided in said agreement that the consignee is not an agent of the respondent and that all monies received from the sale of merchandise shall be held in trust for the respondent until turned over or accounted for by the said consignee. While the said agreement is in force and effect, said consignee is entitled under said agreement to use, does now and has used, the name, signs, advertising matter, etc., of the respondent.

PAR. 3. Prices which the consignee or distributor pays and has paid under the above described consignment arrangement for tires and tubes are set forth in a list furnished by respondent to its consignees entitled "Confidential Distributors' Net Cost".

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On two of the four pages of this list there has been and is conspicuously printed the following:

"WARNING!" This is the Distributors' Net Cost and must be kept confidential!

Across two other pages of this "Net Cost", there has been and is the following, also conspicuously printed:

"WARNING!" This is a Wholesale Price list and must be kept confidential!

Prices which the dealer or distributor in turn charges and is to charge the purchasing public are printed in a list supplied said dealer or distributor by the respondent herein, said list being entitled: "Armstrong Direct from Factory Prices." Said "Direct from Factory Prices" are not, in fact, and were not intended to be, "Direct from Factory Prices," but on the contrary are and have been higher in each instance than factory-to-dealer prices, and were and are intended so to be, the dealer being instructed, as hereinbefore stated, to sell consigned merchandise, "for the most money that he can obtain for the same over and above the manufacturer's price to the consignee".

In truth and in fact price quotations set forth in the aforesaid confidential "Distributor's Net Cost" list of prices to dealers are and have been substantially lower throughout than the prices published in the "Direct Factory Price List" covering resale prices quoted to users and purchasers.

On Armstrong DeLuxe Heavy Duty Tires, the following among other differences in prices, have existed:

Size	Confidential factory price to dealers.	Factory price to user.
29 x 4.40-21.....	\$6. 15	\$8. 45
30 x 5.00-20.....	7. 60	10. 45
35 x 7.00-21.....	14. 30	19. 75

On High Pressure Passenger Car Tires, were the following, among other differences in prices:

Size	Confidential factory price to dealers.	Factory price to user.
32 x 4 1/4.....	\$11. 05	\$15. 80
30 x 6.....	13. 40	17. 05
32 x 6.....	22. 25	32. 85
42 x 9.....	70. 85	101. 20

On Armstrong Semi-Balloons for regular old style wheels, were the following among other differences in prices:

Size	Confidential Factory Price to Dealers.	Factory Price to User.
31 x 4.40-23.....	\$6.20	\$8.15
31 x 4.95-24.....	9.50	12.65
34 x 5.77-24.....	13.05	17.35

PAR. 4. In truth and in fact substantial differences exist and have existed between respondent company's prices to dealers and to purchasers in the sale of tire tubes. Extra heavy, red, high-pressure tubes, size 30x3½, have been priced to dealers at 75 cents each, to purchasers at \$1.15; size 32x4, to dealers at \$1, to purchasers at \$1.65; size 33x7.00-19, to dealers at \$1.75, to purchasers at \$3.50. In truth and in fact substantial differences between the prices to dealers and those to purchasers appear and have appeared throughout the entire list of tubes as advertised and offered for sale by respondent company.

PAR. 5. In further connection with the sale of its tires respondent represents and has represented to the user or purchaser in advertising circulars that respondent's automobile tires contain and have contained two more plies or layers of rubber-dipped or impregnated fabric than said tires actually contain or have contained. In the confidential price list circulars issued to dealers, appear and have appeared the following statement or explanation:

Number of plies indicated are *Full Plies* from bead to bead. Each tire in addition has two breakers.

In said advertising matter or circulars intended to be read by the purchaser tires which are now and were described to the dealer as "four-ply" tires are and were described as "six-ply" to the user or purchaser, a footnote explanation reading: "Two plies are breakers." Tires actually containing six-ply are and were described as "eight-ply" to the user or purchaser with the same footnote explanation, and advertising matter intended for the purchaser carries and has carried this same two-ply increase on all tires up to and including eighteen-ply-tires, the latter being represented to the consumer as "twenty-ply" with the same footnote explanation "two plies are breakers".

In truth and in fact said tires advertised and represented by respondent as "six-ply" were and are in fact "four-ply"; the tires advertised and represented as "eight-ply" were and are in fact "six-ply"; tires advertised and represented as "ten-ply" were and are in

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fact "eight-ply" and all other grades and sizes of tires advertised and represented by the respondent as containing a certain number of plies actually contain and have contained two plies less than the number so represented and advertised.

PAR. 6. In respondent's said advertising matter containing user or purchaser prices, among other statements, are and have appeared the following:

These prices subject to change without notice, but remember that you can always buy Armstrong tires at Direct-from-Factory prices that are substantially lower than tires of comparable quality.

Free advice. We will gladly give you the benefit of our experience in solving your truck and bus problems. Let us help you reduce your tires expenses.

Note that we replace damaged tires with a new tire. We do not ask you to accept a repair job.

Armstrong Direct-from-factory, effective August 1, 1933. Armstrong Insured Tires at Direct Factory Prices.

When in truth and in fact purchasers cannot and were not permitted to buy Armstrong tires at "direct from factory prices," substantially lower than tires of comparable quality. The tire expenses of purchasers were not reduced and respondent's price to purchasers were not "direct from factory prices", effective August 1, 1933, or of any other date.

Said "confidential distributors' net cost" list of prices and the said Armstrong "direct-from-factory prices", were effective on identical dates.

In further connection with the conduct of the business of respondent catalogs and sales folders were issued in large numbers and mailed to numerous persons throughout the respective States of the United States. Said catalogs in various instances and places emphasized alleged "at factory prices" and "the Armstrong one-way profit," and "direct-from-factory prices".

Emphasis was placed upon the claim that "everywhere we sell the car owner direct for cash." In these same catalogs also appeared the following statements:

In the larger towns without any increase in price, our local factory representative has these tires in stock, ready for mounting, free of charge.

In the larger towns, without any increase in price, we offer you these same fine tires through our local factory representatives who also give you the benefit of local service.

The stock of tires you see in our representative's store is owned entirely by us. He simply puts them on your car for us and we pay him a small fee for doing so. No charge for mounting.

When in truth and in fact local representatives in larger towns do not mount and have not mounted tires free of charge to the pur-

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chaser; said purchaser does not obtain and has not obtained said respondent's tires in the larger towns without increasing the price and the fee alleged to be paid and to have been paid to respondent's representatives by respondent for mounting tires is not and has not been paid by said respondent but by the user or purchaser of the tire instead.

PAR. 7. The hereinbefore described consignment plan, in connection with which the respondent herein issued advertising matter in the shape of catalogs, advertising circulars, etc., was adopted in 1931. In the year 1933, the said respondent company modified its selling plan to the extent of furnishing advertising matter and material to agents or consignees located in various cities of the United States. Said advertising matter consisted of circulars and folders and newspaper cuts and matrices to be used by respondent's dealers and distributors in advertising respondent's products, respondent continuing as theretofore to defray the expenses of such advertising.

In the said advertising thus furnished to and used by respondent's agents or consignees appear and have appeared such statements addressed to the consumer as the following:

Your money is protected when you buy Armstrong insured tires at direct factory prices.

Drive in! Pay factory prices for tires and tubes. Do not pay more.

A direct factory price through your neighborhood dealer.

Space has been left at the bottom of all advertising copy for the insertion of the name and address of the particular dealer using the advertisement.

In a group dealer advertisement inserted in a daily paper appeared the following:

* * * We are your neighborhood Armstrong dealers as direct representatives of the Armstrong factory in West Haven, Connecticut. You save all the in-between-profits by buying from us. * * *

and

Direct from the factory * * *

and further

Pay factory prices and then get the world's strongest guarantee in writing.

In circulars resembling newspapers, designated as the "Armstrong Traveler", these likewise issued by respondent to respondent's agents and consignees to be used with purchasers and prospective purchasers of tires and tubes have appeared among other statements, the following:

Your money is protected when you buy Armstrong insured tires at Direct-factory prices. * * *

Direct-factory prices through your neighborhood dealer.

When in truth and in fact the so-called "in-between profits" are not and have not been saved by users and purchasers of respondent's tires buying from respondent's so-called "direct representatives." Said tires and tubes do not represent and have not represented "Factory", "direct factory," or "direct from factory prices".

Respondent's said consignment arrangement for the sale of its products has been continued as a business plan and policy. During and since the year 1934, the respondent company has continued to arrange advertising material for its dealers and consignees, leaving blank spaces as heretofore for the addition of the name and address of the dealer. Dealers write and have written in to the advertising department of respondent, furnishing their ideas respecting advertising matter and respondent's advertising department thereupon writes and has written appropriate copy therefor and orders and has ordered the printing of circulars with blank space as stated, left at bottom, for the addition of the distributor's name and address. Under this described arrangement the dealer now pays half and respondent pays the other half of the cost of said advertising.

PAR. 8. The use by respondent of the above and foregoing false representations as described in paragraphs 3 to 7, inclusive, herein, have and have had the capacity and tendency to mislead and deceive the public into the erroneous belief that respondent's prices to the user and consumer are and were in fact direct factory one-profit prices with no in-between or middleman's profit and that respondent's tires contain and have contained the number of plies they are and were represented to contain, and have thereby induced and do induce the consuming public to purchase respondent's tires and tubes in preference to tires and tubes of similar kinds and quality offered by manufacturers, retail dealers, and distributors who in connection with their sales do not misrepresent the fact or existence of a middleman's profit or commission comparable with the profit of a retail tire dealer and do not misrepresent the number of plies in tires advertised and sold by them in interstate commerce. As a result of such false and misleading representations on the part of respondent trade is diverted to respondent from such competitors in interstate commerce and thereby substantial injury is done and has been done by the respondent to substantial competition in interstate commerce and there is and has been placed in the hands of respondent's dealers and distributors an instrument by means of which they mislead and deceive and have misled and deceived the purchasing public.

PAR. 9. Said representations of respondent contained in its respective catalogs and advertising matter used by and distributed through respondent's dealers and consignees have resulted in injury to respondent's competitors and to retail dealers, and to the prejudice of the buying public, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission on the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's amended answer thereto in which respondent waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding and, pursuant to the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter and serve upon respondent without a trial, without evidence, and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That respondent, Armstrong Rubber Company, Inc., a corporation, its officers, agents, servants, employees, in connection with the advertising, offering for sale, and selling in interstate commerce, and in the District of Columbia, of automobile tires and tubes, do cease and desist from:

(a) Representing by means of advertisements, circulars, catalogs, stationery, or by any other manner, or assisting or participating in the circulation in interstate commerce of any advertisements, circulars, catalogs, stationery or other media representing that prices at which respondent sells its products to the consumer are manufacturer's wholesale prices or that respondent sells its products to the consumer under a plan or method of distribution by means of which all costs, profits or other charges of middlemen are eliminated; or that the proceeds of such savings by reason of the elimination of such middlemen, accrue to purchasers from respondent, unless and until such representations are true in fact.

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(b) Representing in any advertisements, circulars, catalogs, stationery, or otherwise, or assisting or participating in the circulation in interstate commerce of any advertisements, circulars, catalogs, stationery or other media representing or indicating, or having the capacity or tendency to indicate from the text in which such representation appears that the tires sold by respondent contain more plies of fabric in their composition than they actually contain.

It is further ordered, That the respondent within 60 days from and after the date of service upon it of this order shall file with the Commission a report or reports, in writing, setting forth in detail the manner and form in which it is complying with the order to cease and desist hereinbefore set out by the Commission.

Complaint

IN THE MATTER OF

JONES BROTHERS PUBLISHING COMPANY

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

Docket 2433. Complaint, June 10, 1935—Order, Aug. 8, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with soliciting the sale of, selling and distributing a set of history books in interstate commerce, to cease and desist from falsely,—

- (a) Representing that said books are new and up to date or that it is staging a special introductory campaign limited as to time or to a few selected and outstanding individuals, and that the set is shortly to go on regular sale at a price several times that involved in the introductory offer; or
- (b) Representing that the subscriber or prospective purchaser is receiving absolutely free an unbound set, and that the only cost is the payment of a purported wholesale contract price for binding the same, and that it has made an arrangement with independent book binding companies to bind said work at a saving to the prospective purchaser; and

Ordered further that respondent in connection with soliciting the sale of, selling and distributing any set of books in interstate commerce cease and desist from,—

- (c) Labeling, designating, naming or describing the same set of books under more than one title.

Mr. Morton Nesmith for the Commission.

Waite, Schindel & Bayless, of Cincinnati, Ohio, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Jones Brothers Publishing Company, a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges as follows:

PARAGRAPH 1. The respondent, Jones Brothers Publishing Company, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its principal place of business at Arbor Place, Norwood, a suburb of Cincinnati, in the State of Ohio.

Respondent corporation for more than three years last past has been and is now engaged in the business of selling and distributing a set of nine volumes of history books, and owns the dies for the

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first eight volumes of said set. Said respondent causes these volumes, together with an additional volume, to be printed and causes said set to be labeled under two different and separate names. This identical set is published under the names of "History of our Country" and "Library of American History", the set under the former name being sold at wholesale only and the set under the latter name being sold at retail, exclusively by salesmen. Said respondent has offered for sale, and sold, said set of books in commerce between and among the several States of the United States. Respondent has caused, and still causes, said books when sold and distributed by it to be transported from its said place of business in Ohio into and through various other States of the United States to purchasers thereof located in various places in such other States.

Other persons, firms, associations, and corporations have been, and are, engaged in the business of printing and distributing sets of history books, offering for sale and selling same in commerce between and among the several States of the United States in substantial competition with said respondent. In the course and conduct of its business, as aforesaid, respondent corporation has been and is in competition with all such other persons, firms, associations, and corporations so engaged in the selling and offering for sale of like and competitive sets of books in commerce between and among the several States of the United States.

PAR. 2. In the course and conduct of its business of selling and distributing "Library of American History" respondent, through and by its sales agents, by way of inducement to prospective purchasers to purchase such set of books, has represented as follows:

First, that the set is new and up to date.

Second, that respondent is staging a special introductory campaign, limited as to time, and that the set is shortly to go on regular sale at a price several times that involved in the introductory offer.

Third, that the subscriber, or prospective purchaser, is receiving absolutely free an unbound set of such books, and that the only cost to the person or persons is the payment of a purported wholesale contract price for the binding thereof.

Fourth, that the so-called introductory offer is not general, but is limited to a few selected and outstanding individuals.

Fifth, that respondent has made an arrangement with independent book binding companies to bind said work at a saving to the prospective purchaser.

PAR. 3. In truth and in fact the sets of books so sold and distributed by the respondent, as aforesaid, are not new and up to date; nor is

respondent staging any special introductory campaign limited as to time, nor will the work shortly go on regular sale at a price much higher than that given in said alleged introductory offer, but, on the contrary, said respondent has employed this introductory sales offer continuously for the past ten years; nor is the subscriber, or prospective purchaser, receiving this work free and only paying for the binding therefor, but, on the contrary, respondent, out of this alleged binding cost, receives a net profit for the set, plus binding; nor is the so-called introductory offer limited to a few selected and outstanding individuals, but, on the contrary, is made to a great many and divers people; nor has respondent made any arrangements with any independent book binding companies to bind said work at a saving to the prospective purchaser, but, on the contrary, said alleged independent book binding companies are merely fictitious corporate entities, and all correspondence between these alleged fictitious corporations and purchasers and prospective purchasers is answered by respondent company, which performs said binding work and replies to such correspondence in the names of such fictitious companies.

The use by respondent of said false and misleading statements, as described in paragraph 2 hereof, has the capacity and tendency to, and has and does, mislead and deceive many among the purchasing public into the belief that such representations are true and to purchase the aforesaid designated set from respondent in such belief; thereby trade is diverted by respondent from its competitors who do not make false and misleading representations in connection with the sale by them of similar sets of books in commerce between and among the various States of the United States, and thereby substantial injury is done by respondent to substantial competition in interstate commerce.

PAR. 4. The above alleged acts and practices of respondent are all to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission upon the record, including the complaint of the Commission and the answer of the respondent thereto that it waives hearing on the charges set forth in the complaint, refrains from con-

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testing the proceeding, and pursuant to paragraph 2 of Rule V of the Rules of Practice of the Commission as amended and revised, consents that the Commission may make, enter, and serve upon respondent, without evidence and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That respondent, Jones Brothers Publishing Company, a corporation, its officers, servants, agents, and employees, in connection with soliciting the sale of, selling and distributing a set of history books in interstate commerce, cease and desist from—

Directly or indirectly representing that said books are new and up to date; that respondent is staging a special introductory campaign limited as to time, and that said set of books is shortly to go on regular sale at a price several times that involved in the introductory offer; that the subscriber or prospective purchaser is receiving absolutely free an unbound set of such books, and that the only cost to the person or persons is the payment of a purported wholesale contract price for the binding thereof; that the so-called introductory offer is not general but is limited to a few selected and outstanding individuals; and that respondent has made an arrangement with independent book binding companies to bind said work at a saving to the prospective purchaser, when such are not the facts.

It is further ordered, That respondent, in connection with soliciting the sale of, selling and distributing any set of books in interstate commerce, cease and desist from:

Labeling, designating, naming or describing the same set of books under more than one title.

It is further ordered, That the said respondent within 30 days from and after the date of the service upon it of this order, shall file with the Commission a report in writing setting forth in detail the manner and form in which it is complying and has complied with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

BIRMINGHAM AUTOMOTIVE JOBBERS ASSOCIATION
ET AL.

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

Docket 2382. Complaint, May 6, 1935—Order, Aug. 9, 1935

Consent order requiring that respondent association, and the officers, members, directors, agents, etc., thereof, in connection with the sale and offer for sale in interstate commerce of automobile parts and accessories, forthwith cease and desist from,—

- (a) Carrying out an agreement, combination, understanding and conspiracy among themselves, or between or among any two or more of them, or with others, acting directly by or through the respondent association by which they, or any of them, fix and maintain uniform prices to be exacted by them from their purchasers of automobile parts and accessories;
- (b) Using any of the methods of competition alleged in the complaint, to wit, combining and conspiring to fix and maintain uniform prices through entering into and complying with agreements to (1) use and abide by manufacturers' resale schedules for sale of such parts and accessories, (2) fix uniform prices for sale of such parts and equipment, and for jobs involving labor only, and for those involving both parts and labor, or (3) schedules of discounts to be allowed certain classes of purchasers of such parts and accessories, (4) requiring certain classes of purchasers to resell parts and accessories purchased from the members at manufacturers' list prices or association prices, and (5) that each member before making any change in price of any part, accessory or labor except closeout items is either to notify the association secretary in writing or each member before putting such change into effect; or
- (c) Doing or permitting by understanding, agreement, or combination among themselves, or between or among any two or more of them, or with others, acting directly, or by or through respondent association, the doing of such acts and practices as hereinabove set forth, and as in the order specified in detail; and

Ordered further that complaint be dismissed without prejudice as to respondent Auto Electric & Carburetor Co. for the reason that said respondent has not technically been a member of respondent association since April 1934, attempted to resign therefrom on September 15, 1934, and has had no active or apparent participation therewith since November 15, 1934, as in said order set forth.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. Morton Nesmith for the Commission.

Mr. Oliver Henderson, of Birmingham, Ala., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Com-

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mission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Birmingham Automotive Jobbers Association, an unincorporated association, its officers as follows: G. E. Woodward, president; M. H. Johnson, vice president; A. J. Seigal, second vice president; and Oliver Henderson, secretary-treasurer; and its members as follows: Alabama Auto Parts Company, a corporation, Birmingham Electric Battery Company, a corporation, Cruse-Crawford Wheel & Rim Company, a corporation, Lawson Auto Parts Company, a corporation, Southern Bearing & Parts Company, a corporation, A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company, and A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, have been and are using unfair methods of competition in commerce as "commerce" is defined in 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. The respondent, Birmingham Automotive Jobbers Association, is a voluntary unincorporated trade association organized in 1933 of the corporations and individuals hereinafter named, with their principal places of business in or around the city of Birmingham, State of Alabama, and who are engaged in the business of jobbing automobile parts and accessories to garages, automobile dealers, fleet owners, and the like, located both within the State of Alabama and in neighboring States, and said members are banded together in respondent association for the purpose of protecting their common interests, and said respondent members now constitute and since the organization of respondent association have constituted a majority of the jobbers of automobile parts and accessories in and around the city of Birmingham, State of Alabama, and occupy a dominant position in and about the surrounding territory in such trade. Said respondent, Birmingham Automotive Jobbers Association, will hereinafter be designated as respondent association. The principal office and place of business of said respondent association is Room 200, Clark Building, in the city of Birmingham, State of Alabama. Its officers are and continuously since its organization have been the following, who are hereinafter referred to as respondent officers:

G. E. Woodward, president, whose principal place of business is located at 305 South Twenty-first Street, in the city of Birmingham, State of Alabama.

M. H. Johnson, vice president, whose principal place of business is located at 2300 Second Avenue South, in the city of Birmingham, State of Alabama.

A. J. Seigal, second vice president, whose principal place of business is located at 514 South Eighteenth Street, in the city of Birmingham, State of Alabama; and

Oliver Henderson, secretary-treasurer, whose principal place of business is located at Room 200 Clark Building, in the city of Birmingham, State of Alabama.

The members of said respondent association are now and have been since its organization the following, who are hereinafter referred to as respondent members:

Alabama Auto Parts Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at 514 South Eighteenth Street, in the city of Birmingham, State of Alabama.

Auto Electric & Carbureter Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at 517 South Twenty-second Street, city of Birmingham, State of Alabama.

Birmingham Electric Battery Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at 2300 Second Avenue South, in the city of Birmingham, State of Alabama.

Cruse-Crawford Wheel & Rim Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at 2015 Third Avenue South, in the city of Birmingham, State of Alabama.

Lawson Auto Parts Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at Avenue "E" and Twenty-first Street, in the city of Birmingham, State of Alabama.

Southern Bearing & Parts Company, a corporation organized and existing under and by virtue of the laws of the State of Alabama, with its principal office and place of business at 305 South Twenty-first Street, in the city of Birmingham, State of Alabama.

A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company, with its principal office and place of business at 209 South Eighteenth Street, in the city of Birmingham, State of Alabama; and

A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, with its principal office and place of business at 2105 Avenue "E", Ensley, Ala.

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PAR. 2. All of the respondent members described in paragraph 1 hereof are now and have been for several years last past engaged in the business of jobbing and wholesaling automobile parts and accessories. All of said respondent members, except A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company, and A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, operate machine shops in conjunction with their jobbing businesses.

All of said respondent members, except A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company, and A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, in the course and conduct of their businesses as aforesaid, have caused and still cause such automobile parts and accessories, when sold by them to be transported from their respective places of business into and through various States of the United States other than the State of Alabama to the purchasers thereof in such other States, and there is now and there has been for more than two years last past a constant current of trade and commerce in such parts and accessories by the said respondent members.

Said respondent members, A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company, and A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, are members of the respondent association, Birmingham Automotive Jobbers Association, and have abided by the rules, regulations, and agreements of said association more particularly hereinafter set out.

Said respondent members now constitute, and since the organization of respondent association in July 1933 have constituted a majority of the automobile parts and accessories jobbers in the city of Birmingham, State of Alabama, and occupy a dominant position in and about the territory in which they sell such automobile parts and accessories.

PAR. 3. In September 1933, or thereabouts, the said respondent members named in paragraph 1 hereof, for the purpose of eliminating price competition among themselves, entered into and they have since carried out and are still carrying out an agreement, combination, understanding, and conspiracy among themselves, hereinafter more particularly described, through and by means of said respondent, Birmingham Automotive Jobbers Association, and its aforesaid officers, by which agreement, combination, understanding, and conspiracy they have fixed and maintained and still fix and maintain uniform prices to be exacted by them from their purchasers of automobile parts and accessories.

Pursuant to and for the purpose of carrying out the said agreement, combination, understanding, and conspiracy entered into by the said respondent members among themselves and through the said respondent association and respondent officers, the respondent members, among other things, have done the following:

(a) Agreed that they would use and abide by and pursuant to such agreement have used and have abided by the manufacturers' resale schedules in the selling of all automobile parts and accessories.

(b) Agreed to fix from time to time, and pursuant to such agreement have fixed from time to time uniform prices at which automotive parts and equipment should be sold.

(c) Agreed to fix from time to time, and pursuant to such agreement have fixed from time to time uniform prices for various repair jobs involving only labor.

(d) Agreed to fix from time to time, and pursuant to such agreement have fixed from time to time uniform prices for various repair jobs involving both automobile parts and labor.

(e) Agreed to fix from time to time, and pursuant to such agreement have fixed from time to time schedules of discounts to be allowed by them to certain classes of purchasers of automobile parts and accessories.

(f) Agreed to require and pursuant to such agreement have required certain classes of their purchasers to resell the automobile parts and accessories purchased from respondent members at the list prices of the manufacturers thereof or at prices fixed by the respondent association.

(g) Agreed that wherever and whenever a member should deem it fit to make a change in any price or prices on any automobile part, accessory, or labor, except closeout items, that said member would either notify the secretary of said respondent association in writing, or each member before such change should be put into effect.

PAR. 4. The aforesaid alleged acts and practices of the respondents had and still have the tendency and capacity to constrain all jobbers of automobile parts and accessories doing business in the territory above mentioned to uniformly sell the aforesaid products to their dealer-customers, garage owners, fleet owners, and the like, at the prices fixed by said respondent association, and its members as hereinbefore set out, and hence to hinder and suppress all price competition in the jobbing of said products in said territory, particularly among the members of the association, and further to hinder and

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restrain price competition between all their dealer-customers in said territory.

Respondents' said practices thus tended and still tend to unduly hinder and obstruct the free and natural flow of commerce in the channels of interstate commerce, enhance prices to the purchasing public, and have otherwise deprived the public of the benefits that would flow from normal competition among and between the respondents and their dealer-customers. Such agreement, understanding, combination, and conspiracy and the things done thereunder and pursuant thereto as above alleged, constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondents, Birmingham Automotive Jobbers Association, an unincorporated trade association, its officers, G. E. Woodward, M. H. Johnson, A. J. Seigal, and Oliver Henderson, and its members, Alabama Auto Parts Company, a corporation; Birmingham Electric Battery Company, a corporation; Cruse-Crawford Wheel & Rim Company, a corporation; Lawson Auto Parts Company, a corporation; Southern Bearing & Parts Company, a corporation; A. J. Brown, doing business under the trade name and style of Simplex Piston Ring Company; and A. D. Slye, doing business under the trade name and style of Slye's Auto Supply Company, having heretofore filed their respective answers to the complaint in this proceeding, and having subsequently filed with this Commission their motion that they respectively be permitted to withdraw their said answers and be permitted to file in lieu thereof a substitute answer in which they and each of them consent that the Commission without trial, without evidence, and without findings as to the facts or other intervening procedure, might make, enter, issue, and serve upon said respondents, an order to cease and desist from the methods of competition alleged in the complaint; and the Commission having duly considered the motion and said answer, and being fully advised in the premises—

It is therefore ordered, That the said motion be and the same is hereby granted; that the said answers heretofore filed be and the same are hereby withdrawn; and that the said proposed substituted answer be and the same is hereby filed in lieu of the said answers so withdrawn.

It is further ordered, That the above-named respondents, their respective officers, directors, agents, servants, employes, and successors, in connection with the business of selling, and offering for sale, automobile parts and accessories in interstate commerce, forthwith cease and desist from carrying out an agreement, combination, understanding, and conspiracy among themselves, or between or among any two or more of them, or with others, acting directly by or through the respondent association by which they, or any of them, fix and maintain uniform prices to be exacted by them from their purchasers of automobile parts and accessories; that they and each of them further cease and desist from using any of the methods of competition alleged in the complaint; and that they further cease and desist from doing or permitting by understanding, agreement, or combination among themselves, or between or among any two or more of them, or with others, acting directly, or by or through respondent association, the following acts and practices:

(1) Abiding by manufacturers' resale schedules in the selling of all automobile parts and accessories.

(2) Fixing prices at which such articles should be sold.

(3) Fixing prices for certain repair jobs involving only labor.

(4) Fixing prices for repair jobs involving both automobile parts and labor.

(5) Fixing or maintaining a schedule of discounts to be allowed by them to certain classes of purchasers of automobile parts and accessories.

(6) Requiring their customers to resell such articles so purchased from them at list prices of the manufacturer thereof, or at prices fixed by respondent association, and

(7) Requiring every member of respondent association, before a price change is to be effected by them or any of them, except close-out items, to notify either the secretary of respondent association or each member in writing.

It is further ordered, that within 60 days from the date of service of this order upon said respondents, they shall file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

ORDER OF DISMISSAL

It appearing that the respondent Auto Electric & Carburetor Company attempted to resign from respondent association on September 15, 1934, and the association refused to accept such resignation, and

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it further appearing that said Auto Electric & Carburetor Company has not technically been a member of said association since April 1934 because of nonpayment of dues, and has had no active or apparent participation with the respondent association since November 15, 1934, the same having been duly considered and understood by the Commission—

It is therefore ordered, That the complaint herein be and the same is hereby dismissed, without prejudice, as to the respondent Auto Electric & Carburetor Company.

Complaint

IN THE MATTER OF

AMERICAN SHELL PRODUCTS COMPANY

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

Docket 2258. Complaint, Dec. 10, 1934—Decision, Aug. 13, 1935

Where a corporation engaged in buying and crushing mussel and oyster shells, and in the sale of such crushed shell to wholesale and retail dealers in the various States for ultimate resale to the purchasing public for use in feeding chickens—

- (a) Featured word "oyster" upon the labels of the sacks in which it sold various brands of its said product, containing proportions of oyster shell ranging from 50 percent to 5 percent, depending upon the particular brand involved, and displayed word "mussel" in an obscure place, and in relatively inconspicuous fashion, and in such small plain letters as compared with the large shaded letters in which word "oyster" was printed, that each letter in latter word was approximately two thirds of the size of the entire word "mussel"; and
- (b) Set forth upon the labels of the bags of three of the four brands sold by it, the words "Biloxi, Miss.", in addition to its own inland address, notwithstanding fact it maintained no office or place of business in Biloxi, known to trade and poultry raisers as one of the principal shipping points for crushed oyster shell;

With result of leading purchasers and prospective purchasers to believe that said bags of its product contained the more costly and preferred crushed oyster shell exclusively, and of confusing, misleading, and deceiving a substantial portion of the trade and purchasers in said respect, and with capacity and tendency so to do, and to induce purchase and use of its said products by the purchasing public because of such erroneous belief, and divert trade to it from competitors who sell crushed oyster shell and from those who sell mussel shell, truthfully branded, to their injury:

Held, That such acts and practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. Edw. W. Thomerson for the Commission

SYNOPSIS OF COMPLAINT

Reciting its action in the public interest, pursuant to the provisions of the Federal Trade Commission Act, the Commission charged respondent Iowa corporation, engaged in buying and crushing mussel and oyster shell, and in selling such crushed shell for use in supplying calcium carbonate in feeding chickens, and with principal place of business in Muscatine, Iowa, with misbranding or mislabeling as to composition of product, in violation of the pro-

visions of Section 5 of such Act, prohibiting the use of unfair methods of competition in interstate commerce.

Respondent, as charged, engaged as aforesaid, sells its said product as oyster shell through conspicuously featuring the word "oyster" upon the labels of the containers thereof, with inadequate and inconspicuous display of word "mussel", and through display of words "Biloxi, Miss.", as one of its addresses, notwithstanding fact proportion of oyster shell in its four brands ranges from 50 per cent to 5 per cent only, and it has no office or place of business in Biloxi, well known to trade and crushed oyster shell purchasers as one of the principal shipping points for said product.¹

The acts and practices of respondent, as charged, in thus branding and representing its product "are false, misleading, and deceptive and have the tendency and capacity to and do confuse, mislead, and deceive a substantial part of the trade and purchasing public into the erroneous belief that its said crushed mussel shell, to which has been added crushed oyster shell in the proportions set out, is crushed oyster shell, and such acts and practices of respondent in branding, advertising and representing its products are false, misleading and deceptive and have the tendency and capacity to induce the purchasing public to buy and use respondent's said products because of the erroneous belief that such products are crushed oyster shell and to divert trade to respondent from competitors, similarly engaged in the sale of products used for the same general purpose", and "who do not so brand, advertise, and represent their products", to the injury and prejudice of the public and competitors.

Upon the foregoing complaint, the Commission made the following

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 10th day of December 1934 issued, and immediately thereafter served, a complaint charging the American Shell Products Company, a corporation, hereinafter referred to as respondent, with the use of unfair methods of competition in commerce in violation of the provisions of said act.

The respondent having filed its answer herein, hearings were had and evidence was thereupon introduced at the instance of the Commission and respondent before an examiner of the Federal Trade Commission, theretofore duly appointed.

¹ The labels used in the four brands and description thereof, as alleged in the complaint, are set forth in the findings, *infra*.

Thereupon, this proceeding came on for final hearing on a brief filed by counsel on behalf of the Commission, no appearance being made or brief filed on behalf of the respondent, and the Commission having duly considered the record and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, American Shell Products Company, is a corporation, organized and existing under and by virtue of the laws of the State of Iowa, with its principal office and place of business in the city of Muscatine, in said State.

PAR. 2. The respondent is now engaged, and has been for the several years last past, in the business of buying and crushing mussel and oyster shell and in the selling of such crushed shell to wholesale and retail dealers located in the various States of the United States, for ultimate resale to members of the purchasing public for use in feeding chickens. Respondent produces and sells approximately 2,000 tons of crushed shell per year. Respondent causes such crushed shell, when sold, to be transported from its principal place of business at Muscatine, Iowa, or from the State where said shipment originated, to, into and across the several States of the United States other than the State of Iowa, or the States wherein such shipment originated, to the several purchasers thereof. Other corporations, and persons, firms and associations have been and are engaged in producing and offering for sale and selling in said commerce among the several States of the United States crushed mussel shell and crushed oyster shell and other competitive products and respondent, in the course and conduct of its business, is in substantial competition with such other corporations and persons, firms and associations.

PAR. 3. Crushed mussel shell, crushed oyster shell, and crushed limestone are used throughout the several States of the United States as a food for laying hens to increase the calcium carbonate content of the diet, because of the fact that such increase of calcium carbonate results in the formation of more and better egg shells. Crushed oyster shell is well known in the trade and among poultry raisers as a desirable addition to the diet of laying hens and many dealers in and purchasers of such products prefer crushed oyster shell to crushed mussel shell or crushed limestone and believe that it is superior to either crushed mussel shell or crushed limestone, for the purpose for which it is used. Crushed mussel shell has been used for this purpose for a number of years, but is not as well and favor-

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ably known in the trade and among poultry raisers as is crushed oyster shell. Crushed oyster shell is made by grinding and crushing either shell taken from edible oysters or shell taken from reefs in the Gulf of Mexico. Crushed mussel shell is made by grinding and crushing shell of fresh water mussel taken from the Mississippi, its tributaries, and other fresh waters in the United States. Crushed oyster shell sells at a higher price than does crushed mussel shell. Ultimate purchasers of crushed shell are unable to determine from an examination of the shell whether it is mussel or oyster shell or whether it is mixed shell, and are dependent upon the printed matter found on the containers in which such shell is sold as to the contents thereof. Crushed shell, whether it be oyster, mussel, or a mixture of oyster and mussel shell, finds a better sale when branded "oyster" than it does when branded "mussel", or branded "mixed oyster and mussel".

The city of Biloxi, Miss., is known in the trade and to poultry raisers as one of the principal shipping points in the United States for crushed oyster shell.

PAR. 4. Respondent's product is sold to wholesalers, retailers and the ultimate purchasers in burlap bags, which contain approximately 100 pounds of crushed shell and upon which appears the printed matter hereinafter set out.

Respondent produces and sells a mixed crushed shell, which is approximately 50 percent mussel and 50 percent oyster shell, under the trade name "Premium", and the respondent causes to be printed on the bags in which this brand of crushed shell is sold the following words, letters, and figures:

100 LBS. NET WHEN PACKED
PREMIUM
BRAND MUSSEL
(Drawing of a hen sitting on eggs)
OYSTER
ANALYSIS

Silica (SiO ²)	1.05%
Oxides Iron (Fe ² O ³)	1.34%
Calcium carbonate (lime C.A.C.O.3)	98.00%
Carbonate magnesium	1.10%

PURE KILN DRIED
TRIPLE SCREENED SHELL
AMERICAN SHELL PRODUCTS CO.

Biloxi, Miss.

Muscatine, Iowa.

Neahr-Bags-Chicago

Respondent produces and sells a mixed crushed shell, which is approximately 75 percent mussel and 25 percent oyster shell, under

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the trade name "Standard", and the respondent causes to be printed on the bags in which this brand of crushed shell is sold the following words, letters, and figures:

100 LBS. NET WHEN PACKED	
STANDARD	
BRAND MUSSEL	
(Large drawing of two chickens)	
OYSTER	
ANALYSIS	
Silica (SiO_2)	1.2%
Oxides iron (Fe_2O_3)	.9%
Calcium carbonate (lime C.A.C.O. ²)	97.46%
Carbonate magnesium	1.10%
PURE KILN DRIED	
TRIPLE SCREENED SHELL	
Mfg. for	
AMERICAN FEED PRODUCTS CO.	
Bllox1, Miss.	Muscatine, Ia.

 Neahr-Bags-Chicago

Respondent produces and sells a mixed crushed shell, which is approximately 95 percent mussel and 5 percent oyster shell, under the trade name "Egg Producer", and the respondent causes to be printed on the bags in which this brand of crushed shell is sold the following words, letters, and figures:

100 LBS. NET WHEN PACKED	
EGG PRODUCER	
BRAND MUSSEL	
(Large drawing of two chickens)	
OYSTER	
ANALYSIS	
Silica (SiO_2)	1.05%
Oxides iron (Fe_2O_3)	1.34%
Calcium carbonate (lime C.A.C.O.3)	96.51%
Carbonate magnesium	1.10%
PURE KILN DRIED	
TRIPLE SCREENED SHELL	
Mfg. for	
CRUSHED SHELL CO.	
Bllox1, Miss.	Muscatine, Ia.

Respondent produces and sells a mixed crushed shell, which is approximately 95 percent mussel and 5 percent oyster shell, under

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the trade name "Very Best", which is made exclusively for the Witwer Grocery Company, an Iowa corporation, with its principal office at Cedar Rapids, Iowa, and the respondent causes to be printed on the bags in which this brand of crushed shell is sold, the following words, letters, and figures:

100 LBS. NET WHEN PACKED

VERY BEST BRAND

(Large drawing of two chickens)

O Y S T E R

ANALYSIS

Silica (SiO ²)	1.2%
Oxides iron (Fe ² O ³)	.9%
Calcium carbonate (lime C.A.C.O. ²)	97.46%

Mussel

Manufactured for and sold exclusively by

WITWER GROCERY COMPANY

Cedar Rapids, Iowa.

Davenport, Iowa.

Mason City, Iowa.

Iowa Falls, Iowa.

On the bags in which brands "Premium", "Standard", "Egg Producer", and "Very Best" are sold, the word "oyster" is printed in large shaded letters in a conspicuous place and the word "mussel" is printed in small plain letters in an obscure place. Each letter used in the word "oyster" is approximately two-thirds the size of the entire word "mussel". Respondent does not maintain an office or place of business in the city of Biloxi, Miss. The effect as a whole of the printed matter on said bags and the use of the address Biloxi, Miss., on the three brands on which it is used, is to lead purchasers and prospective purchasers to believe that said bags contain crushed oyster shell and not a mixture of crushed mussel and oyster shell.

PAR. 5. Respondent's acts and practices in branding and representing its product in the manner as hereinabove set forth are misleading and deceptive and have the tendency and capacity to and do confuse, mislead and deceive a substantial portion of the trade and purchasers of such products into the erroneous belief that its crushed mussel shell, to which has been added crushed oyster shell in the proportions as above stated, is crushed oyster shell and has the tendency and capacity to induce the purchasing public to buy and use respondent's products because of said erroneous belief that such products are crushed oyster shell and to divert trade to the respondent from competitors who sell crushed oyster shell and from competitors who sell crushed mussel shell and brand it truthfully, to their injury.

CONCLUSION

The acts and practices of the respondent, American Shell Products Company, under the conditions and circumstances described in the foregoing findings, are to the prejudice of the public and respondent's competitors and are unfair methods of competition in commerce and constitute a violation of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the record and the Commission having made its findings as to the facts and its conclusion that the respondent American Shell Products Company, a corporation, has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That the respondent American Shell Products Company, a corporation, its officers, agents, representatives, servants, and employees, when offering for sale and selling crushed shell in commerce among the several States of the United States, cease and desist from directly or indirectly:

(1) Using the word "oyster" on bags or containers in which it sells crushed shell or otherwise to represent, describe, or designate crushed shell (a) unless and until such crushed shell is composed entirely of the crushed shell of the bivalve commonly known as the oyster, or (b) unless and until, where such crushed shell is composed partly of oyster shell, the word "oyster" is accompanied by a word or words, in equally conspicuous form and color, aptly and truthfully describing the other material or materials of which such product is composed.

(2) Using an address on bags or containers in which it sells crushed shell or otherwise in connection with the sale or offers of sale of crushed shell, unless and until the respondent maintains an office or place of business at such address.

It is further ordered, That the respondent American Shell Products Company, a corporation, shall, within 60 days after service upon it of a copy of this order, file with the Federal Trade Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF
WYOMING VALLEY JOBBERS ASSOCIATION, INCORPORATED,
ITS OFFICERS AND ACTIVE MEMBERS

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

Docket 2403. Complaint, May 22, 1935—Order Aug. 16, 1935

Consent order requiring respondent association, its officers, active members, and their officers, agents, etc., in the purchase, sale and distribution in interstate commerce of tobacco and confectionery products, to cease and desist from—

- (a) Combining, conspiring or uniting in a common course of action, and cooperating and confederating together, among themselves and with others to prevent competing dealers in tobacco and confectionery products from obtaining tobacco and confectionery products directly from the manufacturers thereof;
- (b) Publishing lists or "White Lists" containing the names of "recognized" dealer members of respondent association, so as to include in said lists only so-called legitimate, regular or "recognized" dealers, brokers, distributors, or wholesalers of said products;
- (c) Conspiring or uniting to fix and establish uniform prices at which members of respondent association or others shall sell such products;
- (d) Maintaining, by concerted action, coercion and persuasion, a boycott against, and refusal to purchase tobacco products from any tobacco manufacturer or manufacturers located outside of the State of Pennsylvania engaged in the sale of tobacco in interstate commerce in the Wilkes-Barre, Pa., district.

Mr. P. C. Kolinski for the Commission.

Mr. Andrew Hourigan, of Wilkes-Barre, Pa., for respondents and
Mr. Louis Shaffer, of Wilkes-Barre, Pa., for Shaffer Tobacco Co., Inc.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that each and all the parties named in the caption hereof, hereinafter referred to as respondents, have been and now are using unfair methods of competition in commerce, as "commerce" is defined in 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 and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Wyoming Valley Jobbers Association, Inc., is a nonprofit corporation incorporated under the laws of the

State of Pennsylvania, whose membership is composed of individuals, partnerships, and corporations with their respective places of business in the cities of Wilkes-Barre, Nanticoke, Forty Fort, Kingston, Swoyersville, Plymouth, and Pittston, State of Pennsylvania, engaged as brokers, distributors, and wholesalers in selling tobacco and confectionery to retail dealers located in said State and in neighboring States. Said Wyoming Valley Jobbers Association, Inc., will hereinafter be referred to as the "association".

Respondents Haskell Ginsburgh, John Yeager, J. H. Arenson, and E. A. Stroud are respectively president, vice president, secretary, and treasurer of said association, in charge of conducting and administering its activities and affairs.

The members of the association are as follows: Respondent Jacob H. Arenson, an individual, trading under the firm name and style of J. H. Arenson Tobacco Company, with his principal place of business located at Nanticoke, Pa.; respondent Herbert L. Austin, an individual, trading under the firm name and style of Acme Candy Company, with his place of business located at Forty Fort, Pa.; respondent W. L. Andress, an individual, with his place of business located at Kingston, Pa.; respondent Abe Unterburger, an individual, trading under the firm name and style of Diamond City Candy & Beverage Company, with his principal place of business located at Wilkes-Barre, Pa.; respondent George S. Dymond, an individual, whose place of business is located in the city of Wilkes-Barre, Pa.; respondent Ezra Stern, an individual, trading under the firm name and style of Ezra Stern Company, with his principal place of business located at Wilkes-Barre, Pa.; respondent J. G. Evans, an individual, whose place of business is located at Kingston, Pa.; respondent S. Fanti, an individual, whose place of business is located at Swoyersville, Pa.; respondent M. Gross, Jr., an individual, whose place of business is located at Wilkes-Barre, Pa.; respondent W. T. Keeley, an individual, whose place of business is located at Wilkes-Barre, Pa.; respondent Summers Puckey, an individual, trading under the firm name and style of Keystone Specialty Company, with his principal place of business located at Nanticoke, Pa.; respondent Key Stores Company, Inc., a corporation organized under the laws of the State of Delaware, with its office and principal place of business located in the city of Wilkes-Barre, Pa.; respondent Frank Klein, an individual, trading under the firm name and style of Klein Candy Company, with his principal place of business located at Wilkes-Barre, Pa.; respondent Morris Weltman, an individual, trading under the firm name and style of Majestic Candy Company, with his principal place of business located at Wilkes-

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Barre, Pa.; respondents A. E. Mihalick and Mary Mihalick, copartners, trading under the firm name and style of A. E. Mihalick Tobacco Company, with their place of business located at Plymouth, Pa.; respondent Novelty Candy Company, with its place of business located at Nanticoke, Pa.; respondent Pittston Tobacco Company, a corporation organized under the laws of the State of Pennsylvania, with its office and principal place of business located in the city of Pittston, Pa.

Respondent Paul P. Podkul, an individual, whose place of business is located at Wilkes-Barre, Pa.; respondent J. S. Rothstein, an individual, trading under the firm name and style of J. S. Rothstein Company, with his principal place of business located at Wilkes-Barre, Pa.; respondent Morris Siegel, an individual, whose place of business is located at Wilkes-Barre, Pa.; respondent Shaffer Tobacco Company, Inc., a corporation organized under the laws of the State of Pennsylvania, with its office and principal place of business located at Wilkes-Barre, Pa.; respondent Sperling Tobacco Company, a corporation organized under the laws of the State of Pennsylvania, with its office and principal place of business located at Wilkes-Barre, Pa.; respondent Star Tobacco Company, a corporation organized under the laws of the State of New Jersey, with its office and principal place of business located at Wilkes-Barre, Pa.; respondent Vincent Stawinski, an individual, whose place of business is located at Wilkes-Barre, Pa.; respondents Fred D. Turner and Robert R. Stevens, copartners, trading under the firm name and style of Turner & Stevens Company, with their place of business located at Wilkes-Barre, Pa.; respondent Meyer H. Abelson, an individual, trading under the firm name and style of Wilkes-Barre Cigar & Tobacco Company, with his principal place of business located at Wilkes-Barre, Pa.; respondent Russell Williams, an individual, whose place of business is located at Pittston, Pa.; and respondent J. W. Yeager, an individual, whose place of business is located at Kingston, Pa.

PAR. 2. The said tobacco and confectionery products industry includes among its products certain widely known nationally advertised articles for which the consuming public maintains a consistent demand. These nationally advertised tobacco and confectionery products are manufactured in many different States of the United States and the conduct of the aforesaid business requires the dealing in all or most of such products.

Respondent members of the association purchase the aforesaid tobacco and confectionery products, in which they deal, directly and immediately from manufacturers thereof located for the most part in States other than the State of Pennsylvania, and manufac-

turers ship said products, when so purchased, from their respective places of business in such other States to said members in the State of Pennsylvania.

In the course and conduct of their aforesaid respective businesses, respondent members, but for the matters and things hereinafter set out, would be naturally and normally in competition with each other, and otherwise are in such competition with other individuals, partnerships, and corporations also engaged in the purchase of tobacco and confectionery products from aforesaid manufacturers located in States other than the State of Pennsylvania, and the resale thereof in the State of Pennsylvania and neighboring States. Respondent members, by virtue of their membership in said association designate themselves as "recognized" members as distinguished from such brokers, distributors, and wholesalers of tobacco and confectionery products in said trade area, who are not members of said association.

The respective members of the respondent association constitute a large and important part of the brokers, distributors, and wholesalers in tobacco and confectionery products in the Wilkes-Barre trade area; and in such members constitute a group so large and influential in the trade as to be able to control and influence the flow of trade and commerce in such products within, to, and from said trade area. Said members, as allied and banded together in said association, are enabled thereby more effectively to exercise, control, and influence such trade and profits. The volume of consumption of tobacco and confectionery products in said Wilkes-Barre trade area, and the volume of trade and commerce dealt in by respondents in such products in, to, and from said area constitute a substantial part of the trade and commerce of the United States in the tobacco and confectionery products industry. Said trade area is a large and important outlet and market for the sale of tobacco and confectionery products by manufacturers, producers and distributors within said trade area and also by those in various other States, particularly those of the eastern half of the United States.

PAR. 3. In October 1933, or thereabouts, respondents named in paragraph 1 hereof, entered into, have since carried out, and are still carrying out an agreement, combination, understanding and conspiracy among themselves, to prevent said competing dealers in tobacco and confectionery products, mentioned in paragraph 2 hereof, from obtaining tobacco and confectionery products directly from aforesaid manufacturers thereof; to establish respondent members as a class of "recognized" brokers, distributors, and wholesalers of said products in the said Wilkes-Barre trade area; to fix and estab-

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lish uniform prices at which said members of respondent association should sell said products and to prevent others from selling at less prices and by and through the aforesaid means to suppress, hinder, and lessen competition in substantial interstate commerce in the selling and distribution of said products in the aforesaid territory served by respondents. To carry out the aforesaid purposes the respondents have done, among others, the following acts and things:

(a) Exacted and procured pledges and other promises of agreements from each such "recognized" dealer and each member of respondent association and from manufacturers and producers of tobacco and confectionery products to the effect that such dealers, members, manufacturers and producers would support, adhere to and enforce the foregoing program of respondents set forth in paragraph 3 hereof.

(b) Printed and published lists (so-called "white lists") containing the names of "recognized" dealer members of said association, so as to include in said lists only so-called legitimate, regular or "recognized" dealers, brokers, distributors, and wholesalers of said products, and to exclude therefrom, and thereby to identify as such, so-called nonrecognized dealers, brokers, distributors and wholesalers of said products, and supplied said lists to aforesaid manufacturers, and by the means and methods hereinafter set forth persuaded, induced and compelled said manufacturers to cease dealing with and to refuse to open accounts with the dealers, brokers, distributors, and wholesalers so reported.

(c) Used in concert and agreement among themselves and with others, coercive and concerted action, boycott, threats of boycott, and other united action against manufacturers, dealers and others to induce and require them, and to attempt so to induce and require them, to agree and conform to and to support and enforce the said program of respondents, and to refrain from selling said products to other dealers, brokers, distributors and wholesalers who were not members of said association.

(d) By concerted action, persuaded, coerced, and compelled its members to boycott and refuse to buy tobacco products from a tobacco manufacturer located outside of the State of Pennsylvania, with the result that for the period of one month or thereabouts, interstate commerce between said tobacco manufacturer and the Wilkes-Barre, Pennsylvania district, as normally accomplished in said trade, was totally suspended and blocked.

(e) Held meetings of respondent association, its members, and officers, to devise means of exerting influence, pressure, coercion, or

other means of inducing, coercing and requiring manufacturers, producers, brokers, dealers and wholesalers and others engaged in said tobacco and confectionery trade and industry to abide by and adhere to said program.

(f) For the purpose and with the effect of inducing or compelling manufacturers and producers to conform to said program, informed and advised such manufacturers and producers of the names of said "recognized" dealers in said Wilkes-Barre trade area, and of respondents' purpose and determination to insist upon and require such manufacturers and producers to distribute their products through the medium of said "recognized" dealers exclusively, and in conformity with the aforesaid program of respondents; and also advised such manufacturers and producers that their sale and distribution of tobacco and confectionery products direct to certain nonrecognized dealers and purchasers, or their failure to conform to aforesaid program in the distribution of their products would be considered by respondents and such "recognized" dealers as "unfriendly" acts against respondents and such "recognized" dealers.

(g) Denied membership in respondent association and such "recognition" of dealers who failed to support, abide by or carry out said program of respondents, and otherwise disciplined such members and dealers.

(h) Used and engaged in other acts, cooperative and concerted action, and coercive methods and practices in promoting, establishing and carrying out the foregoing program and agreement, combination, conspiracy, confederation and undertaking set forth in paragraph 3 hereof.

PAR. 4. That Codes of Fair Competition for the Wholesale Tobacco Trade and Wholesale Confectioners Industry, were approved June 9, 1934, and June 6, 1934, respectively, by the President pursuant to the provisions of Title I of an Act of Congress approved June 16, 1933, entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes". Said codes specifically prohibit monopolistic practices and the transactions known as boycotting and black-listing; that the acts and practices of respondents herein were and are in direct violation of the express provisions of said Codes of Fair Competition and contrary to the meaning and intent thereof.

PAR. 5. The capacity, tendency, and effect of said agreement, combination, conspiracy, confederation and undertaking, and the said acts and practices of respondents set forth in paragraph 3 hereof are and have been in aforesaid Wilkes-Barre trade area and other related

or connected territory: to close and curtail sundry outlets within the State of Pennsylvania for the direct and immediate sale by manufacturers located in other States of goods shipped by such manufacturers into the State of Pennsylvania; to monopolize, in said respondent members and recognized dealers, the business of dealing in and distributing tobacco and confectionery products; to unreasonably lessen, eliminate, restrain, stifle, hamper, and suppress competition in said tobacco and confectionery industry in the State of Pennsylvania, and to deprive the purchasing and consuming public of advantages in price, service and other considerations which they would receive and enjoy under conditions of normal and unobstructed, or free and fair, competition in said trade and industry; to otherwise operate as a restraint upon and a detriment to the freedom of fair and legitimate competition in such trade and industry; to obstruct the natural flow of commerce in the channels of interstate trade; to oppress, eliminate and discriminate against small business enterprises which were or had been engaged in selling and distributing tobacco and confectionery products; to prejudice and injure the public and manufacturers, producers, dealers, brokers, distributors and wholesalers and others who did not conform to respondents' program, or who did not desire, but were compelled, to conform to said program, and to spread into States other than Pennsylvania the same methods of boycott and "white-listing" employed by respondents.

PAR. 6. The above alleged acts and things done by respondent as set forth in paragraphs 3 and 5 hereof are monopolistic practices and are methods of competition which are unfair, and they constitute unfair methods of competition in commerce within the intent and meaning, and in violation of Section 5 of said Act approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been considered by the Federal Trade Commission upon the complaint of the Commission and the answers of the respondents filed herein, wherein respondents state that they do not desire to contest the proceeding, waive hearing, and consent that the Commission make, enter, and serve upon them an order to cease and desist from the violations of law charged in the complaint—

It is now ordered, That the respondents Wyoming Valley Jobbers Association, Inc., a corporation, its officers and active members: Haskell Ginsburgh, John Yeager, J. H. Arenson, and E. A. Stroud, individually and as president, vice president, secretary, and treasurer respectively of said association; Jacob H. Arenson, an individual,

trading under the firm name and style of J. H. Arenson Tobacco Company, Herbert L. Austin, an individual, trading under the firm name and style of Acme Candy Company; W. L. Address; Abe Unterburger, an individual, trading under the firm name and style of Diamond City Candy & Beverage Company; George S. Dymond; Ezra Stern, an individual, trading under the firm name and style of Ezra Stern Company; J. G. Evans, S. Fanti; M. Gross, Jr.; W. T. Keeley; Summers Puckey, an individual, trading under the firm name and style of Keystone Specialty Company; Key Stores Company, Inc.; Frank Klein, an individual, trading under the firm name and style of Klein Candy Company; Morris Weltman, an individual, trading under the firm name and style of Majestic Candy Company; A. E. Mihalick and Mary Mihalick, copartners, trading under the firm name and style of A. E. Mihalick Tobacco Company; Novelty Candy Company; Pittston Tobacco Company; Paul P. Podkul; J. S. Rothstein, an individual, trading under the firm name and style of J. S. Rothstein Company; Morris Siegel; Shaffer Tobacco Company, Inc.; Sperling Tobacco Company; Star Tobacco Company; Vincent Stawinski; Fred D. Turner and Robert R. Stevens, copartners, trading under the firm name and style of Turner & Stevens Company; Meyer H. Abelson, an individual, trading under the firm name and style of Wilkes-Barre Cigar & Tobacco Company; Russell Williams; and J. W. Yeager; their officers, agents, representatives and employes, in the purchase, sale and distribution in interstate commerce of tobacco and confectionery products, do cease and desist from:

(1) Combining, conspiring or uniting in a common course of action, and cooperating and confederating together, among themselves and with others to prevent competing dealers in tobacco and confectionery products from obtaining tobacco and confectionery products directly from the manufacturers thereof.

(2) Publishing lists (so-called "White Lists") containing the names of "recognized" dealer members of respondent association, so as to include in said lists only so-called legitimate, regular or "recognized" dealers, brokers, distributors or wholesalers of said products.

(3) Conspiring or uniting to fix and establish uniform prices at which members of respondent association or others should sell such products.

(4) Maintaining by concerted action, coercion and persuasion, of a boycott against, and refusal to purchase tobacco products from, any tobacco manufacturer or manufacturers located outside of the State of Pennsylvania engaged in the sale of tobacco in interstate commerce in the Wilkes-Barre, Pa., district.

It is further ordered, That the respondents Wyoming Valley Jobbers Association, Inc., a corporation, its officers and active members: Haskell Ginsburg, John Yeager, J. H. Arenson, and E. A. Stroud, individually and as president, vice president, secretary, and treasurer, respectively, of said association; Jacob H. Arenson, an individual, trading under the firm name and style of J. H. Arenson Tobacco Company, Herbert L. Austin, an individual, trading under the firm name and style of Acme Candy Company; W. L. Address; Abe Unterburger, an individual, trading under the firm name and style of Diamond City Candy & Beverage Company; George S. Dymond; Ezra Stern, an individual, trading under the firm name and style of Ezra Stern Company; J. G. Evans, S. Fanti; M. Gross, Jr.; W. T. Keeley; Summers Puckey, an individual, trading under the firm name and style of Keystone Specialty Company; Key Stores Company, Inc.; Frank Klein, an individual, trading under the firm name and style of Klein Candy Company; Morris Weltman, an individual, trading under the firm name and style of Majestic Candy Company; A. E. Mihalick and Mary Mihalick, copartners, trading under the firm name and style of A. E. Mihalick Tobacco Company; Novelty Candy Company; Pittston Tobacco Company; Paul P. Podkul; J. S. Rothstein, an individual, trading under the firm name and style of J. S. Rothstein Company; Morris Siegel; Shaffer Tobacco Company, Inc.; Sperling Tobacco Company; Star Tobacco Company; Vincent Stawinski; Fred D. Turner and Robert R. Stevens, copartners, trading under the firm name and style of Turner & Stevens Company; Meyer H. Abelson, an individual, trading under the firm name and style of Wilkes-Barre Cigar & Tobacco Company; Russell Williams; and J. W. Yeager; within 60 days after the service upon them of this order shall file with the Commission reports, in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinbefore set forth.

Complaint
IN THE MATTER OF
NATIONAL REMEDY COMPANY

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

Docket 2136. Complaint, Dec. 13, 1933—Order, Sept. 5, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the sale in interstate commerce of its preparation known as "Japanese Oil" or "En-Ar-Co Japanese (style) Oil" or substantially the same preparation under any other name, to cease and desist from representing that such preparation is a cure or adequate treatment for sore throat, colds, or congestion connected therewith, or for congestion, aches and pains, rheumatism, neuralgia, neuritis, or stiff joints, or for baldness or dandruff, or that it will cause new hair to grow, subject to the proviso, however, that nothing contained in such order shall be construed to prevent respondent from representing that said preparation is beneficial in the treatment of minor throat and bronchial irritations, or that it is beneficial in the treatment of sprains, stiffness and muscular aches and soreness due to fatigue and exposure, or that it is beneficial in the treatment of simple neuralgia, or that it is beneficial for removing loose dandruff by its cleansing effect upon the scalp, or that it is beneficial to the scalp and hair by aiding the superficial circulation.

Mr. Harry D. Michael for the Commission.

Brashears, Townsend, O'Brien & Beasley, of Washington, D. C., and *Mr. Frederic Damrau*, of New York City, for respondent.

COMPLAINT

Acting in the public interest, pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission; to define its powers and duties, and for other purposes", the Federal Trade Commission charges that National Remedy Company has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act, and states its charges as follows:

PARAGRAPH 1. That said respondent, National Remedy Company, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York and has its office and principal place of business in the city of New York in said State.

PAR. 2. That said respondent is now and has been engaged for more than ten years last past in the sale and distribution in interstate commerce of a preparation known and described as "Japanese Oil" or "En-Ar-Co Japanese (style) Oil", which said preparation respondent causes to be transported in interstate commerce from its

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said place of business in New York to, into, and through States of the United States other than New York to persons, firms, and corporations to whom or to which it is or has been sold. That respondent generally sells its said preparation to wholesale and retail druggists and to other dealers for ultimate resale to members of the public in the various States where said product is ultimately sold.

PAR. 3. That during the time above mentioned other individuals, firms, and corporations in the various States of the United States are and have been engaged in the sale and distribution in interstate commerce of preparations similar in kind to that of respondent and also of other preparations adapted to and used for the purposes for which respondent's preparation is recommended to be used in the advertising matter hereinafter referred to, and such other individuals, firms, and corporations have caused and do now cause their said preparations, when sold by them, to be transported from various States of the United States to, into, and through States other than the State of the origin of the shipment thereof. Said respondent has been, during the aforesaid time, in competition in interstate commerce in the sale of its said preparation with such other individuals, firms, and corporations.

PAR. 4. Respondent, in advertising its said preparation, causes advertisements to be inserted in newspapers and other publications circulated to the purchasing public in the various States of the United States which represent or imply that "Japanese Oil" is a cure or a competent and adequate treatment for sore throat, chest colds, and congestion, baldness, dandruff, aches and pains, rheumatism, neuralgia, neuritis, and stiff joints, and that said preparation will cause new hair to grow. Among such representations made by respondent and contained in such advertisements referring to said preparation are the following:

Quick relief, sore throat . . . Japanese Oil rubbed on sore throat gives quick relief. For chest colds, congestion, rub in vigorously.

Getting bald? You can grow new hair.

Getting bald? Troubled with dandruff?

Ask your druggist for free booklet, "The Truth About Hair" which tells how Japanese Oil . . . can overcome these conditions.

Prevent baldness the way others do.

Aches and pains—Quick relief with Japanese Oil.

. . . For rheumatism, neuralgia, neuritis, . . . stiff joints . . .

PAR. 5. That in truth and in fact, said preparation is not a competent and adequate treatment for sore throat, colds, or congestion connected therewith generally, but is adapted to the treatment of minor throat and bronchial irritations only; that it is not a competent and adequate treatment for congestion, aches and pains,

rheumatism, neuralgia, neuritis, or stiff joints, but is adapted to the treatment of simple neuralgia only; that said preparation is not a competent and adequate treatment for baldness or dandruff and the use of the same will not cause new hair to grow. That all of said statements, representations and implications are either not true and wholly beyond the therapeutic effects of said preparation or are greatly exaggerated and grossly inaccurate.

PAR. 6. That the representations of respondent, as aforesaid, have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that respondent's said preparation is a cure or a competent and adequate treatment for sore throat, chest colds and congestion, baldness, dandruff, aches and pains, rheumatism, neuralgia, neuritis, and stiff joints, and that it will cause new hair to grow when in truth and in fact such are not the facts, or only to a limited extent. That said representations of respondent have had and do have tendency and capacity to induce members of the public to buy and use said preparation because of the erroneous beliefs engendered as above set forth, and to divert trade to respondent from competitors engaged in the sale in interstate commerce of preparations adapted to the treatment of the ailments above mentioned.

PAR. 7. The above acts and things done by respondent are all to the injury and prejudice of the public and the competitors of respondent in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 13th day of December 1933, issued its complaint against National Remedy Company, a corporation, respondent herein, and caused the same to be served upon respondent as required by law, in which complaint it is charged that respondent has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act.

On January 18, 1934, said respondent filed herein an answer in writing to said complaint. Subsequently, said respondent filed herein a petition to withdraw its said answer and asking that a new answer

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therewith submitted be filed in lieu thereof, which said petition was granted by the Commission and said new answer was accordingly filed. By said new answer respondent elected to refrain from contesting this proceeding and consented to the issuance of an order to cease and desist from the practices set forth in the complaint herein.

Thereafter this proceeding came on regularly for disposition and decision by the Commission under subdivision (b) of Rule V of the Rules of Practice and Procedure adopted by the Commission, and the Commission being fully advised in the premises—

It is ordered, That respondent, National Remedy Company, its officers, directors, agents, representatives, servants, and employees, in connection with the sale, offering for sale, or distribution in interstate commerce and the District of Columbia of its preparation known and described as "Japanese Oil" or "En-Ar-Co Japanese (style) Oil", or of a preparation of the same or substantially the same composition under any other name or names, cease and desist from representing by any statement or statements or other methods which represent or imply that such preparation is a cure, remedy, or competent and adequate treatment for sore throat, colds, or congestion connected therewith, or for congestion, aches and pains, rheumatism, neuralgia, neuritis, or stiff joints, or for baldness or dandruff, or that it will cause new hair to grow.

Provided, however, That nothing contained in this order shall be construed to prevent respondent from representing that said preparation is beneficial in the treatment of minor throat and bronchial irritations, or that it is beneficial in the treatment of sprains, stiffness, and muscular aches and soreness due to fatigue and exposure, or that it is beneficial in the treatment of simple neuralgia, or that it is beneficial for removing loose dandruff by its cleansing effect upon the scalp, or that it is beneficial to the scalp and hair by aiding the superficial circulation.

It is further ordered, That respondent, within 60 days from and after the date of the service upon it of this order, shall file with the Commission a report in writing, setting forth in detail the manner and form in which it is complying with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

FYR-FYTER COMPANY ET AL.

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

Docket 2352. Complaint, Apr. 4, 1935—Order, Sept. 12, 1935

Consent order requiring respondent corporations, their officers, etc., in connection with the sale and offer of fire extinguishing equipment and supplies in interstate commerce, and subject to the exception from such order of any lawful action taken in regard to patented articles or under license agreements relating thereto, to cease and desist from doing and performing, by understanding, agreement, or combination among themselves or between or among any two or more of them, or with others, acting directly by or through the respondents, the following acts and things, namely—

- (a) Fixing prices at which said commodities are to be sold;
- (b) Agreeing that none of them singly will solicit the customers of another respondent or quote them prices lower than those at the time being quoted such customers by the respondent supplying them;
- (c) Refusing to continue to sell fire extinguishing equipment and supplies to distributors, jobbers, and dealers who will not agree with them not to sell such fire extinguishing equipment and supplies at prices less than those fixed by said respondents;
- (d) Refusing to sell such equipment and supplies to all distributors, jobbers, and dealers who sell same, purchased from respondents, at prices lower than the prices so fixed by them;
- (e) Agreeing upon prices to be bid where competitive bids are called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies; or
- (f) Procuring withdrawal and cancellation of bids called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies in cases where such bids so withdrawn are at prices for such fire extinguishing equipment and supplies less than those fixed by respondents; and

Dismissing complaint against the individual respondents for the reason that the order against the corporate respondents, their officers, employees and agents adequately and effectively restores free and open competition between and among all of the respondents engaged in selling fire extinguisher equipment and supplies in interstate commerce.

Mr. P. C. Kolinski for the Commission.

Chadbourne, Hunt, Jaechel & Brown, of New York City, for respondents, along with whom *Darby & Darby*, of New York City, also appeared for *Walter Kidde & Co., Inc.*

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission,

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having reason to believe that each and all the parties named in the caption¹ hereof, hereinafter referred to as respondents, have been and now are using unfair methods of competition in commerce, as "commerce" is defined in 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 and states its charges in that respect as follows:

PARAGRAPH 1. Respondent Fyr-Fyter Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its principal office and place of business at Dayton, Ohio.

Respondent Buffalo Fire Appliance Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at Buffalo, N. Y.

Respondent Miller-Peerless Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business at Chicago, Ill.

Respondent Badger Fire Extinguisher Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Massachusetts, with its principal office and place of business at Boston, Mass.

Respondent Knight & Thomas, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Maine, with its principal office and place of business at Boston, Mass.

Respondent American LaFrance & Foamite Industries Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at Elmira, N. Y.

Respondent Pyrene Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business at Newark, N. J.

Respondent Walter Kidde & Company, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at New York City.

Respondent Fyrou Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its principal office and place of business at New York, N. Y.

¹ Respondents referred to and named in the caption of the complaint proper but omitted as published for the sake of brevity are set forth in Paragraph 1.

Respondent Fyr-Freeze, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at New York, N. Y.

Respondent C-O-Two Fire Equipment Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business at Newark, N. J.

Respondent Wil-X-Mfg. Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business at Brooklyn, N. Y.

Respondent W. D. Allen Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business at Chicago, Ill.

Respondent Phister Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its principal office and place of business at Cincinnati, Ohio.

Respondent Harker Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its principal office and place of business at Cincinnati, Ohio.

Respondent The General Fire Truck Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Missouri, with its principal office and place of business at St. Louis, Mo.

Respondent Elkhart Brass Mfg. Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Indiana, with its principal office and place of business at Elkhart, Ind.

Respondent George W. Diener Manufacturing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business at Chicago, Ill.

Respondents G. R. Stephens, A. O. Boniface, and W. J. Parker are respectively chairman, secretary, impartial agency, and members of the Code Authority for the Fire Extinguishing Appliance Manufacturing Industry. Respondents B. F. Allnutt, A. H. Blackett, Dana Estes, R. C. Iddings, E. E. O'Neill, and E. G. Weed are members of the Code Authority for the Fire Extinguishing Appliance Manufacturing Industry, with its principal office located in New York, N. Y.

PAR. 2. The corporation respondents named in paragraph 1 hereto are now and since their organization have been engaged in the manufacture at their respective manufacturing plants of fire extinguishing equipment and supplies, and in the sale thereof throughout the various States of the United States, the territories thereof and the District of Columbia. In the course and conduct of their businesses said corporation respondents named in paragraph 1 hereof, for more than three years last past, have caused, and still cause such fire extinguishing equipment and supplies when sold by them, to be transported in interstate commerce from their respective places of business to, into, and through various States of the United States other than the States in which they respectively have their factories and places of business, to the purchasers in such other States to whom such fire extinguishing equipment and supplies are and have been sold.

In the course and conduct of their aforesaid respective businesses, corporation respondents named, but for the matters and things hereinafter set out, would be naturally and normally in competition with each other in price, and otherwise are in such competition with other individuals, partnerships, and corporations engaged in the manufacture and sale, or purchase, sale, and distribution of fire extinguishing equipment and supplies in interstate commerce.

The corporation respondents named, constitute a large and important part of the manufacturers, distributors, and dealers in fire extinguishing equipment and supplies manufactured and sold in the United States. The amount of fire extinguishing equipment and supplies manufactured and sold by said corporation respondents, constitutes, and at all times since February 1932 has constituted, approximately 85 per cent of all fire extinguishing equipment and supplies manufactured and sold in the United States.

PAR. 3. In February 1932, or thereabouts, the respondents named in paragraph 1 hereof, for the purpose of eliminating price competition among themselves entered into, have since carried out, and are still carrying out an agreement, combination, understanding, and conspiracy among themselves to fix and maintain, and by which they have fixed and maintained uniform prices to be exacted by them from their purchasers of fire extinguishing equipment and supplies and thus to fix the price of fire extinguishing equipment and supplies entering into interstate commerce. Pursuant to and for the purpose of carrying out the aforesaid agreement, combination, understanding and conspiracy, the respondents have, among other things, done the following:

(a) By agreement among themselves have fixed and maintained, and still fix and maintain uniform prices for fire extinguishing equipment and supplies sold by them and by each of them.

(b) Agreed that none of said respondents singly would solicit the customers of another respondent nor quote them prices lower than those at the time being quoted such customers by the respondent supplying them.

(c) Refused to continue to sell fire extinguishing equipment and supplies to distributors, jobbers, and dealers who would not agree with them not to sell such fire extinguishing equipment and supplies at prices less than those fixed by said respondents.

(d) Refused to sell fire extinguishing equipment and supplies to all distributors, jobbers, and dealers who sold such fire extinguishing equipment and supplies purchased from said respondents at prices for such fire extinguishing equipment and supplies less than those so fixed by the said respondents.

(e) Agreed upon prices to be bid where competitive bids were called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies.

(f) Procured withdrawal and cancellation of bids called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies in cases where such bids so withdrawn were at prices for such fire extinguishing equipment and supplies less than those fixed by respondents.

(g) Used other and similar methods and means designed to suppress and prevent price competition among those engaged in the fire extinguishing equipment and supply business in the United States.

PAR. 4. On and shortly prior to December 5, 1933, respondents, under color of authority of the Code of Fair Competition for the Fire Extinguishing Appliance Manufacturing Industry, approved November 4, 1933, by the President pursuant to the provisions of Title I of an Act of Congress approved June 16, 1933, entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", agreed among themselves in an assumed and pretended compliance with said Code, to fix and maintain uniform prices for fire extinguishing equipment sold by them, and have since that date continued to sell, at fixed uniform prices such fire extinguishing equipment; that by virtue of such agreement under the guise and pretense of compliance with aforesaid Code,

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competition in price in the sale of fire extinguishing equipment has been suppressed, eliminated and destroyed; that said Code of Fair Competition for the Fire Extinguishing Appliance Manufacturing Industry as approved by the President on November 4, 1933, does not authorize price fixing, and was not designed to authorize or permit price fixing by mutual agreement, understanding, or any method whatsoever; and said Code of Fair Competition specifically prohibits monopolies or monopolistic practices, and the elimination, or oppression of, and discrimination against small enterprises.

PAR. 5. The combination and conspiracy so entered into and carried on by said respondents and the acts and things done thereunder and pursuant thereto, as hereinabove alleged, resulted and results in the suppression and prevention of competition between and among them and in the enhancement of prices to the using public; in depriving the purchasing and consuming public of advantages in price, service and other considerations which they would receive and enjoy under conditions of normal and unobstructed, or free and fair, competition in said trade and industry; in oppression and discrimination against small business enterprises which were or are engaged in manufacturing, selling and distributing fire extinguishing equipment and supplies; and are monopolistic practices and methods of competition which are unfair, and they constitute unfair methods of competition in commerce within the intent and meaning, and in violation of Section 5 of said Act approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

The Commission, having the above matter under consideration and the respondents having filed consent answers under the Rules of Practice of the Commission, wherein said respondents, although insisting that all things done by them were warranted by the code for this industry formulated and approved under the National Industrial Recovery Act, and therefore done in good faith, nevertheless waive hearing on the charges set forth in the complaint and consent that the Commission may make, enter, issue and serve upon them, without hearing, without evidence, and without findings as to the facts, an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having duly considered the complaint and such answers, and being fully advised in the premises—

Order

It is now ordered, That said corporate respondents, Fyr-Fyter Company, Buffalo Fire Appliance Corporation, Miller-Peerless Manufacturing Company, Badger Fire Extinguisher Company, Knight & Thomas, Inc., American LaFrance & Foamite Industries Corporation, Pyrene Manufacturing Company, Walter Kidde & Company, Inc., Fyrout Corporation, Fyr-Freeze, Inc., C-O-Two Fire Equipment Company, Wil-X-Mfg. Corporation, W. D. Allen Manufacturing Company, Phister Manufacturing Company, Harker Manufacturing Company, The General Fire Truck Corporation, Elkhart Brass Mfg. Company, George W. Diener Manufacturing Company, their officers, agents, representatives and employees, forthwith cease and desist, in connection with the business of selling and offering for sale fire extinguishing equipment and supplies, in interstate commerce, from doing and performing, by understanding, agreement, or combination among themselves or between or among any two or more of them, or with others, acting directly or by or through the respondent, the following acts and things:

(1) Fixing prices, at which said commodities would be sold.

(2) Agreeing that none of said respondents singly will solicit the customers of another respondent nor quote them prices lower than those at the time being quoted such customers by the respondent supplying them.

(3) Refusing to continue to sell fire extinguishing equipment and supplies to distributors, jobbers, and dealers who will not agree with them not to sell such fire extinguishing equipment and supplies at prices less than those fixed by said respondents.

(4) Refusing to sell fire extinguishing equipment and supplies to all distributors, jobbers, and dealers who sell such fire extinguishing equipment and supplies purchased from said respondents at prices for such fire extinguishing equipment and supplies less than those so fixed by the said respondents.

(5) Agreeing upon prices to be bid where competitive bids are called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies.

(6) Procuring withdrawal and cancellation of bids called for by industrial and governmental users of respondents' fire extinguishing equipment and supplies in cases where such bids so withdrawn are at prices for such fire extinguishing equipment and supplies less than those fixed by respondents.

And provided that the prohibition of this order shall not apply to any lawful action taken in regard to patented articles or under license agreements relating thereto.

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It is further ordered, That the complaint herein be and the same hereby is dismissed against the individual respondents for the reason that the order against the corporate respondents, their officers, employees, and agents adequately and effectively restores free and open competition between and among all of the respondents engaged in selling fire extinguisher equipment and supplies in interstate commerce.

It is further ordered, That within 60 days from the date of the service of this order upon said respondents, they shall file with the Commission a report in writing setting forth in detail the manner and form in which this order has been complied with.

Complaint

IN THE MATTER OF

WHITE CROSS LABORATORIES, INC.

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

Docket 2492. Complaint, July 6, 1935—Order, Sept. 17, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the manufacture, sale and distribution of so-called "Turtle Oil Cream" in interstate commerce, the District of Columbia, or any territory of the United States, to cease and desist from—

- (a) Using words "turtle oil" either independently or in connection or conjunction with any word or words as part of the trade or brand name for its product unless and until the oil, fatty substance and any derivative thereof used in the production of the said turtle oil cream is, in fact, wholly derived from turtles; or
- (b) Using said words either independently or in connection or conjunction with any word, words, or phrases, in advertisements, advertising literature, radio broadcasts, or by any of these agencies in any manner whatsoever to describe turtle oil cream unless and until the oil, fatty substance and any derivative thereof used in the production of the said turtle oil cream is, in fact, wholly derived from turtles.

Mr. S. Brogdyne Teu, II for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that White Cross Laboratories, Inc., hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. White Cross Laboratories, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois with its principal place of business in the city of Chicago, in the State of Illinois. It is now and for more than one year last past has been engaged in the manufacture, sale and distribution in interstate commerce of a cosmetic designated as La Paz Turtle Oil Cream. Said respondent has caused and still causes said product when sold to be shipped from its place of business in the State of Illinois to purchasers thereof located in a State or States of the United States other than the State of Illinois. In the course and conduct of its business White Cross Laboratories, Inc., was and is at all

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times herein referred to in competition with other individuals, partnerships, firms, and corporations likewise engaged in the manufacture, sale and distribution to purchasers of like and similar products between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of its business as described in paragraph 1 above, White Cross Laboratories, Inc., caused and still causes its said facial cream product to be packed in containers with labels reading as follows, to wit:

LA PAZ
TURTLE OIL CREAM
WHITE CROSS LABORATORIES, INC.
CHICAGO

The said product so marked, labeled and represented was and is still sold and distributed by said respondent in interstate commerce as hereinabove set forth. In truth and in fact the amount of turtle oil forming part of the oil content of the product of said respondent was and is not substantial, was and is not sufficient to warrant a marking, branding or representation that said product was or is a "Turtle Oil" cream.

PAR. 3. There are among competitors of said respondent individuals, partnerships and corporations engaged in the manufacture, sale and distribution of like and similar products as hereinbefore set out among the various States of the United States and in the District of Columbia who truthfully and honestly represent their products. The false and misleading representations made by respondent, as hereinabove set forth, have a tendency and capacity to and do divert trade to respondent from those individuals, firms, and corporations who honestly advertise, sell and distribute to purchasers like and similar products between and among the various States of the United States and in the District of Columbia.

PAR. 4. The above alleged acts and things done by the respondent are all to the injury and prejudice of the public and the competitors of the respondent in interstate commerce and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission upon the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's answer thereto that respondent waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding and pursuant to the provisions of the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter, and serve upon respondent without a trial, without evidence, and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That White Cross Laboratories, Inc., its officers, directors, agents, representatives, servants, and employees in connection with the manufacture, sale, and distribution of so-called "turtle oil cream" in interstate commerce or in the District of Columbia or in any territory of the United States, cease and desist from:

(1) The use of the words "turtle oil" either independently or in connection or conjunction with any word or words as part of the trade or brand name for its product unless and until the oil, fatty substance and any derivative thereof used in the production of the said turtle oil cream is, in fact, wholly derived from turtles.

(2) Using the words "turtle oil" either independently or in connection or conjunction with any word, words, or phrases, in advertisements, advertising literature, radio broadcasts, or by any of these agencies in any manner whatsoever to describe turtle oil cream unless and until the oil, fatty substance and any derivative thereof used in the production of the said turtle oil cream is, in fact, wholly derived from turtles.

It is further ordered, That the respondent White Cross Laboratories, Inc., shall within 60 days after service upon it of this order file with the Commission a report in writing setting forth in detail the manner and form of its compliance with this order.

Complaint

21 F. T. C.

IN THE MATTER OF

SCIENTIFIC SHAMEY COMPANY, INC.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2247. Complaint, Nov. 9, 1934—Decision, Sept. 24, 1935*

Where a corporation engaged in the sale and distribution of a cloth fabric to various retail and chain stores—

- (a) Advertised and sold same under trade name and designation "Scientific Washable Shamey", with pronunciation, and in simulation of, name of genuine "chamois" or "shammy", and set forth upon the labels thereof "Directions how to use Scientific Shamey", notwithstanding fact said fabric was not genuine "chamois" or "shammy", frequent phonetic synonym therefore, to wit, a soft leather originally made of the skin of the chamois antelope, for use for manufacture of leather gloves and the polishing of silverware and other metals, or, as more recently used, the inner part of oil-dressed sheepskin; and
- (b) Advertised said product as "manufactured by Scientific Shamey Co., Inc.", notwithstanding fact it had never owned, operated, or controlled a factory or factories in which said product was made;

With result of furnishing its retail and chain store customers an instrumentality having tendency and capacity to deceive and mislead their customers into believing that in purchase of said product, thus named, labelled and advertised, they were purchasing the much more valuable, genuine chamois or shammy, and to divert trade to it from competitors dealing therein, and from those who do not so deal, or so misleadingly advertise their product as a result thereof, and through inducing purchase from it as and for a direct purchase from the manufacturer, as a distinct trade advantage:

Held, That such acts and practices were to the prejudice of the public, and constituted unfair methods of competition.

Before *Mr. Edward M. Averill*, trial examiner.

Mr. John W. Hilldrop for the Commission.

Mr. Arthur M. Becker, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Scientific Shamey Company, Inc., has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, the Federal Trade Commis-

Complaint

sion hereby issues this, its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Scientific Shamey Company, Inc., is a corporation, organized, existing, and doing business, under and by virtue of the laws of the State of New York, with its principal place of business located in the city of New York, State of New York.

Respondent has been engaged for sometime prior to the filing of this complaint in the sale and distribution of a certain fabric which it advertises and sells under the name of "Scientific Washable Shamey" which is a trade name and designation for said fabric, and in the sale of said fabric respondent ships and causes same to be shipped to various retail and chain stores, from its said place of business in the city of New York, State of New York, to such retail and chain Stores located in divers of the other States of the United States of America, and therefore and thereby, respondent in the sale of said fabric is engaged in interstate commerce. In the conduct of its said business, respondent has at all times been and is now in competition with divers other associations, corporations, firms, and individuals engaged in a similar and like business to that of respondent, and who like respondent are engaged in interstate business.

PAR. 2. Chamois is the name of an antelope, the skin of which is made into a soft leather and is used for the manufacture of gloves and to polish silver and other metals, and now and for some time past the word "chamois" also describes and applies to the inner part of the sheepskin, which, when oil dressed is a very soft and pliable product sold commercially under the name of "chamois" and which is likewise valuable for polishing and cleaning purposes. The only trade name and designation given to the genuine skin of the chamois antelope and to the oiled dressed sheepskin is the word "chamois", which word is often phonetically spelled "shammy"; the two words "chamois" and "shammy" having the same meaning to the retail trade and the purchasing public.

PAR. 3. In the conduct of its said business, the respondent caused labels to be printed and fixed upon its said fabric and which as afore-said it ships in interstate commerce, which said labels bear the words "Scientific Washable Shamey" in large red letters and these words were also stamped on the said product itself.

The labels also contained "Directions How to Use Scientific Shamey", as follows:

1. Wash shamey with soap and water.
2. Stretch shamey to original shape.
3. Dry shamey, then ready for use.

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The letters of the word "shamey" were fancifully arranged on said labels and stamped on the said product in the form of an equilateral triangle, surrounded by the words "Scientific Durable Washable", and which product so stamped and labeled the respondent sold in interstate commerce. Respondent made use of the word "shamey" as simulating the words "chamois" and "shammy" and pronounced the same as said words "chamois" and "shammy", but, its said product was not the skin of the genuine chamois antelope or the inner part of the sheepskin, oil dressed, nor was it a skin at all, but a cloth fabric.

PAR. 4. In the sale of the said product by respondent, it labeled and advertised said product as "Manufactured by Scientific Shamey Company, Inc.", when in truth and in fact the said respondent did not nor has it ever manufactured said product, does not own, operate or control the factory of factories in which said product is made, but filled orders for said product which was manufactured in factories which respondent as aforesaid, does not or did not own, operate nor control.

PAR. 5. In the labeling and selling in interstate commerce of its said cloth fabric under the name of "shamey" having the same sound and pronunciation as "chamois" and "shammy" the respondent furnishes its customers, to wit retail and chain stores, with an instrumentality which has the capacity and tendency to deceive and mislead the customers of said retail and chain stores, by causing them to believe that in the purchase of respondent's product labeled and advertised as "shamey" it is purchasing real and genuine "chamois" and "shammy" hereinbefore described, a much more valuable product than the said product of respondent, and also the actions of respondent in the labeling and advertising of its said product as herein set out has the tendency and capacity to divert trade from competitors of respondent, who sell in commerce genuine chamois or shammy and those competitors who sell in interstate commerce a product similar to the product of respondent but who do not advertise same as "shamey" or any other names having the same pronunciation and sound of "chamois" or "shammy", to respondent.

PAR. 6. The advertisement and labeling by respondent of its said product as "Manufactured by Scientific Shamey Company, Inc." likewise has a capacity and tendency to divert trade from the competitors of respondent to respondent, as said labeling and advertising carries with it the statement and implication that a purchaser when ordering said product is buying and dealing directly with the manufacturer, which has a distinct trade advantage.

PAR. 7. The foregoing acts and practices of respondent are all to the prejudice of the public and respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon respondent Scientific Shamey Company, Inc., charging it with unfair methods of competition in violation of Section 5 of said Act, and respondent duly filed its answer thereto. Thereafter testimony was taken and received in support of the complaint and duly reduced in writing and recorded and filed in the office of the Commission, the respondent having waived the introduction of the testimony in defense of the allegations of the complaint. Thereafter the proceeding came on for final hearing on the record and on the brief in support of the complaint, respondent having waived the filing of brief and oral argument. And the Commission having duly considered the record and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Scientific Shamey Company, Inc., is a corporation, organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business located in the city of New York, State of New York.

Respondent had been engaged in the sale and distribution of a certain fabric which it has advertised and sold under the name of "Scientific Washable Shamey" which is a trade name and designation for said fabric, and in the sale of said fabric respondent has shipped and caused the same to be shipped to various retail and chain stores, from its said place of business in the city of New York, State of New York, to such retail and chain stores located in divers of the other States of the United States of America, and therefore and thereby respondent in the sale of said fabric has been engaged in interstate commerce. In the conduct of its said business, respondent has been

Findings

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in substantial competition with other corporations and with firms, partnerships and persons engaged in commerce between and among the various States of the United States in articles used for the purposes for which, as hereinafter described, respondent has represented its said fabric to be adapted.

PAR. 2. Chamois is the name of an antelope, the skin of which is made into a soft leather and is used for the manufacture of gloves and to polish silver and other metals, and now and for some time past the word "chamois" also has described and applied to the inner part of the sheepskin, which when oil dressed, is a very soft and pliable product sold commercially under the name of "chamois" and which is likewise valuable for polishing and cleaning purposes. The only trade name and designation given to the genuine skin of the chamois antelope and to the oiled dressed sheepskin is the word "chamois", which word is often phonetically spelled "shammy"; the two words "chamois" and "shammy" having the same meaning to the retail trade and the purchasing public.

PAR. 3. In the course and conduct of its said business, the respondent has caused labels to be printed and affixed upon its said fabric sold in interstate commerce, which said labels have included the words "Scientific Washable Shamey" in large red letters and these words have also been stamped on the said product itself.

Such labels have also contained "Directions How to Use Scientific Shamey", as follows:

1. Wash Shamey with soap and water.
2. Stretch Shamey to original shape.
3. Dry Shamey, then ready to use.

The letters of the word "shamey" were fancifully arranged on said labels and stamped on the said product in the form of an equilateral triangle, surrounded by the words "Scientific Durable Washable". Respondent has made use of the word "shamey" as simulating the words "chamois" and "shammy" and has pronounced the same as said words "chamois" and "shammy", but its said product has not been the skin of the genuine chamois antelope or the inner part of the sheepskin oil dressed nor has it been a skin at all, but a cloth fabric.

PAR. 4. In the sale of the said product by respondent, it has labeled and advertised said product as "Manufactured by Scientific Shamey Company, Inc." when in truth and in fact respondent has never owned, operated, or controlled the factory or factories in which said product has been made.

PAR. 5. In the labeling and selling in interstate commerce of its said cloth fabric under the name "shamey" having the same sound

and pronunciation as "chamois" and "shammy" the respondent has furnished its customers, to wit, retail and chain stores, with an instrumentality which has the tendency and capacity to deceive and mislead the customers of said retail and chain stores, by causing them to believe that in the purchase of respondent's product labeled and advertised as "shamey" they were purchasing real and genuine "chamois" and "shammy" as hereinbefore described, a much more valuable product than the said product of respondent, and also the actions of respondent in the labeling and advertising of its said product as herein described has had the tendency and capacity to divert trade to respondent from competitors of respondent, who sell in interstate commerce genuine chamois or shammy and those competitors who sell in interstate commerce but who do not advertise their products as "shamey" or by any other name having the pronunciation and sound of "chamois" or "shammy."

PAR. 6. The advertisement and labeling by respondent of its said product as "Manufactured by Scientific Shamey Company, Inc.", likewise has had the tendency and capacity to divert trade from the competitors of respondent to respondent, as said labeling and advertising carried with it the statement and implication that a purchaser when ordering said product was buying and dealing directly with the manufacturer, which has a distinct trade advantage.

CONCLUSION

The practices of said respondent under the conditions and circumstances described in the foregoing findings are to the prejudice of the public and of respondent's competitors and constitute a violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission on the complaint of the Commission, the answer of respondent, the testimony and evidence, the brief in support of the complaint (respondent having waived filing of the brief and oral argument) and the Commission having made its report in which it stated its findings as to the facts and its conclusion that the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

Order

21. F. T. C.

Now, therefore, it is hereby ordered, That the respondent, Scientific Shamey Company, Inc., its officers, agents, and employees in connection with the sale or offering for sale in interstate commerce of a product heretofore designated by it as "Scientific Washable Shamey" forthwith cease and desist from:

(a) Labeling, advertising, describing, designating, or representing its said product as "Scientific Washable Shamey", "shamey" or by any word or words, phrases, terms or names, having a pronunciation or spelling simulating the words "chamois" or "shammy."

(b) Using the phrase "Manufactured by Scientific Shamey Company, Inc." or any other phrase or words of similar tenor, import or substance, until and unless respondent owns, operates or controls a factory or factories in which its said product is manufactured.

And it is hereby further ordered, That the respondent shall within 30 days after the service upon it of this order file with this Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF
MORTIMER KAUFMAN, TRADING AS WILSHIRE
WOOLEN COMPANY

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

Docket 2347. Complaint, Mar. 25, 1935—Decision, Sept. 24, 1935

Where an individual engaged in the sale and distribution of men's clothes among the various States—

- (a) Represented in advertising that suits sold and offered by him were 100 percent virgin wool, 100 percent pure wool, and 100 percent pure worsted, notwithstanding fact that such suits were not thus composed, but were made of a large admixture of shoddy or reworked wool; and
- (b) Represented that such suits were made to the measure of the particular person or persons to whom they were sold or offered, and that orders therefor would be filled by his furnishing to the customer or prospective customer the particular style and material selected, facts being such suits were not made to the measure of the particular person to whom sold or offered, but were ready-made garments purchased by him from a manufacturer of ready-made clothing, and he did not send to customers style or material selected, but suits which differed in such respects from the customer's selection;

With capacity and tendency to deceive and mislead purchasing public into erroneous belief that such suits were composed as represented, made to measure of particular purchaser, and supplied in style and of material selected, and induce purchase thereof in such erroneous beliefs, and thereby divert trade to himself from competitors selling men's suits by fair and truthful representations, to the substantial injury of substantial competition in interstate commerce:

Held, That such acts and practices were to the prejudice and injury of the public and competitors within intent and meaning of Section 5.

Before *Mr. Edward M. Averill*, trial examiner:

Mr. John W. Hilldrop for the Commission.

Mr. Irving D. Lipkowitz, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Mortimer Kaufman, trading as Wilshire Woolen Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would

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be to the public interest, the Commission hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Mortimer Kaufman, is an individual trading under the name and style, Wilshire Woolen Company, residing and having his principal place of business in the city of New York in the State of New York. He is now and for several years last past has been engaged in the sale and distribution of suits of men's clothes in commerce between and among the various States of the United States, and now causes and for several years last past has caused such suits of men's clothes sold by him, to be transported when sold, from his place of business in the city of New York, State of New York, to purchasers thereof located in the State of New York and in various other States of the United States. In the course and conduct of his business the respondent has been at all times hereinafter mentioned and still is engaged in competition in commerce between and among the various States of the United States, with other individuals and with partnerships and corporations offering for sale and selling suits of men's clothes.

PAR. 2. In the course and conduct of his business described in in paragraph 1 hereof, the respondent, for more than two years last past, has represented and still represents in his advertising that the suits of men's clothes sold by him and offered for sale by him, are "100 percent virgin wool", "100 percent pure wool", and "100 percent pure worsted"; that such suits of clothes are made to the measure of the particular person or persons to whom they are sold or offered for sale; that orders for suits of men's clothes are and will be filled by him by his furnishing to the customer or prospective customer, particular styles of suits of men's clothes and made of materials selected by the customer or prospective customer. In truth and in fact the suits of men's clothes sold and offered for sale by the respondent are not and have not been 100 percent virgin wool, 100 percent pure wool, or 100 percent pure worsted but are and have been made of a large admixture of shoddy or reworked wool. And in truth and in fact the suits of men's clothes sold and offered for sale by respondent are not made to the measure of the particular person to whom such suits are sold or offered for sale but are ready-made suits purchased by the respondent from a manufacturer of ready-made clothing. And in truth and in fact the respondent does not send to his customers the styles of suits nor suits made of materials selected by the customer, but sends to his customers suits of a style different from the styles ordered by the customers and made of materials other than those selected by his customers.

PAR. 3. The acts and practices of the respondent described in paragraph 2 hereof, have had and still have the capacity and tendency to

deceive and mislead the purchasing public into the erroneous beliefs that the suits of men's clothes sold and offered for sale by the respondent are 100 percent virgin wool, 100 percent pure wool, and 100 percent pure worsted; that such suits are made to the measure of the particular person to whom they are sold or to whom they are offered for sale; that the purchaser or prospective purchaser in purchasing from the respondent will receive from him suits of the style ordered by said customer and made of materials selected by the customer; and to induce customers of the respondent to purchase suits from the respondent in such erroneous beliefs. The aforesaid acts and practices of the respondent have had and still have the capacity and tendency to divert trade to respondent from competitors selling men's suits in interstate commerce by fair and truthful representations; thereby substantial injury is done by respondent to substantial competition in interstate commerce.

PAR. 4. The above acts and things done by respondent are all to the injury and prejudice of the public and competitors of respondent in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Acting in pursuance of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 25th day of March 1935 issued and thereupon served its complaint, as required by law, upon Mortimer Kaufman, trading under the name and style of Wilshire Woolen Company, hereinafter designated as respondent, in which said complaint it is charged that respondent has been and is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act.

The respondent, Mortimer Kaufman, trading under the name and style, Wilshire Woolen Company, having filed his answer herein, this proceeding was set for hearing before Edward M. Averill, an examiner for the Commission, theretofore duly appointed for such purpose, and the respondent, Mortimer Kaufman, trading under the name and style, Wilshire Woolen Company, appeared in his own proper person and by counsel on the 5th day of August 1935 whereupon the said respondent stipulated on the face of the record, wherein he admitted the allegations in the complaint contained and stipulated and signified his consent that the Federal Trade Commission may draw its con-

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clusion and make its findings as to the facts in this proceeding on the allegations contained in this said complaint and from said stipulation, and that said Commission may enter and serve upon him an order to cease and desist from the acts of unfair competition in the complaint alleged, without the taking of further testimony.

Thereupon, this proceeding having come on for final hearing on the record, and the Commission having considered same and being fully advised in the premises, finds that this proceeding is in the interest of the public and now files this, its report, in writing, stating its findings as to the facts and its conclusion drawn therefrom as follows:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Mortimer Kaufman, is an individual trading under the name and style, Wilshire Woolen Company, residing and having his principal place of business in the city of New York in the State of New York. He is now and for several years last past has been engaged in the sale and distribution of suits of men's clothes in commerce between and among the various States of the United States, and now causes and for several years last past has caused such suits of men's clothes sold by him to be transported, when sold, from his place of business in the city of New York, State of New York, to purchasers thereof located in the State of New York and in various other States of the United States. In the course and conduct of his business the respondent has been at all times herein-after mentioned and still is engaged in competition, in commerce between and among the various States of the United States, with other individuals and with partnerships and corporations offering for sale and selling suits of men's clothes.

PAR. 2. In the course and conduct of his business as described in paragraph 1 hereof, the respondent for more than two years last past, and prior to the filing of the complaint, has represented in his advertising that the suits of men's clothes sold by him and offered for sale by him are "100 percent virgin wool", "100 percent pure wool", and "100 percent pure worsted"; that such suits of clothes are made to the measure of the particular person or persons to whom they are sold or offered for sale; that orders for suits of men's clothes are and will be filled by him by his furnishing to the customer or prospective customer, particular styles of suits of men's clothes and made of materials selected by the customer or prospective customer. In truth and in fact the suits of men's clothes sold and offered for sale by the respondent are not and have not been 100 percent virgin wool, 100 percent pure wool, or 100 percent pure worsted but are and have been made of a large admixture of shoddy or reworked wool.

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And in truth and in fact the suits of men's clothes sold and offered for sale by respondent are not made to the measure of the particular person to whom such suits are sold or offered for sale but are ready-made suits purchased by the respondent from a manufacturer of ready-made clothing. And in truth and in fact the respondent does not send to his customers the styles of suits nor suits made of materials selected by the customer, but sends to his customers suits of a style different from the styles ordered by the customers and made of materials other than those selected by his customers.

PAR. 3. The acts and practices of the respondent described in paragraph 2 hereof, have had and still have the capacity and tendency to deceive and mislead the purchasing public into the erroneous beliefs that the suits of men's clothes sold and offered for sale by the respondent are 100 percent virgin wool, 100 percent pure wool, and 100 percent pure worsted; that such suits are made to the measure of the particular person to whom they are sold or to whom they are offered for sale; that the purchaser or prospective purchaser in purchasing from the respondent will receive from him suits of the style ordered by said customer and made of materials selected by the customer; and to induce customers of the respondent to purchase suits from the respondent in such erroneous beliefs. The aforesaid acts and practices of the respondent have had and still have the capacity and tendency to divert trade to respondent from competitors selling men's suits in interstate commerce by fair and truthful representations; thereby substantial injury is done by respondent to substantial competition in interstate commerce.

CONCLUSION

The above acts and things done by respondent are all to the injury and prejudice of the public and competitors of respondent in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having come on to be heard by the Federal Trade Commission on the complaint of the Commission, the answer of respondent, and the stipulation made on the face of the record on August 5, 1935, before an examiner of the Commission who had theretofore been appointed to take testimony and receive evidence on behalf of the Commission and the respondent, in which said stipulation the respondent admitted as true the allegations in the complaint

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contained and consented that the Federal Trade Commission may draw its conclusion and make its findings as to the facts in this proceeding from the allegations contained in said complaint in paragraphs 1, 2, and 3 thereof and from said stipulation, and may make and serve upon respondent an order to cease and desist from the acts of unfair competition in the complaint alleged, without the taking of further testimony, and the Commission having made a report in writing in which it stated its findings as to the facts, with its conclusion that the respondent has violated the provisions of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and the Commission being duly advised in the premises—

It is now ordered, That the respondent, Mortimer Kaufman, trading under the name and style, Wilshire Woolen Company, or trading under any other name and style, his agents, employees, and representatives, in connection with the advertising, offering for sale and selling in interstate commerce of men's clothes, cease and desist from representing in any manner:

(a) That such men's clothes are "100 percent pure wool", "100 percent virgin wool", and "100 percent pure worsted", unless and until in truth and in fact such men's clothes sold and offered for sale by respondent in interstate commerce are 100 percent pure wool, 100 percent virgin wool, or 100 percent pure worsted.

(b) That such suits of clothes are made to the measure of the particular person or persons to whom they are sold or offered for sale, and that orders for suits of men's clothes are and will be filled by respondent by furnishing to the customer a particular style of suit of men's clothes and made of materials selected by such customer, unless and until in truth and in fact such clothes sold and offered for sale by respondent in interstate commerce are made to the measure of the particular person or persons to whom they are sold, and unless and until in truth and in fact the suits of men's clothes sold and offered for sale by respondent are of the style and made from the materials selected by the customer.

It is further ordered, That the respondent shall within 60 days after the service upon him of this order file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF

CARLSBAD PRODUCTS COMPANY, INC.

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

Docket 2205. Complaint, July 7, 1934—Order, Sept. 30, 1935

Consent order requiring respondent corporation, its officers, etc., in the sale and offer for sale in interstate commerce and in the District of Columbia, of Carlsbad Sprudel Salt, forthwith to cease and desist from—

- (a) Representing by radio broadcast, labels on the containers of said product, and literature accompanying same, and in periodicals of general circulation, newspapers, testimonials or in any other form of advertising, that said product will reduce the weight of the body or will reduce weight sixteen pounds in eight days, or in any other period, or will cause a person to lose excess fat, or that it is the safest and sanest remedy for such purpose, or is a remedy at all therefor, or that through use thereof you may reduce without rigid diet or exercise;
- (b) Representing that aforesaid is an excellent or other remedy for the relief of gallstones, or will of itself remove pimples and similar blemishes along with excess fat, or that it is of itself a cure and remedy for a variety of ailments including jaundice, certain types of rheumatism, heart disease, etc., or that self-medication therewith is just as efficacious as a complete treatment at Carlsbad Spring.

Mr. John W. Hilldrop for the Commission.

Olvany, Eisner & Donnelly, of New York City, and *Mr. Wallen J. Haenlein*, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Carlsbad Products Company, Inc., has been or is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. The respondent, Carlsbad Products Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New York with its principal place of business in New York City, N. Y. For several years last past the respondent has been and is now engaged at the said city of New York in the business of selling a product called Carlsbad Sprudel Salt. This salt is claimed by respondent to have been obtained from the waters

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of the famous Carlsbad Sprudel, or spring located in Czechoslovakia. It is put up in powdered form in containers and, according to the directions thereon is to be taken with and mixed with water, and when so taken the claim is made by respondent that it will reduce weight of the human body and that it has therapeutic value in the treatment of many of the ailments and diseases of mankind. Carlsbad Sprudel Salt is packed in said containers in New York by respondent and shipped by them to their customers, which and who are department stores, drug stores, jobbers, and individuals—into and through various States of the United States to the places of business of said stores, jobbers, and the residences of said individual customers, many of which are and were located in States other than the State of New York. Such stores sell said product direct to the consuming public with representations accompanying the containers of the same as hereinafter described.

PAR. 2. In the course and conduct of said business respondent is in substantial competition with individuals, copartnerships, and corporations engaged in the manufacture and sale, or the sale, and transportation between and among the various States of the United States, of books and treatises dealing with the subject of obesity and cures therefor and of sundry medical remedies and surgical instruments and appliances used in the treatment of the sick and injured and obese in commerce between and among various States of the United States.

PAR. 3. In aid of the sale of the said Carlsbad Sprudel Salt the respondent represents upon the labels of the containers thereof and in literature accompanying the same and in magazines having general circulation in the States of the United States, in newspapers, in letters, through and by means of circulars, booklets, and other printed matter containing purported testimonials, and other literature, and through and by means of employees, solicitors and agents, and in and through such media said respondent in order to induce the public to purchase said Carlsbad Sprudel Salt, makes and has made and caused to be made many false and misleading and deceptive statements concerning said Carlsbad Sprudel Salt. Among such representations so made are the following:

That the use of Carlsbad Sprudel Salt will reduce weight 16 pounds in 8 days;

That it will cause a person to lose excess fat;

That it is the sanest and safest remedy for surplus fat;

That through its use one may reduce without rigid diet or exercise;

That it will remove pimples, blackheads, blotches, and blemishes along with excess fat;

That it is an excellent remedy for the relief of stomach troubles, intestinal disorders, rheumatism, kidney disorders, gallstones, neuritis;

That self-medication with the respondent's said product is just as efficacious as a complete treatment at Carlsbad Spring;

That physicians all over the world recommend the use of respondent's said product;

That it has therapeutic value and effect and is proper and efficacious treatment in the following diseases of the human body: Adiposis, hypochondria, chronic constipation, enlargement of the liver, jaundice, catarrhal inflammation of the stomach, dyspepsia, chronic pelvic cellulitis, marasmus, chronic rheumatism where joints are enlarged, gravel, ague cake, cancer of the stomach, dropsy from valvular heart disease, gouty nodules or fat, dilation of stomach, enlarged spleen.

PAR. 4. The advertising of the respondent described in the preceding paragraph is false and misleading in that:

(a) The use of Carlsbad Sprudel Salt will not cause a person to lose 16 pounds of flesh or fat in 8 days;

It will not cause a person to get rid of excess fat;

It is not the safest, sanest and most beneficial antifat remedy;

It does not quickly or at all clean off pimples, blackheads, blotches, and blemishes, and get rid of excess fat.

(b) That the use of said Carlsbad Sprudel Salt will not cure, aid in the cure, nor is its use proper or efficacious treatment for any of the diseases or afflictions mentioned in the preceding paragraph hereof;

Nor will it cure or relieve diseases, sicknesses, or ailments of mankind of any kind or nature;

Nor does it possess therapeutic value in the treatment of such diseases, sicknesses or ailments.

(c) Self-medication with said Sprudel Salt is not as efficacious as a complete treatment at Carlsbad Spring.

(d) Physicians all over the world do not recommend the use of respondent's product, and physicians of repute do not recommend its use in the diseases and afflictions mentioned in paragraph 3 hereof.

PAR. 5. The aforesaid false, misleading, and deceptive statements and representations used by respondent, as in this complaint heretofore set forth, have and have had the capacity and tendency to and

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do induce the public to purchase and use the said Carlsbad Sprudel Salt in the belief that said statements and representations are true, and to divert trade to this respondent from its said competitors.

PAR. 6. The above alleged acts and practices of the respondent, Carlsbad Products Company, Inc., are each and all to the prejudice of the public and to the competitors of the respondent, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Carlsbad Products Company, Inc., a corporation, the respondent herein, by its president, H. M. Kiesewetter, having filed its supplemental and amended answer to the complaint in this case, in which supplemental and amended answer it states that it desires to waive hearing on the charges set forth in the complaint herein and not to contest the proceeding, consenting in and by its said supplemental and amended answer that, as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission, without trial, without evidence and without findings as to the facts or other intervening procedure may make, enter and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having duly considered the said supplemental and amended answer and being fully advised in the premises—

Now, therefore, it is hereby ordered, That said Carlsbad Products Company, Inc., a corporation, the said respondent, its officers, agents, servants, and employees, in the sale and offering for sale by it in interstate commerce and in the District of Columbia of Carlsbad Sprudel Salt forthwith cease and desist from representing:

(a) By radio broadcast, by labels on the containers in which said Carlsbad Sprudel Salt is shipped, in literature accompanying same, in magazines having general circulation in the States of the United States, in newspapers, in letters, circulars, booklets, purported testimonials, and in any other form of advertising, that said Carlsbad Sprudel Salt will reduce the weight of the human body.

(b) That the use of Carlsbad Sprudel Salt will reduce weight 16 pounds in 8 days, or in any other period.

(c) That it will cause a person to lose excess fat.

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(d) That it is the safest and sanest remedy for surplus fat, or that it is a remedy at all for surplus fat.

(e) That through its use one may reduce without rigid diet or exercise.

(f) That it is an excellent or other remedy for the relief of gallstones.

(g) That it will of itself remove pimples, blackheads, blotches, and blemishes along with excess fat.

(h) That self-medication with the respondent's said product is just as efficacious as a complete treatment at Carlsbad Spring.

(i) That it is of itself a cure and remedy for: Adiposis, hypochondria, enlargement of the liver, jaundice, chronic pelvic cellulitis, marasmus, chronic rheumatism where joints are enlarged, gravel, ague cake, cancer of the stomach, dropsy from valvular heart disease, gouty nodules or fat, dilation of stomach, enlarged spleen.

And it is hereby further ordered, That the said respondent shall within 60 days from the date of the service upon it of this order file with this Commission a report in writing, setting forth the manner and form in which it has complied with this order.

Syllabus

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IN THE MATTER OF

MARCUS A. WEINBERG AND BELLE WEINBERG, TRADING AS CRONIN CHINA COMPANY, PUBLICITY DEPARTMENT, AND LEIGH CHINA COMPANY, PUBLICITY DEPARTMENT

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

Docket 2378. Complaint, Apr. 26, 1935—Order, Sept. 30, 1935

Consent order requiring respondents, doing business as aforesaid, their agents, etc., in connection with the offer for sale or sale in interstate commerce of certificates, coupons, or written or printed matter, redeemable or purportedly redeemable in china, chinaware, or earthenware, through advertisements in magazines, newspapers, or written or printed matter or through radio broadcasting or representations of agents or salesmen, to cease and desist from—

- (a) Falsely representing that they are connected as agents or otherwise with the Cronin China Company, the Leigh China Company, or any individual, partnership, or corporation, except as a purchaser of their merchandise, or using the words "publicity department" immediately after the names of said companies or in any connection therewith in their advertisements of any kind or on letterheads or stationery, unless and until they become or are the publicity department or departments of such companies;
- (b) Representing in connection with the sale of said certificates, etc., to merchants, dealers, or others that said certificates, etc., redeemable in china, chinaware, or earthenware will be sold to them at a cost of 15 cents each, without further payment therefor either by merchant or dealer or their customers among whom such certificates, coupons, cards, or tickets are distributed, unless or until such is the fact and respondents have adopted and are following such practice;
- (c) Representing that said certificates, etc., will be redeemed with a thirteen-piece set of chinaware which will be sent to customers of local merchants or dealers on receipt from such customers of the certificate, coupon, card or ticket duly signed and accompanied by a small charge to cover the cost of packing, postage, or transportation, unless or until the precise amount to be paid for packing, postage or transportation is disclosed to the retail dealer at the time of his purchase of such certificates, coupons, cards or tickets; and
- (d) Representing to the retail dealers to whom they sell such certificates, etc., that the 15 cents paid for each one of them will be returned to such retail dealers or other purchasers of the certificates, cards, coupons, or tickets as and when customers forward them to respondents accompanied by amount necessary for postage and packing, unless or until such is the fact, and respondents have adopted and are following such practice.

Mr. James M. Brinson for the Commission.

Complaint

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Marcus A. Weinberg and Belle Weinberg, trading as Cronin China Company, Publicity Department, and Leigh China Company, Publicity Department, hereinafter designated respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondents, Marcus A. Weinberg and Belle Weinberg, trading as Cronin China Company, Publicity Department, or Leigh China Company, Publicity Department, have been for several years last past and now are engaged in the business of offering for sale and selling earthenware or chinaware in commerce among and between the various States of the United States and the District of Columbia. Their principal office and place of business while trading under the name of Cronin China Company, Publicity Department, was Chicago, Ill. When they commenced to trade as Leigh China Company, Publicity Department, they established and since then have maintained an office and place of business at Sebring, Ohio, in addition to their office at Chicago, Ill. Respondents have not been and are not manufacturers of the earthenware or chinaware offered for sale or sold by them, but have purchased and now purchase it from the manufacturers thereof.

It has been and is the practice of respondents, as described in paragraphs 2 and 3 hereof, to offer for sale and sell such earthenware or chinaware by means of the sale of premium certificates redeemable in earthenware or chinaware to merchants and dealers of various kinds, or others engaged in the class or type of business in which such premium certificates could or can be used. It has been and is their practice in the course and conduct of such business, whether trading as Cronin China Company, Publicity Department, or Leigh China Company, Publicity Department, to cause such premium certificates when sold to be transported from their place or places of business in the State of Illinois or the State of Ohio to purchasers located in the various States of the United States other than the States of Illinois and Ohio. It has also been and is the practice of respondents to transport or cause to be transported

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earthenware or chinaware for redemption of such premium certificates, from their said places of business into and through the various States of the United States other than the States of Illinois and Ohio.

In the course and conduct of their business respondents have been and each of them has been in substantial competition with individuals, partnerships, and corporations engaged in the sale and distribution in interstate commerce of china, chinaware, earthenware, glassware, and similar products for table service.

PAR. 2. Sometime in 1933 respondents began to trade by or under the firm name and style of Cronin China Company, Publicity Department. Cronin China Company is a well and favorably known manufacturer of earthenware and chinaware. Respondents have not had and do not have any connection with or relationship to such Cronin China Company, except as a purchaser of its products.

It was the practice of respondents trading as Cronin China Company, Publicity Department, to use the premium certificate plan of selling earthenware or chinaware through the agency of salesmen. They have supplied or equipped such salesmen with forms of a contract described by respondents as an "Agreement of Cooperation", which the salesmen have been instructed to submit to local merchants or proprietors of the various classes or types of business in connection with which the premium certificate plan could or can be used. As inducements for the purchase of such premium certificates respondents have falsely represented through their salesmen to such local merchants and others that they were the publicity department and sales agency of the Cronin China Company and were, on behalf of such company, presenting a premium certificate plan for the sale of its earthenware or chinaware, which if employed by such local merchants and others would greatly advertise and stimulate their business; that each certificate would cost 15 cents; that it would be redeemed by respondents with a thirteen piece set of chinaware which would be sent to customers of the local merchants or others purchasing from respondents such premium certificates on receipt from such customers of the premium certificate duly signed and accompanied by a small amount to cover the cost of packing and postage or transportation. The amount of this expense respondents have failed to disclose in the form of contract submitted to local merchants and others by their salesmen. It was the general practice of such salesmen to represent this cost at various amounts, always small, usually the amount necessary for parcel postage from the place or places of business of respondents to the particular locality of the solicited merchant or other business concern.

It was provided in such proposed agreements submitted by respondents through their salesmen to the local merchants or others that when customers of such local merchants and other purchasers of the certificates forwarded such certificates to respondents for redemption, the original purchase price of the certificates, to wit, fifteen cents, would be returned to such local merchants and other original purchasers of the redeemed certificates. It was the practice of respondents through their salesmen to represent that this provision of the agreement would furnish such local merchants or other purchasers of the premium certificates valuable advertisement for their business at no expense whatever. It was the practice of respondents to furnish the local merchants and other purchasers of their premium certificates a sample set of the chinaware or earthenware for display, together with printed matter for advertising uses, and also to promise a commission for all chinaware or earthenware sold by respondents through the cooperation of such local merchants and other purchasers of the premium certificates.

It was the practice of respondents while so trading as Cronin China Company to require the local merchants or other business concerns purchasing their premium certificates to pay one-third in advance and two-thirds on delivery of the premium certificates, together with the sample set and printed matter.

The premium certificate plan of respondents contemplated or provided for the distribution of the premium certificates by local merchants and other purchasers of them among customers in order to advertise and stimulate the business of the local merchants or other business concerns purchasing and distributing such premium certificates. Under the plan of respondent, local merchants and others purchasing the premium certificates and distributing them among their customers were allowed to determine for themselves the amount of merchandise it was necessary for the customer to purchase in order to obtain a premium certificate.

It has been the practice of respondents after their salesmen have induced local merchants or others to sign such contracts to forward to them with the premium certificates and the sample set of chinaware a printed card requesting the local merchants or other business concerns to notify customers to send to respondent with the certificates, when seeking to redeem them, the amount stated on such card. This amount has varied from \$1.20 to \$1.80, depending on the parcel post zone and usually it has been approximately five times the amount represented by the salesmen to the local merchants or others when soliciting their signatures to the said agreement of cooperation. The amount so required on the card has usually been

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substantially more than the price at which the customer could purchase chinaware or earthenware of the same grade or quality at stores in their own communities. The local merchants or others who have been so induced by respondents through their salesmen to enter into such agreements of cooperation have had no knowledge of this amount so substantially in excess of the amount stated to them by respondents through their agents, until receipt of such card, after their payment of the purchase price of the certificates to respondents. As a result they have been compelled either to lose the amount so paid to respondents, or to offer their customers as a premium, chinaware or earthenware which could be purchased by them at less cost in local stores.

PAR. 3. On or about June 27, 1934, respondents began to trade by or under the name of Leigh China Company, Publicity Department, and they are now trading under such firm name and style. The Leigh China Company is a manufacturer of earthenware or chinaware at Sebring, Ohio. Its products are well and favorably known by the purchasing public. Respondents have been permitted to use such trade name by the Leigh China Company so long as they sell its products, although they do not have any relationship to the Leigh China Company except that of purchasers of its chinaware or earthenware. It has been and is the policy and practice of respondents to withhold this fact from purchasers and prospective purchasers of their premium certificates and their salesmen or agents in soliciting business from local merchants and others have followed the same practices pursued by respondents when soliciting business under the name Cronin China Company, Publicity Department, except as hereinafter stated. They have represented themselves as salesmen of the Leigh China Company and have supported or attempted to support such false representations by reference to the location of respondents' place of business at Sebring, Ohio, which is also the place of business of the Leigh China Company.

It has been and is the practice of respondents, trading as the Leigh China Company, Publicity Department, to require the payment of 20 cents for each of the certificates calling for Leigh Chinaware or earthenware, with 25 cents of the total purchase price payable in cash and the remainder on delivery, instead of fifteen cents for each certificate and one-third of the total amount payable in cash and two-thirds on delivery as was their practice when operating under the name of Cronin China Company.

Respondents have also represented and continue to represent that the chinaware or earthenware with which the Leigh certificates are to be redeemed was and is of the first or highest grade, when in truth

and in fact it has been their practice to redeem and they are redeeming such certificates with the ware known as "run of the kiln" or "seconds", which is substantially inferior to the first or high grade product promised by them.

It has been and is the practice of respondents by or through their salesmen to represent to local merchants or others to whom their premium certificates have been or are sold, just as they have represented when soliciting purchasers under the trade name Cronin China Company, Publicity Department, that the amount of money to be transmitted to them by customers for redemption of the certificates was so small as to be merely nominal and in all instances substantially less than the amount found by the local merchants and others to be necessary after completion of the payments to respondents for such certificates.

PAR. 4. There have been and are individuals, partnerships and corporations offering for sale and selling in interstate commerce in competition with respondents china, chinaware, earthenware, glassware, and similar products for table service.

PAR. 5. The acts and practices of respondents described in paragraphs 2 and 3 hereof have had and have the capacity and tendency to mislead and deceive the purchasing public into the belief that respondents have been and are connected with and related to the Cronin China Company and the Leigh China Company and that in entering into agreements or contracts with respondents they have been entering into agreements or contracts with the Cronin China Company or the Leigh China Company, and that the representations of respondents through their salesmen relative to the redemption of the premium certificates have been and are true, and into the purchase of such certificates redeemable in earthenware or chinaware in reliance upon such erroneous belief.

The aforesaid acts and practices of respondents have had and have the capacity and tendency to divert trade to respondents from and otherwise injure competitors offering for sale and selling china, chinaware, earthenware, glassware, or similar products for table service, truthfully described or represented.

PAR. 6. The aforesaid acts and practices of respondents have been and are all to the prejudice and injury of the public and of respondents' competitors and have been and are unfair methods of competition in violation of the provisions of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

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ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of respondents Marcus A. Weinberg and Belle Weinberg, trading as Cronin China Company, Publicity Department, and Leigh China Company, Publicity Department, in which answer respondents, in pursuance of paragraph (b) of Rule V of the Commission's Rules of Practice, announce their desire not to contest the proceeding and consent as therein provided that the Commission may make, enter and serve upon said respondents an order to cease and desist from the violations of law charged in the complaint, and the Commission having considered the record and being fully advised in the premises—

It is ordered, That respondents Marcus A. Weinberg and Belle Weinberg, trading as Cronin China Company, Publicity Department, and Leigh China Company, Publicity Department, and their agents, employees and representatives, in connection with offering for sale or selling in interstate commerce certificates, coupons, tickets, cards, or any written or printed matter, redeemable or purporting to be redeemable in china, chinaware or earthenware, by means of advertisements in magazines, newspapers, or through any written or printed matter, radio broadcasting or representations of their agents or salesmen, do cease and desist directly and indirectly from:

1. Representing that they are connected as agents or otherwise with the Cronin China Company, the Leigh China Company, or any individual, partnership, or corporation, except as a purchaser of their merchandise, unless or until such is the fact.

2. Using the words "publicity department" immediately after the words "Cronin China Company" or in any connection therewith, or the words "publicity department" immediately after the words "Leigh China Company" or in any connection therewith in their advertisements of any kind or on letterheads or stationery, unless or until they become or are the publicity department or departments of such companies.

3. Representing in connection with the sale of certificates, coupons, cards, tickets or any form of printed or written matter to merchants, dealers or others that such certificates, coupons, cards or tickets redeemable in china, chinaware or earthenware will be sold to them at a cost of 15 cents each, without further payment therefor either by merchant or dealer or their customers among whom such certificates, coupons, cards, or tickets are distributed, unless or until such is

the fact and respondents have adopted and are following such practice.

4. Representing that such certificates, coupons, cards or tickets will be redeemed with a 13-piece set of chinaware which would be sent to customers of local merchants or dealers on receipt from such customers of the certificate, coupon, card, or ticket duly signed and accompanied by a small charge to cover the cost of packing, postage or transportation, unless or until the precise amount to be paid for packing, postage, or transportation is disclosed to the retail dealer at the time of his purchase of such certificates, coupons, cards or tickets.

5. Representing to the retail dealers to whom they sell such certificates, tickets, coupons or cards that the 15 cents paid for each one of them will be returned to such retail dealers or other purchasers of the certificates, cards, coupons or tickets as and when customers forward them to respondents accompanied by amount necessary for postage, and packing, unless or until such is the fact, and respondents have adopted and are following such practice.

It is further ordered, That the respondents shall within 60 days after the service upon them of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinabove set forth.

Complaint

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IN THE MATTER OF
PIONEER MAPLE PRODUCTS COMPANY

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

Docket 2510. Complaint, Aug. 10, 1935—Order, Sept. 30, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the sale or offer for sale in interstate commerce by it of its "Bucket Syrup", forthwith to cease and desist from using in circulars, labels, or in any other way any such descriptions or designations regarding such product as "maple goodness", "the mellow richness of pure New England maple", "this tangy maple syrup", "subtle maple flavor", "gorgeous maple syrup", "here's maple at its delicious best", "old time maple syrup * * *", "New England maple", and "rich, mellow maple", until and unless such "Bucket Syrup" is made entirely of maple syrup or is substantially made of maple syrup, in which latter event the presence and percentage of the other ingredient or ingredients shall be stated, named and specified.

Mr. Joseph C. Fehr for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Pioneer Maple Products Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent, Pioneer Maple Products Company, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal place of business located in the city of St. Paul, in the State of Minnesota. It is now and for more than one year last past has been engaged in the business of manufacturing syrups, one brand of which it designates "Bucket Syrup", and in the sale and distribution thereof in commerce between and among various States of the United States. It causes and has caused said products, when sold, to be shipped from its place of business in the State of Minnesota to purchasers thereof located in a State or States other than Minnesota. In the course and conduct of its business, Pioneer Maple

Products Company has been at all times herein referred to in substantial competition with other corporations, individuals, firms, and partnerships also engaged in the sale and distribution in interstate commerce of maple syrup and other kinds of syrup.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, Pioneer Maple Products Company, in soliciting the sale of and selling its product designated "Bucket Syrup" in interstate commerce, caused the same to be advertised in newspapers having interstate circulation. These advertisements contained various statements among which are the following:

Now you can enjoy that tangy maple goodness in Bucket Syrup. For Bucket Syrup captures and treasures the unmatched flavor of genuine, selected maple by blending it with pure cane sugar.

Under the caption "Selected Maple Used" appeared and still appear the words:

The mellow richness of pure New England maple and the exquisite flavor of maple from Quebec province are captured and treasured in Bucket Syrup.

This was and is followed by the statement "blended with pure cane sugar".

Other statements set forth in said advertising matter referred and still refer to said product as "this tangy maple syrup", "subtle maple flavor", "gorgeous maple syrup", and

Here's maple at its delicious best! Why? Because it's a secret blend of the best maples obtainable—New England maple for its mellow richness, Canadian maple for delicious flavor, and just the right amount of pure cane sugar.

PAR. 3. Said respondent also makes and publishes to the public and to purchasers and prospective purchasers sales talks by radio transmission at and out of radio broadcasting stations located in Seattle, Wash., and in San Francisco, Calif., and having hook-ups with radio stations located in other States of the United States, by means of which the said product was, and is, variously represented and referred to, among other things, as follows:

It has a mellow richness that will remind you of old time maple syrup—for it is made with genuine selected maples from New England and Canada.

Two kinds of choice maples contribute to the distinctive flavor of Bucket Syrup but it's the genius of Towle blending that makes it deliciously different, and

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New England maple, known for its mellow richness, is combined with Canadian maple famed for its delicate flavor. Blended in Bucket Syrup, they give a richness and tang that cannot be found in any other syrup.

PAR. 4. The said respondent also distributes other advertising matter in interstate commerce by way of catalogs and other publications, and in divers other ways and by divers other means, represents its product to be "rich, mellow maple * * *."

PAR. 5. All of said statements and representations set forth in paragraphs 2, 3, and 4, in so far as they relate to "maple goodness", "the mellow richness of pure New England maple", "this tangy maple syrup", "subtle maple flavor", "gorgeous maple syrup", "here's maple at its delicious best", "old time maple syrup * * *", "New England maple" and "rich, mellow maple" are, and each of them is, incorrect, untrue, false, and misleading.

PAR. 6. In truth and in fact the said product is admittedly not composed wholly of maple syrup, but consists of approximately 70 percent of cane sugar syrup, nor is the product composed of such a substantial quantity of maple as to justify any of the aforesaid statements which represent said product to be a blend in which maple is the predominant and principal ingredient.

PAR. 7. There are among the competitors of the respondent in interstate commerce and have been for more than one year last past manufacturers of pure maple syrups who so advertise and represent their products. There are also among the competitors of the respondent in interstate commerce and have been for more than one year last past manufacturers of syrups whose products are blends made from pure maple syrup and other ingredients but who truthfully advertise and represent their products to be maple syrup blended with other ingredients and who do not mislead purchasers or prospective purchasers into the belief that their syrups are pure maple syrups or that maple syrup is the chief ingredient contrary to the fact. The use by respondent of said methods, acts and practices as above set forth had, and has, the tendency and capacity unfairly to divert trade and custom to respondent from its said competitors to the substantial injury of said competitors, and also has the tendency and capacity to injure the public by inducing purchasers and prospective purchasers into purchasing respondent's said "Bucket Syrup" in, and because of, the erroneous belief that said incorrect, untrue, false and misleading statements and representations so made by respondent are true.

Said acts and practices of respondent are all to the prejudice and injury of the public and of respondent's competitors and constitute

unfair methods of competition in or affecting commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended.

ORDER TO CEASE AND DESIST

The respondent herein, Pioneer Maple Products Company, having filed its answer to the complaint herein and having in and by such answer waived hearing on the charges set forth in the complaint herein, and having stated in its said answer that it does not contest the said proceeding, and having consented in and by its said answer that the Commission, without trial, without evidence, without findings as to the facts or other intervening procedure, might make, enter, issue, and serve upon the said respondent an order to cease and desist from the methods of competition alleged in the complaint; and the Commission having duly considered the same and being fully advised in the premises—

Now, therefore, it is hereby ordered, That the respondent, Pioneer Maple Products Company, its officers, agents, servants, and employees in connection with the sale, or the offering for sale, in interstate commerce, by said Pioneer Maple Products Company of a brand of syrup called by it "Bucket Syrup" forthwith cease and desist from using in circulars, advertising on labels, or in any other way any of the following descriptions, designations, or statements regarding such Bucket Syrup, or any other word or words of similar tenor, import or substance:

- (a) Maple goodness.
- (b) The mellow richness of pure New England maple.
- (c) This tangy maple syrup.
- (d) Subtle maple flavor.
- (e) Gorgeous maple syrup.
- (f) Here's maple at its delicious best.
- (g) Old time maple syrup * * *.
- (h) New England maple, and
- (i) Rich, mellow maple.

until and unless such Bucket Syrup is made entirely of maple syrup or is substantially made of maple syrup in which latter event the presence and percentage of the other ingredient or ingredients shall be stated, named, and specified.

And it is hereby further ordered, That the said respondent shall within 60 days from the day of the date of the service upon it of this order file with this Commission its report in writing stating the manner and form in which it shall have complied with this order.

Complaint

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IN THE MATTER OF

HARRY GABOVITCH, DOING BUSINESS AS BANNER
NOVELTY COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF
AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2507. Complaint, Aug. 1, 1935—Order, Oct. 1, 1935*

Consent order requiring respondent, doing business as aforesaid, his agents, etc., in connection with the sale or offer for sale in commerce among the several States and in the District of Columbia, of general merchandise and peddlers' supplies, including soaps, flavoring compounds, toilet articles, and household novelties, to cease and desist from—

- (a) Advertising or marking any of the products specified as aforesaid with fictitious, and exaggerated prices, and making any false, fictitious, or misleading statements concerning the value or the prices at which said products, or any of them, are sold or intended to be sold in the usual course of trade, or representing such soaps, food flavorings, or other products, sold in combination deals or otherwise, to have regular retail prices which were and are fictitious and greatly in excess of the prices at which such or similar products are usually sold, or were intended to be sold, and representing to buyers values greatly in excess of the values of such or similar products;
- (b) Using the words "vanilla", "lemon", "walnut", "almond", "maple", "banana", "orange", "strawberry", or similar words descriptive of certain fruits, nuts, berries, or beans, in combination or in connection with the word "extract", until and unless the product is composed of genuine ingredients as distinguished from synthetic chemical substitutes, and such ingredients are suspended in ethyl alcohol; or
- (c) Stating or representing in advertisements and advertising matter, by the use of printed words or pictorial representations, that he owns and occupies a large office and warehouse building, until he does own and operate such a building.

Mr. J. T. Welch for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Harry Gabovitch, doing business under the trade name and style of Banner Novelty Company, hereinafter designated as respondent, is now, and has been, using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating the charges in that respect as follows:

PARAGRAPH 1. Respondent, Harry Gabovitch, is an individual who is now, and has been at all times mentioned herein, doing business

under the trade name and style of Banner Novelty Company at 727 West Madison Street, Chicago, Ill. Respondent is now, and has been, engaged in the business of selling peddlers' supplies, including soaps, flavoring compounds, toilet articles, and household novelties, to peddlers and small retailers for resale, and to others, for personal use and consumption, in commerce as herein set out.

PAR. 2. Said respondent, being engaged in business as aforesaid, causes said peddlers' supplies, including soaps, flavoring compounds, toilet articles, and household novelties, when sold, to be transported from his principal office and place of business in the State of Illinois to the purchasers thereof located in other States of the United States and in the District of Columbia, and there is now, and has been at all times mentioned herein, a constant current of trade and commerce in said above described products sold by respondent, between and among the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of his said business, respondent is now, and has been, in substantial competition with other individuals, firms, and corporations likewise engaged in the business of selling peddlers' supplies, including soaps, flavoring compounds, toilet articles, and household novelties as herein set out, in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 4. Respondent, in the course and conduct of his business, as detailed in paragraphs 1 and 2 hereof, has had printed and circulated, through the United States mails, to his customers and prospective customers in the various States of the United States, a combination catalog and price list. The catalog and price list so circulated purports to be descriptive of the merchandise offered for sale and sold by the respondent.

Many articles and items of merchandise listed in said catalog and offered for sale by the respondent are described as possessing retail values many times in excess of the actual selling price by the respondent to the peddler, retailer, or other purchaser, and many times in excess of the actual value thereof. A number of the said items and articles of merchandise, described in said catalog, have retail prices stamped or printed thereon, on the labels attached thereto, or on the containers in which they are offered for sale and sold to the public. The retail prices, so stamped or printed as aforesaid are many times in excess of the actual selling price of the said items or articles of merchandise by the peddler or retailer to the consuming public, and are many times in excess of their true and actual value. The retail prices so stamped or printed as aforesaid, are false and fictitious and in no sense represent either the true value or the true selling price of the articles so price marked.

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Among the items advertised in the aforesaid catalog in connection with which false and fictitious retail prices have been affixed, either to the article itself or to the container thereof, are the following:

(1) Castile Soap, Satin Skin Soap, Mona Mentholated Skin Soap, Medicated Skin Soap, Dr. Clark's Health Soap. An outstanding assortment of soaps that will bring you repeat business. Packed three bars to a beautiful lithographed box. All boxes have price mark of 75 cents. Do not confuse these soaps with smaller guest sizes. Box (three bars) 7½ cents.

(2) Seven Cake Assortment. An attractive printed box of seven soaps comprised of Castile Soap, Lemon Soap, Vegetable Oil Soap, Rose Toilet Soap, Violet Soap, Germicide Soap and Shaving Soap. Each, \$1 price marked. Box complete, 12½ cents.

(3) Dental Cream. Marked 25 cents and 35 cents. Assorted brands. Royal Blue, Dr. Sachs, D. D. S. Gential Grandeur, Milk of Magnesia and peppermint type. All fine quality creams, dozen 65 cents.

(4) Dental Cream. Large Size. Marked 50 cents and 60 cents. Same assortment as above (referring to Item 3). Dozen 90 cents.

(5) Shaving Cream. Marked 35 cents. Assorted Brands. Stetson, Sterling, etc. Brushless or lather type. Packed in highly lithographed boxes. Dozen 65 cents.

(6) Honor Brushless Shaving Cream. 60-cent size. A cream of merit, dozen 84 cents.

(7) Elgin Shaving Cream. 60-cent size. Lather type. Only one brand, but the best. Contains bay rum which prevents irritation and leaves a soothing and cool feeling to the most tender skin. Dozen \$1.20.

(8) Flavoring extracts. Vanilla, Lemon, Walnut. Fruit flavoring of lasting merit, 4 ounce size label priced 50 cents. Dozen 60 cents. 8-ounce size label priced \$1. Dozen 78 cents.

(9) Goodrich Razor Blade Sharpener. Best Sharpener made, known from coast to coast for its extraordinary ability. Price mark on one box \$1. Dozen 72 cents.

(10) Five piece set. Set consists of 8-ounce bottle vanilla extract, priced \$1; one 8-ounce bottle lemon extract, priced \$1; a jar of cold cream and a box of face powder in fancy box, fastest selling deal on the market today. Complete 27 cents.

The retail prices, as indicated above, appearing on the items of merchandise or on the containers thereof, were not intended by either the respondent or the purchaser purchasing for resale, to be the true retail price or the true retail value of the merchandise so price marked. The retail prices, as indicated, appearing on the items of merchandise or on the containers thereof, were intended by the respondent and by the purchaser purchasing for resale, to be far in excess of the price intended to be charged and actually charged on a sale of merchandise to the ultimate consumer purchasing in the usual course of trade, and far in excess of the true value of the various items of merchandise so price marked.

PAR. 5. Further, said respondent, in his catalog and price list, distributed as aforesaid, has used the term "flavoring extracts" to de-

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scribe imitation flavoring compounds which lack the necessary alcohol content required as a vehicle for carrying genuine flavoring extracts. The said flavoring compounds, misleadingly and falsely described by the respondent in his catalog as "flavoring extracts", are truthfully and correctly labeled by the manufacturer thereof as follows:

A BEST VALUE product. Imitation vanilla flavoring. No alcohol. 8 fluid ounces. Composed of vanillin, coumarin, caramel color. Price, \$1. Distributed by Best Value Sales Company, New York and Chicago.

The flavoring compounds above described are correctly and truthfully labeled by the manufacturer thereof as imitation flavorings composed of chemical substitutes suspended in oils or gum emulsions and do not contain either alcohol or extractions of juices from berries, beans, or nuts. Over a period of many years the trade and the public generally have been led to, and they now do, believe and consider a "flavoring extract" to be a flavoring compound wherein the flavoring is secured by extraction of juices from beans, berries, nuts, or fruits. These juices are then suspended in alcohol which is recognized as the most valuable and desirable vehicle that can be used for dissolving and preserving extractions of juice from beans, berries, nuts, or fruits.

PAR. 6. Respondent, in circulating his said catalog and price list, as aforesaid, has caused to be depicted on the front cover thereof a picturization of a large building several stories in height and having a large street frontage. Under the picturization above referred to there appears the following words: "General Offices and Warehouse." The picturization of the said building, used as aforesaid in connection with respondent's catalog, serves as a representation that respondent either owns, operates, or occupies the building thus picturized and is, in truth and in fact, operating his business on a large scale.

In truth and in fact, respondent does not own the building thus depicted on the front cover of his catalog and occupies only a very small portion of the building above referred to, if he occupies any part of it at all, and the picturization of said building, purported to represent the size and character of respondent's business operations, is a gross exaggeration and is false and misleading.

PAR. 7. Over a period of many years manufacturers have, in many trades, formed the custom of marking or stamping on the article or item of manufacture, or on the container thereof, the retail price at which said manufacturers suggest the retailer should sell the item or articles to the ultimate consumer purchaser. This suggested retail price, so stamped or marked, is intended to represent the cost of the manufacture of the article plus a reasonable profit for the manufacturer and retailer and, consequently, to represent the approximate retail sale value of the item. The range of the

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suggested retail price is intended by the manufacturer to be indicative of the quality and character of the ingredients used and the process by which the item is manufactured. The public generally understands the custom herein detailed and has been led to, and does, place its confidence in the price markings so stamped and the representations thereby made as to the quality of the product to the extent that it purchases a substantial volume of merchandise in reliance on this aforesaid custom.

For many years a substantial portion of the consuming public has expressed, and has had, a marked preference for soaps, dental creams, shaving creams, toilet articles, flavoring extracts and similar household novelties that are composed of superior ingredients and are produced by the manufacturer thereof with the intent and design of selling said products for prices in excess of the general and usual range of prices for similar products manufactured with the usual and customary ingredients or with inferior ingredients. Said manufacturers, following the custom herein detailed, have marked or stamped the suggested retail prices on said products as in indication of the superior quality and character of the product and its resulting higher value. Whenever a genuinely superior product, so stamped or marked with the retail price thereof, is offered for sale at a substantially reduced price, the general purchasing public has been led to believe, and does believe, that in purchasing said product it is securing a bargain not ordinarily obtainable in the usual course of trade. The purchasing public has a preference for purchasing genuinely superior products sold at less than the customary retail value thereof, over ordinary products sold for the regular price which is lower than the normal retail price of the superior product in the customary course of trade.

Also, a substantial portion of the purchasing public has expressed and has had, a marked preference for genuine "flavoring extracts", as that term is known and used by the trade and public generally, over any imitation flavoring compounds composed of synthetic substitutes and chemicals suspended in inferior oils or emulsions. The cost of producing genuine flavoring extracts is greatly in excess of the cost of producing imitation flavoring compounds.

Also, a substantial portion of the purchasing public has a marked preference for dealing with and purchasing items of merchandise from manufacturers or distributors who operate on a large scale and do a large volume of business, believing that superior quality and closer prices can be secured by dealing with such distributor.

PAR. 8. The false and misleading advertising and representations hereinabove set out, together with the false and fictitious price markings herein set out, on the part of the respondent, places in the hands

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of the aforesaid peddlers and retailers, buying for resale, an instrument and a means whereby said peddlers and retailers may commit a fraud upon a substantial portion of the consuming public by enabling such dealers to represent and offer for sale, and sell, the said peddlers' supplies, including soap, shaving cream, dental cream, flavoring extract, and household novelties, hereinabove described in detail in paragraph 4, as genuinely superior products produced by the manufacturer thereof with the intent and purpose of selling the said products in the usual course of trade to the general consuming public at and for a retail price stamped on the products or on their containers.

In truth and in fact the same merchandise described in paragraph 4 is not a superior product normally sold in the usual channels of trade for the retail price stamped on the product itself or on the container thereof, or for any price closely approaching the said stamped retail price.

There are among the competitors of respondent many who do not advertise or represent through their catalogs that the merchandise offered for sale by them is stamped or marked with price marks greatly exceeding the actual intended retail sale value or retail sale price of the merchandise offered for sale, and who do not advertise or represent through their catalogs that various flavoring compounds are "flavoring extracts", as that term is known and understood by the trade and public generally. There are many among respondent's competitors who manufacture, distribute and sell flavoring compounds composed of synthetic materials and suspended in oils or gum emulsions, and who do not advertise said products as "flavoring extracts"; and many of respondent's competitors manufacture, distribute and sell food flavorings that are properly and lawfully designated as "extracts" and are composed of superior ingredients and suspended in the proper alcoholic vehicles.

PAR. 9. The effect of the foregoing false and misleading representations and acts of the respondent in selling and offering for sale items of merchandise as described in paragraph 4, with false and fictitious price marks stamped thereon, in representing himself to be a large scale distributor by the picturization of a large warehouse on his catalog, and in representing certain products to be "flavoring extracts" when said products were merely flavoring compounds, is to mislead a substantial portion of the consuming public in the several States of the United States by inducing them to believe:

(1) That the various items of merchandise described in respondent's catalog, as shown herein in paragraph 4, were and are superior products manufactured with the intent and purpose on the part of the manufacturer that said products would be

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sold at retail at a price closely approximating the price stamped thereon.

(2) That said products above described and referred to, because of the price marks affixed or stamped thereon, are products composed of superior ingredients and are products that ordinarily retail, in the usual course of trade, for prices closely approximating the prices stamped on said merchandise.

(3) That the respondent is a large scale operator and distributor and conducts his business on such a scale as to assure purchasers of superior quality and closer prices by trading with such operator.

The effect of the foregoing false and misleading representations of the respondent with respect to describing certain of its products as "flavoring extracts" is to mislead a substantial number of peddlers and retailers, as well as a substantial portion of the consuming public, to believe that the products so advertised are composed of genuine flavoring extracts and suspended in alcohol, and that said products fall within the class of products commonly known to the trade and public generally as "extracts".

The foregoing false and misleading statements and representations on the part of respondent are added inducements for a substantial number of peddlers and retail merchants, as well as consumer purchasers, to buy the products distributed and offered for sale by respondent, and have a tendency and capacity to, and do, divert a substantial volume of trade from competitors of respondent engaged in similar businesses, with the result that substantial quantities of said products, as described in paragraph 4, are sold to said peddlers and retailers and to the consuming public on account of said beliefs induced by said false and misleading representations, and as a consequence thereof, a substantial injury has been done to substantial competition in commerce among the several States of the United States and in the District of Columbia, as hereinabove detailed.

PAR. 10. The above and foregoing acts, practices, and representations of respondent have been, and are, all to the prejudice of the public and respondent's competitors, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

Harry Gabovitch, trading and doing business as "Banner Novelty Company", the respondent herein, having filed his answer to the complaint in this proceeding, in which answer he states that he desires to waive hearing on the charges set forth in the complaint herein and

not to contest the proceeding, consenting in and by his said answer that as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission may, without trial, without evidence and without findings as to the facts or other intervening procedure, make, enter, and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint; and the Commission having considered the said answer and being fully advised in the premises—

It is now ordered, That the respondent, Harry Gabovitch, trading and doing business as "Banner Novelty Company", and his agents, servants, representatives, and employees, in connection with the sale and offering for sale, in commerce between and among the several States of the United States and in the District of Columbia, of general merchandise and peddlers' supplies, including soaps, flavoring compounds, toilet articles, and household novelties, cease and desist from:

(1) Advertising or marking any of the products, such as soaps, flavoring compounds, toilet articles and household novelties, sold by him with fictitious and exaggerated prices, and from making any false, fictitious or misleading statements concerning the value or the prices at which said products, or any of them, are sold or intended to be sold in the usual course of trade.

(2) Representing soaps, food flavorings or other products, sold in combination deals or otherwise, to have regular retail prices which were and are fictitious and greatly in excess of the prices at which such or similar products are usually sold, or were intended to be sold, and representing to buyers values greatly in excess of the values of such or similar products.

(3) Using the words "vanilla", "lemon", "walnut", "almond", "maple", "banana", "orange", "strawberry", or similar words descriptive of certain fruits, nuts, berries or beans, in combination or in connection with the word "extract", until and unless the product is composed of genuine ingredients, as distinguished from synthetic chemical substitutes, and such ingredients are suspended in ethyl alcohol;

(4) Stating or representing in advertisements and advertising matter, by the use of printed words, or pictorial representations, that he owns and occupies a large office and warehouse building, until he does own and operate such a building.

It is further ordered, That respondent shall, within 60 days from the date of the service upon him of a copy of this order, file with the Commission a report in writing, setting forth the manner and form in which he has complied with the order herein set forth.

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IN THE MATTER OF

S. BENSON STUDIOS, INC., DOING BUSINESS AS BENSON
STUDIO AND BENSON'SCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2533. Complaint, Aug. 30, 1935—Order, Oct. 1, 1935*

Where a corporation engaged in the sale and distribution of women's coats and furs; in advertising and soliciting the sale thereof through circulars and circular letters sent to various persons in the different States and through newspaper advertisements of wide interstate circulation and through the radio—

- (a) Represented that it sold at its place of business genuine fur coats and scarfs and beautiful cloth coats which had been slightly used for posing and fashion work only at an extraordinarily low price and for a fraction of what purchasers and potential purchasers intended spending, facts being commodities thus advertised and represented did not consist wholly or substantially of "sample" or "model" coats and furs, but mainly of garments which had never been worn, and prices charged therefor were no lower than those at which other dealers sold comparable garments never worn or used as samples or models;
- (b) Represented that magnificent genuine fur coats of exceptionally beautiful, selected skins, guaranteed never to have been worn on the street, could be bought from it for as little as \$39.50 and that lovely fur scarfs in silvers, reds, pointed, brouns, and all the new shades could be bought from it for \$10, and that such garments would be guaranteed in writing by it for five years and free repairs and free storage given with every purchase, facts being genuine fur coats of the newest advance models and made of selected skins could not be purchased for as little as \$39.50, nor "lovely fur scarfs" in all the new shades and in the variety of furs named for \$10;

With tendency to mislead and deceive the buying public by causing said public to believe that it could purchase from such corporation fur garments slightly used for sample or model purposes at a price greatly less than the market price thereof, and that genuine fur coats of exceptionally beautiful selected skins could be bought from it for as little as \$39.50, and with tendency and capacity unfairly to divert trade to it from other individuals and concerns engaged in similar business, but honestly and truthfully advertising and representing their goods:

Held, That such acts and practices were each and all to the prejudice of the public and competitors and constituted unfair methods of competition.

Mr. John W. Hildrop for the Commission.

Kaye, Scholer, Fierman & Hays, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the

Federal Trade Commission having reason to believe that S. Benson Studios, Inc., a corporation, trading and doing business also as Benson Studio and as Benson's, has been, or is, using unfair methods of competition in commerce as "commerce" is defined in said act, by false and misleading advertisements of certain goods, wares, and merchandise sold by it, said S. Benson Studios, Inc., a corporation, trading and doing business also as Benson Studio and as Benson's, in manner and form as hereafter set out, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, the Commission hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The respondent, S. Benson Studios, Inc., is a corporation chartered, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business located in the city of New York, in the State of New York. It is now, and for more than one year last past has been engaged, under its corporate name of S. Benson Studios, Inc., and also under the trade names and styles of "Benson Studio" and "Benson's", in the sale and distribution of women's coats and furs in commerce between and among various States of the United States of America; causing its said products, when sold, to be shipped from its place of business located in the State of New York to purchasers thereof located in the different States of the United States of America, other than the State of New York; and in the course and conduct of its business, said respondent was at all times, herein referred to, and is now, in competition with other corporations, individuals, firms, and partnerships engaged in the sale and distribution in interstate commerce of similar products.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, the said respondent, S. Benson Studios, Inc., in advertising and soliciting the sale of its products, by means of circulars and circular letters sent through the mails to various persons in the different States of the United States other than New York, by advertisements in newspapers having a wide interstate circulation, and by radio, represented and held out to the buying public as an inducement to buy its products that it, the said respondent, could and did sell at its place of business genuine fur coats and scarfs and beautiful cloth coats at an extraordinarily low price and for a fraction of what purchasers and potential purchasers had intended spending; that these garments had been slightly used, just for posing and fashion work; that magnificent genuine fur coats of exceptionally beautiful, selected skins could be bought from respondent for as low as \$39.50, and were guaranteed never to have

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been worn on the street; that lovely fur scarfs in silvers, reds, pointed, brouns, and all the new shades, could be bought from respondent for \$10; that said garments would be guaranteed in writing by respondent for five years, and that free repairs and free storage would be given with every purchase.

In truth and in fact, the commodities so advertised and represented by respondent did not wholly consist of, nor did a substantial part thereof consist of, "sample" or "model" coats and furs, but the greater part thereof consisted of garments which had never been worn; and likewise, in truth and in fact, the prices charged therefor were no lower than the prices at which other dealers sold and offered for sale similar garments which had never been worn nor used as "samples" or "models"; it was and is not true that genuine fur coats of the newest advance models and made of selected skins could, or can be, purchased for as little as \$39.50, nor that "lovely fur scarfs" in all the new shades and in the variety of furs named in said advertisements can, or could be, purchased for \$10.

PAR. 3. The false and misleading advertisements and representations of respondent, as hereinbefore set out, had and have a tendency to mislead and deceive the buying public by causing it to believe that it could and can purchase from respondent fur garments, which had been slightly used for sample or model purposes, at a price greatly less than the market price thereof, and that genuine fur coats of exceptionally beautiful, selected skins could and can be bought from respondent at a price as low as \$39.50, when such were not the facts; and said advertisements and representations also had and have a tendency and capacity to unfairly divert trade to respondent from other individuals, firms, corporations, and associations engaged in a similar business to that of respondent, but who honestly and truthfully advertise and represent their goods.

PAR. 4. The above acts and things done by respondent are all to the injury and prejudice of the public and competitors of respondent in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served its complaint upon the respondent herein, S. Benson Studios, Inc., a corporation, trading and doing

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business also as Benson Studio and as Benson's, charging it with the use of unfair methods of competition in commerce in violation of the provisions of said act.

The said respondent, after the filing of its answer in this proceeding, filed an amended and supplemental answer in which it admitted as true the allegations of paragraphs 1, 2, and 3 of the complaint, and in said amended and supplemental answer the respondent waived the taking of any further testimony or the receiving of any further evidence in this proceeding other than the allegations in the complaint and the admissions contained in said amended and supplemental answer, and also consented that the Federal Trade Commission might make its findings as to the facts and draw its conclusion therefrom and proceed to enter and serve on respondent an order to cease and desist from the acts of unfair competition alleged in the complaint, and the Commission having duly considered the same, and being fully advised in the premises, makes this its findings as to the facts and conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, S. Benson Studios, Inc., is a corporation chartered, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business located in the city of New York, in the State of New York. It is now, and for more than one year last past has been engaged, under its corporate name of S. Benson Studios, Inc., and also under the trade names and styles of "Benson Studio" and "Benson's", in the sale and distribution of women's coats and furs in commerce between and among various States of the United States of America; causing its said products, when sold, to be shipped from its place of business located in the State of New York to purchasers thereof located in the different States of the United States of America, other than the State of New York; and in the course and conduct of its business, said respondent was at all times herein referred to, and is now, in competition with other corporations, individuals, firms and partnerships engaged in the sale and distribution in interstate commerce of similar products.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, the said respondent, S. Benson Studios, Inc., in advertising and soliciting the sale of its products, by means of circulars and circular letters sent through the mails to various persons in the different States of the United States other than New York, by advertisements in newspapers having a wide interstate circulation,

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and by radio, represented and held out to the buying public as an inducement to buy its products that it, the said respondent, could and did sell at its place of business genuine fur coats and scarfs and beautiful cloth coats at an extraordinarily low price and for a fraction of what purchasers and potential purchasers had intended spending; that these garments had been slightly used, just for posing and fashion work; that magnificent genuine fur coats of exceptionally beautiful, selected skins could be bought from respondent for as low as \$39.50, and were guaranteed never to have been worn on the street; that lovely fur scarfs in silvers, reds, pointed, brouns, and all the new shades, could be bought from respondent for \$10; that said garments would be guaranteed in writing by respondent for five years, and that free repairs and free storage would be given with every purchase.

In truth and in fact, the commodities so advertised and represented by respondent did not wholly consist of, nor did a substantial part thereof consist of, "sample" or "model" coats and furs, but the greater part thereof consisted of garments which had never been worn; and likewise, in truth and in fact, the prices charged therefor were no lower than the prices at which other dealers sold and offered for sale similar garments which had never been worn nor used as "samples" or "models"; it was and is not true that genuine fur coats of the newest advance models and made of selected skins could, or can be, purchased for as little as \$39.50, nor that "lovely fur scarfs" in all the new shades and in the variety of furs named in said advertisements can, or could be, purchased for \$10.

PAR. 3. The false and misleading advertisements and representations of respondent, as hereinbefore set out, had and have a tendency to mislead and deceive the buying public by causing it to believe that it could and can purchase from respondent fur garments, which had been slightly used for sample or model purposes, at a price greatly less than the market price thereof, and that genuine fur coats of exceptionally beautiful, selected skins could and can be bought from respondent at a price as low as \$39.50, when such were not the facts; and said advertisements and representations also had and have a tendency and capacity to unfairly divert trade to respondent from other individuals, firms, corporations, and associations engaged in a similar business to that of respondent, but who honestly and truthfully advertise and represent their goods.

CONCLUSION

The foregoing alleged acts and practices of respondent, S. Benson Studios, Inc., a corporation, trading and doing business also as "Ben-

son Studio" and as "Benson's", are each and all to the prejudice of the public, and to the competitors of the respondent, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the original and amended and supplemental answers of the respondent, and the respondent having, in its amended and supplemental answer, admitted as true the allegations contained in paragraphs 1, 2, and 3 of the complaint and consented therein that the Federal Trade Commission may, without introducing further testimony or receiving further evidence, make its findings as to the facts and draw its conclusion from the allegations in the complaint contained and the admissions contained in said amended and supplemental answer and proceed to enter and serve on respondent an order to cease and desist from the acts of unfair competition alleged in the complaint, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

Now, therefore, it is hereby ordered, That respondent, S. Benson Studios, Inc., a corporation, trading and doing business also as "Benson Studio" and as "Benson's", in connection with the sale and the offering for sale of women's coats and furs in interstate commerce, forthwith cease and desist from:

(a) By advertisements in newspapers, magazines, journals, and over the radio, and by any other form of advertising, representing, and holding out to the buying public as an inducement to buy its products that it, the said respondent, could and does sell at its place of business genuine fur coats and scarfs and beautiful cloth coats at an extraordinarily low price and at a fraction of what purchasers and potential purchasers had intended spending.

(b) Representing and advertising that the garments sold and offered for sale by respondent are or have been slightly used, just for posing and fashion work, unless in truth and in fact

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such garments so advertised and represented have been slightly used and used just for posing and fashion work.

(c) Representing and advertising that magnificent genuine fur coats of exceptionally beautiful, selected skins, could or can be bought from respondent for as low as \$39.50, and that said garments were and are guaranteed never to have been worn on the street.

(d) Advertising and representing that lovely fur scarfs in silvers, reds, pointed, brouns, and all the new shades, could or can be bought from respondent for \$10, or for any other sum less than the true and actual market price of such commodities.

(e) Advertising and representing that said garments sold and advertised for sale by respondent would be or are guaranteed in writing by respondent for five years, and that free repairs and free storage would be or are given with every purchase, unless in truth and in fact respondent does guarantee said garments in writing for a period of five years and does in truth and in fact give free storage and free repairs with every purchase.

And it is hereby further ordered, That the said respondent, S. Benson Studios, Inc., a corporation, trading and doing business also as "Benson Studio" and "Benson's", shall within 60 days after the service upon it of this order to cease and desist, file with this Commission a report in writing setting forth in detail the manner and form in which it shall have complied with the order to cease and desist hereinbefore set forth.

Complaint

IN THE MATTER OF

FRANK A. SCERVINI, TRADING AND DOING BUSINESS
AS F. & S. MANUFACTURING COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2537. Complaint, Aug. 30, 1935—Order, Oct. 1, 1935*

Consent order requiring respondent individual, his agents, etc., in connection with the sale or offer in commerce among the several States and in the District of Columbia, of certain pharmaceutical and druggists' supplies, including gelatin capsules containing various preparations and compounds of a medicinal character, to cease and desist from—

- (a) Representing himself or his company directly or indirectly by advertisements, stationery, radio broadcasts, or in any manner or means as a manufacturer of pharmaceutical and druggists' supplies as above set forth, until he owns, operates and controls a factory or factories in which said products are made; or
- (b) Using the word "Manufacturing" as a part of or in connection with any trade name under which he carries on the aforesaid business, or the words "Makers of", independently or in connection with any other word or words or in any way having the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that he owns, operates or controls a factory or laboratory in which the pharmaceutical and druggists' supplies sold and distributed by him are made and compounded, until he in fact owns, operates and controls a factory or factories making said products.

Mr. J. T. Welch for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Frank A. Scervini, doing business under the trade name and style of F. & S. Manufacturing Company, hereinafter designated as respondent, is now and has been, using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating the charges in that respect as follows:

PARAGRAPH 1. Respondent, Frank A. Scervini, is an individual who is now, and has been at all times mentioned herein, doing business under the trade name and style of F. & S. Manufacturing Company, at 100 Fifth Avenue, New York, N. Y. Respondent is now, and has

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been, engaged in the business of selling and distributing pharmaceutical and druggists' supplies, including gelatin capsules containing various preparations and compounds of a medicinal character, to wholesale and retail druggists for resale, and to others, in commerce, as herein set out.

PAR. 2. Said respondent, being engaged in business as aforesaid, causes said pharmaceutical and druggists' supplies, including said gelatin capsules above described, when sold, to be transported from his principal office and place of business in the State of New York to the purchasers thereof located in other States of the United States and in the District of Columbia, and there is now and has been at all times mentioned herein, a constant current of trade and commerce in the above described products sold by the respondent between and among the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of his said business, respondent is now, and has been, in substantial competition with other individuals, firms and corporations likewise engaged in the business of selling pharmaceutical and druggists' supplies, including gelatin capsules, described as aforesaid, in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 4. Respondent, in the course and conduct of his business, as detailed in paragraphs 1 to 3 hereof, and for the purpose of inducing individuals, firms and corporations to purchase said pharmaceutical and druggists' supplies, including the gelatin capsules hereinabove described, has, from time to time, caused advertisements, wherein he claims to be the manufacturer of the products sold by him, to be inserted in newspapers, trade journals and magazines of general circulation throughout the United States, and has had printed and circulated to customers and prospective customers throughout the various States of the United States, through the United States mails, price lists, letterheads, invoices, and other advertising literature wherein similar claims are made. In all of the advertisements, letterheads, invoices, and other advertising literature herein referred to, the respondent has caused his trade name, F. & S. Manufacturing Company, to appear, together with the statement:

You save money when you buy F. & S. capsules. Concentrating as we do on the manufacture of capsules, we are enabled to produce a quality product at prices unattainable by those with whom capsules are merely a side line.

as an inducement to wholesale and retail druggists to purchase the products sold by him.

The letterheads used by the respondent contain the following language:

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F. & S. Manufacturing Company
Makers of
Soft Elastic Capsules
100 Fifth Avenue
New York City

together with other words.

The invoices used by the respondent contain the same statements appearing on the letterheads hereinabove referred to.

PAR. 5. The use of the word "manufacturing" in respondent's trade name, as indicated on the advertisements, letterheads; and invoices herein referred to, together with the statements appearing in said advertisements, letterheads and invoices as hereinabove detailed, particularly with reference to respondent's operation of a plant for the manufacture of gelatin capsules, purport to be descriptive of the respondent's business and the products sold by him.

Respondent does not own or operate or control any plant or machinery for the manufacture of pharmaceutical or druggists supplies, including gelatin capsules hereinabove described. The only place of business of respondent is located at 100 Fifth Avenue, New York, N. Y., and this place of business is not equipped for the manufacture of the products hereinabove referred to.

Respondent is not engaged in the business of manufacturing and is not a manufacturer, as those terms are understood by the trade and the public generally. Respondent is engaged solely in the business of distributing and selling pharmaceutical and druggists' supplies, including gelatin capsules, that have been manufactured by others.

PAR. 6. A substantial portion of the wholesale and retail druggist trade, as well as a substantial portion of the medical profession and of the public, prefer to deal direct with the manufacturer of products being purchased. Such purchasers believe that they secure closer prices and superior quality in dealing direct with the manufacturer rather than a selling agency or middleman.

PAR. 7. The use by respondent of the word "manufacturing" in his trade name, as set out in paragraph 4, in describing the products sold by him or in designating his business or in advertisements in newspapers, trade journals and magazines, letterheads, invoices and other advertising literature, as well as in his general business correspondence; and the use by respondent of the several statements hereinabove detailed in describing and designating his business in offering for sale and selling the products so advertised, was and is calculated to, and had, and now has the tendency and capacity to, and did and now does mislead and deceive a substantial portion of the wholesale

and retail druggists' trade and the purchasing public into the erroneous belief:

- (1) That respondent is conducting a business much larger in size and scope than it is;
- (2) That respondent owns, operates and controls a manufacturing plant for the manufacture of pharmaceutical and druggists' supplies, including gelatin capsules;
- (3) That when they purchase products sold by the respondent they are dealing directly with the factory and are securing for themselves and their customers the advantage of close prices and superior quality; and
- (4) That in purchasing products from the respondent they are saving a middleman's profit for themselves and their customers by purchasing direct from a manufacturer.

As a direct consequence of the mistaken or erroneous belief induced by the acts, practices and representations of the respondent hereinabove outlined, a substantial number of wholesale and retail druggists, and others, have purchased a substantial volume of the products sold by the respondent, including gelatin capsules, with the result that substantial injury has been done to substantial competition in commerce among the various States of the United States and in the District of Columbia.

PAR. 8. There are among respondent's competitors many who manufacture pharmaceutical and druggists' supplies, including gelatin capsules, and who sell such products when so produced, and transport them or cause them to be transported to, into and through other States of the United States, to the purchasers thereof at their respective points of location, and who truthfully advertise and represent themselves to be the manufacturers of said products; there are others among respondent's competitors who do not manufacture pharmaceutical and druggists' supplies, including gelatin capsules, but who do sell and distribute the said products, when so produced, and transport them, or cause them to be transported to, into and through other States of the United States to the purchasers thereof at their respective points of location and who do not, by any means or in any manner, hold themselves out or represent themselves to be the manufacturers of the products above referred to; and the alleged acts, practices and representations of the respondent divert a substantial volume of trade from and otherwise prejudice and injure a substantial number of such competitors.

PAR. 9. The above and foregoing acts, practices, and representations of respondent have been and are, all to the prejudice of the public and respondent's competitors, and have been, and are, unfair

methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

Frank A. Scervini, trading and doing business as F. & S. Manufacturing Company, the respondent herein, having filed his answer to the complaint in this proceeding, in which answer he states that he desires to waive hearing on the charges set forth in the complaint herein and not to contest the proceeding, consenting in and by his said answer that as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission, without trial, without evidence and without findings as to the facts or other intervening procedure, may make, enter and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having considered the said answer and being fully advised in the premises—

It is now ordered, That the respondent, Frank A. Scervini, trading and doing business as "F. & S. Manufacturing Company", and his agents, servants, representatives and employees, in connection with the sale or offering for sale, in commerce between and among the several States of the United States and in the District of Columbia, of certain pharmaceutical and druggists' supplies, including gelatin capsules containing various preparations and compounds of a medicinal character, cease and desist from:

(1) Advertising or in any way otherwise representing, directly or by implication, himself or his company by advertisements, advertising literature, stationery, radio broadcasts, or in any manner or means whatsoever as a manufacturer of pharmaceutical and druggists' supplies, including gelatin capsules containing various preparations and compounds of a medicinal character, until he owns, operates and controls a factory or factories in which said products are manufactured.

(2) The use of the word "Manufacturing" as a part of or in connection with any trade name under which he carries on his said business of selling pharmaceutical and druggists' supplies, including said gelatin capsules, until he owns, operates and controls a factory or factories in which the said products are manufactured.

(3) The use of the words "makers of", either independently or in connection with any other word or words, or in any way which may have the tendency or capacity to confuse, mislead, or deceive pur-

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chasers into the belief that he owns, operates or controls a factory or laboratory wherein the pharmaceutical and druggists' supplies which he sells and distributes are manufactured or compounded, until he owns, operates, and controls the factory or factories in which the said products are manufactured.

It is further ordered, That respondent shall, within 60 days from the date of the service upon him of a copy of this order, file with the Commission a report in writing, setting forth the manner and form in which he has complied with the order herein set forth.

Syllabus

IN THE MATTER OF
SECURITY SILVERWARE DISTRIBUTORS, INC., ET AL.
COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF
AN ACT OF CONGRESS APPROVED SEPT. 28, 1914

Docket 2387. Complaint, May 14, 1935—Order, Oct. 4, 1935

Consent order requiring respondent corporation and respondent individuals, officers thereof, their agents, etc., in connection with the offer and sale in interstate commerce of certificates, coupons, cards, tickets or written or printed matter for redemption in china or chinaware, silver or silverware, through advertisements in periodicals and newspapers, prospectuses, or any form of written or printed matter, or by broadcasting, to cease and desist, directly and indirectly, from—

- (a) Using the words "Advertising Department" after or in connection with the names of two certain corporations, in their advertisements, or in connection with the name or names of any other individual or concern, or representing that they are connected with or are agents of said two corporations or of any other individuals or concerns, or that said two corporations, because of the expense of periodical and newspaper advertising, have developed the plan presented of advertising through the cooperation of retail dealers in such a way that such cooperation will increase the business of such dealers without any cost to them, or to their customers, for the redemption of such certificates, etc., unless and until they are in fact connected with or representatives of said two corporations or of such other individuals or concerns and unless and until such a plan has in fact been developed by such two corporations and been adopted and followed by them;
- (b) Representing that for each payment of \$4.50 for 1,000 of such certificates, etc., purchased of them, there will be returned to the purchasing retailer \$5 when such certificates, etc., are redeemed by the retailer's customers, or that such certificates, etc., will involve no cost either to the retailers on their customers, notwithstanding practice of notifying retailers, after sale of such certificates, etc., that payment of one cent will be necessary with each certificate, etc., for redemption, or that such certificates, etc., are sold only to one retailer in the various communities and localities in the United States, unless and until they adopt and follow said respective practices; or
- (c) Representing that the silverware in which such certificates, etc., are redeemable is Rogers "1847" silverware, or that they will supply retailers purchasing such certificates, etc., with samples or display sets of silverware, earthenware or chinaware, unless and until they do in fact thus redeem such certificates in such Rogers "1847" silverware and adopt and follow said last-claimed practice.

Before *Mr. Charles F. Diggs*, trial examiner.
Mr. James M. Brinson for the Commission.

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COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Security Silverware Distributors, Inc., and William C. Steffy and Lorena Steffy, as its officers, and individually; Security Silverware Distributors, Inc., and William C. Steffy and Lorena Steffy, trading as the Atlas Globe China Company, Advertising Department; and the Security Silverware Distributors, Inc., and William C. Steffy and Lorena Steffy, trading as Bordeaux China Company, hereinafter designated as respondents, have been and are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent, Security Silverware Distributors, Inc., has been for several years last past and now is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business in the city of Chicago in the said state. It is engaged in the sale of certificates, coupons or cards redeemable in silverware among and between the various States of the United States.

Respondents, William C. Steffy and Lorena Steffy, are individuals who caused respondent corporation to be organized, and who have been since its organization and now are the owners of substantially all of its capital stock, and have been and are its executive officers. They have dominated, controlled, directed, and managed, and now dominate, control, direct, and manage its affairs and all of its activities. Their place of business has been and is the same as that of respondent corporation, and they have employed and continue to employ said respondent, Security Silverware Distributors, Inc., as a corporate instrumentality through or by means of which they have been and are enabled to practice the policies and methods described in paragraph 2 hereof.

Respondent, Security Silverware Distributors, Inc., and respondents, William C. Steffy and Lorena Steffy, have been for more than a year last past and now are engaged in the sale by or under the trade name, Atlas Globe China Company, Advertising Department, of certificates, coupons or cards redeemable in earthenware or china-ware among and between the various States of the United States. They have also engaged in such business, and now are engaged in it, under and by the trade name, Bordeaux China Company.

In the course and conduct of such business, respondents have caused the certificates, coupons, or cards redeemable in silverware, earthenware or chinaware, so offered for sale and sold, and silverware, earthenware or chinaware for redemption of such certificates, coupons or cards, to be transported from the aforesaid place of business in the city of Chicago, State of Illinois, to purchasers thereof located in various other States of the United States, and they have been, and each of them has been, in substantial competition with individuals, partnerships and corporations offering for sale and selling in interstate commerce, certificates, coupons, cards, or other written or printed matter redeemable in silverware, earthenware or chinaware, and individuals, partnerships and corporations offering for sale, or selling silverware, earthenware or chinaware in such commerce.

PAR. 2. It has been and is the practice of respondents to offer for sale and sell certificates, coupons or cards, as described in paragraph 1 hereof, through the personal solicitation of local retail dealers in and through the various States of the United States, by agents thereunto duly authorized by respondents. They are offered for sale and sold by respondents to such local retail dealers to be distributed as a stimulation of their business, among their customers, according to the amount of merchandise sold them by such retail dealers. The agents of respondents are equipped with forms of contracts, circulars, advertising matter and specimen coupon cards for use in the solicitation of such retail dealers. It has been and is the practice of respondents, by and through such agents acting under their supervision and direction, and within the scope of their employment, to induce retail dealers to sign contracts for the purchase of such certificates, coupons or cards, so redeemable, by means of false and misleading statements and representations to the following effect:

That respondent, Security Silverware Distributors, Inc., has been or is the agent of or connected with the International Silverware Company, or some other manufacturer of silverware, and that such company or companies have adopted and are using for the purpose of introducing and advertising their products, the plan of selling certificates, coupons or cards redeemable in silverware, to retail dealers for distribution by them to or among their customers, and the redemption of such certificates, coupons or cards by said respondent when returned to it by the customers of such retail dealers; that such manufacturers of silverware and the said respondent have found sale of such certificates, coupons and cards, redeemable in silverware, a less expensive and more effective form of advertising than advertise-

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ment in magazines, newspapers and other periodicals; that said respondent and its principals have developed this plan of advertising through the cooperation of retail dealers in such way that such cooperation would increase the business of retail dealers without any cost to them except for the certificates, coupons or cards, and without any cost to their customers for the redemption of such certificates, coupons or cards; that a temporary payment of \$4.50 for each 1,000 cards would be required, but that for each payment of \$4.50 there would be returned to the retail dealer by said respondent, \$5, upon or after their redemption of such certificates, coupons or cards; that said respondent would promptly redeem the certificates, coupons or cards, when returned to them, with "genuine Rogers '1847' Silverware, or 'Rogers Silverware', or 'Genuine Rogers Silverware'".

Respondents, Security Silverware Distributors, Inc., and William C. Steffy and Lorena Steffy, acting through their agents, who at all times herein mentioned, were operating within the scope of their employment, have induced retail dealers to sign contracts for the purchase of certificates, coupons or cards redeemable in chinaware or earthenware by using the trade name of Atlas Globe China Company, Advertising Department, and by representing to local retail dealers that they have been or are connected with, or have been or are agents for the Atlas Globe China Company, and they have also induced retail dealers to sign contracts for the purchase of certificates, coupons or cards redeemable in earthenware or chinaware by using the name Bordeaux China Company, and by representing such company to be the manufacturer of earthenware or chinaware, for which they were acting as agents.

Respondents, in offering for sale and selling such certificates, coupons or cards redeemable in earthenware or chinaware, have, when using the name Bordeaux China Company, represented the earthenware or chinaware in which the certificates, coupons or cards would be redeemable, as having a value and a regular and customary price far in excess, sometimes several hundred per cent, of the true value and the regular and customary price of the earthenware or chinaware with which certificates, coupons or cards of the so-called Bordeaux China Company have been and are redeemed.

It has been and is the practice of respondents, whether trading as Security Silverware Distributors, Inc., or as Atlas Globe China Company, Advertising Department, or as Bordeaux China Company, to represent to retail dealers in the various States of the United States, as inducements for the purchase of certificates, coupons or cards, redeemable by respondents in silverware or earthenware or chinaware, that by distribution of such certificates, coupons or cards among their

customers, their business would be increased, particularly because respondents, to such end or for such purpose, would circularize the purchasing public on their behalf within a specified area tributary to the location of such retail dealers.

It has also been and is the practice of respondents, through their agents, as inducement for the purchase of their said redemption certificates, coupons or cards, to represent that such certificates, coupons or cards would be sold to one retail dealer only in the particular community of the solicited retail dealer, and that respondents would furnish each dealer purchasing from them such certificates, coupons or cards, a set of silverware or earthenware or chinaware, as the case might be, for display among their customers in order to encourage or stimulate the increased purchase of merchandise from such local retail dealer. The number of pieces of silverware or chinaware to be so furnished local dealers purchasing or using such redemption certificates, coupons or cards, has not been uniform, but has depended on the amount of certificates, coupons or cards furnished and the surrounding circumstances of each particular case. Respondents have entrusted their agents with wide discretion in such respect.

In truth and in fact, neither respondent, Security Silverware Distributors, Inc., nor respondent William C. Steffy or respondent Lorena Steffy has or has had any connection, as agent or otherwise, with the International Silver Company, and neither they nor any or either of them have or have had, or has or has had, any connection, as agent or otherwise, with the Atlas Globe China Company except as a purchaser of its products.

Neither respondent, Security Silverware Distributors, Inc., nor any or either of the individual respondents, engages or has engaged, either as Atlas Globe China Company, Advertising Department or as Bordeaux China Company, or otherwise, in the manufacture of silverware, earthenware or chinaware, nor are they nor is any or either of them connected, nor have they nor has any or either of them been connected with any manufacturer or manufacturers of such products or commodities or any of them except as purchasers thereof.

It has been and is the practice of respondents, after retail dealers have completed payments to them of the purchase price of the certificates, coupons or cards redeemable in silverware or earthenware or chinaware, to direct such retail dealers to notify customers among whom such certificates, coupons or cards had or have been distributed, or among whom they might thereafter be distributed, that in order to procure redemption of the certificates, coupons or cards held by them, it would be necessary to transmit to respondents with them one cent for each and every certificate, coupon or card. The amount of money

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so required has in many instances been more than the price at which the customers could procure from local stores, silverware or chinaware or earthenware of the same quality or kind. As a result, retail dealers, after completion as aforesaid of their payments to respondents, have been compelled either to bear the loss of such money, or to distribute the certificates, coupons or cards among their customers with the information that redemption of the certificates, coupons or cards would require payment to respondents of one cent with each of them transmitted to respondents for redemption in silverware, earthenware or chinaware.

Respondents have also failed and neglected to refund to retail dealers, who have signed contracts with them, the sum of \$5 for each 1,000 certificates, coupons or cards upon or after their redemption, or any part thereof. The silverware with which respondents have pretended to redeem certificates, coupons or cards, purporting to be redeemable in silverware, has not been and is not genuine Rogers "1847" silverware or Rogers Silverware or genuine Rogers Silverware, as such designations or descriptions are understood by the purchasing public. Respondents have followed the practice of failing and neglecting to redeem or to attempt or pretend to redeem certificates, coupons or cards purporting to be redeemable in silverware, earthenware or chinaware, although customers among whom they were distributed by retail dealers purchasing the same from respondents have transmitted them to respondents accompanied by the requisite amount of money. Respondents have failed and neglected to furnish or supply retail dealers, who have purchased certificates, coupons, or cards from them, with sample or display sets of silverware, earthenware or chinaware, consisting of or containing the number of pieces promised as inducement to such purchase, but have usually furnished or supplied sets substantially less in number and different in quality or kind than promised by respondents or their agents. They have sold their certificates, coupons or cards to more than one retail dealer in various communities and localities in the United States in which it had been understood and agreed, when selling retail dealers, that only one in each community or locality would be sold such certificates, coupons, or cards for distribution among customers.

They have failed and neglected to comply with their agreement to circularize the purchasing public, on behalf of retail dealers to whom they have sold their certificates, coupons or cards, or otherwise to cooperate with such retail dealers in the advertisement and extension of their business.

PAR. 3. There have been for several years last past and now are individuals, partnerships and corporations offering for sale and sell-

ing in interstate commerce, silverware, china, earthenware, chinaware and glassware, directly, and other individuals, partnerships, and corporations offering for sale and selling such products indirectly through the sale of certificates, coupons or cards redeemable in silverware, china, earthenware, chinaware and glassware.

The acts and practices of respondents and of each and all of them, as described in paragraph 2 hereof, have had and have a capacity and tendency to mislead and deceive, and they have misled and deceived, and do mislead and deceive the public into the belief that Security Silverware Distributors, Inc., has been and is connected with or an agent of International Silver Company, or other manufacturer or manufacturers of silverware, or that the Security Silverware Distributors, Inc., and William C. Steffy and Lorena Steffy have been and are connected with the Atlas Globe China Company; or that the Bordeaux China Company has been and is a manufacturer of chinaware or earthenware, and that respondents have been and are its agents, and into the belief that each and all of the foregoing statements and representations made by agents of respondents relative to the aforesaid certificates, coupons or cards and their use or redemption have been and are true, and into the purchase of such certificates, coupons or cards, from the respondents, in reliance upon such erroneous belief.

The aforesaid acts and practices of respondents have had the capacity and tendency to divert, and they have diverted and do divert, to respondents trade from competitors offering for sale or selling in interstate commerce, silverware, china, earthenware, chinaware and glassware, directly, or offering for sale or selling in such commerce, certificates, coupons or cards redeemable or purporting to be redeemable in silverware, china, earthenware, chinaware or glassware, truthfully described and represented.

PAR. 4. The above and foregoing acts of respondents, and each and all of them, have been and are to the prejudice and injury of the public and of respondents' competitors, and have been and are unfair methods of competition in violation of the provisions of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint, and upon the answer of respondents wherein they admit the allegations and facts set forth in the complaint and express the wish to waive hearing on the charges of the complaint

and to refrain from contesting the proceeding, and in such answer consent that the Commission may make, enter and serve upon each respondent an order to cease and desist from violations of the law as alleged in the complaint, and the Commission having considered the record and being fully advised in the premises—

It is now ordered, That respondents and each of them, including their officers, agents, employees, and representatives, in connection with offering for sale or selling in interstate commerce certificates, coupons, cards, tickets, or any written or printed matter in which it is agreed that such certificates, coupons, cards, tickets, or other written or printed matter, are redeemable or purport to be redeemable in china or chinaware, silver or silverware, by means of advertisements in magazines, newspapers, prospectuses, pamphlets; or any form of written or printed matter, or by broadcasting, cease and desist directly and indirectly from:

1. Using the words "Advertising Department" following the words "Atlas Globe China Company", or in any connection therewith; or the words "Advertising Department" following the words "Bordeaux China Company", or in any connection therewith, in their advertisements or in the advertisements of any of them, or in connection with the name or names of any other individuals, partnerships or corporations, unless and until they are connected with or related to the aforesaid company or companies, or other individuals, partnerships, or corporations in connection with which appear the words "Advertising Department".

2. Representing that they or any or either of them are connected with or are agents of the Atlas Globe China Company or Bordeaux China Company, or any other individual, partnership or corporation, unless and until they are, in fact, connected with or representatives of such individuals, partnerships, or corporations for which they purport to act as agents.

3. Representing that the Atlas Globe China Company and the Bordeaux China Company, because of the expense of advertising in magazines, newspapers and periodicals, have developed the plan presented by respondents of advertising through the cooperation of retail dealers in such a way that the cooperation would increase the business of retail dealers without any cost to them and without any cost to their customers for the redemption of such certificates, coupons, cards or tickets, unless and until such is the fact and respondents have adopted and follow such practice.

4. Representing that for each payment of \$4.50 for one thousand certificates, coupons, cards or tickets, there will be returned to the retail dealer who purchased them from respondents, or any of

them, the sum of \$5 as and when such certificates, coupons, cards or tickets are redeemed by customers among whom such retail dealers have distributed them, unless and until such is the fact and respondents adopt and follow such practice.

5. Representing that the silverware in which certificates, coupons, cards or tickets sold by respondents, or any or either of them are redeemable is Rogers "1847" silverware, unless or until such certificates, coupons, cards or tickets are, in fact, redeemed by respondents in Rogers "1847" silverware.

6. Representing to retail dealers and others that certificates, coupons, cards, or tickets redeemable or purporting to be redeemable in silverware, earthenware or chinaware, would involve no cost either to the retail dealers or the customers, and after effecting sales of such certificates, coupons, cards or tickets, notifying such retail dealers that payment of one cent for each and every certificate, coupon, card, or ticket would be necessary for their redemption.

7. Representing that they will supply retail dealers who have purchased their certificates, coupons, cards, or tickets, with samples or display sets of silverware, earthenware or chinaware, unless or until such practice is actually adopted and followed by respondent.

8. Representing that the certificates, coupons, cards, or tickets are sold only to one retail dealer in the various communities and localities in the United States, unless and until such is the fact and respondents have adopted and are following such practice.

It is further ordered, That the respondents shall within 60 days after the service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF
QUALITY SHINGLE COMPANY, INC., AND C. V. GRAY, AN
INDIVIDUAL, TRADING AS GRAY LUMBER & SHINGLE
COMPANY

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

Docket 2241. Complaint, Oct. 26, 1934—Decision, Oct. 8, 1935

Where a corporation engaged in the manufacture of red cedar shingles and in the sale thereof to wholesale and retail dealers and other persons and concerns in the several States; and wholesale lumber dealer who purchased large quantities thereof from said corporation—

Sold certain shingles made by said corporation and dealt in by said wholesaler as above set forth, under the brand or trade term "extra clear", notwithstanding fact that said product did not warrant such a designation according to accepted trade usage or understanding and was not 100 percent clear or a first-class or superlative grade of clear shingle, as understood by consuming public, but was so graded as to permit presence of sapwood in any part thereof, and was not their best grade of shingle and corresponded in quality to a "No. 2" product, and was substantially inferior in quality to, and far less durable under exposure than the more expensive "No. 1" shingle, which must be clear of defects for entire length and without sapwood;

With the result that the public and a substantial portion of retailers were misled and deceived, and others, not misled or deceived, were aided in the sale of an inferior and cheaper product as and for the genuine clear article, or in sale thereof without notifying their customers of the true quality of the product and in thus taking advantage of their more scrupulous dealer competitors, some dealers and many consumers purchased said "extra clear" shingle as and for a genuine "clear" product bought, often, at a lower price, to the prejudice and injury of competitors dealing in the genuine clear "No. 1" article, and of those dealing in the supposedly greatly inferior, but actually comparable, "No. 2" product at the same approximate price, from whom trade was diverted to their respective injury, and with the effect of contributing substantially, through such deceptive descriptions of partially clear and comparatively short-lived shingles, to the demoralization of the industry, and bringing about a loss in public good will to and esteem of the red cedar shingle and a loss of a greater volume of business by the producers and marketers thereof to the makers of and dealers in composite roofing than they would otherwise have sustained:

Held, That such acts and practices were all to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Henry M. White*, trial examiner.

Mr. Eugene W. Burr for the Commission.

Wettrick, Wettrick & Flood, of Seattle, Wash., for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Quality Shingle Company, Inc., a corporation, and C. V. Gray, an individual trading as Gray Lumber & Shingle Company, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent Quality Shingle Company, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Washington, having and maintaining its headquarters, office, and principal place of business at Edmonds in the said State. Said respondent has been and is engaged in the manufacture of red cedar shingles at its mill or mills located at a place or at places within said State of Washington. Said respondent has been and is also engaged in offering for sale and selling said red cedar shingles in commerce between and among the several States of the United States and the District of Columbia, and in causing said shingles when so sold to be transported from said respondent's principal place of business in the State of Washington or from the place or places of the manufacture of said shingles in the State of Washington into and across the several States of the United States and the District of Columbia to the several purchasers thereof located at various places in said several States other than the State of Washington, or in the District of Columbia.

Said respondent has been and is offering for sale and selling said shingles to and through wholesale and retail dealers in shingles, and to other persons, firms, associations, or corporations located at various places in the several States of the United States and the District of Columbia. Said respondent offers for sale and sells large quantities of said shingles to and through respondent, Gray Lumber & Shingle Company, the latter being a wholesale dealer in lumber products, including red cedar shingles.

PAR. 2. Respondent C. V. Gray is an individual trading under the name and style of Gray Lumber & Shingle Company, having and maintaining his office and principal place of business in the city of Seattle, in the State of Washington. Said respondent has been and is engaged in the purchase for resale of lumber and lumber products, including red cedar shingles, and of offering for sale and selling the

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same, as a wholesaler thereof, in commerce between and among the several States of the United States and the District of Columbia, and in causing said shingles when so sold to be transported from respondent's principal place of business, or from the place or places where the same are produced, or from the principal place of business of respondent, Quality Shingle Company, Inc., all in the State of Washington, to the several purchasers thereof located at various places in said several States of the United States other than the State of Washington or in the District of Columbia. Respondent C. V. Gray purchases of respondent Quality Shingle Company, Inc., and offers for resale and resells large quantities of red cedar shingles manufactured by respondent Quality Shingle Company, Inc., as alleged in paragraph 1 hereof.

PAR. 3. Other persons, firms, associations and corporations have been and are engaged in offering for sale and selling in said commerce between and among the several States of the United States and the District of Columbia red cedar shingles and like or competitive products. In the course and conduct of their said respective businesses each of the respondents herein has been and is in competition with such other persons, firms, associations, and corporations so engaged in offering for sale and selling in said commerce red cedar shingles or like and competitive products, and with all others who may be engaged in offering for sale and selling red cedar shingles or like or competitive products to dealers therein or to the purchasing public.

PAR. 4. In order to aid it in so offering for sale and selling said shingles, and in order to induce respondent C. V. Gray trading as Gray Lumber & Shingle Company, and other dealers in or purchasers of shingles or like or competitive products to purchase said respondent Quality Shingle Company's said shingles in preference to the same or like or competitive products being offered for sale and sold by respondent's competitors and in order to create a public demand for respondent's said shingles, respondent Quality Shingle Company, Inc., brands its said shingles as "Extra Clear" shingles, and in its stationery, letterheads, invoices and otherwise names, designates and refers to its said shingles as "Extra Clear" shingles, and introduces said shingles into said commerce by and under said brand, name and designation.

Respondent C. V. Gray, trading as Gray Lumber & Shingle Company, in order to use said name and designation of said shingles as "extra clear" shingles in aid of the resale thereof, and in order to induce other dealers in or purchasers of shingles or like or competitive products to purchase of respondent C. V. Gray, trading as Gray Lumber & Shingle Company, the shingles so manufactured by re-

spondent Quality Shingle Company, Inc., in preference to the same or like or competitive products being offered for sale and sold by competitors of the respondents herein, and in order to create a public demand for the shingles so manufactured by respondent Quality Shingle Company, Inc., invited and invites respondent Quality Shingle Company to brand, name, designate, and refer to its said shingles as "extra clear" shingles. For said reasons and purposes, respondent C. V. Gray, trading as Gray Lumber & Shingle Company, purchases of respondent Quality Shingle Company, Inc., large quantities of its said shingles under said brand, name, and designation of "extra clear" and resells the same in said commerce above described under said brand, name and designation to dealers in shingles and to other persons, firms, associations, and corporations for resale or for use and consumption.

The said use of said word "clear" in said brand, name, and designation of said shingles conveys to the mind of dealers therein and purchasers thereof and of the public the meaning, representation, and implied assurance that said shingles are in fact clear and free from any and all defects or imperfections. The said use of said word "extra" in said brand, name, and designation of said shingles likewise conveys to the mind of dealers therein and purchasers thereof and of the public the meaning, representation, and implied assurance that said shingles are of a still more exceptional quality and are not only shingles of a first quality, but are of the best and highest degree of said quality; whereas, in truth and in fact said shingles so branded and sold by respondents as "extra clear" are neither "extra clear" nor "clear", but in fact contain many defects and imperfections not tolerated in shingles of the first or highest grade or class.

PAR. 5. Certain dealers in shingles are informed of the actual qualities, grade, defects, and imperfections of the shingles produced by respondent Quality Shingle Company, Inc., and offered for sale and sold by the respondents herein under the brand, name, and designation of "extra clear", and are induced to purchase said shingles for resale to other dealers or to the purchasing public and consumers, in preference to the same, like or competitive products being offered for sale and sold by competitors of respondents herein, in order to make use of said false and misleading brand, name and designation thereof, and because they are able to use said false brand, name and designation to mislead and deceive other dealers or the purchasing public and consumers of shingles into the purchase thereof in the false and erroneous belief that said shingles are of the highest and best grade of shingles.

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In the manner above alleged, respondents place in the hands of all dealers in said shingles so branded, named and designated as "extra clear", the means of misleading and deceiving all subsequent purchasers thereof, including the purchasing public and the consumers of said shingles, into the erroneous belief that said shingles are of the best and highest grade and class of shingles, and have the qualities and meet the requirements thereof.

PAR. 6. The use by respondents of said false and misleading brand, name and designation of said shingles has the tendency and capacity to mislead all purchasers thereof, except those designated in paragraph 5 hereof, including the purchasing public and consumers of said shingles, into the false and erroneous belief that said shingles are of the first and highest quality, grade and class of shingles; and to induce them to purchase said shingles in, and because of, said false and erroneous belief.

Respondents' said use of said false and misleading brand, name and designation of said shingles has the tendency and capacity to divert trade to respondents from their said competitors, to the unfair **advantage of respondents**, to the substantial and unjust injury of respondents' said competitors, and to the deception and injury of the purchasing public.

PAR. 7. The above alleged acts and practices of respondents are all to the prejudice of the public and of respondents' said competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914 (38 Stat. 717), the Federal Trade Commission on October 26, 1934, issued and served a complaint upon the respondents above named charging them with the use of unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act.

The respondents appeared and filed an answer and thereafter the case came on for trial. It was then by mutual consent and in avoidance of duplication of proceedings, consolidated with the case, *In re Oakland Shingle Company*, Docket 2262, which involves the same method of competition as herein in controversy. The consolidated proceeding was tried at Seattle, Wash., January 18 to 21, 1935.

Findings

Oral argument was waived and the Commission, having duly considered the pleadings and all the evidence taken and the record herein and being fully advised in the premises, makes this its report, stating its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Quality Shingle Company, Inc., is a corporation organized and doing business under the laws of the State of Washington, maintaining its principal place of business at Edmonds in said State. It has been and is engaged in the manufacture of red cedar shingles at its mills located within the State of Washington. Said respondent has been and is also engaged in offering for sale and selling said red cedar shingles in commerce between and among the several States of the United States, and in causing said shingles when so sold to be transported from its places of business in the State of Washington into and across the several States of the United States and the District of Columbia to purchasers thereof located at various places in said several States other than the State of Washington. Said respondent has been and is offering for sale and selling its shingles to and through wholesale and retail dealers in shingles, and to other persons, firms, associations or corporations located at various places in the several States of the United States. It offers for sale and sells large quantities of its shingle to and through respondent, C. V. Gray.

PAR. 2. Respondent C. V. Gray is an individual trading under the name and style of Gray Lumber & Shingle Company, maintaining his office and principal place of business in the city of Seattle, in the State of Washington. He has been and is engaged in the purchase for resale of lumber and lumber products, including red cedar shingles, offering for sale and selling the same as a wholesaler thereof, in commerce between and among the several States of the United States. He causes his shingles when so sold to be transported from his principal place of business, or from the place or places where the same are produced, or from the principal places of business of respondent, Quality Shingle Company, Inc., in the State of Washington, to purchasers thereof located at various places in States of the United States other than the State of Washington, as well as within that State. Respondent C. V. Gray purchases from respondent Quality Shingle Company, Inc., and offers for resale and resells large quantities of red cedar shingles manufactured by respondent Quality Shingle Company, Inc.

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PAR. 3. Other persons, firms, associations, and corporations have been and are engaged in offering for sale and selling in commerce between and among the several States of the United States red cedar shingles and like or competitive products. In the course and conduct of their respective businesses each respondent has been and is in competition with such other persons, firms, associations, and corporations so engaged in offering for sale and selling in said commerce red cedar shingles or like and competitive products, and with all others who may be engaged in offering for sale and selling red cedar shingles or like or competitive products to dealers therein or to the purchasing public.

PAR. 4. Respondent Quality Shingle Company, Inc., in order to induce respondent C. V. Gray and other dealers in or purchasers of shingles, or like or competitive products, to purchase its shingles in preference to red cedar shingles or competitive products being offered for sale and sold by its competitors and, in order to create a public demand for said respondent's shingles, brands a certain grade of its shingles as "extra clear" and introduces them into said commerce by and under said brand or trade term.

PAR. 5. In part because the brand or trade term, "extra clear", aids the saleability of shingles so branded or trade termed respondent C. V. Gray purchases large quantities of the so-called "extra clear" shingles from respondent Quality Shingle Company, Inc., and from the Oakland Shingle Company, hereinabove mentioned, and resells the same in the commerce above described, under said brand and trade term, to dealers in shingles and to other persons, firms, associations, and corporations for resale or direct to ultimate buyers.

PAR. 6. Prior to 1931 there was a great diversity of trade terms in the red cedar shingle industry. Some of these were intrinsically misleading and their diversity added to the confusion in the minds of the retail dealers and public. Several attempts were made to correct, simplify and clarify the nomenclature as well as to reduce the multiplicity of grades. After efforts wholly within the industry had failed, renewed endeavor was made, beginning in 1931, with the cooperation of the Bureau of Standards of the Department of Commerce. Among the reforms then partially carried out was the elimination of the term "extra clear". The reform measures as to nomenclature were continued under the National Industrial Recovery Act and it was provided by an amendment of the Code of Fair Competition for the Lumber and Timber Industry as follows:

Red cedar shingles shall not be branded or labeled "extra clear" or "premium clear" or "all clear", unless they are in fact 100 percent clear, or with any other misleading grade or trade name. (Administrative Order 9293; amendment 87, paragraph D, sec. 11 of Sched. B of the Code.)

This reform in nomenclature has been supported and adhered to by the great majority of those trading in red cedar shingles in interstate commerce and by the two associations into which the industry has been organized. The term "extra clear" was commonly used prior to 1931 by many producers over a period of about 35 years and by a diminishing number since the latter year. At first said term designated a shingle entirely clear of defects for its entire length; soon, however, it was degraded, and came to be used under the then existing grading rules of producers' organizations, for shingles not more than 10 percent of which numerically might have various defects, including knots or knot holes up to 1½ inches in diameter, and rot pockets or worm holes not more than one-third the width of the shingle. Not more than one such defect, however, was allowed by the rules in any one shingle, and that only in the uppermost four inches thereof. But sapwood was expressly permitted in any number or part of the shingles. The term "extra clear" is not included in the existing grading rules for red cedar shingles.

PAR. 7. To the specifications for the former grade of "extra clears", mentioned above in paragraph 6, respondents assert their adherence in the grading of their "extra clear" shingles. Respondents' "extra clear" shingle is not a first class product, nor is it respondents' best grade of shingle. It sells for less at wholesale than the "No. 1" shingle and averages substantially inferior in quality to, and is far less durable under weather exposure than the shingles designated under the present grading rules as "No. 1" shingles, which must be clear of defects for the entire length and without sapwood content. Sapwood in lumber products, including red cedar shingles, has notably less durability for exterior uses than the heartwood content of the same variety of wood. Respondents do not reject sapwood from any part of their "extra clears". Said "extra clears" are about equivalent in quality to the "No. 2" shingles of the present grading rules.

PAR. 8. The consuming public attaches, and has long attached a definite meaning to the term "clear" as applied to shingles, to wit, that the product is without defect or blemish. The term "extra clear" as applied to shingles means to the consuming public not only shingles free from defects and blemishes, but an especially high or a superlative grade of "clear" shingles. There is not sufficient evidence for a finding that the consuming public understands the damaging effect of sapwood in shingles. But the understanding the public has of the meaning of respondents' term "extra clear" is that of a quality of product wholly incompatible with sapwood content and with the resultant loss of durability. The public has been since the term was

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degraded, as in paragraph 6 hereinabove stated, and still is, misled and deceived by the use of said term into the belief that the so-called "extra clear" shingle is an especially high or superlative grade of "clear" shingle. Respondents' so-called "extra clear" shingles are neither "clear" nor "extra clear" as the consuming public understands those terms; and respondents' continued use of said term is deceptive. The average ultimate buyer is the more helpless prey to this term since he buys shingles but seldom in his lifetime.

PAR. 9. A majority of the retail dealers in shingles are not misled and deceived by respondents' use of the said term "extra clear", but on the contrary are informed of the defects and blemishes of the shingles so trade-termed. A minor, but substantial, portion of the retailers, however, are not informed thereof and are misled and deceived by respondents' use of said trade term. Respondents not only so quote and invoice their "extra clear" shingles by that term but they prominently label each bundle thereof with the words, "extra clear". This label is retained and appears on respondents' products in the yards of retailers and is thus visible and conspicuous to the consumers who trade with the retailer customers of respondents. The result is that retailers who know of the inferiority of respondents' so-called "extra clear" shingles as compared with genuinely clear shingles, but who may desire to sell an inferior and cheaper grade of shingles, either as and for genuine clear shingles or without giving express notice to their customers of the true quality of the product, are by respondents afforded aid in so doing. Some retailers, not in themselves misled, take advantage of the aid afforded thus in their competition with more scrupulous retailers.

PAR. 10. There are on the market red cedar shingles which conform to the public's understanding of what constitutes a "clear" shingle which are competitive with respondents' so-called "extra clear" shingles. Through the misleading and deceptive character of respondents' said trade term, as described in paragraph 7 hereinabove, some retailers and many consumers purchase respondents' said "extra clear" shingles in the belief that they are buying, often at a lower price, a "clear", a first-class, shingle. This results in diversion of business to respondents from respondents' competitors and consequently inflicts injury and loss of trade upon respondents' competitors in the sale of the genuinely clear "No. 1" shingles. Respondents' competitors also sell "No. 2" shingles which are of a quality similar and are sold at prices approximate to the quality and prices of respondents' so-called "extra clear" shingles. The public is misled and deceived by respondents' trade term into the belief that said "extra clear" shingles are greatly superior to "No. 2", and thus respondents, by the use of said

term, divert business to themselves and consequently inflict further injury and loss of trade upon their competitors in the sale of competitors' "No. 2" shingles.

PAR. 11. The red cedar shingle industry has an average of \$10,000,000 in annual sales and in 1932 comprised about 95 percent of the lumber shingles produced in the United States. From 1908 to 1912 the average annual sales were 16,000,000 squares, a "square" having 100 square feet of coverage. From 1915 to 1918 the annual average of sales had declined to 10,000,000 squares and in the decade following to 5,000,000 squares and thence to 2,600,000 squares in 1932. There was an increase in 1933. To the demoralization of the industry the use of terms deceptive to the public and particularly the use of the term "extra clear", for shingles which were only partially "clear" and have a comparatively short life, substantially contributed. As a result of the use of the said term red cedar shingles have suffered in public goodwill and esteem and the producers and marketers thereof have lost a greater volume of business to producers and marketers of composite roofing than they would otherwise have lost.

CONCLUSION

The acts and practices of the respondents are all to the prejudice of the public and of respondents' said competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been considered by the Commission upon the pleadings, the evidence received, and the oral and written argument, and the Commission having made its findings as to the facts and conclusion that respondents, Quality Shingle Company, Inc., and C. V. Gray, have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That respondents, their agents, representatives, and employees, shall cease and desist from using the term "extra clear" in connection with the sale or the offering for sale in interstate commerce, or the advertisement in interstate commerce of any shingles, unless and until the product so sold or so offered for sale under

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said term shall be free from defects and blemishes, including sapwood content; and

It is further ordered, That respondents shall within 60 days after service upon them of copies of this order, file with the Commission a report or reports in writing, setting forth in detail the manner and form in which they have complied with and conformed to the order to cease and desist as hereinabove set forth.

MEMORANDUM

The Commission as of the same date made similar findings in the case of Oakland Shingle Company, Docket 2262, in which complaint issued as of December 12, 1934. Before *Mr. Henry M. White*, trial examiner. *Mr. Eugene W. Burr* for the Commission. *Wettrick, Wettrick & Flood* of Seattle, Wash., for respondent.

Syllabus

IN THE MATTER OF

THE NATURAL BODY BRACE COMPANY, AND THE
POTTS-TURNBULL COMPANY

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

Docket 2274. Complaint, Dec. 28, 1934—Decision, Oct. 8, 1935

Where a corporation engaged in the sale of an appliance which it described and designated as a natural body brace, and which was similar to appliances sold and offered by others, without misrepresentation, for maintenance of correct body posture, and was held out for cure or relief of ailments for which others, without misrepresentation, offered medicinal preparations; in advertising the said "body brace" in various ways and particularly through radio broadcasting—

Represented that the use thereof would overcome, correct, remove, or relieve female weakness, backache, curvatures, nervousness, constipation, after-effects of flu, organic ailments of men and women, and numerous other ailments and conditions specified by it, and would cause the individual using the same to become 100 percent efficient, successful, useful and happy and confer upon such persons numerous benefits such as physical strength and good appearance and the blessings of comfort, health and a perfect figure, and that it cost nothing to try said device, which was made to the measurements of the individual purchaser after receipt of the order, and that health service was furnished free;

The facts being that while device might appreciably relieve distress and discomfort or be a useful agent in correcting faulty posture caused by fatigue, disease or other conditions, and in thus avoiding serious pathological situations to which such posture sometimes leads, including conditions in growing girls, at times chargeable to incorrect posture, and in relieving strain and possible constipation and other conditions due to weak abdominal muscles, and correction of such condition through use of a brace, the diseases, conditions and physical troubles for which it claimed relief, correction and cure were generally due to causes which could be neither directly nor indirectly, at all overcome, corrected, removed or relieved by the use of said device or any other physical appliance, and it was necessary for the purchaser to pay the required price for said brace, which was made after receipt of order, but promised health service was not furnished free;

With capacity and tendency to mislead and deceive purchasing public into belief that aforesaid representations were true, and into purchase of said product in reliance on such erroneous belief, and divert trade to it from competitors offering and selling body braces or appliances intended for or adapted to the maintenance of correct body posture, and from individuals and concerns selling medicinal preparations of various kinds for the cure or relief of the diseases which it represented could be cured or relieved by its said product:

Held, That such acts and practices were all to the prejudice of the public and competitors, and constituted unfair methods of competition.

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Before *Mr. Charles F. Diggs*, trial examiner.

Mr. James M. Brinson for the Commission.

Nash & Donnelly, of Washington, D. C., for The Natural Body Brace Co. and *Mr. Franklin D. Glore*, of Kansas City, Mo., for The Potts-Turnbull Co.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that The Natural Body Brace Company and The Potts-Turnbull Company have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent, The Natural Body Brace Company, has been for several years last past and now is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Kansas, with its principal office and place of business at Salina, in said State. It engages in the sale in commerce among and between the State of Kansas and the various other States of the United States, of an appliance which it describes and designates as a "Natural Body Brace". Such product it transports, or causes to be transported, from its said place of business at Salina, Kansas, to purchasers thereof, located in the various other States of the United States than the State of Kansas.

Respondent, The Potts-Turnbull Company, has been for several years last past and now is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Missouri, with its principal office and place of business at Kansas City in said State. It engages in the business of an advertising agency, in the course of which it prepares advertisements of various kinds for its patrons and procures their publication in magazines, newspapers, and other periodicals, and also through the agency of radio broadcasting. Advertisements so prepared and published through the instrumentality of respondent, The Potts-Turnbull Company, embrace the offering for sale of various commodities in commerce among and between the various States of the United States.

In the course and conduct of its said business, respondent, The Natural Body Brace Company, has been and now is engaged in competition with individuals, partnerships, and corporations selling in interstate commerce body braces of various kinds, or who sell in such

commerce any other physical appliance or medicine or medical compound or drugs or preparations of any kind for use in connection with the diseases, or physical disorders, or troubles hereinafter mentioned in paragraph 2 hereof.

Respondent, The Potts-Turnbull Company, in the course of its said business has been and is engaged in competition with other advertising agencies which prepare advertisements in connection with the offering for sale commodities of various kinds in commerce among and between the various States of the United States.

PAR. 2. In the course and conduct of its business, it has been and is the practice of respondent, The Natural Body Brace Company, to offer for sale and sell its Natural Body Brace by means of advertisements of various kinds, particularly by radio broadcasting. Such advertisements have been prepared for respondent, The Natural Body Brace Company, at its instance and request by respondent, The Potts-Turnbull Company, with the full knowledge and expectation that such advertisements would be used and are used by respondent, The Natural Body Brace Company, in connection with the offering for sale and selling its Natural Body Brace in commerce among and between the State of Kansas and the various other States of the United States, and for the purpose of aiding, assisting, and promoting the sale of the product, Natural Body Brace, in such commerce. Respondent, The Potts-Turnbull Company, has rendered such service to respondent, The Natural Body Brace Company, in pursuance of contracts, the precise terms and provisions of which are unknown to the Commission.

In its aforesaid advertisements, it has been and is the practice of respondent, The Natural Body Brace Company, to make certain false and misleading representations to the effect that the use of its Natural Body Brace will overcome, correct, remove, or relieve female weakness, backache, curvatures, nervousness, constipation, the after effects of flu, organic ailments of men and women, indigestion, pains in the abdomen, bloating, unnatural thinness, inflammation of the bladder, colitis, floating kidney, or the usual kidney, bladder, or liver trouble, neuritis, or any nervous trouble, weak heart, palpitation from slight exercise or excitement, headache, pains between the shoulders, coldness, numbness, varicose veins, poor circulation, weakness of the lower limbs, lung trouble, navel or groin rupture, ovarian troubles, whites, menstrual troubles, or any female weakness, painful or frequent passing of urine; to the effect that it will cause you to become 100 percent efficient, 100 percent successful, 100 percent useful and happy, 100 percent in physical strength and good appearance; to the effect that it will enable you in later life, as well as now, to enjoy the

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blessings of comfort, good health, and a perfect figure; and to the effect that it will cost nothing to try said Natural Body Brace, that said Natural Body Braces are made to the individual measurement of the purchaser, that they are made after the receipt of orders, and that any health service is furnished free.

In truth and in fact, the above described or mentioned diseases, conditions, or physical troubles have been and are generally due to causes which can be neither directly, indirectly, nor at all overcome, corrected, removed, or relieved by use of product of respondent, The Natural Body Brace Company, or any other similar physical appliance. Some of the diseases, conditions, or troubles mentioned may be aggravated by use of product of respondent, The Natural Body Brace Company, and in many of such diseases, conditions, or troubles it would be and is dangerous to rely on the representations of respondent, The Natural Body Brace Company, because diseases, conditions, or troubles which can in no way be overcome, corrected, removed, or relieved by use of a brace may develop or progress to such an extent as to become incurable or impossible of relief or correction. It is necessary for the purchaser to pay the required price for the Natural Body Brace of respondent, The Natural Body Brace Company, and such brace is neither made to the individual measurement of the purchaser nor after the receipt of orders, nor is the promised health service furnished free.

PAR. 3. There have been for several years past and now are individuals, partnerships, and corporations engaged in the sale in interstate commerce of natural body braces, the purpose, use, and effect of which have been and are truthfully advertised and described, and there have been and are other individuals, partnerships, and corporations engaged in the sale in interstate commerce of drugs, compounds, medicaments, and preparations of various kinds, offered for sale and sold for use in connection with each and all of the diseases, ailments, and physical troubles described in paragraph 2 hereof, which have been and are truthfully advertised and described.

PAR. 4. The representations of respondent, The Natural Body Brace Company, described in paragraph 2 hereof, have had and have the capacity and tendency to mislead the consuming public into the belief that use of product of respondent, The Natural Body Brace Company, will cure or relieve or correct the diseases, physical troubles, or ailments described in paragraph 2 hereof, and into the purchase of the said Natural Body Brace in reliance on such erroneous belief.

The aforesaid representations of respondent, The Natural Body Brace Company, have had, and each of them has had and has the

capacity and tendency to divert trade to itself from individuals, partnerships, or corporations engaged in the sale of body braces or similar physical appliances, or of drugs, compounds, medicaments, or preparations of any kind truthfully advertised and sold for use in connection with said diseases, conditions, or troubles, or any of them.

PAR. 5. The acts and practices of respondents described in paragraph 2 hereof have been and are all to the prejudice of the public and of respondents' competitors, and have been and are unfair methods of competition in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon the Natural Body Brace Company, a corporation, and The Potts-Turnbull Company, the correct name of which is "Potts-Turnbull Advertising Company", a corporation, charging them with unfair methods of competition in interstate commerce in violation of the provisions of said act.

The respondents having entered their appearance and filed answers, hearings were held at Chicago, Ill., and Kansas City, Mo., before an examiner for the Commission, theretofore duly designated for such purpose, and in the course of such hearings counsel for the Commission and counsel for the respondent Natural Body Brace Company, a corporation, entered into a stipulation as to the facts subject to the approval of the Commission. Submission of further testimony and evidence, report of the trial examiner, briefs and oral argument were duly waived in such stipulation. A stipulation of the facts in relation to its connection with respondent Natural Body Brace Company was also duly made by respondent Potts-Turnbull Advertising Company, erroneously named in complaint "Potts-Turnbull Company", with counsel for Commission subject to its approval. And the proceeding regularly came on for final hearing before the Commission on the complaint, answers and stipulations. The Commission having duly considered the same now makes this its report in writing, and states its findings as to the facts and conclusion drawn therefrom as follows, to wit:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Natural Body Brace Company has been for several years last past and now is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Kansas, with its principal office and place of business at Salina, in said State. It engages in the sale in commerce among and between the State of Kansas and the various other States of the United States, of an appliance which it describes and designates as a "Natural Body Brace." Such product it transports, or causes to be transported, from its said place of business at Salina, Kans., to purchasers thereof, located in the various other States of the United States than the State of Kansas.

In the course and conduct of its said business, respondent The Natural Body Brace Company has been and now is engaged in competition with individuals, partnerships, and corporations selling in interstate commerce body braces of various kinds, or who sell in such commerce any other physical appliance or medicine or medical compound or drugs or preparations of any kind for use in connection with the diseases, or physical disorders, or troubles hereinafter mentioned in paragraph 2 hereof.

PAR. 2. In the course and conduct of its business, it has been and is the practice of respondent the Natural Body Brace Company to offer for sale and sell its Natural Body Brace by means of advertisements of various kinds, particularly by radio broadcasting.

In its aforesaid advertisements, it has been the practice of respondent The Natural Body Brace Company to make certain representations to the effect that the use of its Natural Body Brace will overcome, correct, remove, or relieve female weakness, backache, curvatures, nervousness, constipation, the after effects of flu, organic ailments of men and women, indigestion, pains in the abdomen, bloating, unnatural thinness, inflammation of the bladder, colitis, floating kidney or the usual kidney, bladder, or liver trouble, neuritis, or any nervous trouble, weak heart, palpitation from slight exercise or excitement, headache, pains between the shoulders, coldness, numbness, varicose veins, poor circulation, weakness of the lower limbs, lung trouble, navel or groin rupture, ovarian troubles, whites, menstrual troubles, or any female weakness, painful or frequent passing of urine; and representation also to the effect that it will cause the individual using it to become 100 percent efficient, 100 percent successful, 100 percent useful and happy, 100 percent in physical strength and good appearance; also to the effect that it will enable the individual in later life, as well as now, to enjoy the blessings of comfort,

good health, and a perfect figure; and also to the effect that it costs nothing to try said Natural Body Brace, that said Natural Body Braces are made to the individual measurement of the purchaser, that they are made after the receipt of orders, and that any health service is furnished free.

In truth and in fact, the above described or mentioned diseases, conditions or physical troubles have been and are generally due to causes which can be neither directly, indirectly, nor at all overcome, corrected, removed, or relieved by use of the Natural Body Brace of the respondent The Natural Body Brace Company or any other similar physical appliance. It is necessary for the purchaser to pay the required price for the Natural Body Brace of respondent the Natural Body Brace Company and such brace is made after the receipt of orders, but the promised health service is not furnished free.

Faulty posture may be caused by fatigue, disease, abnormal physique, improper balance of the muscles, or laziness, or indifference, or many other factors. Such faulty or incorrect posture may produce in some instances and contribute to in other instances, various physical conditions which may or may not develop into serious pathological situations.

For example, if the normal development of the chest is prevented by stooping shoulders, the space provided by nature for the lungs and their expansion is narrowed. Undue pressure may, in extreme cases, be exerted on the heart and the large blood vessels.

In growing girls, poor posture with sagging abdomen may lead to deficient circulation in the abdominal and pelvic organs, and possibly to chronic diseases. If a properly fitted brace is worn before the incorrect posture has developed a pathological situation, the use of such brace until the posture is corrected, may serve to avert any of the serious consequences of incorrect posture. Respondent's product may be a useful agent in this respect.

In cases of weak abdominal muscles, resulting in sagging abdomen, and a consequent strain on other organs, a brace which restores the abdomen to its normal place and maintains it there, may relieve such strain, and may relieve constipation when such disease is caused by such abdominal and pelvic condition. It may also appreciably relieve distress and discomforts, in such conditions as have resulted from incorrect posture, or to which incorrect posture has contributed.

PAR. 3. There have been for several years last past and now are individuals, partnerships, and corporations engaged in the sale in interstate commerce of natural body braces, the purpose, use and effect of which have been and are truthfully advertised and de-

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scribed, and there have been and are other individuals, partnerships, and corporations engaged in the sale in interstate commerce of drugs, compounds, medicaments, and preparations of various kinds, offered for sale and sold for use in connection with each and all of the diseases, ailments, and physical troubles described in paragraph 2 hereof, which have been and are truthfully advertised and described.

PAR. 4. The connection or relations of the respondent The Potts-Turnbull Advertising Company, erroneously called Potts-Turnbull Company, with respondent The Natural Body Brace Company ceased on or about September 30, 1934. Prior to September 30, 1934, the advertisements prepared by respondent The Potts-Turnbull Advertising Company contained none of the representations, express or implied, or statements as charged in the complaint against The Natural Body Brace Company and respondent The Potts-Turnbull Advertising Company; and, as a matter of fact, all of the advertising matter placed by respondent The Potts-Turnbull Advertising Company with publications at the instance and direction of the respondent The Natural Body Brace Company during the year 1934 was no more than a continuation or repetition of advertising matter prepared by such company for respondent The Natural Body Brace Company during the year 1933 in pursuance of its specific instruction thereunder.

There were perhaps a few advertisements prepared in 1933 which in some respects resembled the phraseology of some of the charges in the complaint, but in each and every instance thereof it is the fact that the respondent The Potts-Turnbull Advertising Company qualified and explained the representations or statements of such advertising matter as provided and directed in a stipulation entered into by the Federal Trade Commission with the respondent The Natural Body Brace Company on September 21, 1932. And if there should appear in any of the advertising matter used by respondent The Natural Body Brace Company any statements such as those charged in the complaint which omitted the qualifying or explanatory clause required by such stipulation, it was without the knowledge, approval, or consent of respondent The Potts-Turnbull Advertising Company.

Any and all radio continuities prepared by respondent The Potts-Turnbull Advertising Company for use by respondent The Natural Body Brace Company in radio broadcasting always included a qualification or explanation such as suggested in the stipulation with the Commission to the effect that, in order to relieve or correct the troubles mentioned, they must have been the result of incorrect posture, misplaced organs, improperly supported abdomen, strained muscles or ligaments, or weak back or spine.

PAR. 5. The representations made by respondent The Natural Body Brace Company as described in paragraph 2, have had and have the capacity and tendency to mislead and deceive the purchasing public into the belief that they have been and are true, and into the purchase of respondent's product in reliance on such erroneous belief.

The aforesaid representations of respondent The Natural Body Brace Company have also had and have the capacity and tendency to divert trade to respondent from competitors offering for sale and selling in interstate commerce body braces or appliances intended for, or adapted to, the maintenance of correct bodily posture, and from other individuals, partnerships or corporations, selling in interstate commerce medicinal preparations of various kinds for the cure or relief of the diseases which respondent The Natural Body Brace Company represents, as described in paragraph 2, can be cured or relieved by its product.

CONCLUSION

The acts and practices of respondent The Natural Body Brace Company as described in the foregoing findings of fact have been and are all to the prejudice of the public and of respondent's competitors, and have been and are unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

There is no evidence to support the complaint against respondent The Potts-Turnbull Company or respondent The Potts-Turnbull Advertising Company.

ORDER TO CEASE AND DESIST

This proceeding, having been heard by the Federal Trade Commission, upon the complaint of the Commission, the answers of respondents thereto and stipulations of the facts by and between counsel for the Commission and respondents which are hereby approved, and submission of evidence having been waived in such stipulations and the report of the trial examiner, briefs and oral arguments also having been waived by respondent Natural Body Brace Company, which further agreed that the Commission may forthwith file its report stating its findings as to the facts, and its conclusion drawn therefrom, and may thereupon enter and serve upon respondent Natural Body Brace Company its order to cease and desist based or predicated upon its aforesaid stipulation of facts, and in accordance therewith and

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the Commission having considered the record and being fully advised in the premises—

It is ordered, That respondent Natural Body Brace Company in connection with offering for sale or selling in interstate commerce its product called the "Natural Body Brace", or any other similar product, in advertisements in newspapers, magazines, trade journals, periodicals, pamphlets, leaflets, prospectuses, or by means of radio broadcasting directly and indirectly cease and desist from:

1. Representing that the use of its natural body brace or any similar product can overcome, correct, remove, or relieve female weakness, backache, curvatures, nervousness, the after effects of flu, organic ailments of men and women, indigestion, pains in the abdomen, bloating, unnatural thinness, inflammation of the bladder, colitis, floating kidney, or the usual kidney, bladder, or liver trouble, neuritis, or any nervous trouble, weak heart, palpitation from slight exercise or excitement, headache, pains between the shoulders, coldness, numbness, varicose veins, poor circulation, weakness of the lower limbs, lung trouble, navel or groin rupture, ovarine troubles, whites, menstrual troubles, or any female weakness, painful or frequent passing of urine, that it will cause the individual using it to become 100 percent efficient, 100 percent successful, 100 percent useful and happy, 100 percent in physical strength and good appearance, or that it will enable the individual in later life, as well as now, to enjoy the blessings of comfort, good health, and a perfect figure, or that it costs nothing to try said Natural Body Brace and that they are made after the receipt of the order.

2. Representing that its Natural Body Brace can accomplish any useful result, except that in cases of weak abdominal muscles resulting in sagging abdomen and a consequent strain on other organs, the brace may restore the abdomen to its normal place, maintain it there and relieve such strain, and may relieve constipation when such disease is caused by abdominal and pelvic conditions resulting from sagging abdomen, and that it may also appreciably relieve distress and discomforts in such conditions generally as have resulted from incorrect posture or to which incorrect posture has contributed.

It is further ordered, That the complaint against respondent Potts-Turnbull Company, more correctly called "Potts-Turnbull Advertising Company", be and hereby is dismissed.

It is further ordered, That the respondent shall within 60 days after the service upon it of this order file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

VINCENT MAGGIORE, TRADING AS THE AMO-LINE
COMPANY AND AMO-LINE COMPANY

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

Docket 2491: Complaint, July 3, 1935—Decision, Oct. 8, 1935

Where a corporation engaged for years in the manufacture, distribution, and sale of a cleanser and water-softener under its registered trade name "Climalene" and in its light blue registered cartons with dark blue overprintings, and through sale of said water-softener under said name and in such cartons and the wide advertisement thereof throughout the United States, acquired a wide and favorable reputation for said product which was in great demand by the trade and purchasing public; and thereafter an individual sold a similar product under the name "Amo-Line" and employed therefor cartons or packages which were of the same size, and colored light greenish blue with dark blue overprintings, and which imitated the former in many particulars; with capacity and tendency to confuse, deceive, and mislead trade and public under conditions usually prevailing in the sale of such products, and with result of inducing members of such trade and public to buy the product of said individual as and for that of such corporation, and of thus unfairly diverting trade from latter and its dealers to said individual and his dealers, and of placing in the hands of retailers an instrumentality permitting them more easily to substitute such goods of said individual for those of another, and with capacity and tendency so to do:

Held, That such practices, under the conditions and circumstances set forth, were each and all to the substantial prejudice of the public and of said competitor, and constituted unfair methods of competition.

Mr. J. T. Welch for the Commission.

Mr. Gerard Manack, of Navarre, Ohio, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Vincent Maggiore trading as The Amo-Line Company and Amo-Line Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect

thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Vincent Maggiore, trading as The Amo-Line Company and Amo-Line Company, is an individual engaged in business in the city of Canton, State of Ohio. He is now and for more than one year last past has been engaged in the business of manufacturing and selling a cleanser and water-softener which he distributes to purchasers, many of whom reside in States other than the State of Ohio, and when orders are received therefor, they are filled by respondent by shipping the same from the said city of Canton, Ohio, into and through other States of the United States and in the District of Columbia, to the respective places of business or residence of such purchasers.

PAR. 2. In the course and conduct of his business the said respondent was and is in substantial competition with other corporations, individuals, firms, and partnerships, likewise engaged in the sale and distribution of cleansers and water softeners between and among the various States of the United States and in the District of Columbia.

PAR. 3. During all the time since or about the year 1918, the Climalene Company, a corporation organized and existing under and by virtue of the laws of the State of Ohio, and having its principal office and place of business in the city of Canton in said State, and one of the sellers mentioned in paragraph 2 hereof has been engaged in the manufacture, distribution, and sale of a cleanser and water-softener known to the trade as "Climalene", which name together with the general style of the package in which said cleanser and water-softener is sold has been registered by the said corporation in the United States Patent Office and bears trade mark No. 37330. Said package is light blue in

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color with overprintings of dark blue and is of the style and character as follows:

Front, top, and side

CLIMALENE	[Trade mark]
<p style="text-align: center;">CLIMALENE (Trade mark reg. U. S. Pat. Office)</p> <p style="text-align: center;">A CLEANSER WATER SOFTENER AND SOAP SAVER</p> <p style="text-align: center;">FOR KITCHEN—LAUNDRY AND BATH</p> <p style="text-align: center;">NET WEIGHT 12 Oz.</p> <p>Copyright 1932 by The Climalene Co.</p>	<p style="text-align: center;">CLIMALENE <i>for</i> <i>Boiling Clothes</i></p> <p>Two tablespoonfuls in a half boiler of water, one-fourth the usual amount of soap or soap chips.</p> <hr/> <p style="text-align: center;"><i>Soaking Clothes</i></p> <p>Two tablespoonfuls, half tub water, one-fourth usual amount soap or soap chips. Soak over night.</p> <hr/> <p style="text-align: center;"><i>Washers</i></p> <p>Two tablespoonfuls in washer of water to water line, one-fourth usual amount soap or soap chips.</p> <hr/> <p style="text-align: center;"><i>Fine Fabrics</i></p> <p>For dainty things; use a pinch, warm water, pure mild soap. Wash by dipping up and down.</p>
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Back, bottom, and side

<p style="text-align: center;">CLIMALENE</p> <p style="text-align: center;">CLEANSER WATER SOFTENER SOAP SAVER</p> <p style="text-align: center;">FOR KITCHEN—LAUNDRY AND BATH</p> <p>CLIMALENE instantly takes the harshness out of hard water . . . makes it soft and gentle as Rain Water. It is perfectly soluble in hot or cold water and is invaluable in the kitchen, laundry and bathroom. At the same time it instantly dissolves all grease, dirt, and grime and so can be used wherever water of any kind is used in cleaning. And thus cuts your working time . . . One-Half or More . . . saves soap . . . in washing, cleaning and in the dishpan. The saving in soap more than pays for <i>Climalene</i>.</p> <p style="text-align: center;">THE CLIMALENE CO., CANTON, OHIO</p>	<p style="text-align: center;">CLIMALENE</p> <p style="text-align: center;"><i>for The Bath</i></p> <p>One tablespoonful to tub. A quick rich lather is made with soap. No high water mark is left on tub.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Washing Dishes</i></p> <p>One teaspoonful in the dishpan cuts the grease from dishes and cooking utensils. Quickly cleans sink.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Cleaning Silver</i></p> <p>One teaspoonful in a pan of water. Boil the silver for two minutes, longer if badly stained. Rinse.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Cleaning Floors</i></p> <p>One teaspoonful in a pail of water renews floors, woodwork, linoleum, tiling to a fresh brightness.</p>
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PAR. 4. During and since the year 1934, the respondent, in the course and conduct of his business has sold and distributed a cleanser and water-softener known as "Amo-Line", in cartons or packages in which said cleanser and water-softener is and has been displayed for

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resale by dealers to the members of the public for their use; the said respondent's carton or package being of the same size as that of his competitor mentioned in paragraph 3 hereof, is a light greenish blue in color with overprintings of dark blue, and being of the style and character as follows:

Front, top, and side

AMO-LINE	
<p>AMO-LINE</p> <p>A NEW CLEANSER WATER SOFTENER SOAP AND TIME SAVER</p> <p>FOR BATH, LAUNDRY AND KITCHEN NET WEIGHT—12 Oz.</p>	<p>AMO-LINE</p> <p><i>For Clothes Washing</i></p> <p>Two to three tablespoon- fuls in a boiler of warm water. Soak the clothes over night (if possible), wring into machine with hot water, add two tablespoon- fuls and one-fourth the usual amount of soap.</p> <hr/> <p><i>Woolens and Blankets</i></p> <p>Dissolve two tablespoon- fuls and little pure mild soap in a tub of warm water (not hot). Soap half hour. Wash by dipping up and down—squeeze gently, rinse in lukewarm water.</p> <hr/> <p><i>Lingerie and Laces</i></p> <p>One teaspoonful in one gallon of warm water. Add a little pure mild soap wash gently and carefully by hand. Rinse well.</p>
AMO-LINE	

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Back, bottom, and side

<p style="text-align: center;">AMO-LINE</p> <p style="text-align: center;">A NEW CLEANSER</p> <p style="text-align: center;">WATER SOFTENER, SOAP AND TIME SAVER FOR BATH, LAUNDRY AND KITCHEN</p> <p style="text-align: center;">AMO-LINE</p> <p>is the latest and greatest discovery of modern times—as a cleaner it has no equal. AMO-LINE cleans on a new principle. It's different from other cleaners. It's stronger, better, and yet less harmful. A little AMO-LINE goes a long ways. Just a teaspoonful in a dishpan of hot or cold water takes all the hardness and makes it as soft as rain water. Cuts and dissolves dirt, grease or scum—just like magic. Can be used for any kind of cleaning.</p> <p style="text-align: center;"><i>When once you use AMO-LINE, you can't do without it</i></p> <p style="text-align: center;">THE AMO-LINE CO.—CANTON, OHIO</p>	<p style="text-align: center;">AMO-LINE</p> <p style="text-align: center;"><i>Tubs and Basins</i></p> <p>One teaspoonful to a wet cloth will remove all grease, scum and stains. Makes the enamel a sparkling white.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Dishes and Glassware</i></p> <p>One teaspoonful in a dishpan of warm water cuts grease and leaves surface clean.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Brass and Silverware</i></p> <p>One teaspoonful in two quarts of warm water. Do not rub hard with cloth.</p> <p style="text-align: center;">—</p> <p style="text-align: center;"><i>Floors and Woodwork</i></p> <p>One tablespoonful into a pail of lukewarm water (not hot.) Rinse with clean water and dry with damp cloth.</p>
	<p style="text-align: center;">Paper Boxes & Cartons THE A. L. GARBER CO. Ashland, Ohio</p>

PAR. 5. The Climalene Company, by its sale of its cleanser and water-softener in the carton depicted in paragraph 3 hereof, and by widely advertising the same throughout the United States has acquired a wide and favorable reputation for its product which is in great demand by the trade and purchasing public.

PAR. 6. The carton or package above referred to in which respondent sells his cleanser and water-softener imitated and still imitates in many particulars the cartons or packages in which Climalene has been and is being packed and sold, and such similarity had and still has the capacity and tendency to confuse, deceive and mislead the trade and public, and was and is calculated to and continues to confuse, mislead and deceive the trade and public. Under the ordinary conditions which prevailed and still prevail in the usual course of business in the sale of such cleanser and water-softener, and in consequence thereof, members of the trade and public were and are induced by the similarity of the packages or cartons to buy, and they did buy and continue to buy respondent's product, in the belief that they were and are purchasing the product sold by the Climalene Company. Trade has been and continues to be unfairly diverted from respondent's competitor and from dealers in the product of respondent's competitor to the respondent and dealers who sell respondent's product and the use by respondent of the name and package described in paragraph 4 hereof has the tendency to and does place in the hands of retail dealers an instrumentality which permits them more easily to substitute the goods of respondent for those of another.

PAR. 7. The above acts and things caused to be done are and were each and all to the substantial prejudice and injury of the public and of respondent's competitor and constitute unfair methods of competition in commerce within the meaning and intent of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 3rd day of July 1935 issued against and thereafter served its complaint upon respondent Vincent Maggione, charging him with the use of unfair methods of competition in commerce in violation of the provisions of said Act. Respondent having failed to enter his appearance or file his answer to said complaint, a hearing was called before a trial examiner heretofore duly appointed, at which hearing the said respondent having appeared thereat person-

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ally and by attorney, before the taking of any testimony, stipulated on the record as to each and every one of the allegations in the complaint. Thereafter the Commission having duly considered the record and being now fully advised in the premises, makes this its report, stating its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Vincent Maggiore, trading as The Amo-Line Company and Amo-Line Company, is an individual engaged in business in the city of Canton, State of Ohio. He is now and for more than one year last past has been engaged in the business of manufacturing and selling a cleanser and water-softener which he distributes to purchasers, many of whom reside in States other than the State of Ohio, and when orders are received therefor, they are filled by respondent by shipping the same from the said city of Canton, Ohio, into and through other States of the United States and in the District of Columbia, to the respective places of business or residence of such purchasers.

PAR. 2. In the course and conduct of his business the said respondent was and is in substantial competition with other corporations, individuals, firms, and partnerships, likewise engaged in the sale and distribution of cleansers and water-softeners between and among the various States of the United States and in the District of Columbia.

PAR. 3. During all the time since or about the year 1918, the Climalene Company, a corporation organized and existing under and by virtue of the laws of the State of Ohio, and having its principal office and place of business in the city of Canton in said State, and one of the sellers mentioned in paragraph 2 hereof has been engaged in the manufacture, distribution, and sale of a cleanser and water-softener known to the trade as "Climalene", which name together with the general style of the package in which said cleanser and water-softener is sold has been registered by the said corporation in the United States

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Patent Office and bears trade mark No. 37330. Said package is light blue in color with overprintings of dark blue and is of the style and character as follows:

Front, top, and side

CLIMALENE	[Trade mark]
<p>CLIMALENE (Trade mark Reg. U. S. Pat. Office)</p> <p>A CLEANSER WATER SOFTENER AND SOAP SAVER</p> <p>FOR KITCHEN—LAUNDRY and BATH NET WEIGHT 12 Oz. Copyright 1932 by the Climalene Co.</p>	<p>CLIMALENE</p> <p><i>for</i> <i>Boiling Clothes</i> Two tablespoonfuls in a half boiler of water, one-fourth the usual amount of soap or soap chips.</p> <hr/> <p><i>Soaking Clothes</i> Two tablespoonfuls, half tub water, one-fourth usual amount soap or soap chips. Soak over night.</p> <hr/> <p><i>Washers</i> Two tablespoonfuls in washer of water to water line, one-fourth usual amount soap or soap chips.</p> <hr/> <p><i>Fine Fabrics</i> For dainty things: use a pinch, warm water, pure mild soap. Wash by dipping up and down.</p>
CLIMALENE	

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Back, bottom, and side

<p style="text-align: center;">CLIMALENE CLEANSER WATER SOFTENER SOAP SAVER FOR KITCHEN—LAUNDRY AND BATH</p> <p>CLIMALENE instantly takes the harshness out of hard water . . . makes it soft and gentle as Rain Water. It is perfectly soluble in hot or cold water and is invaluable in the kitchen, laundry and bathroom. At the same time it instantly dissolves all grease, dirt, and grime and so can be used wherever water of any kind is used in cleaning. And thus cuts your working time. . . One-Half or More. . . saves soap . . . in washing, cleaning and in the dishpan. The saving in soap more than pays for <i>Climalene</i>.</p> <p style="text-align: center;">THE CLIMALENE CO., CANTON, OHIO</p>	<p style="text-align: center;">CLIMALENE <i>for</i> <i>The Bath</i></p> <p>One tablespoonful to tub. A quick rich lather is made with soap. No high water mark is left on tub.</p> <p style="text-align: center;"><i>Washing Dishes</i></p> <p>One teaspoonful in the dishpan cuts the grease from dishes and cooking utensils. Quickly cleans sink.</p> <p style="text-align: center;"><i>Cleaning Silver</i></p> <p>One teaspoonful in a pan of water. Boil the silver for two minutes, longer if badly stained. Rinse.</p> <p style="text-align: center;"><i>Cleaning Floors</i></p> <p>One teaspoonful in a pail of water renews floors, woodwork, linoleum, tiling to a fresh brightness.</p>
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PAR. 4. During and since the year 1934, the respondent, in the course and conduct of his business has sold and distributed a cleanser and water-softener known as "Amo-Line", in cartons or packages in which said cleanser and water-softener is and has been displayed for resale by dealers to the members of the public for their use; the said respondent's carton or package being of the same size as that of his competitor mentioned in paragraph 3 hereof, is a light greenish blue

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in color with overprintings of dark blue, and being of the style and character as follows:

Front, top, and side

<p>AMO-LINE</p>	
<p>AMO-LINE</p> <p>A</p> <p>NEW CLEANSER WATER SOFTENER SOAP AND TIME SAVER</p> <p>FOR BATH, LAUNDRY AND KITCHEN NET WEIGHT—12 Oz.</p>	<p>AMO-LINE</p> <p><i>For Clothes Washing</i></p> <p>Two to three tablespoon- fuls in a boiler of warm water: Soak the clothes over night (if possible), wring into machine with hot water, add two table- spoonfuls and one-fourth the usual amount of soap.</p> <hr/> <p><i>Woolens and Blankets</i></p> <p>Dissolve two tablespoon- fuls and little pure mild soap in a tub of warm water (not hot). Soak half hour. wash by dipping up and down—squeeze gently, rinse in lukewarm water.</p> <hr/> <p><i>Lingerie and Laces</i></p> <p>One teaspoonful in one gallon of warm water. Add a little pure mild soap wash gently and carefully by hand. Rinse well.</p>
<p>AMO-LINE</p>	

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Back, bottom, and side

<p style="text-align: center;">AMO-LINE</p> <p style="text-align: center;">A NEW CLEANSER</p> <p style="text-align: center;">WATER SOFTENER, SOAP AND TIME SAVER FOR BATH, LAUNDRY AND KITCHEN</p> <p style="text-align: center;">AMO-LINE</p> <p>is the latest and greatest discovery of modern times—as a cleaner it has no equal. AMO-LINE cleans on a new principle. It's different from other cleaners. It's stronger, better, and yet less harmful. A little AMO-LINE goes a long ways. Just a teaspoonful in a dishpan of hot or cold water takes all the the hardness and makes it as soft as rain water. Cuts and dissolves dirt, grease or scum—just like magic. Can be used for any kind of cleaning.</p> <p><i>When once you use AMO-LINE, you can't do without it</i></p> <p style="text-align: center;">THE AMO-LINE CO.—CANTON, OHIO</p>	<p style="text-align: center;">AMO-LINE</p> <p style="text-align: center;"><i>Tubs and Basins</i></p> <p>One teaspoonful to a wet cloth will remove all grease, scum and stains. Makes the enamel a sparkling white.</p> <hr style="width: 10%; margin: 10px auto;"/> <p style="text-align: center;"><i>Dishes and Glassware</i></p> <p>One teaspoonful in a dishpan of warm water cuts grease and leaves surface clean.</p> <hr style="width: 10%; margin: 10px auto;"/> <p style="text-align: center;"><i>Brass and Silverware</i></p> <p>One teaspoonful in two quarts of warm water. Do not rub hard with cloth.</p> <hr style="width: 10%; margin: 10px auto;"/> <p style="text-align: center;"><i>Floors and Woodwork</i></p> <p>One tablespoonful into a pail of lukewarm water (not hot). Rinse with clean water and dry with damp cloth.</p>
	<p style="text-align: center;">Paper Boxes & Cartons The A. L. GARBER CO. Ashland Ohio</p>

PAR. 5. The Climalene Company, by its sale of its cleanser and water-softener in the carton depicted in paragraph 3 hereof, and by widely advertising the same throughout the United States has ac-

quired a wide and favorable reputation for its product which is in great demand by the trade and purchasing public.

PAR. 6. The carton or package above referred to in which respondent sells his cleanser and water-softener imitated and still imitates in many particulars the cartons or packages in which Climalene has been and is being packed and sold, and such similarity had and still has the capacity and tendency to confuse, deceive, and mislead the trade and public, and was and is calculated to and continues to confuse, mislead; and deceive the trade and public. Under the ordinary conditions which prevailed and still prevail in the usual course of business in the sale of such cleanser and water-softener, and in consequence thereof, members of the trade and public were and are induced by the similarity of the packages or cartons to buy, and they did buy and continue to buy respondent's product, in the belief that they were and are purchasing the product sold by the Climalene Company. Trade has been and continues to be unfairly diverted from respondent's competitor and from dealers in the product of respondent's competitor to the respondent and dealers who sell respondent's product and the use by respondent of the name and package described in paragraph 4 hereof has the tendency to and does place in the hands of retail dealers an instrumentality which permits them more easily to substitute the goods of respondent for those of another.

CONCLUSION

The practices of the respondent and the acts and things he caused to be done under the conditions and circumstances described in the foregoing findings are and were each and all to the substantial prejudice and injury of the public and of respondent's competitor and constitute unfair methods of competition in interstate commerce within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been ordered to be heard by the Federal Trade Commission upon the complaint of the Commission, and the respondent, upon the opening of the hearing, having stipulated on the record as to all the allegations of the complaint and, the Commission having made its report in writing in which it stated its findings as to the facts with its conclusion that the respondent had violated the pro-

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visions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and the Commission being fully advised in the premises—

It is now ordered, That the respondent, Vincent Maggiore, trading as The Amo-Line Company or trading under any other name, his agents, representatives and employees, in the manufacture, packaging, advertising and sale of cleansers and water-softeners, or other merchandise in interstate commerce, do cease and desist from:

(1) Using, in connection with the sale, offering for sale or advertising of any cleanser and water-softener or similar commodity, the name Amo-Line.

(2) Marketing, displaying, advertising, or offering for sale any cleanser and water-softener or other merchandise in packages, cartons or containers deceptively similar in color, combinations of color, lettering, or design to packages, cartons, or containers of any competitor of respondent engaged in the sale of such commodities.

(3) Specifically, simulating the packages, labels, brand names, or advertising of the Climalene Company, an Ohio corporation.

(4) Selling or offering for sale any cleanser and water-softener or other merchandise in packages, cartons, or containers so contrived and designed that the appearance thereof in conjunction with any brand name, howsoever contrived, printed, or depicted on said packages, cartons, or containers, has the capacity and tendency to confuse, deceive, and mislead dealers and members of the public into the belief that respondent's cleanser and water-softener or other merchandise is the cleanser and water-softener or other merchandise of a competitor.

It is further ordered, That the respondent, Vincent Maggiore, shall within 30 days after the service of this order file with the Federal Trade Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order to cease and desist.

Complaint

IN THE MATTER OF

GOTTLIEB BROTHERS, MANUFACTURERS OF SILK
UNDERWEAR, INC.

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

Docket 2522. Complaint, Aug. 17, 1935—Order, Oct. 11, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the sale in interstate commerce of women's underwear and undergarments, to cease and desist from—

- (a) Representing women's underwear by labels or otherwise as "100 percent pure silk" until such undergarments are composed entirely of silk, the product of the cocoon of the silkworm; and
- (b) Representing women's underwear as "pure silk" until they are composed entirely of silk and contain not more than 10 percent of any substance (weighting) except black, which shall not exceed 15 percent.

Mr. George Foulkes for the Commission.

Mr. Max Levy, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Gottlieb Brothers, Manufacturers of Silk Underwear, Inc., a corporation, hereafter referred to as the respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. The respondent is and has been since the year 1930, or thereabouts a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business and office in the city of New York, in said State. It is now and has been since the year 1930, or thereabouts, engaged in the manufacture and sale of women's silk underwear and undergarments. In the course and conduct of its business the respondent sells through salesmen or representatives appointed by it as agents in its behalf to retail dealers, some located in the State of New York and others in other States of the United States, and pursuant to such sales, shipments are made from respondent's place of business in New York to such retailers. In the course and con-

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duct of its business respondent is in substantial competition with other corporations, partnerships, firms and persons engaged in the sale of women's silk underwear and undergarments between and among the various States of the United States.

PAR. 2. The term "100% pure silk" and "pure silk" are well established and standard terms when used in connection with the labeling, marking, advertising, sale, and distribution of silk garments. The term "100% pure silk" is understood by members of the silk industry, retailers, and the purchasing public to signify and designate silk goods, which in the finished state are manufactured entirely from silk and not mixed with any other adulterant fiber and/or substance. Silk is a fibrous substance produced by the larvae of silk worms.

The term "pure silk" is also a standardized and established term among members of the silk industry, retailers and the purchasing public. It signifies and designates a silk cloth not containing more than 10 percent of weighting material or more than 15 percent of weighting material for black silk fabrics.

PAR. 3. The respondent in the course and conduct of its business, as aforesaid, in the manufacturing, soliciting the sale of, and selling of women's silk underwear and undergarments, as described in paragraph 1 hereof, has represented since the year 1930, or thereabouts, and still represents to retail dealers and to prospective retail dealers, by the use of certain labels and other marks which it attaches and has attached, that such women's silk underwear and undergarments do not contain any weighting substance; and the respondent has represented and still represents to retail dealers and to prospective retail dealers by the use of certain other labels and marks which it attaches and has attached, that such women's silk underwear and undergarments do not contain more than 10 percent of weighting substance. The labels used by respondent are, among others, as follows:

Radcliffe
100 PERCENT PURE SILK
Made of Alternating Bias Gores
Will Not Sag in Washing
Nor Rip in Seams

and/or the words:

Radcliffe
PURE SILK
Made of Four Bias Gores
Will Not Sag in Washing
Nor Rip in Seams

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and/or the words:

Regency
 PURE SILK
 TRUE BIAS
 Will Not Sag in Laundering
 Nor Rip in Seams

and/or the words:

Youth Mode
 PURE SILK
 Two Panels
 Two Seams
 True Bias
 Will Not Sag
 Nor Rip in Seams

PAR. 4. In truth and in fact the women's silk underwear and undergarments so labeled and marked as "100% pure silk" and sold as described in paragraphs 1 and 3 hereof, are not, and have not been manufactured from pure silk cloth but such underwear and undergarments contain and have contained up to 52 percent of weighting substances, nor have they been nor are they 100 percent pure silk; and in truth and in fact such women's underwear and undergarments labeled and marked as "pure silk" and sold, as described in paragraphs 1 and 3 hereof, are not and have not been "pure silk" but such underwear and undergarments have contained and do contain from 11 percent to 52 percent of weighting substances.

PAR. 5. There are among the competitors of the respondent described in paragraph 1 hereof, corporations, partnerships, firms, and persons who are engaged in the manufacture and/or sale of garments manufactured from silk cloth containing no weighting substances, who truthfully represent and denominate their products as being manufactured entirely from silk cloth; and there are also among the competitors of the respondent, corporations, partnerships, firms, and persons who are engaged in the manufacture and/or sale of garments manufactured from cloth containing weighting substances who truthfully represent and denominate their products as containing weighting substances.

PAR. 6. The use by the respondent of the said labels and marks has had and still has the tendency and capacity to deceive, has deceived and still deceives retail dealers and prospective dealers into the belief that said product of respondent is made entirely of silk and/or contains 10 percent or less of weighting substances, and to purchase said product from said respondent in such erroneous belief. The use by respondent of such labels and marks has placed, and still places, in the hands of its retail dealers the means of deceiving the purchasing

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public. By the use of such labels and marks, trade is diverted by respondent from its competitors, and thereby substantial injury has been done, and is being done, by respondent to substantial competition in interstate commerce.

PAR. 7. The acts and practices set forth in paragraphs 3, 4, 5, and 6 hereof are all to the prejudice of the public and the respondent's competitors, and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having come on for hearing by the Federal Trade Commission upon the complaint and the respondent's answer waiving all further proceeding and consenting that the Commission may make, enter, and serve upon it an order to cease and desist from the method or methods of competition charged in the complaint, and the Commission being fully advised in the premises—

It is now ordered, That the respondent, Gottlieb Brothers, Manufacturers of Silk Underwear, Inc., a corporation, its agents, representatives, servants, and employees, in connection with the sale or offering for sale in interstate commerce of women's underwear and undergarments, cease and desist directly or indirectly from:

(1) Representing women's underwear and undergarments by labels or otherwise as "100 percent pure silk" unless and until such underwear and undergarments are composed entirely of silk the product of the cocoon of the silkworm.

(2) Representing women's underwear and undergarments by labels or otherwise as "pure silk" unless and until content of such underwear and undergarments is composed entirely of silk the product of the cocoon of the silkworm, and unless and until such underwear and undergarments contain not more than 10 percent of any substance (weighting) except black, which shall not exceed 15 percent.

It is further ordered, That the respondent shall, within 60 days after the service upon it of a copy of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

Syllabus

IN THE MATTER OF

RAY RENNISON AND MARTHA A. RENNISON, TRADING
AS RAYSON SERVICE BUREAU, RAYSON BUREAU AND
RAYSON SERVICECOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2232. Complaint, Sept. 18, 1934¹—Decision, Oct. 14, 1935*

Where two individuals engaged in the sale of courses of instruction to help purchasers qualify themselves to pass certain examinations for Federal and State civil service places; in advertising their courses in various periodicals, including thirty of national circulation in which their advertisements related chiefly to forestry jobs—

- (a) Stated in the "follow-up" circulars sent to those answering, that they were issuing a course of instruction that would thoroughly qualify the customer "on the required subjects of forestry (forest ranger), postal service, border patrol, game protector, and others", and that "no particular amount of education" was required, and that with their course customer "should have no difficulty in any examination", and their instructions could be browsed over and learned by the customer's "own fireside" in less than two months, the facts being that the position of ranger in the United States Forest Service in recent years, due to constantly increasing demand in the way of qualifications, has been filled from eligibles for superior positions, for which said courses would be of no assistance, since 1931 only one Federal appointment has been made to such position, and since 1930 no examination therefor has been announced or held by the United States Civil Service Commission, and none is contemplated, the forest ranger positions could not be characterized fairly even in those cases in which appointments were made from the lists of such Commission as "easily available", in addressing the general public, untrained in forestry, and the requirements therefor, which included a mental test, representing the "full equipment of a four-year high school education", "at least three years of field experience in forestry, including such activities as lumbering, grazing", etc., as specified in the announcements, and health, medical and ocular tests, and age range between 25 and 35 years, were not such as to warrant use of such statements as "easily available" or "no particular amount of education is required", or general reader, "should have no difficulty in any examination therefor"; with capacity and tendency to induce customers to buy said course in the hope that they might thereby be able to become forest rangers in the Federal service, notwithstanding absence of a present possibility of such an outcome or any reasonable likelihood thereof for an indefinite period as hereinabove set forth;
- (b) Represented in such follow-up literature that their courses would aid customers to secure other positions in the Federal service, such as rural mail carrier, rural postal clerk, immigration patrol inspector, immigration inspec-

¹ As amended Jan. 8, 1935.

tor, and park ranger, without disclosing adequately, if at all, that applicants for position of rural mail carrier must meet requirements as to domicile, actual residence, age limits and physical requirements, and those for other places, requirements, as the case may be, as to weight, physical condition, height, residence, age, personal characteristics, habits, history, experience, moral, personal and physical qualifications, family status, capacity to endure hardships, care for self and horse in remote regions, etc., and pass oral examination; with capacity and tendency to mislead and deceive a substantial proportion into purchasing said individual's courses in the hope of obtaining the Federal positions referred to in said follow-up literature, irrespective of whether they could meet the various requirements thus actually imposed, and without understanding that they might not be eligible to take the examinations after they had purchased and pursued said courses purporting to prepare them therefor, and with the result of thus leading them to purchase such courses, which in numerous cases they would not have done but for the omission to disclose such information;

- (c) Used the word "Bureau" as part of their trade name, notwithstanding the absence of any connection with any branch of the Federal Government or of any State Government, with possible tendency to mislead a substantial minority of persons in mountain and remote sections reached by their advertising and follow-up literature into the belief that they were in some fashion connected with a branch of the Federal service;
- (d) Set forth in their follow-up literature that "with our course we guarantee to an appointment if you take an examination or refund your fee. * * * You may be assured of our very best efforts and a position or your fee will be refunded", and undertook in their "enrollment blank", enclosed therewith, to refund the customer's fee in the course specified, if he failed to pass the examination therein, or to receive appointment before end of his eligibility therefor, the facts being that about one-half of their customers took advantage of their offer of any three courses at a much reduced combination rate, and, contrary to the implication of their aforesaid statements, that each customer was entitled to a refund if he failed in but one examination, it was not their practice to refund combination rate purchase price unless purchaser of the three courses had taken and failed to pass all three examinations, at times there was intermission of several years between examinations for any given Federal position, and there was no promise of refund if the customer found himself debarred therefrom because of educational, physical, personal, residence, experience and other above indicated restrictions as to which they had not informed him; with result that said "guarantee" had a greatly diminished value compared with its aforesaid implications, and with tendency and capacity thereby to mislead and deceive prospective customers who contemplated purchase at said combination rate, into a greater reliance upon said "guarantee" than the facts warranted;
- (e) Made such statements in referring to courses as "the examination is held in every State in the Union and Hawaii, and in dozens of cities in every State", etc., and "enroll at once for this examination and be sure of a passing grade", "better enroll for one of these courses and be sure of a good job", "why not enroll now and be sure of an early appointment", and "there are positions for old and young in almost any type of endeavor", facts being that for years no general examination had been held for position involved and only one intervening, purely local, examination, and years frequently pass between examinations for various civil service positions, which are

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also frequently of local character; with capacity and tendency to mislead prospective customers into the belief that positions in the Federal service were more generally available and examinations therefor more frequent than was actually the case;

- (f) Used such statements in their advertising in periodicals in national circulation as "Field clerical government jobs easily available—\$105 to \$200 a month, steady—Get details immediately. Rayson Service, D-45, Denver, Colorado", calculated, by reason of the character thereof, to promote insertion in the "help wanted" and similarly entitled columns of the periodicals in which placed, and in which columns said advertising frequently appeared notwithstanding their instructions to the contrary; with capacity and tendency to induce prospective customers to believe that said individuals had information of positions available in the Government service, and were engaged in filling them, and particularly so in view of the fact that a substantial portion of their advertising circulated among people who were ill informed with regard to governmental matters;

With capacity and tendency to attract customers who would not have purchased said courses of instruction but for such advertising and follow-up literature as above described, and to induce customers to purchase their said courses in preference to those offered by competing correspondence schools which frequently use the same periodical mediums, and to induce such schools to indulge competitively in similar methods of advertising, and to divert trade from and injure their competitors:

Held, That such methods of competition were to the prejudice of the public and competitors and constituted a violation of Section 5.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. Eugene W. Burr for the Commission.

Brandenburg & Brandenburg, of Denver, Colo., and *Mr. Louis M. Denit*, of Washington, D. C., for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Ray Rennison and Martha A. Rennison, doing business under the name and style of Rayson Service Bureau, and Rayson Institute, have been and are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. That said respondents, Ray Rennison and Martha A. Rennison, are now and have been for more than two years last past engaged in the sale and distribution of courses of study and instruction designed and intended to prepare students thereof for examinations

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for various civil service positions under the United States Government, which said courses of study and instruction are given by respondents and pursued by students thereof by means of correspondence. That respondents conduct said business under the name and style of Rayson Service Bureau or simply as Rayson Bureau or Rayson Service. That at one time they conducted the same as Rayson Institute. That respondents, in the conduct of said business, have their office and principal place of business in the city of Denver in the State of Colorado. That respondents in the course and conduct of their said business, cause their said courses of study and instruction consisting of study and instruction sheets and other printed or mimeographed matter and literature to be transported in interstate commerce from their said place of business in Colorado to, into, and through States of the United States other than Colorado to various and numerous persons in such other States to whom said courses of study and instruction are or have been sold.

PAR. 2. That, during the time above mentioned, other individuals, firms, and corporations in various States of the United States are and have been engaged in the sale and distribution in interstate commerce of courses of study and instruction designed and intended for the purpose of preparing students thereof for examinations for various civil service positions under the United States Government and also engaged in the sale and distribution as aforesaid of other courses of study and instruction in other lines, and which said courses are given and pursued by means of correspondence, and such other individuals, firms, and corporations have caused and do now cause their said courses of study and instruction, when sold by them, to be transported from various States of the United States to, into, and through States other than the State of origin of the shipment thereof. Said respondents have been, during the aforesaid time, in competition in interstate commerce in the sale of their said courses of study and instruction with such other individuals, firms, and corporations.

PAR. 3. That respondents, in advertising their said courses of study and instruction, make use of and have made use of advertisements inserted in the classified sections of newspapers circulated in and among various States of the United States to members of the public. Some of such advertisements are inserted in the "help wanted" columns of such newspapers and represent or imply by the wording thereof, together with the place of their insertion, that men are wanted to fill Government positions; that such positions are open and available and that the advertiser, "Rayson Bureau," is the agency through which they are filled and that such "bureau" is acting

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in behalf of the Government of the United States. An example of such advertisements, so used by respondents, is the following:

*Employment**Help Wanted—Male*

Forestry positions, \$165, cabin. Hunt, trap, patrol; want men to qualify. Write today. Rayson Bureau, A-13, Denver, Colo.

That similar advertisements are inserted in newspapers as afore-said in classified columns under the head of "Instruction" which likewise create the impressions as stated above. An example of such advertising is the following:

Instruction

Forestry Work easily available \$175 month. Cabin. Hunt, trap, patrol. Get details immediately. Rayson Service, K-25, Denver, Colo.

That the use of the word "bureau" by respondents in said trade name is misleading in its use in connection with the sale of instruction courses for civil service examinations and especially in advertisements such as the first one quoted above, in that it suggests a Government agency or Government connection on account of the fact that the word "bureau" is often used officially to designate a Government agency and is generally used by members of the public in describing or designating Government agencies or bodies.

That, in truth and in fact, respondents do not represent the Government and they have no positions to offer those who reply to their advertisements. Neither are Government forestry positions available nor were they available, generally speaking, at the time such advertisements were used by respondents. That the opportunities to take an examination or to be appointed to position in the United States Forestry Service are few and such appointments as are or have been made are so restricted on the ground of residence, experience, particular training or otherwise, that there is little, if any, assurance that persons taking the training offered by respondents could qualify for the positions desired even if they were available. That respondents do not inform their prospective students or those who contract for their course of instruction as to the necessity of having the additional prior education, training and experience required or that appointments made are limited by reason of residence or otherwise.

PAR. 4. That, after securing contact with the prospective student, respondents present to him an enrollment blank containing misleading provisions that imply that the opportunity to take an examination is assured, that an appointment is assured if the examination

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is passed and that the student is protected by the contingencies named in a refund agreement. Such provisions read as follows:

If I fail to pass or am not offered an appointment, after taking your complete course and the examination, my fee is to be refunded to me.

That, in truth and in fact, very few examinations have been held or are in prospect in the forestry service, and such examinations are so restricted, as hereinbefore stated, that the likelihood of respondents' students being able to qualify for or to take such examinations is very remote. Moreover, appointments to such service are few and are limited to persons of restricted qualifications, as previously stated, so that, even though a student of respondents' course should pass the examination, there would only be slight prospect of his receiving an appointment. Consequently, said provisions of said contract are virtually meaningless and a refund is improbable.

PAR. 5. That one of the positions in the United States Civil Service is that of forest ranger. That examinations for such position are held only at long intervals and it has been several years since such an examination has been held. Moreover, appointments are made, where practical, only from eligibles residing in the State where the work involved is to be performed. That, under such conditions as detailed above, it is grossly misleading to advertise generally for men to fill such positions, or at a time when no such positions are being filled, or to represent that examinations are in prospect by the solicitation of persons to take instruction for the same. That advertisements such as those of respondents, as quoted above, referring to "forestry positions" or "forestry work," imply that positions as forest ranger are available. That this impression is increased by representations made by respondents in circulars and literature mailed to prospective students in various States of the United States in which work in "forestry" is described in glowing terms without specifying what particular positions are referred to. It is further represented in respondents' said literature that examinations are held generally and that such examinations are in immediate prospect when such were not the facts. Examples of such representations are the following:

Examinations are held in many places in the United States. Prepare now for the examination.

... are you going to enroll and make a high rating in the exam and be among the first appointed?

That the position of "forest ranger" is intended to be included in such representations is evidenced by the following quotation from respondents' enrollment blank:

The combined course will prepare you for Forestry (Ranger), Park Ranger, Mail Service, and Border Patrol examinations.

That respondents, in the said literature, distributed as above stated, similarly represent in regard to other of its courses that examinations are in immediate prospect and that positions are available when in fact, at the time such representations were made, examinations for such positions had not been held for a long period of time and none were in immediate prospect. Moreover, as to some classifications for which respondents offered instruction, long lists of eligibles were available from which to make appointments to such vacancies as might occur.

PAR. 6. That the representations of respondents as aforesaid have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that respondents represent the Government of the United States, that they have positions to offer to applicants or to those who qualify, that civil service examinations are in immediate prospect in the lines for which respondents offer instruction, and that positions are available to those who pass the examinations, that positions for which respondents offer instruction are open to the public generally without regard to residence or special qualifications not mentioned by respondents, that examinations and positions are assured, and that those who contract for instruction are protected by a bona fide refund agreement, when, in truth and in fact, such are not the facts. That said representations of respondents have had and do have the tendency and capacity to induce members of the public to answer respondents' advertisements, to sign contracts to pursue their courses of instruction, to pay money down, to promise to pay additional sums, and to pursue said courses of instruction because of the erroneous beliefs engendered, as above set forth, and to divert trade to respondents from competitors engaged in the sale of correspondence courses in interstate commerce in similar lines to those offered by respondents as well as those so engaged in such sale in other lines of study.

PAR. 7. The above acts and things done by respondents are all to the injury and prejudice of the public and the competitors of respondents in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914 (38 Stat. 717), the Federal Trade Commission, on September 18, 1934, issued and caused to be served upon the respondents above named, a complaint charging

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them with the use of unfair methods of competition in interstate commerce, in violation of the provisions of Section 5 of said Act. The respondents appeared and filed an answer on October 9, 1934, and on January 8, 1935, the Commission amended its complaint. Thereafter the proceeding was tried, beginning on January 8 at Washington, District of Columbia, and closing on January 26, 1935, at Denver, Colo. Oral argument was waived and the Commission, having duly considered the pleadings and the oral and documentary evidence taken, and other matters of record and being advised by briefs filed by counsel in support of the complaint and by counsel for respondents, makes this its report, stating its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondents, husband and wife, are engaged, under the trade names "Rayson Service Bureau", "Rayson Bureau", and "Rayson Service", without incorporation, in the sale of courses of instruction designed to aid, and represented as aiding, purchasers thereof to qualify themselves to pass examinations, primarily for the civil service of the United States and also for certain examinations in civil services of certain State Governments. They no longer use the trade name "Rayson Institute" named in the complaint. Respondents have their principal place of business at Denver, in the State of Colorado. Respondent Ray Rennison has been engaged in this line of business since 1927. The aggregate number of customers to whom one or more courses of instruction have been sold since the origin of the business is over 3,500. Among numerous positions in the Federal service, which respondents represent that their courses of study will aid customers to secure, are forest ranger, rural mail carrier, rural postal clerk, immigration patrol inspector, immigration inspector, park ranger.

PAR. 2. Respondents, in the regular course of their business, use as media for advertising, various periodicals which circulate from the States of their respective publication to and into other States in all sections of the country where the subscribers to said publications are located. Among some approximately thirty periodicals of national circulation thus used by respondents are, Arkansas Farmer, True Fiction, Farm and Ranch, Hunter Trader and Trapper, and Clover Leaf Weekly. As the result of this advertising respondents secure the names of certain persons who answer the advertising, to whom they send a series of "follow-up" circulars designed to induce said persons to purchase from respondents one or more of their courses of instruction. This circular matter is sent from the headquarters of respond-

ents in Colorado through and into other States where prospective or potential customers of respondents are located. Thereafter, respondents, in the regular course of their business, send their courses of instruction from the State of Colorado through and into other States of the United States to those who purchase respondents' courses and interchange with them papers of examination and instruction.

PAR. 3. During the time above mentioned, other individuals, firms, and corporations in various States of the United States have been and they now are engaged in the sale and distribution in interstate commerce of courses of study and instruction designed and intended for the purpose of preparing students thereof for examinations for various civil service positions under the United States Government and engaged also in the sale and distribution as aforesaid of other courses of study and instruction in other lines. The said courses are given and pursued by means of correspondence, and such other individuals, firms, and corporations have caused and do now cause their said courses of study and instruction, when sold by them, to be transported from various States of the United States to, into and through States other than the State of origin of the shipment thereof. Said respondents have been, during the aforesaid time, in competition in interstate commerce in the sale of their said courses of study and instruction with such other individuals, firms and corporations.

PAR. 4. Respondents' advertisements chiefly relate to "forestry jobs". When answers are received the "follow-up" literature of respondents frequently refers to both National and State forests and positions said to be available therein and declares, among other statements as follows:

We are issuing a course of instructions that will thoroughly coach you on the required subjects of Forestry (Forest Ranger), Postal Service, Border Patrol, Game Protector, and others. No particular amount of education is required and with our course you should have no difficulty in any examination. Our instructions can be browsed over and learned right by your own fireside in less than two months.

Also respondents say:

Our Forestry Course is a great aid to persons interested in taking the Forest Ranger and Junior Ranger examinations either for Federal or State work as well as being invaluable to anyone desiring forest work as their life vocation. Anyone interested in such work should take our course by all means.

About one-half of respondents' customers purchase the course in forestry. While the respondents' courses purport to prepare customers for positions in State forestry services and for positions in private employ respondents' literature is so drawn as to hold out also the hope to prospective customers that by studying respondents'

course they may obtain positions in the United States Forest Service, as rangers.

PAR. 5. Respondents' course in forestry would not be beneficial to persons desiring to qualify themselves for the technical positions in the United States Forest Service including technologist, senior forester, and junior forester. The position as ranger in said service is of lower grade. In recent years, however, employees in the forest service have been required to meet a constantly increasing knowledge of insect enemies of trees, tree diseases, forest development including scientific thinning and selling, grazing of livestock, game management and engineering and landscaping for recreational purposes. The result has been that vacancies in recent years in the position of forest ranger have been filled not with eligibles on the forest ranger list, but from eligibles for positions superior to forest rangers, for obtaining which respondents' course would be of no assistance. Even when appointments were made from lists of the United States Civil Service Commission to the position of ranger, these positions could not be fairly characterized, in addressing the general public untrained in forestry, as "easily available" or the requirements for it such that "no particular amount of education is required" or that the general reader "should have no difficulty in any examination" therefor. The following restrictions were contained in the announcement of the United States Civil Service Commission for the last examination given by the Commission for the position of forest ranger, dated October 13, 1930:

Education and Experience.—The mental test will represent the full equipment of a four-year high-school education. Applicants must show that they have had at least three years of field experience in forestry, including such activities as lumbering, grazing, surveying and forest-fire control, at least six months of which must have been as foreman or in a similar position involving the direction and control of three or more men; provided, that school work in a forest school of recognized standing will be accepted in lieu of experience other than foremanship up to twenty-seven months.

Moreover, the general availability of the position was further restricted by health, medical, and ocular tests and the requirement that applicants be between 25 and 35 years of age unless entitled to military or naval preference. Respondents do not inform prospective purchasers of these restrictions. Respondents still represent to prospective customers that Federal as well as State and private positions as forest ranger are obtainable and that their course would aid in securing them. Since 1931 only one Federal appointment has been made to the position of forest ranger, which was in 1932. No examination for the position has been announced or held by the United States Civil Service Commission since that of October 13, 1930, and

responsible Government officials testified that none is contemplated. From mid-summer of 1931 to the time of trial, respondents sold their forestry course to about 900 customers. As the outcome of an investigation by this Commission, respondent Ray Rennison agreed, on October 26, 1931, in part as follows:

Respondent further stipulates and agrees to discontinue and not resume the advertisement and/or sale of course of instruction for the position of forest ranger.

PAR. 6. The references to National forests, the Federal forest service, and positions in said service in respondents' "follow-up" literature have the capacity and tendency to induce customers to buy respondents' course in forestry in the hope that they may thereby be aided in becoming forest rangers in the Federal service whereas there is no present possibility of such an outcome and no reasonable likelihood thereof for an indefinite period.

PAR. 7. The United States Civil Service Commission imposes restrictions upon applicants for numerous positions, other than that of forest ranger, for obtaining which respondents offer courses of instruction. Among restrictions so imposed for such positions are the following:

(a) Applicants for the position of rural mail carrier must have been domiciled within the territory supplied by the office for which the examination is held and must have been actual residents within the delivery radius of the office for six months next preceding the closing date for the reception of applications. There are numerous physical defects which bar persons from examination. These, however, can be waived, under certain conditions, in favor of disabled soldiers, sailors and marines, and in their favor only. The applicants must be between 18 and 50 years of age, unless entitled to military preference.

(b) Applicants for rural postal clerk must meet certain requirements as to their weight and physical condition and there is a requirement that each applicant shall reside in the State in which he is to serve.

(c) Applicants for immigration patrol inspector must meet certain weight, height and physical condition requirements, as shown by a medical certificate required to be filed. They must be between 23 and 36 years of age, unless entitled to military preference.

(d) Applicants for immigration inspector must be between 21 and 45 years of age, unless entitled to military preference. They must submit a physical certificate and be prepared to take an examination from a Federal physician. Evidence must be given as to personal characteristics and habits, and applicants must give their

history so as to show whether they have been guilty of disrespect of law or of unethical dealings.

(e) Applicants for park ranger must show, as a prerequisite to taking the examination, at least one year's experience in out-door vocations in which they have shown adaptability to the duties required. They must have certain moral, personal and physical qualifications described in the announcement of the Civil Service Commission for examinations for these positions. They must also be between 21 and 45 years of age, unless entitled to military preference. Moreover, such applicants may fail of appointment under certain circumstances if they are married. They must also be capable of enduring hardships and of working under trying conditions, and must show themselves capable of taking care of themselves and their horses in regions remote from settlements and supplies. Provision is made for an oral examination as to fitness.

PAR. 8. Respondents either do not, in their "follow-up" literature, state the restrictions upon eligibility in paragraph 7 above mentioned, or state them inadequately. The omission adequately to disclose such restrictions has the capacity and tendency to mislead and deceive a substantial proportion of those who purchase respondents' courses into the hope that purchasers may obtain the United States Civil Service positions referred to by respondents in their "follow-up" literature, irrespective of whether they can meet the various requirements so actually imposed. Purchasers do not understand that they may not be eligible to take the examination after they have purchased and pursued respondents' courses purporting to prepare them for examination. They are thus led to purchase respondents' courses, whereas in numerous cases they would not do so but for respondents' omission to disclose pertinent information as outlined in said paragraph 7.

PAR. 9. The pleaded issue of respondents' use, as part of their trade name and style, of the word "bureau", as tending to mislead prospective customers into the belief that respondents were in some manner connected with the Federal Government was not tried, since respondents entered into the following stipulation:

* * * while the word "bureau" as part of respondents' trade name is not generally misleading, the respondents' advertising and follow-up literature go to many mountain and other remote sections, the inhabitants of which are not as well informed of governmental affairs as the average persons throughout the country, and to a substantial minority of such persons the word "bureau" as part of respondents' trade name, may have a tendency to mislead into the belief that respondents are in some fashion connected with a branch of the Federal service.

Now, therefore, it is further stipulated and agreed that respondents consent to a clause in the order on the Commission's part requiring them to desist from the use of the word "bureau", unless they shall prominently in each piece of follow-up literature state that they are entirely unconnected with any branch of the Federal Government or with the Government of any State.

PAR. 10. Respondents say in their follow-up literature:

With our course we *guarantee* you an appointment if you take an examination or refund your fee. * * * You may be assured of our very best efforts and a position or your fee will be refunded * * *.

The "enrollment blank" of respondents, included with said literature, which customers are asked to sign, contains this:

I agree to take your (first choice) ——— (second choice) ——— course of instructions and the respective examination. If I fail to pass or am not offered an appointment before the termination of my eligibility, my fee is to be returned to me.

Respondents have made frequent refunds to customers. They offer any three courses at a much reduced combination rate. About one-half of respondents' customers purchase at such combination rate. The implication from respondents' references to their guaranty is that each customer is entitled to a refund if he fails in but one examination and thereby respondents' inducement to prospective customers is substantially enhanced. Respondents do not, however, make a practice of refunding the combination rate purchase price unless the purchaser of three courses has taken all three examinations and has failed to pass them all. Sometimes there is an intermission of several years between examinations for any given Federal position and in practice respondents' "guaranty" so offered has a greatly diminished value as contrasted with the implications from respondents' references to it. Moreover, there is no promise of refund if the customer finds that he is debarred from taking the examination because of the educational, physical, personal, residence, experience and other restrictions, mentioned above, in paragraph 7, as to which respondents have not informed him. The result thereof is a tendency and capacity to mislead and deceive prospective customers who contemplate buying at the said combination rate into a greater reliance upon said "guaranty" than the facts warrant.

PAR. 11. With respect to the availability of positions in the Federal service and to the opportunities to take examinations therefor, respondents in their "follow-up" literature, among other things, say:

The examination is held in every State in the Union and Hawaii, and in dozens of cities in every State. Applicants are appointed in the State in which they take the examination.

Also

Enroll at once for this examination and be sure of a passing grade and appointment.

Both the foregoing relate to respondents' courses for railway mail clerks. The proof shows, however, that after a general examination held on April 9, 1927, no general examination had again been given for this position when the testimony was taken on January 8, 1935. One intervening examination was held in May, 1932, which was local, however, to the States of Connecticut, Nevada, and New Hampshire. Moreover respondents say:

Better enroll for one of these courses and be sure of a good job.

Why not enroll now and be sure of an early appointment?

There are positions for old and young in almost any type of endeavor.

The foregoing and similar representations on respondents' part have the capacity and tendency to mislead prospective customers into the belief that positions in the Federal service are more generally available and examinations earlier and more frequent than is actually the case. The evidence shows that it is frequently several years between examinations for various civil service positions and that these examinations are frequently of a local character.

PAR. 12. Respondents use advertising, in the above described periodicals of national circulation, of the following type:

Field clerical Government jobs easily available. \$105 to \$200 a month, steady. Get details immediately. Rayson Service, D-45 Denver, Colorado.

Although respondents give contrary instructions, advertising of the above character appears frequently under the heading, in the periodical media used, "help wanted". The wording of the advertising and the use of columns thus entitled have the capacity and tendency to induce prospective customers of respondents to believe that the respondents have information of positions available, and are engaged in filling positions, in the Government service. This tendency is increased through the fact that a substantial portion of respondents' advertising goes among people who are exceptionally ill-informed with regard to governmental matters. Moreover this type of advertising tends to promote the insertion thereof in the "help wanted", and similarly entitled, columns of the said periodicals.

PAR. 13. The advertising and "follow-up" literature of respondents in the respects hereinabove set forth, having the capacity and tendency above described, attract to respondents customers who otherwise would not purchase respondents' courses of instruction. Respondents' competitors hereinabove described frequently use the same

periodical media which respondents use and their advertising often appears in the same or nearby advertising columns. The above-described misleading statements of respondents, and their aforesaid failure to disclose pertinent facts, have a direct tendency to induce customers to purchase respondents' courses in preference to the courses offered by competing correspondence schools; moreover they have the tendency to induce other such schools to indulge competitively in similar methods of advertising. Respondents' methods of competition above in these findings described have a tendency to divert trade from and to injure competitors of respondents.

CONCLUSION

The Commission has reached the following conclusion:

(a) Respondents are engaged in interstate commerce and are in competition with others so engaged.

(b) Respondents have used unfair methods of competition by the employment of misleading and deceptive representations as to their courses of instruction. Respondents have also used unfair methods of competition in that they have failed to disclose to prospective customers pertinent and necessary information which was known, or should have been known, to respondents in the ordinary course of their business and which they were under a legal obligation to disclose to prospective customers so that the latter might know, before buying respondents' courses, whether they were eligible to take the examinations to prepare for which respondents' courses were offered for sale.

(c) Periodical media are the agents of respondents with respect to the publication of respondents' advertising and respondents are responsible for the columns in which their advertising appears.

(d) The use by respondents' competitors of advertising of a character similar to the advertising of respondents does not constitute legal justification to respondents.

(e) The methods of competition of respondents, set forth in the findings, are to the prejudice of the public and of respondents' said competitors and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been considered by the Commission upon the pleadings, the evidence received, the matter having been presented to the Commission through briefs of counsel in support of the complaint and on behalf of respondents, and the Commission being fully advised in the premises and having made its findings as to the facts and its conclusion, among others, that respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is ordered, That respondents, Ray Rennison and Martha Rennison, their agents, representatives, and employees, in connection with the advertising, offering for sale and sale, in interstate commerce, of their courses of instruction by correspondence do cease and desist, as follows:

1. From including in their "follow-up" or other advertising matter or correspondence as to their forestry course, any reference to, or statement regarding national forests, the Federal forest service or positions in said service, unless and until either (a) the United States Civil Service Commission shall resume the announcement of examinations for the position of ranger in the United States Forest Service; or (b) respondents shall declare in each such piece of "follow-up" literature, advertising matter or item of correspondence, and in lettering as large and conspicuous as said reference or statement, that respondents' said course is neither adapted nor designed to aid students to obtain positions as ranger in the United States Forest Service.

2. From offering any course of instruction without stating in their "follow-up" literature the educational, physical, personal, residence, experience and other requirements or restrictions imposed upon applicants for respective positions, for which respondents' courses are offered as preparation, either in the announcement made for a pending examination by the United States Civil Service Commission for the position in question, if there be such an announcement, or, if not, in the last previous announcement made.

3. From using the word "bureau", unless respondents shall prominently in each piece of their "follow-up" literature state that they are entirely unconnected with any branch of the Federal or any State government.

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4. From continuing their "guaranty" offer without making it clear that the purchaser at respondents' combination rate is not entitled to a refund unless he has failed in each examination in preparation for which he purchased a course from respondents.

5. From implying, in advertising, "follow-up" literature or correspondence with prospective customers, that Government positions are available generally or that examinations therefor are frequent, or soon to be held, unless such is actually the case.

6. From implying in their advertisements that they are seeking employees to fill Government positions or that they can offer Government positions to those who answer said advertisements; and from using advertising space entitled "Help Wanted" or entitled with a word or words having the same or similar meaning.

It is further ordered, That respondents shall, within 60 days after the service upon them of a copy of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with and conformed to the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

CHARLES BRONSON, TRADING AS BRONSON
SHOE COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2298. Complaint, Feb. 14, 1935—Order, Oct. 15, 1935*

Consent order requiring respondent individual, his officers, etc., in connection with the advertisement, offer for sale and sale in interstate commerce and in the District of Columbia, of shoes, to cease and desist from—

- (a) Representing through advertisements, circulars, etc., or in any other manner or assisting or participating in advertisements, etc., representing that he owns or operates a shoe factory, and that prices at which he sells his products to the consumer are manufacturers' wholesale prices; or that he sells his products to the consumer under any plan or method of distribution by means of which all costs, profits or other charges of middlemen are eliminated; or that the proceeds of such savings by reason of the elimination of such middlemen, accrue to the purchasers from him, unless and until such representations are true in fact; or
- (b) Representing as aforesaid or assisting or participating in advertisements, circulars, etc., representing or indicating or having a capacity or tendency to indicate from the text in which such representations appear that he owns or controls patents or "new patents" covering so-called "Air Cushion" shoes or other manufacturing processes unless and until the same are owned or controlled by him.

Mr. Marshall Morgan for the Commission.

Webber, George & Owen, of Winona, Minn., for respondent.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Charles Bronson, trading as Bronson Shoe Company, has been and is using unfair methods of competition in interstate commerce, as "commerce" is defined in said act, in violation of the provisions of Section 5 of said act, and states its charges in that respect as follows:

PARAGRAPHS 1. Respondent, Charles Bronson, trading as Bronson Shoe Company, 710 West Lake Street, Minneapolis, Minn., is, and for more than two years last past has been engaged, as hereinafter described, in the business of selling shoes direct to consumers located in various States of the United States. In consummating such sales and in distributing such merchandise respondent causes the said

shoes so sold to be transported and delivered from the city of Minneapolis, State of Minnesota, through and into various other States of the United States to the respective purchasers thereof at their several points of location. In the course and conduct of his business Charles Bronson, trading as Bronson Shoe Company, has been and now is engaged in direct and substantial competition with various corporations, firms, partnerships, and individuals engaged in selling shoes and in offering such products for sale in interstate commerce.

PAR. 2. In the course and conduct of his said business as described in paragraph 1 hereof, respondent Charles Bronson, trading as Bronson Shoe Company, has offered his products for sale and has sold and transported and caused the same to be transported in commerce, among the several States of the United States, direct to consumers, through the medium of traveling salesmen, canvassers, and solicitors, and the use of mail. Said goods are and were shipped in response to orders taken by such traveling salesmen, canvassers, and solicitors, or received through the mail, and transported or caused to be transported in commerce among the several States of the United States. As a means of obtaining the services of such salesmen, canvassers, and solicitors, who canvass for business all over the United States, said respondent causes and has caused advertisements to appear in periodicals having general circulation, and in addition distributes and has distributed circulars containing sales talks and instructions and catalogs.

PAR. 3. Respondent Charles Bronson, on or about July 14, 1934, acquired by purchase from Chester F. Rohn, vice president, and Franklyn A. Rohn, secretary and treasurer, respectively, of the Rohn Shoe Manufacturing Company, of Milwaukee, Wis., hereinafter referred to as the Rohn Company, 260 shares of the common stock of said company, out of a total of 500 shares, acquiring 130 shares from each of these two brothers, respondent giving in payment therefor, to each, his demand note of even date, for \$13,000. The authorized capital stock of the Rohn Company is \$150,000, made up of \$50,000 of common stock all of which has been issued, and \$100,000 of preferred stock, of which \$88,000 has been issued. Only the common stock of this company has voting rights.

The Rohn Company sells to jobbers and retail stores, including the Bronson Shoe Company, the latter taking about 50 percent of the output of the former. Respondent's procedure in buying from the Rohn Company is the same as that which obtained prior to his purchase of the aforementioned common stock. Respondent orders

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shoes from the Rohn Company, the latter ships and invoices him and he sends checks in payment of the invoices. Respondent has continued to sell his shoes, as he has always done, by means of house-to-house canvassers and by mail. No shipments of shoes are made direct from the Rohn Company to any of respondent's customers, nor to any other point than respondent's sales store or office in Minneapolis.

As a rule, the shoes sold by respondent are sent direct to the buyer and not to the salesman for delivery. The salesman collects a small deposit from the purchaser and the balance is paid on a C. O. D. basis. Respondent disclaims responsibility for shoes turned over to a salesman. No change in the price of shoes sold by the Rohn Company to respondent resulted from the purchase by respondent of the common stock hereinbefore mentioned. The Rohn Company has continued to take a manufacturer's profit in connection with its sales to respondent and respondent has continued to make his profit on shoes sold by him through his salesman or canvassers, or the mail, to customers in various States.

PAR. 4. In the course and conduct of his said business, as herein-after related, respondent has caused various false, deceptive, and misleading statements and representations to be inserted in advertisements, circulars, and catalogs distributed in interstate commerce. Advertisements have been run in trade magazines and periodicals having general circulation, and circulars and catalogs were mailed and are being mailed direct to prospective customers, or were addressed to, and are and have been distributed among salesmen and canvassers or prospective salesmen and canvassers, and are intended to be and constitute instructions to them in connection with sales talks to be made to consumers throughout the various States of the United States. In this manner the various false and misleading statements and representations made by respondent Charles Bronson, trading under the name of Bronson Shoe Company, are and have been passed on to the consuming public, and said consuming public has been and is being induced to purchase the goods thus offered for sale and sold by respondent Charles Bronson, trading as Bronson Shoe Company, under the erroneous belief that said false and misleading statements and representations were and are true.

PAR. 5. Respondent Charles Bronson, trading as Bronson Shoe Company, in further connection with the sale and distribution of shoes in interstate commerce printed and broadcast a circular advertising and explaining the features and qualities of the "Bronson

100 percent nail-less air cushion" shoes, in which among others, appear the following statements and representations:

Made in our Dress Shoe Factory.

* * * Sold only through Bronson Direct Salesmen.

* * * The new Bronson Work Shoes, under our new patents, are sewed completely around the entire shoe * * *.

In an advertisement addressed to prospective salesmen and canvassmen and canvassers, printed in a trade paper or magazine, appeared the following:

Bronson's cannot be successfully imitated because the construction of the shoe is amply covered by U. S. Patents which cover the highly individual, nail-less, sewed-in heel seat and other superior features.

thereby further creating the impression that said patent was and is the exclusive property right of the respondent Charles Bronson and applied only and solely to shoes sold by him.

In a catalog issued by respondent herein for use by salesmen and canvassers, there appears on the title page thereof the following:

Bronson Air Cushion—The Most Comfortable and Most Practical Shoe Ever Developed.

(Design)

Patented in United States, Canada, Great Britain, Germany and Czecho-Slovakia. U. S. Patent No. 1,807,401.

Respondent, by the use of such statements, again and further creating, and seeking to create, the impression that the said patent referred to was and is the exclusive property right of respondent herein and applied only and solely to shoes sold by him.

In a printed order blank and instruction sheet for use by purchasers, accompanying the catalog above referred to, and distributed likewise throughout various States of the United States, appears the following, among other statements:

We can fit you better than a retail business.

the said language being intended to convey, and conveying to the purchaser the impression that the business conducted by respondent was and is other than and different from that of a retail store.

In another advertisement, addressed to prospective salesmen and canvassers, inserted by respondent in a trade magazine having a

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general interstate circulation, there appeared, among others, the following statements and representations:

* * * Bronson's Nail-Less Air Cushion Shoes
Direct from Factory.

Bronson's Patented Nail-Less Air Cushion Shoes
are sold only through agents, direct from factory * * *.

By eliminating brokers, jobbers, travelling salesmen
and storekeepers' profits, we are able to sell Bronson's
Nail-Less Air Cushion Shoes at prices astonishingly
low * * *.

intending to create and thereby creating by means of such statements and representations the impression upon the consumer that in purchasing shoes from respondent and his factory he was enabled to save the customary profit of the jobber, middleman or storekeeper.

In this same advertisement, above the wording:

Bronson Shoe Company,
706-T West Lake Street,
Minneapolis, Minnesota.

appears a picture of a large factory building bearing a sign at the top reading:

HOME OF BRONSON SHOES

said pictorial representation being intended to convey, and conveying, the impression that the said building shown therein was and is the factory owned and operated by the respondent herein, and from which shoes allegedly manufactured by the respondent were and are shipped direct to the consumer, thus saving to the consumer the profits of broker, jobber, and storekeeper and the cost of traveling salesmen.

When in truth and in fact the above set forth statements and representations made by the respondent Charles Bronson, trading as Bronson Shoe Company, were and are false, deceptive, and misleading in the following, among other particulars:

1. The respondent does not own or operate any factory wherein the products which he sells and distributes, or has sold and distributed in interstate commerce are and were manufactured;
2. The so-called "direct salesmen" do not represent any factory or manufacturer;
3. The "new patents" to which reference is made, covering so-called "Air Cushion" shoes or other manufacturing businesses, are not owned or controlled by the respondent herein;

4. The respondent does conduct a retail business;
5. Respondent's shoes are not sold through or by agents "direct from factory", or "from factory to wearer";
6. Respondent's methods of buying and selling the shoes he handles do not save to the consumer the profits of a jobber, broker, or storekeeper, or other middleman, or the expenses incident to the services of salesman;
7. The pictorial representation appearing in a magazine of a large factory building is not that of a building or factory occupied by the respondent Charles Bronson, doing business as Bronson Shoe Company, and the building shown in the picture with the large sign at the top purporting to read "Home of Bronson Shoes" actually contains no such sign.

PAR. 6. By the use of such false and misleading statements and representations appearing in respondent's circulars, catalogs and other advertising matter, reaching the public through the medium of agents, canvassers and the mail, members of the consuming public are and have been thereby deceived concerning the character, origin and cost to them of shoes that are being sold and have been sold to them by respondent and are thereby induced to purchase such shoes under the erroneous belief that said false and misleading statements and representations are true in that the Bronson Shoe Company is a business concern operating a factory in which are manufactured the shoes sold by respondent; that the respondent is therefore able to sell said shoes to the consumer at factory prices, substantially less than those usually demanded by the retailer or storekeeper in the ordinary course of trade for like products of similar character, and that said consumer is also given the exclusive benefit of valuable patent rights owned and controlled by respondent.

The aforesaid practices are further to the detriment and injury of competitors of respondent in that they divert to respondent the trade of competitors engaged in selling in interstate commerce like products of similar character to those sold by respondent.

The aforesaid acts and practices of respondent further are detrimental to and tend to demoralize the market developed and existing in connection with the sale of shoes by a retailer or middleman to the consumer, are destructive of and create confusion as to the public's conception of the retail shoe business, result in great injury to the business of competitors and place in the hands of the salesmen and canvassers representing respondent the means of deceiving the purchaser of the said shoes, sold under and by virtue of the herein set forth false, deceptive and misleading representations.

PAR. 7. The above false, misleading, and deceptive acts, practices, and methods of respondent, under the circumstances and conditions hereinabove alleged are unlawful and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission on the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's amended answer thereto in which respondent waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding and, pursuant to the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter and serve upon respondent an order to cease and desist from the unfair methods of competition set forth in the complaint herein, and the Commission being advised in the premises—

It is now ordered, That respondent, Charles Bronson, trading as Bronson Shoe Company, his officers, agents, servants and employees, in connection with the advertising, offering for sale, and selling in interstate commerce and in the District of Columbia, of shoes, do cease and desist from:

(a) Representing by means of advertisements, circulars, catalogs, stationery or by any other manner, or assisting or participating in the circulation of any advertisements, circulars, catalogs, stationery or any other media representing, that respondent owns or operates a shoe factory, and that prices at which respondent sells his products to the consumer are manufacturers' wholesale prices; or that the respondent sells his products to the consumer under any plan or method of distribution by means of which all costs, profits or other charges of middlemen are eliminated; or that the proceeds of such savings by reason of the elimination of such middlemen, accrue to purchasers from respondent, unless and until such representations are true in fact; and

(b) Representing in any advertisements, circulars, catalogs, stationery or otherwise, or assisting or participating in the circulation of any advertisements, circulars, catalogs, stationery or other media representing or indicating, or having the capacity or tendency to indicate from the text in which such representations appear, that

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the respondent owns or controls patents or "new patents" covering so-called "Air Cushion" shoes or other manufacturing processes unless and until the same are owned or controlled by the respondent.

It is further ordered, That the respondent within 60 days from and after the date of service upon him of this order shall file with the Commission a report or reports in writing, setting forth in detail the manner and form in which he is complying with the order to cease and desist hereinbefore set out by the Commission.

Complaint

21 F. T. C.

IN THE MATTER OF

DAVIS KNITTING MILLS, INC., TRADING UNDER ITS OWN
NAME AND AS YORKE KNITTING MILLSCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 23, 1914*Docket 2525. Complaint, Aug. 21, 1935—Order, Oct. 15, 1935*

Consent order requiring respondent corporation, its officers, etc., in connection with the advertisement, offer for sale and sale in interstate commerce and in the District of Columbia of men's and boys' knitted outerwear, to cease and desist from using the word "Mills" or the words "Knitting Mills" in its corporate or trade name and in any trade name under which it may do business; and from the use of the word "Mills" or the words "Knitting Mills" in any way which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that it owns, controls and operates a mill or factory wherein its products are made or fabricated, unless and until such representations are true in fact.

Mr. Wilbur N. Baughman for the Commission.

Mr. Harry W. Pitt, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Davis Knitting Mills, Inc., trading under its own name, and as Yorke Knitting Mills, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act of Congress, in violation of said act, and it appearing to said 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. That the respondent is a corporation incorporated and existing under the laws of the State of New York, having its principal place of business at 1199 Broadway, New York City; in its own name and also under the style and name of Yorke Knitting Mills, and is engaged in the business of selling men's and boys' knitted outerwear, in the course of which it has solicited orders for its products from dealers and prospective customers in various States other than the State of New York, and has contracted to sell and deliver and has sold and caused to be transported to purchasers outside of the State of New York, its products as above described; that the respondent is in competition with persons, partnerships, and corporations who manufacture and sell in interstate commerce a similar line of knitted outer-

wear, advertising themselves truly as manufacturers; and also in competition with other persons, partnerships, and corporations who sell in interstate commerce a similar line of knitted outerwear who do not manufacture the same and do not advertise themselves as manufacturers of the same.

PAR. 2. That the respondent does not own or operate a knitting mill, although in its corporate name and trade name it uses the words "Knitting Mills"; and although the letterheads and billheads of both the Davis Knitting Mills, Inc., and the Yorke Knitting Mills, represents them, and each of them, to be "Manufacturers of Knitted Novelties".

PAR. 3. That the use by respondent of the words "Knitting Mills", or the word "Mills", in its corporate or trade name and in any trade name under which it may do business, and the use of letterheads and billheads which represents it to be "manufacturers of knitted novelties", have the capacity and tendency to confuse, mislead, and deceive purchasers into the belief that it owns, controls, and operates a knitting mill or factory wherein its products are made and fabricated, and to believe that in purchasing its product they are buying direct from a manufacturer and without the intervention of, or profit to, any middleman, when such is not the fact; and said representations constitute unfair methods of competition with persons, partnerships, and corporations who do manufacture and sell a similar line of knitted outerwear, and said representations further constitute an unfair method of competition with persons, partnerships, and corporations who sell a similar line of knitted outwear but who do not manufacture the same and who do not advertise themselves as manufacturers of the same.

Wherefore, said acts and practices of respondents are all to the prejudice of the public and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission on the record, including the complaint of the Commission issued under Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its power and duties, and for other purposes", and respondent's amended answer thereto in which respondent waives hearing on the charges set forth in the complaint, refrains from

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contesting the proceeding and, pursuant to the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter and serve upon respondent without a trial, without evidence, and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That respondent, Davis Knitting Mills, Inc., trading under its own name and as Yorke Knitting Mills, a corporation, its officers, agents, servants, and employees, in connection with the advertising, offering for sale, and selling in interstate commerce, and in the District of Columbia, of men's and boys' knitted outerwear, do cease and desist from:

The use of the word "Mills" or the words "Knitting Mills" in its corporate or trade name and in any trade name under which it may do business; and from the use of the word "Mills" or the words "Knitting Mills" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that it owns, controls and operates a mill or factory wherein its products are made or fabricated, unless and until such representations are true in fact.

It is further ordered, That the respondent within 60 days from and after the date of service upon it of this order shall file with the Commission a report or reports, in writing, setting forth in detail the manner and form in which it is complying with the order to cease and desist hereinbefore set out by the Commission.

Complaint

IN THE MATTER OF

PETERS SERUM COMPANY

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

Docket 2556. Complaint Sept. 20, 1935—Order, Oct. 18, 1935

Consent order requiring respondent corporation, its agents, etc., in connection with the sale or offer for sale in interstate commerce of its serums, biologics, bacterins, and veterinary products, to cease and desist from advertising or in any other wise representing directly or by implication that it manufactures all of its said products, unless such is the case, or that purchasers can save the middleman's profit by buying said products from it, unless such is the case.

Mr. DeWitt T. Puckett for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Peters Serum Company, a corporation, hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce, as "commerce" is defined in 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. Respondent, Peters Serum Company, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Missouri, with its principal place of business located in the Lobby Livestock Exchange Building in Kansas City, Mo. It is now and for several years last past has been engaged in the manufacture of serums and bacterins for the inoculation of livestock and poultry against disease. It also deals in a line of veterinary remedies and preparations which it purchases from other dealers. Respondent has been engaged in the sale of its manufactured products and the products purchased from other dealers between and among the various States of the United States and the District of Columbia, and now causes and for several years last past has caused such products when sold by it to be shipped from its place of business in Kansas City, Mo., to the purchasers thereof, some located in the State of Missouri and others located in various other States of the United States and in the District of Columbia, and there is now

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and for several years last past has been a constant current of trade in commerce by the respondent in said veterinary remedies between and among the various States of the United States and in the District of Columbia.

Respondent is now and for several years last past has been in substantial competition with other corporations, and with persons, firms, and partnerships engaged in the sale of serums, bacterins and other veterinary remedies between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of its business, as described in paragraph 1 hereof, Peters Serum Company, in soliciting the sale of and selling its products in interstate commerce, caused catalogs or books entitled "Peters Veterinary Guide" to be distributed in interstate commerce and in various editions of which the following statement appeared at the bottom of many pages thereof: "Buy your animal serums, biologics and veterinary preparations direct from the manufacturer and save money". Elsewhere in the book appeared the following language: "Peters Serum Company, a corporation, are manufacturers. The corporation sells direct to farmers, with the object of saving the farmers money by doing away with the middleman's profit. Most of the other serum companies market their product either through veterinarians or other jobbers or speculators, all of whom are middlemen." Other statements appearing in said advertising matter were:

Buy from the manufacturer. Special Notice—Buy direct from the manufacturer and be safe. Peters is the only hog serum manufacturer located in Kansas City, Mo., selling direct to farmers, operating under a Government license and making its own hog serum.

In truth and in fact, the said Peters Serum Company does not make, manufacture, or compound all of the products sold by it under the aforesaid representations; it does not own and operate or directly or absolutely control the plant or factory in which all of its said products are made, manufactured, or compounded, but fills certain of the orders received by it from customers and prospective customers with products made, manufactured, or compounded in plants or factories which it does not own or operate, or directly or absolutely control; and the statements contained in its advertising matter to the effect that in dealing directly with the said Peters Serum Company, customers and prospective customers will save money through the elimination of dealers' or middlemen's profits are untrue, in that customers do not save middlemen's profits by purchasing respondent's products.

PAR. 3. The use by respondent of the representations set out in paragraph 2 hereof has, and has had, the capacity and tendency to mislead and deceive, and does and has misled and deceived, the purchasing public into the belief that such representations are true, and causes and has caused said public to purchase such serums, bacterins, and other veterinary remedies from respondent in such erroneous beliefs. There are, among the competitors of respondents, as mentioned in paragraph 1 hereof, manufacturers of and dealers in serums, bacterins, veterinary remedies, and preparations, who do not misrepresent the origin of their products and who do not falsely represent that the middlemen's profits are eliminated in the purchase of their products, sold by them between and among the various States of the United States and in the District of Columbia. By the representations aforesaid, trade is unfairly diverted by respondent from such competitors; thereby substantial injury is being done and has been done by respondent to substantial competition in interstate commerce.

PAR. 4. The above alleged acts and practices of respondent are all to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission upon the record, including the complaint of the Commission and the respondent's answer thereto, in which answer respondent waived hearing on the charges set forth in the complaint, refrained from contesting the proceeding, and, pursuant to paragraph (b) of Rule V of the Rules of Practice of the Commission, as amended and revised to September 1, 1934, consented that the Commission might make, enter, and serve upon respondent, without evidence and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission being fully advised in the premises—

Now therefore, it is hereby ordered, That the respondent, Peters Serum Company, a corporation, its agents, servants, or employees, in connection with the sale or offering for sale in interstate commerce of its serums, biologics, bacterins and veterinary products,

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cease and desist from advertising or in any other wise representing directly or by implication:

(1) That it manufactures all of its said products, unless such is the case.

(2) That purchasers can save the middleman's profit by buying said products from respondent, unless such is the case.

It is further ordered, That respondent file with the Commission within 60 days from and after service of this order a report in writing, setting forth in detail the manner and form of his compliance with the provisions of the order.

Complaint

IN THE MATTER OF

MORRIS SHOE COMPANY, INC.

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

Docket 2217. Complaint, Aug. 13, 1934—Order, Oct. 21, 1935

Where a corporation engaged in the sale of shoes at wholesale labeled the shoes thus dealt in by him with such names as "Dr. Morris High-Grade Shoes", "Dr. Chester's Foot Form Shoes", "Dr. Hafer—Approved by Dr. Hafer", and featured said "Dr." designation on the cartons in which he sold such shoes and set forth the same upon his printed order blanks and in a trade journal of interstate circulation, notwithstanding fact that no doctor of the aforesaid names or any other name was connected with its business or advised with it as to the manufacture of said shoes, which contained no special scientific or orthopedic features and were not designed or constructed to correct or alleviate any foot trouble or weakness; with capacity and tendency to mislead many among the trade and consuming public into the belief that such shoes had been made or designed by doctors or others with special orthopedic knowledge or at least contained some feature not common to ordinary footwear, designed or intended to correct some foot ailment or weakness or afford some relief therefrom, and to cause such public to purchase said shoes in such belief, and with effect of unfairly diverting trade from and otherwise injuring competitors and with capacity and tendency so to do, to the substantial injury of substantial competition throughout the various States:

Held, That such acts and practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. Morton Nesmith for the Commission.

Hornidge & Dowd and *Mr. Ludwig M. Wilson*, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Morris Shoe Company, Inc., hereinafter referred to as respondent, has been or is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Morris Shoe Company, Inc., is a corporation organized, existing, and doing business by virtue of the laws of the State of New York, with its principal place of business at 143 Duane Street,

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city of New York in said State. Said respondent, Morris Shoe Company, Inc., is now and since its incorporation in, to wit, 1933, has been engaged in the sale of shoes, being a wholesaler thereof between and among the different States of the United States. It has sold, and has caused and still causes, the said articles in which it deals, to be transported from its said place of business into and through other States of the United States to various jobbers and retailers located at points in different States of the United States. In the course and conduct of its said business respondent is in competition with other individuals, partnerships, and corporations engaged in the sale and transportation of shoes in commerce between and among the different States of the United States.

PAR. 2. The respondent, Morris Shoe Company, Inc., in the course of the conduct of its business as aforesaid, in soliciting the sale of and selling its products in interstate commerce, caused and still causes the words "Dr. Morris High Grade Shoes" to be stamped on or across the sole of a certain brand of the shoes sold by it in interstate commerce. Said respondent also caused and still causes a label to be affixed to said shoes on which appears "Dr. Morris High Grade Shoes". Said respondent also caused and still causes said shoes to be packed and shipped in cartons on which the said words "Dr. Morris High Grade Shoes" were conspicuously displayed. Said respondent caused and still causes certain order blanks to be distributed to various jobbers and retailers in the different States of the United States on which appeared said words "Dr. Morris High Grade Shoes." Said respondent further caused certain advertisements to be placed in a certain trade journal having interstate circulation in which the said words "Dr. Morris High Grade Shoes" and the further words "Dr. Hafer Grade" appeared over the trade name "Dr. Morris Shoe Co., Inc.", the address under which corresponds with that of the respondent corporation, viz, 143 Duane Street, New York City.

That said respondent, Morris Shoe Company, Inc., in the course and conduct of its business as aforesaid, has caused and still causes certain other of its shoes to be sold to various jobbers and retailers, which said shoes respondent plainly labels or designates as:

1. Dr. Chester's Foot Form Shoes.
2. Dr. Britt's Foot Mold Shoes.
3. Dr. Best's Health Shoes.
4. Dr. Best's Scientifically Constructed Health Shoes.
5. Dr. Hafer—Approved by Dr. Hafer.

PAR. 3. In truth and in fact the shoes so marked, stamped, branded, labeled, advertised, and sold, as described in paragraph 2, were not made in accordance with the design and/or under the supervision of a

doctor and did not contain special scientific, or orthopedic features which were the result of medical advice or services, nor is such footwear intended to be designed or constructed for the purpose of correcting or alleviating any form of foot trouble or weakness of the feet; all of which has the capacity and tendency to mislead many among the aforesaid trade and among the consuming public into the belief that said shoes had been fashioned or designed by doctors or others with a knowledge of orthopedics or at least had some feature or features not common to the ordinary run of footwear, which feature or features were designated or intended to correct some foot ailment or weakness, or at least afford some relief therefrom.

PAR. 4. The respondent, Morris Shoe Company, Inc., in the sale of its said products as aforesaid, ships and delivers to its jobber and retail customers its products so labeled and branded and said jobbers and retailers resell said products so labeled and branded to the consuming public.

PAR. 5. There are among the competitors of the respondent, referred to in paragraph 1 hereof, many persons, firms, and corporations who sell at wholesale shoes which contain special features designed and intended to correct and alleviate certain foot ailments and weaknesses. There are also among the competitors of the respondent persons, firms, and corporations who sell at wholesale shoes and footwear manufactured along standard lines and according to standard methods but for which no special feature claims or representations are made, and the use by the respondent of the word "Doctor" or the abbreviation "Dr." in connection or in conjunction with a name or with any other word or words or in any way as a trade name, brand, or designation for its products or in its advertisements of said products, together with other special feature representations, has unfairly diverted trade from and otherwise injured and prejudiced respondent's competitors in interstate commerce.

PAR. 6. The above alleged acts and things done by the respondent are all to the injury and prejudice of the public and of the competitors of respondent in interstate commerce, and constitute unfair methods of competition in interstate commerce within the intent and the meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, the Federal Trade Commission issued a complaint on August 15, 1934,¹ upon the respondent, Morris Shoe Company,

¹ Date of service.

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Inc., a corporation, organized and doing business under the laws of the State of New York, charging it with the use of unfair methods of competition in commerce, as "commerce" is defined in said act. The respondent, Morris Shoe Company, Inc., through counsel, filed its answer to said complaint, which answer was received by the Commission October 2, 1934. Thereafter testimony and evidence were received, duly recorded, and filed in the office of the Commission, after which the proceeding regularly came on for final hearing before the Commission on the complaint, the answer filed by the respondent, testimony and evidence, briefs of counsel for the Commission and respondent, and on oral argument, and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Morris Shoe Company, Inc., is a corporation organized, existing and doing business by virtue of the laws of the State of New York, with its principal place of business at 143 Duane Street, New York City. Said respondent is now, and has been for several years last past, engaged in the business of selling shoes at wholesale and has sold the same during said time between and among the several States of the United States. Respondent has sold, and still causes the articles in which it deals to be sold and transported from its place of business into and through other States of the United States to various retail dealers located at points in the different States of the United States, other than the State of New York. In the course and conduct of its business, as aforesaid, respondent has been and is in competition with other corporations, partnerships, and individuals engaged in the sale and transportation of shoes at wholesale in interstate commerce.

Morris Augenblick, president of respondent corporation, began a wholesale shoe business in New York City in 1920, and did business under the name of Morris Shoe Company. Subsequently, to wit, in 1932, he incorporated said business. Chester Augenblick, son of the said Morris Augenblick, is secretary and vice president of the said corporation, and Lena Augenblick, wife of the said Morris Augenblick, is a director.

PAR. 2. Respondent, in the course and conduct of its business as aforesaid, in soliciting the sale of and selling its shoes in interstate commerce, has caused the words "Dr. Morris High Grade Shoes" to be stamped on and across the sole of a certain brand of its shoes.

Respondent in the course and conduct of its business as aforesaid has also caused a label to be affixed to said shoes on which appears "Dr. Morris High Grade Shoes." Said shoes are packed and shipped in cartons on which the words "Dr. Morris High Grade Shoes" are conspicuously displayed. Respondent also uses printed order blanks in the course and conduct of its business as aforesaid upon which appear the words "Dr. Morris High Grade Shoes."

Said respondent also caused other of its shoes to be sold to various dealers as aforesaid, which shoes were plainly labeled and designated as (1) "Dr. Chester's Foot Form Shoes", (2) "Dr. Britt's Foot Mold Shoes", (3) "Dr. Best's Health Shoes", (4) "Dr. Best's Scientifically Constructed Health Shoes", and (5) "Dr. Hafer—Approved by Dr. Hafer."

In the course and conduct of its business as aforesaid respondent caused certain advertisements to be placed in the "Boot and Shoe Recorder", a trade journal having interstate circulation, in which advertisements the words "Dr. Morris High Grade Shoes", and the words "Dr. Hafer" appear over the trade name, "Dr. Morris Shoe Co., Inc."

Respondent in the course and conduct of its business as aforesaid does not furnish the manufacturers of its shoes with any particular design or last, but makes selections of the lasts for the shoes it purchases from the display presented by the manufacturer, or its salesman. Respondent does, however, furnish the manufacturers of its shoes with its labels carrying the word "Dr.", and instructs said manufacturers to sew said labels on the inside lining of the shoes made for it.

Respondent's president, Morris Augenblick, conceived the idea of the "Dr." label after many requests had been made from his customers to furnish them with a "Dr." brand of shoe, whereupon he named a brand of his shoes "Dr. Morris", taking the Morris from his Christian name, "Dr. Chester", after his son Chester Augenblick, "Dr. Britt", for a salesman employed by respondent named Britton, and "Dr. Hafer" from the name of one of the manufacturers of respondent's shoes.

The record shows, however, that neither Morris Augenblick, nor his son, Chester, nor the salesman, Britton, nor the manufacturer, Hafer, are doctors, and there is no Dr. Morris, Dr. Chester, Dr. Britt, or Dr. Hafer connected with respondent's shoe business in any capacity, nor did any doctor by any of these names, or any other name, advise with the respondent as to the manufacture of its shoes.

According to an orthopedic specialist, truly orthopedic shoes have four cardinal principles built into them: (1) the natural shape last; (2) a shank that is sufficiently yielding or flexible to permit free

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activity on the part of the foot muscles (by shank is meant the middle part of the sole); (3) the inside of the heel should be wedged a little to throw the weight naturally to the outside of the foot, which is the strong weight-bearing part; (4) they should have a straight inside line.

An examination of respondent's shoes (children's shoes) introduced in evidence shows no orthopedic principle, corrective or curative, built into the shoes, although some of them do have reasonably natural shaped lasts and straight inside lines, but these qualities are found in all children's shoes, and may be in any shoe that does not claim to have orthopedic features.

PAR. 3. The members of the public are and were of the opinion and belief that a shoe which is labeled or marked "Dr." is one which has been designed or constructed on the advice of a doctor, or one having a special scientific knowledge about the formation of the foot, bones, etc.; that a doctor would know more about the functions of the foot, bones of the foot, and have a better idea of how to build shoes than an ordinary shoemaker, and that when a shoe is marked or labeled with a "Dr." brand their belief would be that it is an orthopedic shoe expected to correct imperfections in feet which were causing trouble.

PAR. 4. In truth and in fact the shoes so marked, stamped, branded, or labeled and sold as "Dr." or "Doctor" shoes, as described in paragraph 2 hereof, were not made in accordance with the design or under the supervision of a doctor, and did not contain special, scientific or orthopedic features which were the result of medical advice or services, nor was such footwear designed or constructed for the purpose of correcting or alleviating any foot troubles or weakness of the feet, all of which has a capacity and tendency to mislead many among the aforesaid trade and among the consuming public into the belief that said shoes have been made or were manufactured or designed by doctors or others with special orthopedic knowledge, or at least contain some feature or features not common to the ordinary line of footwear which feature or features were designed or intended to correct some foot ailment or weakness, or at least afford some relief therefrom and caused said public to purchase respondent's shoes under this belief, all of which unfairly diverts trade from and otherwise injures respondent's competitors in interstate commerce.

PAR. 5. The aforesaid advertisements, representations, and statements as set forth in paragraphs 2, 3, and 4 hereof made by the respondent, have had the capacity and tendency to divert trade to said respondent from competitors and by such representations and

statements substantial competition throughout the various States of the United States has been injured by said respondent to a substantial extent.

CONCLUSION

The acts and practices of respondent under the conditions and circumstances described in the foregoing findings are to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

The proceeding coming on for final hearing before the Federal Trade Commission upon the record, including the complaint of the Commission, the answer of the respondent, testimony and evidence, briefs of counsel for the Commission and for the respondent, oral argument and findings as to the facts, and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That the respondent, Morris Shoe Company, Inc., a corporation, in connection with soliciting the sale of and selling its shoes in interstate commerce, cease and desist from:

Directly or indirectly using, or causing to be used, the word "Doctor", or the abbreviation "Dr.", in connection with the name, or with any word or words, or in any wise as a trade name, brand or designation for its shoes or for the shoes of others, manufactured for it; or in advertising said shoes, or in any way which may have the capacity and tendency to confuse, mislead, and deceive purchasers into the belief that said products are made in accordance with the design or under the supervision of a doctor; or that said shoes contain special scientific or orthopedic features which are the result of medical advice or services; or that said shoes were designed or constructed for the purpose of correcting or alleviating any foot troubles or weakness of the feet, when such is not the fact.

It is further ordered, That respondent, Morris Shoe Company, Inc., shall, within 30 days after the service upon it of a copy of this order, file with the Federal Trade Commission a report in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

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· IN THE MATTER OF

**K & E DELUXE PADDED VAN COMPANY, INC., AND
UNITED VAN SERVICE****COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914***Docket 2501. Complaint, July 19, 1935—Order, Oct. 23, 1935*

Consent order requiring respondent corporations, their officers, etc., in connection with the business of carrying, moving, and transporting household goods and other merchandise for hire in interstate commerce and in the District of Columbia and in connection with the solicitation of such business and the offer of such services, to cease and desist from—

- (a) Advertising, stating, or representing in any form or by any means or medium that they own or possess 1,250, 1,200, or 1,000 vans, trucks, or motor carriers, or that the quantity of equipment or facilities owned or possessed by them is more than they do in fact own or possess;
- (b) Advertising, etc., as above set forth, that they own or possess 600 offices or offices in 250 cities in the United States and Canada, or that they own or possess offices in more cities, or have more agencies or representatives, or that their business or organization is larger, than is the fact; or
- (c) Advertising, etc., as above set forth, that they own or possess all of the equipment and facilities used by them in the course of the performance of their contracts with their customers and do not subcontract or sublet any of their business to other carriers in the course of the performance of their contracts with customers, or that they offer or maintain greater protection or security for the benefit of customers in the movement and transportation of goods and merchandise in interstate commerce, than is the fact.

Mr. Jay L. Jackson for the Commission.

Mr. Harry Tartalsky, of Jersey City, N. J., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that the K & E Deluxe Padded Van Company, Inc., a corporation, and United Van Service, a corporation, have been, or are, using unfair methods of competition in commerce as "commerce" is defined in such act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondents, K & E Deluxe Padded Van Company, Inc., and United Van Service, are each and both of them corporations organized and existing under and by virtue of the laws of the State

of New Jersey, with their principal offices and places of business located at 79 Kearney Avenue, Jersey City, the State of New Jersey. Said respondents, individually or jointly, are now and for more than one year last past have been engaged for hire in the business of carrying, moving, and transporting household goods and other merchandise in and between various States of the United States and in the District of Columbia, in the course and conduct of which said respondents have entered and now enter into contracts with individuals, partnerships and corporations for the moving, carrying and transporting of such goods and merchandise from one State of the United States to and between other States of the United States and from, to and in the District of Columbia, and in pursuance of which said respondents have moved, carried and transported and now move, carry, and transport such goods and merchandise from one State to other States of the United States and from, to and in the District of Columbia. In the course and conduct of the said business, respondents have been and are now in competition with other corporations, firms, partnerships, and individuals engaged in like commerce.

PAR. 2. In the course and conduct of the business of respondents, as aforesaid, respondents have advertised and now advertise said business and service and carry on said business in and by means of telephone directories, newspapers, circulars, letters, blotters, displays, and various other forms of advertising media which have had or have a circulation in and through various States of the United States and in the District of Columbia, in the course and conduct of which respondents, individually or jointly, have made and now make false and misleading statements and misrepresentations, all to the injury of the public and to the injury of competitors of said respondents.

PAR. 3. In the course and conduct of the business, advertising and promotion of the business of respondents, as aforesaid, said respondents, individually or jointly, have advertised and made and now advertise and make the following statements and representations, among others, to wit:

Anywhere in the United States, Canada, abroad; low prices; over 1,000 vans; storage.

Over 1,200 vans—More than 600 offices. * * * We are no agents. We own all our equipment.

Anywhere United States, Canada; 1,250 vans; insurance; return load quotations; storage; special rates California shipments.

United Van Service. Size of our organization. We have available for use over 1,250 vans; we get business through more than 600 offices and agencies located in about 250 key cities in the United States and Canada.

PAR. 4. Respondents' statements and representations, as aforesaid, are false and misleading in that respondents, individually or jointly,

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represent and imply that they own 1,000, 1,200, and 1,250 vans, and have 600 or more than 600 offices, are national or international organizations in size, own all of the equipment used in the course of their movement and transportation of goods and merchandise by van or trucks, and are equipped to and do transport all goods and merchandise in their own equipment to all parts of the United States and to Canada, without subcontracting or subletting any of their business received to any other carriers, and that by virtue thereof the shipper of such goods and merchandise assumes no risk of subcontracting or subletting to others or to irresponsible carriers or carriers not known to the shipper, and that by virtue of size and facilities respondents are equipped to handle the movement of goods with greater facilities and security than that of their competitors; whereas, in truth and in fact said respondents, individually or jointly, do not own 1,250 or 1,200 or as many as 1,000 vans, do not have 600 or more than 600 offices, are not national or international organizations in size, do not own all of the equipment used in the course of their movement and transportation of goods and merchandise by van or trucks, are not equipped to and do not transport all goods and merchandise in their own equipment to all parts of the United States and to Canada, and are not equipped to and do not move or transport goods and merchandise to all parts of the United States and Canada without subcontracting or subletting any of their business received to any other carriers, and are not, either by virtue of size or facilities, equipped to handle the movement of goods with greater facilities or security than that of their competitors.

PAR. 5. The aforesaid false and misleading statements of respondents, as aforesaid, have had and have the tendency and capacity to mislead and deceive, and do mislead and deceive customers and prospective customers of competitors into the false and erroneous belief that said statements and aforesaid representations and implications are true, thereby causing said customers and prospective customers of said competitors to discontinue or refrain from hiring or making use of the service and transportation facilities of said competitors, causing such customers and prospective customers to hire and use the service of said respondents in lieu and instead of the service and transportation facilities of said competitors, in consequence of which trade has been diverted and is diverted to respondents from their competitors who do not falsely nor misleadingly represent their service or transportation facilities, and thereby substantially injuring competition and said competitors in interstate commerce.

PAR. 6. The above and foregoing acts, practices and representations of respondents have been and are all to the prejudice of the public and respondents' competitors, and have been, and are, unfair

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methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 19th day of July 1935 issued its complaint against K & E Deluxe Padded Van Company, Inc., a corporation, and United Van Service, a corporation, respondents herein, and caused the same to be served upon them as required by law, in which complaint it is charged that respondents have been and are using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act.

On July 31, 1935, said respondents filed herein an answer in writing to the complaint herein. Subsequently thereto and on the 17th day of August 1935 said respondents filed herein a motion for leave to withdraw said original answer and to file herein their consent answer, which motion was granted by the Commission and said new answer of said respondents was accordingly filed. By said consent answer the said respondents elected to refrain from contesting the proceeding herein and consented to the issuance of an order to cease and desist from the practices set forth in the complaint herein, expressly waiving the taking of evidence, findings as to the facts, the filing of briefs, the making of oral arguments and all other intervening procedure.

Thereafter this proceeding came on regularly for disposition and decision by the Commission under subdivision (b) of Rule V of the Rules of Practice adopted by the Commission, and the Commission being fully advised in the premises:

It is ordered, That K & E Deluxe Padded Van Company, Inc., a corporation, and United Van Service, a corporation, their officers, directors, agents, representatives, servants, and employees, in connection with the business for hire of carrying, moving and transporting household goods and other merchandise in interstate commerce and in the District of Columbia, in connection with the solicitation for said business in interstate commerce and in the District of Columbia by said respondents, and in connection with the offering of the services of said respondents in said business in interstate commerce and in the District of Columbia, do cease and desist from the following, to wit:

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1. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., now owns or possesses 1,250, 1,200, or 1,000 vans, trucks, or motor-carriers, and from advertising, stating or representing in any form or by any means or medium whatsoever that said respondent owns or possesses more vans, trucks, or motor-carriers than the number thereof which said respondent does in truth and in fact own or possess.

2. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service now owns or possesses 1,250, 1,200, or 1,000 vans, trucks, or motor-carriers, and from advertising, stating, or representing in any form or by any means or medium whatsoever that said respondent owns or possesses more vans, trucks or motor-carriers than the number thereof which said respondent does in truth and in fact own or possess.

3. From advertising, stating or representing in any form or by any means or medium whatsoever that the quantity of equipment or facilities owned or possessed by respondent K & E Deluxe Padded Van Company, Inc., is more than that quantity which said respondent does in truth and in fact own or possess.

4. From advertising, stating or representing in any form or by any medium whatsoever that the quantity of equipment or facilities owned or possessed by respondent United Van Service is more than the quantity which said respondent does in truth and in fact own or possess.

5. From advertising, stating, or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., now owns or possesses 600 offices, and from advertising, stating or representing in any form or by any means or medium whatsoever that said respondent owns or possesses more offices than the number which in truth and in fact said respondent owns or possesses.

6. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service now owns or possesses 600 offices, and from advertising, stating or representing in any form or by any means or medium whatsoever that said respondent owns or possesses more offices than the number which in truth and in fact said respondent owns or possesses.

7. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., now owns or possesses offices

in 250 cities in the United States and Canada, and from advertising, stating or representing in any form or by any means or medium whatsoever that said respondent owns or possesses offices in more cities than the number of cities in which in truth and in fact said respondent owns or possesses offices.

8. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service now owns or possesses offices in 250 cities in the United States and Canada, and from advertising, stating or representing in any form or by any means or medium whatsoever that said respondent owns or possesses offices in more cities than the number of cities in which in truth and in fact said respondent owns or possesses offices.

9. From advertising, stating or representing in any form or by any means or medium whatsoever that the size of the business or organization of respondent K & E Deluxe Padded Van Company, Inc., is larger than that which said business or organization of said respondent is in truth and in fact.

10. From advertising, stating or representing in any form or by any means or medium whatsoever that the size of the business or organization of said respondent United Van Service is larger than that which said business or organization of said respondent is in truth and in fact.

11. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., has more agencies or has more representatives than said respondent in truth and in fact has.

12. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service has more agencies or has more representatives than said respondent in truth and in fact has.

13. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., owns or possesses all of the equipment and facilities used by said respondent in the course of its performance of all of its contracts with its customers for the moving and transportation of goods and merchandise in interstate commerce.

14. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service owns or possesses all of the equipment and facilities used by said respondent in the course of its performance of all

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of its contracts with its customers for the moving and transportation of goods and merchandise in interstate commerce.

15. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., does not subcontract any of its contracts with customers, or sublet any of its moving and transportation business to other carriers, in the course of its performance of all its contracts with its customers for the moving and transportation of goods and merchandise in interstate commerce.

16. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service does not subcontract any of its contracts with customers, or sublet any of its moving and transportation business to other carriers, in the course of its performance of all of its contracts with its customers for the moving and transportation of goods and merchandise in interstate commerce.

17. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent K & E Deluxe Padded Van Company, Inc., holds or maintains greater protection or security for its customers in the movement and transportation of goods and merchandise in interstate commerce than that protection or security which said respondent does in truth and in fact hold or maintain for the benefit, protection, and security of its customers.

18. From advertising, stating or representing in any form or by any means or medium whatsoever that respondent United Van Service holds or maintains greater protection or security for its customers in the movement and transportation of goods and merchandise in interstate commerce than that protection or security which said respondent does in truth and in fact hold or maintain for the benefit, protection, and security of its customers.

It is further ordered, That K & E Deluxe Padded Van Company, Inc., a corporation, and United Van Service, a corporation, within 60 days from and after the date of the service upon them of this order shall file with the Commission a report in writing, setting forth in detail the manner and form in which said order to cease and desist hereinabove set forth is being complied with.

Complaint

IN THE MATTER OF

CRESCENT SHOE COMPANY, INC.

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

Docket 2518. Complaint, Aug. 15, 1935—Order, Oct. 28, 1935

Consent order requiring respondent corporation in connection with soliciting the sale of and selling shoes in interstate commerce, to cease and desist from—

- (a) Using or causing to be used the word "Doctor" or the abbreviation "Dr.", in connection with the name, or with any word or words, or in any way as a trade name, brand, or designation for its shoes or for the shoes of others manufactured for it; or in advertising said shoes, or in any way which may have the capacity and tendency to confuse, mislead, and deceive purchasers into the belief that said shoes are made in accordance with the design or under the supervision of a doctor or that said shoes contain special, scientific, or orthopedic features which are the result of medical advice or services or that said shoes were designed or constructed for the purpose of correcting or alleviating any foot trouble or weakness of the feet, when such is not the fact; or
- (b) Using or causing to be used the word "manufacturers" or words or abbreviations of similar import in connection or in conjunction with any word or words or in any way as a trade name or designation on its shoes, or for the shoes of others, or in advertising said shoes, or any way which may have the capacity and tendency to confuse, mislead and deceive purchasers into the belief that said shoes are made or manufactured by said respondent, when such is not the fact, and until said respondent actually owns or operates or directly and absolutely controls the factory or other producing, making, or manufacturing equipment and facilities used in the manufacture or production of all such shoes sold and distributed by respondent under said representations.

Mr. Morton Nesmith for the Commission.

Mr. Henry L. Burkitt, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Crescent Shoe Company, Inc., hereinafter referred to as respondent, has been or is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The respondent, Crescent Shoe Company, Inc., is a corporation organized, existing, and doing business under and by

virtue of the laws of the State of New York, with its principal place of business at 133 Duane Street, city of New York in said State. Said respondent, the Crescent Shoe Company, Inc., has for the past three years been and still is engaged in the business of selling shoes, being a wholesaler thereof between and among the different States of the United States. Said respondent has caused and still causes its shoes when sold to be shipped from its place of business in the State of New York, to purchasers thereof located in States other than the State of New York.

In the course and conduct of its business as aforesaid, the respondent is and has been in competition with other individuals, partnerships, corporations, and associations likewise engaged in the business of wholesaling shoes and distributing said shoes in commerce between and among the different States of the United States.

PAR. 2. The respondent, Crescent Shoe Company, Inc., in the course and conduct of its business as aforesaid, in soliciting the sale of and selling its shoes in interstate commerce, for the past three years caused the words:

DR. COPLAND'S ARCH-OF-AIR

Trade Mark Reg. A Scientific Shoe

to be stamped on or across the sole of a certain brand of shoes sold by it.

Said respondent for several years during said period also furnished or aided its retail customers in the procurement of a neon sign upon which were the following words:

DR. COPLAND'S ARCH-OF-AIR SHOES

together with a small depiction of a shoe, which was used by said dealers in advertising respondent's shoes.

Said respondent in the course and conduct of its business as aforesaid, and for several years last past, has caused a brand of shoes to be manufactured for it and by it sold in interstate commerce, across or upon the sole of which appeared the following words:

DR. COPLAND'S LIGHT-WEIGHT SHOES

Said respondent during said last named period of time has caused certain cartons to be printed for it in which these last named shoes were packed and shipped, upon which the words "Dr. Copland's Light-Weight Shoes" were conspicuously displayed.

Said respondent during said last named period of time has caused certain cartons to be printed for it in which these last named shoes were packed and shipped, upon which the words "Dr. Copland's Light-Weight 'De Luxe'" were conspicuously displayed.

Said respondent in the course and conduct of its business as aforesaid, further furnished to its retail customers display cards upon which the words "Dr. Copland's Arch-Of-Air, Trade Mark Reg. A Scientific Shoe" were conspicuously displayed.

Said respondent in the course and conduct of its business as aforesaid, also caused an inside silk label to be placed in certain of its shoes upon which appeared the following words:

DR. COPLAND'S LIGHT-WEIGHT SHOES

PAR. 3. The respondent, in the course and conduct of its business as aforesaid, caused and still causes certain invoices, stationery, and billheads to be printed for it upon which appear the words "Manufacturers—Distributors" and upon its billheads appear the words "Manufacturers—Distributors—Women's Novelty Shoes—Dr. Copland's and Dr. Gibb's Arch Shoes".

PAR. 4. In truth and in fact the shoes so marked, stamped, labelled, branded, advertised, and sold as described in paragraph 2 thereof were not made in accordance with the design of or under the supervision of a doctor and did not contain special scientific or orthopedic features which were the result of medical advice or services, or the result of the advice or services of anyone skilled with a special orthopedic knowledge, nor was or is such footwear designed or constructed for the purpose of correcting or alleviating any particular kind of foot trouble, all of which has the tendency and capacity to mislead many among the aforesaid trade and many among the consuming public into the belief that said shoes were fashioned and designed by a doctor or others with special orthopedic knowledge.

PAR. 5. In truth and in fact the respondent, Crescent Shoe Company, Inc., is not a manufacturer of shoes, nor does it own, operate, or control any factory wherein its products are made, manufactured, or constructed. Said representation made by respondent on its billheads and invoices that it is a manufacturer is false and misleading and has the tendency and capacity to mislead and deceive purchasers of respondent's products into the belief that when purchasing from respondent they are dealing with a manufacturer, thereby gaining an advantage and saving the middleman's profit.

PAR. 6. The respondent, the Crescent Shoe Company, Inc., in the sale of its shoes as aforesaid, ships and distributes to its retail dealers, and said retail dealers resell the shoes so labelled and branded to the consuming public.

PAR. 7. There are among the competitors of the respondent many persons, firms, corporations, and associations who manufacture and

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sell at wholesale shoes which contain special features designed to correct and alleviate certain foot ailments and weaknesses. There are also among the competitors of the respondent many persons, firms, associations, and corporations who manufacture and sell at wholesale shoes manufactured along standard lines, over standard lasts and for which no special feature representation or claims are made, and the use by the respondent of the abbreviation "Dr." in connection or conjunction with the name, brand or designation of its shoes or in the advertisement of same, together with other special feature representations, and the further representation by respondent that it is a manufacturer when it is not, has the capacity and tendency to unfairly divert trade from or otherwise injure and prejudice respondent's competitors in interstate commerce.

PAR. 8. The above alleged acts and things done by the respondent are all to the injury and prejudice of the public and of the competitors of the respondent in interstate commerce, and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission upon the record, including the complaint of the Commission and respondent's answer thereto that it waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding, and pursuant to paragraph 2 of Rule V of the Rules of Practice of the Commission, as amended and revised, consents that the Commission may make, enter, and serve upon the respondent without evidence and without findings as to the facts or other intervening procedure, an order to cease and desist from the method or methods of competition alleged in the complaint; and the Commission having duly considered the matter and being fully advised in the premises—

It is now ordered, That the respondent, Crescent Shoe Company, Inc., a corporation, in connection with soliciting the sale of and selling shoes in interstate commerce, cease and desist from:

(1) Directly or indirectly using or causing to be used the word "Doctor" or the abbreviation "Dr." in connection with the name, or with any word or words, or in any way as a trade name, brand, or designation for its shoes or for the shoes of others manufactured for it; or in advertising said shoes, or in any way which may have the capacity and tendency to confuse, mislead and deceive pur-

chasers into the belief that said shoes are made in accordance with the design or under the supervision of a doctor or that said shoes contain special, scientific or orthopedic features which are the result of medical advice or services or that said shoes were designed or constructed for the purpose of correcting or alleviating any foot trouble or weakness of the feet, when such is not the fact.

(2) Directly or indirectly using or causing to be used the word "manufacturers" or words or abbreviations of similar import in connection or in conjunction with any word or words or in any way as a trade name or designation on its shoes, or for the shoes of others, or in advertising said shoes, or any way which may have the capacity and tendency to confuse, mislead, and deceive purchasers into the belief that said shoes are made or manufactured by said respondent, when such is not the fact, and until said respondent actually owns or operates or directly and absolutely controls the factory or other producing, making, or manufacturing equipment and facilities used in the manufacture or production of all such shoes sold and distributed by respondent under said representations.

It is further ordered, That the respondent, Crescent Shoe Company, Inc., a corporation, shall within 60 days after service upon it of a copy of this order file with the Federal Trade Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist insofar as its advertising matter is concerned and insofar as the use of the word "manufacturer" is concerned.

It is further ordered, That the respondent, Crescent Shoe Company, Inc., shall within 90 days after service upon it of a copy of this order file with the Commission a partial report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist insofar as the stamp or label for its shoes are concerned.

It is further ordered, That the respondent, Crescent Shoe Company, Inc., shall within 180 days after service upon it of a copy of this order, file with the Federal Trade Commission a final and complete report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF

UNITED ARTISTS AND ENGRAVERS GUILD, INC.

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

Docket 2482. Complaint, June 29, 1935—Decision, Oct. 29, 1935

Where a corporation engaged in designing, selling, and distributing stationery for social and business purposes, including invitations, announcements, calling cards, letterheads, envelopes, and similar products—

- (a) Included the word "Engravers" in its corporate name and featured and made use of the same and such words as "Process Engraved" and "Engraving" in newspaper and magazine advertisements, on price lists, sample books, catalogs, pamphlets, and trade literature distributed to its representatives and agents for display to, and use in soliciting the general public and in general business correspondence, through such statements on sample books, catalogs, and samples as "United Artists and Engravers Guild", "De Luxe Process Engraved Stationery", or "Genuine Steel Dye Engraved Stationery", "Our Process Engraving Plant", notwithstanding fact raised letter effect on its said stationery, which so closely resembled genuine engraving that inexperienced persons could not distinguish between the two, did not constitute genuine engraving, i. e., stationery with words or designs raised from the general plane of the surface through application thereto under pressure of inked metal plates, upon which had been engraved or incised said words, etc., but was produced through a process involving application of chemical and heat to flat, wet printing, and it was not engaged in the business of engraving and was not an engraver as understood by trade and public generally;
- (b) Used word "Manufacturers" in referring to itself through such statements in its said advertising and trade literature as "Designers and Manufacturers", "Our * * * Plant", "World's Largest Producers", and set forth upon such trade literature depiction of a large factory or manufacturing plant with its said corporate name across the entire front thereof, notwithstanding fact that it did not own or operate any plant or machinery for manufacture of stationery products produced by its aforesaid method, or own or occupy the building depicted to such an extent or in such a manner as to justify use of said depiction, but caused its said products to be produced for it, on a cost plus basis, by two plants under oral contracts and arrangements under which, among other things, it sometimes paid certain of the expenses of the producing plant, designed the copy, supervised actual production, and exercised control over process of manufacture by such plants, which, however, supplied and controlled employees, and owned all or most of equipment used, and more than half of the output of which was for others;

With tendency and capacity to mislead and deceive trade and substantial portion of the purchasing public, many of whom decidedly prefer the much more costly genuine engraved stationery to that produced by the above described process, or prefer to deal directly with the manufacturer rather than with selling agency or middleman and especially in case of such special order products as herein concerned, in the belief that in so dealing they secure closer prices and superior quality, and to induce purchase by them of a sub-

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stantial quantity of its said products in the belief that said representations and statements were true, and with effect of unfairly diverting a substantial volume of trade to it from competitors, many of whom make and sell engraved or other stationery and properly represent themselves as manufacturers thereof, others of whom deal in such stationery without in any way misrepresenting themselves as the makers thereof, and many of whom make or sell products produced by a process similar to that used by it without in any way representing their said product as the more costly engraving, and with capacity and tendency so to divert, to the substantial injury of substantial competition in commerce:

Held, That such acts and practices, under the conditions and circumstances set forth, were all to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. J. T. Welch for the Commission.

Bussian & Debolt, of Chicago, Ill., for respondent.

COMPLAINT

Pursuant to an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that United Artists and Engravers Guild, Inc., a corporation, hereafter designated as respondent, is now, and has been, using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent is now, and has been at all times mentioned herein, a corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois with its office and principal place of business at 8 South Dearborn Street, city of Chicago, in said State, and is now, and has been at all times mentioned herein, engaged in the business of selling and distributing stationery for social and business purposes, including invitations, announcements, calling cards, letterheads, envelopes, greeting cards, Christmas cards and similar products, in commerce as hereinafter set out.

PAR. 2. Said respondent, being engaged in business as aforesaid, causes said stationery products as hereinabove described, when sold, to be transported from its principal office and place of business in the State of Illinois to the purchasers thereof located in various cities in other States of the United States and in the District of Columbia, and there is now, and has been at all times mentioned herein, a constant current of trade and commerce in said stationery so sold and dis-

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tributed by respondent, between and among the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its said business, respondent is now, and has been, in substantial competition with individuals, firms and corporations engaged in the business of printing, selling, and distributing stationery, as herein described, for social and business purposes, in commerce among and between the various States of the United States and in the District of Columbia, and particularly with individuals, firms, and corporations engaged in the business of engraving and selling engraved stationery for social and business purposes in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 4. In the course of the operation of said business, and for the purpose of inducing individuals, firms, and corporations to purchase said stationery products hereinabove described, respondent has, from time to time, caused advertisements to be inserted in newspapers and magazines of general circulation throughout the United States, and has had printed and has circulated to its agents and representatives throughout the various States of the United States, through the United States mails, price lists, sample books, pamphlets, and other advertising literature. All of said price lists, sample books, and advertising literature were intended and designed by respondent to be used by its agents and representatives for display to the general purchasing public and were and are now used by said agents and representatives in securing orders for said stationery and in selling said stationery products to the consuming public. In all of the price lists, sample books, pamphlets, and advertising literature herein referred to respondent has caused its corporate name, United Artists and Engravers Guild, together with other statements hereinafter detailed, to be prominently and conspicuously displayed.

On the front cover of one sample book appears the following:

De Luxe	Designers and	United Artists and
Process Engraved	Manufacturers	Engravers
Stationery	Greeting Cards	Guild
	Advertising	
	Specialties	

The sample book above referred to is forwarded, as aforesaid, by respondent to its various agents and representatives throughout the various States in response to their inquiries submitted in answer to the advertisements inserted in newspapers and magazines of general circulation throughout the United States.

On the inside of the cover and on the samples themselves there is printed, in connection with the price quotations indicated on said

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samples, the following: "process engraved" and "processed engraved." In the various catalogs, circulars, sample books, and pamphlets distributed as aforesaid by respondent, there appear numerous statements wherein the respondent refers to the process by which the letters, words, or designs are printed on said stationery as "process engraved" or "processed engraved."

On the front cover of another sample book appears the following:

Genuine	Designers and	United
Steel Die	Manufacturers	Artists and
Engraved	Greeting Cards	Engravers
Stationery	Advertising	Guild
	Specialties	

This sample book is not distributed by respondent to all of its agents and representatives but is distributed only to certain selected agents and representatives. For this reason it is not exhibited by all of the agents and representatives of respondent when attempting to secure orders for, or make sales of the aforementioned stationery products sold and distributed by respondent.

Further, respondent has prepared and circulated among certain of its leading agents and representatives, for the purpose of inducing individuals, firms and corporations to purchase said stationery products hereinabove described, a certain portfolio of samples designated by it as a "de luxe portfolio."

The front page of this so-called "de luxe portfolio" reads as follows:

UNITED ARTISTS AND ENGRAVERS GUILD

The Chicago sales offices of the Guild are located at 8 South Dearborn Street in the heart of Chicago's famous loop business district. Our process engraving plant, occupying a city block in length, is located on the south side, close to transportation facilities and sources of supplies.

World's Largest Producers of Genuine Process Engraved Business Stationery, located in the heart of the continent, serving more than 100,000 customers in 48 States and all American possessions.

On the bottom of the front page there appears a picturization of a large factory or manufacturing plant. There appear, in large letters, across the entire front facade of the building picturized, the following words:

UNITED ARTISTS AND ENGRAVERS GUILD

PAR. 5. The use of the word "Engravers" in respondent's corporate name, as indicated on the cover of both sample books herein referred to, and on the facade of the building illustrated in the so-called "de luxe portfolio" the use of the words "process engraving", "processed engraving" and "manufacturers" in all of said sample books, price lists, pamphlets, and other advertising literature as

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herein set out, together with similar words, as well as references to said respondent's manufacturing plant as indicated in said "de luxe portfolio" and elsewhere, purport to be descriptive of respondent's business and the products sold by it.

Respondent does not own or operate any plant or machinery for the manufacture of stationery products produced either by the method designated by respondent as "process engraving" or by the method of genuine engraving; and does not own, operate or occupy the building picturized in the above mentioned "de luxe portfolio." The only office and place of business of respondent is located at 8 South Dearborn Street, Chicago, and this office is not equipped for the manufacture or production of engraved or printed stationery products.

Respondent is not engaged in the business of "engraving" and is not an "engraver" as those terms are understood by the trade and the public generally and is not engaged in the business of printing the product called by it "process" or "processed" engraving.

Respondent is engaged solely in the business of selling and distributing stationery products such as letterheads, envelopes, calling cards, invitations, announcements and greeting cards that have been manufactured by others.

The products designated by respondent as "process engraved" stationery, as illustrated in the said catalog or sample books hereinabove first referred to, have not been engraved or produced as a result of an engraving process according to the trade and public understanding of the terms "engraved" and "engraving." The products displayed in said sample book, herein first referred to, are produced by a process which includes the placing of letters, words or designs upon stationery by means of inked type or cuts, commonly designated as flat printing, and the application to such stationery, while the ink is wet, of a chemical in powder form. The said stationery is subsequently heated or baked and the chemical fuses with the ink so as to present a raised letter effect that closely resembles genuine engraving in some of its characteristics. Persons who are not experts cannot distinguish between products produced by this process and products produced by genuine engraving.

PAR. 6. The word "engraving", as it is used in the graphic arts, may be applied either to an engraved intaglio plate upon which letters, words or designs have been incised or cut, or to impressions made from such a plate. Such plates are cut or incised by hand, by machine, by etching with acid, by a transfer from other engravings and by other means, but in all cases the letters, words or designs so to be produced upon stationery are cut below the surface of the plate. To make impressions from such a plate the ink is applied,

then the plate is wiped so that the ink remains only in the lines cut below the surface. The inked plate is then put upon a piece of stationery or article to be engraved and pressure is applied sufficient to force the surface of the stationery into the lines cut in the plate, causing the ink in such lines to adhere to the paper on which the impression is to be made.

PAR. 7. The words "engraving" and "engraved", when used in connection with, or descriptive of, business or social stationery, mean, and the trade and consuming public understand, and for many years have understood, them to mean that the stationery products, so being referred to or described, contain letters, words or designs which are raised from the general plane of the stationery surface, and are in relief, and are the result of the application, under pressure, of metal plates which have been specially engraved, cut or carved for, and are used in, the production of such stationery by the process more particularly detailed herein in paragraph 6.

PAR. 8. The cost of producing genuine engraved stationery greatly exceeds the cost of producing stationery of like stock, grade or character produced by the process employed by the manufacturer of the product sold by respondent, and a substantial portion of the purchasing public has indicated, and has, a decided preference for engraved stationery over stationery produced by the process described in paragraph 5 or any similar process.

A substantial portion of the consuming public prefer to deal direct with the manufacturer of products being purchased, especially when the product being purchased is manufactured only on special order; as is the case with stationery products. Such purchasers believe that they secure closer prices and superior quality in dealing direct with the manufacturer rather than a selling agency or middleman.

PAR. 9. The use by respondent of the word "engravers" in its corporate name, and the words "process engraved", "processed engraved", "engraved" and "manufacturers" as set out in paragraph 4 hereof, either in describing the product sold by it or designating its business in its advertisements in newspapers and magazines, circular letters of solicitation, catalogs, price lists, sample books, pamphlets, folders and other advertising literature, and in its general business correspondence; and the use by respondent of the picturization of a manufacturing plant bearing the words "United Artists and Engravers Guild" across its facade in describing and designating the nature, size and location of respondent's business in offering for sale or selling its stationery products, was and is calculated to, and had and now has the tendency and capacity to, and did and now does mislead and deceive a substantial portion of the purchasing public into the erroneous belief:

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(1) That respondent owns or operates an "engraving" company and is engaged in the business of producing "engraved" stationery;

(2) That the letters, words or designs contained upon the said stationery designated by respondent as "process engraved" or "processed engraved" and offered for sale and sold by the respondent were and are "engraved" and are the result of the engraving process described in paragraph 6;

(3) That respondent owns and operates a factory located in the city of Chicago, State of Illinois, in which factory is produced by respondent the stationery products sold by it;

(4) That they are securing for themselves the advantage of close prices and superior quality resulting from purchasing direct from a manufacturer.

Further, the use of the words "engraved", "process engraved" or "processed engraved", "manufacturers" and "engravers", as well as the use of the word "engravers" in respondent's corporate name, in said advertising literature hereinabove referred to, especially in the sample books, price lists and general public correspondence, and the placing of said advertising literature, containing said words, in the hands of agents, representatives and dealers enables unscrupulous agents, representatives and dealers to mislead and deceive customers into the erroneous belief that respondent owns and operates an engraving company, that it is engaged in the business of producing engraved stationery products, that the stationery products offered for sale and sold by the respondent, designated as "process engraved" or "processed engraved", are genuine engraved products, and that the respondent is a manufacturer of all of said products sold and distributed by it. As a direct consequence of the mistaken and erroneous belief induced by the acts, advertisements and representations of respondent, hereinabove detailed, a substantial number of the consuming public has purchased a substantial volume of respondent's stationery products, with the result that substantial injury has been done to substantial competition in commerce among the various States of the United States and in the District of Columbia.

PAR. 10. There are among respondent's competitors, many who produce "engraved" stationery products which are designed and intended for business and social purposes, and who sell such "engraved" stationery products, when so produced, and transport them or cause them to be transported, to, into and through other States of the United States, to the purchasers thereof at their respective points of location; there are others among respondent's competitors who manufacture and sell in commerce as aforesaid, stationery products designed and intended for business and social purposes, but who do

not manufacture or sell "engraved" stationery products and who do not, by any means or in any manner, hold themselves out, or represent themselves to be manufacturers of, or dealers in, "engraved" stationery products; and the alleged acts, practices and representations of the respondent divert a substantial volume of trade from, and otherwise prejudice and injure a substantial number of said competitors.

PAR. 11. The above and foregoing acts, practices and representations of the respondent have been, and are, all to the prejudice of the public and respondent's competitors as aforesaid, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served its complaint upon the respondent herein, United Artists and Engravers Guild, Inc., a corporation organized and doing business under and by virtue of the laws of the State of Illinois, charging said respondent with the use of unfair methods of competition in commerce in violation of the provisions of said act.

The respondent, having entered its appearance and having filed its answer herein, testimony and documentary evidence were received in the course of a hearing at Chicago, Ill., August 27, 1935, before John W. Addison, examiner of the Federal Trade Commission, theretofore duly appointed for such purpose, and the respondent having, in the course of said hearing, entered into a stipulation whereby it was stipulated and agreed that a statement of facts signed and executed by respondent, and its counsel, and J. T. Welch, attorney for the Federal Trade Commission, subject to the approval of the Commission, are the facts in this proceeding and shall be taken by the Federal Trade Commission as such and in lieu of testimony before the Commission in support of the charges stated in the complaint, or in opposition thereto, and that said Commission may proceed further upon said statement of facts, stating its findings as to the facts and conclusion thereon and entering its order disposing of the proceeding;

And, thereupon, this proceeding came on for final hearing and the respondent having waived the filing of briefs and the hearing of oral argument herein before the Commission, and said Commission

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having approved and accepted said stipulation as to the facts and having duly considered the record and being now fully advised in the premises, makes this its findings as to the facts and conclusion:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, United Artists and Engravers Guild, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois. The respondent maintains its office and principal place of business in the city of Chicago in said State. The respondent corporation is now, and has been since the date of incorporation in 1933, engaged in the business of designing, selling and distributing stationery for social and business purposes, including invitations, announcements, calling cards, letterheads, envelopes and similar products. Since prior to January 1, 1935, all of the stock of the corporation has been held equally by Harry Cohn and Elwood W. Ankrum.

PAR. 2. From the date of its incorporation until the present time the respondent has caused its said stationery products herein described, when sold, to be transported from its principal office and place of business in the State of Illinois to the purchasers thereof located in various cities in other States of the United States. There has been at all times since the incorporation a constant and substantial current of trade and commerce in said stationery products sold by the respondent between and among the various States of the United States, and the respondent is now, and has been, in substantial competition with individuals, firms and corporations engaged in the business of printing or engraving, selling and distributing stationery of like kind and character in commerce among and between the various States of the United States.

PAR. 3. In the course of the operation of said business, and for the purpose of inducing the purchase of the products sold by it, respondent has caused advertisements to be inserted in newspapers and magazines of general circulation throughout the United States, and has printed and circulated to its agents and representatives throughout the various States of the United States, price lists, sample books, pamphlets, and other advertising literature. All of said advertisements inserted in newspapers and said advertising literature distributed to respondent's representatives were designed by the respondent to be used by said agents and representatives for display to the general purchasing public and were so used by said representatives in securing orders for a substantial quantity of said stationery and in selling said stationery products to the consuming public.

In all of the advertisements, price lists, sample books, catalogs and other pamphlets the respondent has caused its corporate name,

United Artists and Engravers Guild, Inc., together with other statements hereinafter detailed, to be prominently and conspicuously displayed.

On the front cover of one sample book appears the following:

DeLuxe	Designers and	United Artists and
Process Engraved	Manufacturers	Engravers
Stationery	Greeting Cards	Guild
	Advertising	
	Specialties	

On the inside of the cover and on the samples themselves there are printed, in connection with the price quotations indicated on said samples, the words "process engraved" and "processed engraved." In various catalogs, circulars, sample books and pamphlets distributed as aforesaid by the respondent there appear numerous statements wherein the respondent refers to the process by which the letters, words or designs are printed on said stationery as "process engraved" or "processed engraved."

In connection with the distribution and sale of engraved stationery respondent has caused catalogs and other advertising literature containing the same language as hereinbefore set out, except that the words "genuine steel die engraved stationery" are substituted for the words "deluxe process engraved stationery", to be distributed to certain of its agents and displayed to the consuming public generally.

Respondent has also prepared and circulated to certain of its leading agents and representatives, for the purpose of inducing the consuming public to purchase products similar to the samples therein displayed, a certain portfolio of samples designated by it as "deluxe portfolio." The front page of this so-called "deluxe portfolio" reads as follows:

UNITED ARTISTS AND ENGRAVERS GUILD

The Chicago sales offices of the Guild are located at 8 South Dearborn Street in the heart of Chicago's famous loop business district. Our process engraving plant, occupying a city block in length, is located on the south side, close to transportation facilities and sources of supplies.

World's Largest Producers of Genuine Process Engraved Business Stationery, located in the heart of the continent, serving more than 100,000 customers in 48 States and all American possessions.

On the bottom of the front page there appears a picturization of a large factory or manufacturing plant. There appear, in large letters, across the entire front facade of the building picturized, the following words:

UNITED ARTISTS AND ENGRAVERS GUILD

On or about January 15, 1935, the reading matter on the front cover of the sample book formerly describing the product sold by

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the respondent as "process engraved stationery" was changed so as to designate the product as "embossed stationery." The reading matter was also changed so as to eliminate the word "Manufacturers." Since that date the words "process engraved" and "processed engraved" do not appear at any place in said sample book. On the same date the reading matter on the front cover of the sample book used in the sale of "genuine steel die engraved stationery" was changed so as to eliminate therefrom the word "manufacturers." Subsequent to January 15, 1935, but prior to the commencement of the hearings held in Chicago, Ill., on August 27th, respondent changed the reading matter appearing on the front page of the so-called "deluxe portfolio" so that the words "genuine process engraved" were eliminated and the word "embossed" substituted therefor. Certain additional reading matter referring to respondent's process engraving plant and a picturization of a large plant bearing respondent's corporate name across the entire front facade of the building picturized has been obliterated by pasting over said reading matter and picturization a paper upon which appear the corporate name and address of the respondent.

PAR. 4. The words "engraving" and "engraved", when used either alone or in conjunction with other words, in connection with or descriptive of business or social stationery, mean, and the trade and consuming public have for many years understood them to mean, that the stationery products, so being referred to or described, contain letters, words, or designs which are raised from the general plane of stationery surface and are in relief and are printed on to said stationery as a result of the application under pressure of inked metal plates which have been especially engraved or incised with said words, letters or designs.

PAR. 5. The products designated by respondent as "processed engraved stationery" have not been engraved or produced as a result of an engraving process according to the trade and public understanding of the terms "engraved" and "engraving." The products displayed in said sample book labeled "Deluxe process engraved stationery" are produced by a process which includes the placing of letters, words, or designs upon stationery by means of inked type, electrotypes or cuts, commonly designated as flat printed, and the application to such stationery, while the ink is wet, of a chemical in powder form. The said stationery is subsequently heated or baked and the chemical fuses with the ink so as to present a raised letter effect that closely resembles genuine engraving in some of its characteristics. Persons who are not experts cannot distinguish between products produced by this process and products produced by genuine engraving.

PAR. 6. During the major portion of the year 1934 the so-called "process engraving" sold by the respondent was actually produced at the plant of the Skill Craft Company located at 1508 West Van Buren Street, Chicago, Ill., and the "steel plate engraving" was produced at the plant of the Atlas Engraving Company, Chicago, Ill.

The method of production followed by the respondent was one whereby it entered into oral working agreements or contracts with the producers named who owned equipment and other facilities for the actual production of the stationery products sold by the respondent. Under these several oral contracts respondent sometimes paid certain portions of the operating expenses, including rentals incurred by said producer when the producer could not meet said expenses, designed all of the copy used by the producer in supplying orders for the respondent, supervised the actual production of the products and exercised control over the process of manufacture. All of the oral agreements or contracts provided for the work to be done by the producer on a cost plus basis. The employees actually producing the finished product were employed by the producer and were responsible to him. The majority of the equipment used in the production was owned by the various producers but some equipment was actually owned by the respondent. The sale and distribution of the manufactured product was entirely and absolutely controlled by it. During the last four months of the year 1934 a considerable portion of respondent's work, approximately 40 percent, was produced at the plant of the Murray Engraving Company under similar oral contracts providing for the actual production of the stationery by the Murray Engraving Company on a cost plus basis. All the stationery products sold and distributed by the respondent were manufactured under similar oral agreements or contracts and were produced by the actual manufacturer thereof on a cost plus basis.

In January 1935 Harry Cohn, owner of 50 percent of the stock of respondent corporation, became employed by the Murray Engraving Company and has since that date been continuously so employed. Upon the employment of the said Harry Cohn by the Murray Engraving Company, the respondent brought to an end all of its contracts with other producers of stationery products and entered into an oral agreement or contract with the Murray Engraving Company. Under the terms of this contract the Murray Engraving Company, under the supervision of the said Harry Cohn, became the sole producer of the products sold by the respondent. As a result of this contract the respondent moved what equipment it had to the plant of the Murray Engraving Company and moved its offices, with the exception of its sales office, to the plant of the Murray Engraving Company and there became a tenant of the Murray Engraving Company. Respondent

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thereupon agreed to pay 25 percent of the overhead expense of operating the combined office of the two corporations. The respondent designed all of its samples, selected its own paper and material and had all of its printing and engraving done in said plant with the equipment owned by the Murray Engraving Company under the direct supervision of the said Harry Cohn.

The printing and engraving was done by the Murray Engraving Company and its own employees on a basis of cost plus 10 percent. This oral agreement or contract was, on or about the 20th day of February 1935 incorporated into a written contract. The written contract discloses that the respondent, at the time of the execution thereof, owned no facilities for producing stationery and was operating solely as a sales organization. The written contract provided that the Murray Engraving Company would produce all printing ordered by the respondent on a basis of cost plus 10 percent, would give the orders of respondent preference over orders received from other parties and would use the material directed by respondent. Harry Cohn is paid a regular weekly salary for his part-time services to the Murray Engraving Company and is also paid a weekly salary by the respondent for his part-time services. All of the stationery products now sold by the respondent are produced by the Murray Engraving Company on a cost plus 10 percent basis.

The Murray Engraving Company has always continued to carry on its own business in addition to producing work for the respondent, the work produced for said respondent being only about 40 percent of the total output of said plant.

On the 29th day of March 1935 the two stockholders of respondent corporation entered into a written agreement with the Murray Engraving Company, its stockholders and the creditors of said Murray Engraving Company. Under the terms of this agreement a reorganization of the Murray Engraving Company was to be effected. The majority of the common stock of the said Murray Engraving Company after the reorganization, was to become vested in the two owners of all of the stock of respondent corporation. The agreement also provided for the payment of the debts of the Murray Engraving Company to the amount of in excess of \$100,000 by the issuance of preferred stock to said creditors, said preferred stock to be redeemable under certain conditions fully set forth. This agreement has not been declared operative insofar as the division of stock is concerned and the transfer of said common stock to the owners of the stock of respondent corporation. The two owners of the stock of respondent corporation now own no stock whatever in the Murray Engraving Company.

PAR. 7. Respondent does not own or operate any plant or machinery for the manufacture of stationery products produced by the

method designated by respondent as "process engraving", which is described in paragraph 5 hereof, or by the method of genuine engraving, which is described in paragraph 4 hereof, and does not own or occupy the building picturized in the above-mentioned "deluxe portfolio" to such an extent or in such a manner as to justify its use of the picturization of said building, either alone or with the corporate name of respondent prominently displayed on facade thereof, in advertisements, catalogs, or advertising literature, or in any manner whatever.

Respondent is not engaged in the business of engraving and is not an engraver as those terms are understood by the trade and the public generally, and is not engaged in the business of printing the product formerly called by it "process" or "processed" engraving and now called by it "embossed" stationery.

PAR. 8. There are among the competitors of respondent many who manufacture and sell engraved stationery, or stationery produced by some other process of printing, in commerce as herein set out, and who rightfully and lawfully represent that they do manufacture said product. There are others among the competitors of respondent who do not manufacture the engraved stationery, or stationery produced by some other process of printing, that is sold by them in interstate commerce and who do not advertise or in any way represent that they are the manufacturer thereof. There are also among the competitors of respondent many who manufacture or sell stationery products produced by a process similar to that used in the production of the stationery formerly designated by respondent as "process engraved stationery" and who in no way represent that said product is produced by an engraving process.

PAR. 9. The cost of producing genuine engraved stationery greatly exceeds the cost of producing stationery produced by the process described in paragraph 5 hereof, and a substantial portion of the purchasing public has indicated, and has, a decided preference for engraved stationery over stationery produced by the process described in paragraph 5 or any similar process.

A substantial portion of the consuming public prefers to deal direct with the manufacturer of products being purchased, especially when the product being purchased is manufactured only on special order as is the case with stationery products. Such purchasers believe that they secure closer prices and superior quality in dealing direct with the manufacturer rather than with a selling agency or middleman.

PAR. 10. The false and misleading statements on the part of the respondent, in the marketing of the product sold by it, to the effect (1) that it is the manufacturer of the product sold and distributed

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by it; (2) that it is engaged in the business of producing genuine steel die engraving; (3) that it owns, operates, or controls a plant for the manufacture of stationery products produced either by an engraving process or any other process; and (4) that the products sold by it under the designation "process engraved" or "processed engraved" are actually produced by an engraving process, are, and were, made for the purpose, and have, and have had, a tendency and a capacity to mislead and deceive a substantial portion of the purchasing public and the trade and to cause them to purchase a substantial quantity of the products sold by the respondent under the belief that the said representations and statements were true.

PAR. 11. The false and misleading statements and representations used by the respondent have had, and now have, a tendency and capacity to, and do, unfairly divert a substantial volume of trade from all classes of competitors of the respondent as herein set out.

Substantial quantities of the stationery products distributed and sold by the respondent are sold to purchasers on account of the erroneous beliefs induced by the false and misleading representations on the part of the respondent, and, as a result, substantial injury has been done by the respondent to substantial competition in commerce among and between the several States of the United States.

CONCLUSION

The acts and practices of the respondent as herein set out, under the conditions and circumstances described in the foregoing findings of facts, are all to the prejudice of the public and respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been duly heard by the Federal Trade Commission upon a complaint of the Commission, the answer of the respondent, testimony in support of the charges of said complaint and a stipulation entered into between the respondent herein, United Artists and Engravers Guild, Inc., a corporation, and its counsel, Bussian and DeBolt, and counsel for this Commission, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

Now, therefore, it is hereby ordered, That the respondent, United Artists and Engravers Guild, Inc., a corporation, its officers, agents, representatives, and employees, in connection with the distribution, offering for sale and sale of stationery products, in interstate commerce, forthwith cease and desist from:

(1) Using the word "engravers" in its corporate name, business signs, advertising matter, catalogs and trade literature, until and unless it actually owns, operates or controls the plant in which all the stationery products produced by a process of printing said stationery from inked metal plates into which the words, letters and designs have been incised, and sold by it, are actually produced;

(2) Using the words "process engraved" or the words "engraved" and "engraving", either alone or in conjunction with any other word, or words, in its advertisements and advertising literature, catalogs and general business correspondence distributed or displayed to the public in the several States of the United States, to designate or describe stationery sold by it, the lettering, inscriptions or designs on which have been printed from inked type faces, electrotypes or similar devices, and which stationery does not have printed thereon inked impressions from engraved plates or dies, and which lettering, inscriptions or designs have been given a raised letter effect by the application of a chemical in powder form to the ink while it was still wet, then subjecting same to heat, thereby causing the chemical so applied to fuse with the wet ink;

(3) Using the word "manufacturers", or words of similar import, in its advertisements and advertising literature, catalogs and general business correspondence distributed or displayed to the public in the several States of the United States, until and unless it actually owns, operates and controls a plant wherein all of the stationery products sold by it are actually manufactured or produced;

(4) Representing its ownership, occupation and control of a plant for the manufacture of the products sold by it, by use of picturizations of manufacturing plants with respondent's corporate name appearing thereon, until and unless it actually owns, operates and controls such plant thus pictured.

It is further ordered, That the respondent shall within 90 days after the service upon him of this order file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF
L. & C. MAYERS CO., INC.

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

Docket 2038. Complaint, May 18, 1932—Decision, Oct. 30, 1935

Where a corporation engaged as diamond importer and dealer in jewelry, silverware, diamonds, leather goods, and kindred items, described itself on and in its catalogs as wholesale jeweler, and set forth therein, in accordance with jobbers' and wholesalers' practice, purported list prices and dealer discounts, with intent of inducing purchasing public to buy such articles from it as and from a wholesaler selling retail trade at dealer prices;

The facts being that said supposed list prices did not, discounted as set forth, represent wholesale prices of articles involved, but were higher than those usually charged by wholesale jewelers; well over half its total sales were (1) to industrial concerns, public utilities, banks and other similar organizations, purchasing either for their own use and not in quantity lots, or for resale, for the benefit of their employees, and (2) to mutual buying clubs of fraternities, colleges or universities, and to employees of industrial organizations, purchasing in such way to obtain price and other benefits of such buying, not for resale but for the use of organizations or their members; and it did not in any substantial way solicit the retail jewelry trade by catalogs or salesmen, manufactured less than 10 percent of all the jewelry handled by it, and did not constitute a wholesale jeweler, i. e., seller to the trade for resale, and, excepting only sales to industrial concerns and similar organizations purchasing in quantity lots and not for resale but for their own use, seldom, if ever, seller to the purchasing public;

With effect of misleading and deceiving purchasing public into the belief that the products offered and sold by it were sold at wholesale prices, and that those who bought such articles from it purchased at such prices and saved retailer's profit, and inducing such purchases in reliance upon such erroneous belief, and with capacity and tendency so to do and unfairly divert trade to it from competitors who truthfully describe their status and their prices, to the substantial injury of substantial competition in interstate commerce:

Held, That such acts and practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Edward M. Averill*, trial examiner.

Mr. Robert H. Winn and *Mr. Edward L. Smith* for the Commission.

Mr. John C. Gall, of Washington, D. C., and *Mr. Sidney Newborg* and *White & Case*, of New York City, for respondent.

COMPLAINT

Acting in the public interest, pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that L. & C. Mayers Co., Inc., a corporation, hereinafter referred to as respondent has been and now is using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said Act and states its charges in that respect as follows:

PARAGRAPH 1. Respondent is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city of New York in said State. Respondent is now and for more than two years last past has been engaged in the business of importing for resale diamonds and in purchasing for resale from manufacturers or jobbers located in this country, jewelry, silverware, diamonds, clocks, leather goods, and kindred items. The respondent operates one factory in New York in which it manufactures for sale certain jewelry. The jewelry manufactured by respondent amounts to less than 10 percent of the jewelry handled by it. The respondent is engaged in a mail order business by means of which it sells the products so imported, purchased in this country or manufactured by respondent, direct to the consuming public. Respondent causes the said products when sold to be transported from its place of business in the State of New York into and through other States of the United States to the purchasers thereof located in the State or States other than the State of New York. In the course and conduct of its business respondent is in competition with other corporations and with partnerships, firms and individuals engaged in the sale and distribution of similar articles of merchandise in commerce between and among various States of the United States.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, the respondent in and about soliciting the sale of and selling its products as aforesaid has published or caused to be published and has distributed or caused to be distributed to purchasers or prospective purchasers of respondent's products, located in various States of the United States, catalogs in which the products offered for sale and sold by respondent are pictorially and descriptively represented. On the covers of these catalogs and at various places in the said catalogs, the respondent refers to itself as "wholesale jewelers."

A wholesaler is one who sells to the trade but never to the ultimate consumer of an individual unit as such. It is the character of sales to the trade that marks and distinguishes a wholesaler. In

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truth and in fact the respondent is not a wholesaler but is a mail order house engaged in selling to the consuming public.

PAR. 3. In the course and conduct of its business as described in paragraph 1 hereof, the respondent, in connection with the offering for sale and sale of its products in interstate commerce under a trade status designated by it "wholesaler", has quoted in connection with each of the items listed in its catalogs heretofore referred to certain figures termed by the respondent "list prices." An insert in the said catalogs advises prospective customers, members of the consuming public, that the said "list prices" of all items in respondent's catalogs are "subject to a dealer's discount of 50 percent and an additional cash discount of 6 percent" on the remaining 50 percent making a total discount from the "list price" of 53 percent. The term "list price" is a trade term used by manufacturers, jobbers or wholesalers in connection with sales to the retail trade. The term "list price" as used by respondent and the discounts therefrom are used by the respondent for the purpose of inducing the consuming public to buy its merchandise under the belief that it is a wholesaler engaged in selling to the retail dealer trade and that the consuming public is buying from respondent at retail dealer prices. In truth and in fact the so-called "list prices" are not "list prices" but are figures that will, when reduced by the discount of 53 percent, be prices which will show the price of respondent's merchandise offered for sale to the members of the consuming public. The said prices at which the respondent's goods are sold to the consuming public are not wholesale prices of such articles but are the usual and customary prices charged by retail dealers to members of the consuming public.

PAR. 4. The aforesaid practices of respondent have had and have the capacity and tendency to mislead and deceive the purchasing public into the belief that the products offered for sale and sold by it are sold at wholesale prices and that such persons as purchase such articles from the respondent may buy at the wholesale prices and save the retail dealer's profit and to induce the purchase of the respondent's products by members of the purchasing public in reliance upon such erroneous belief.

The aforesaid practices of respondent have had and have and each of them has had and has the capacity and tendency unfairly to divert trade to the respondent from competitors who truthfully describe their status and prices at which their products are regularly sold.

PAR. 5. The above named acts and practices of respondent are to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition in commerce within the intent

and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on May 18, 1932, issued and served its complaint in this proceeding against respondent L. & C. Mayers Co., Inc. After the filing by respondent of its answer to said complaint, testimony and evidence were received, duly recorded and filed in the office of the Commission. Thereafter, the proceeding came on for final hearing before the Commission on the said complaint, the said answer, testimony and evidence, and a stipulation entered into May 10, 1933 between the chief counsel of the Commission and counsel for the respondent, and briefs of counsel for the Commission and counsel for the respondent, but without oral argument (counsel for respondent having waived oral argument). Subsequent thereto, upon the application of the chief counsel of the Commission, the proceeding was ordered reopened for the purpose of affording counsel for the Commission opportunity to introduce further testimony and evidence, and for the purpose of giving respondent an opportunity to introduce such testimony and evidence as it might desire by way of defense to such additional testimony and evidence.

Such testimony and evidence were received, duly recorded and filed in the office of the Commission, and thereafter the proceeding came regularly on for final hearing before the Commission on the said complaint, the said answer, said stipulation, testimony and evidence received, recorded and filed in the office of the Commission prior to the said order reopening the case, the briefs which had theretofore been filed, the additional testimony and evidence received, recorded and filed after the order of the Commission reopening the case for the taking of such additional testimony and evidence, and brief of counsel for the Commission and brief of counsel for the respondent, but without oral argument (counsel for the respondent having waived oral argument); and the Commission having duly considered the same and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

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FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, L. & C. Mayers Co., Inc., is a corporation, organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city of New York in said State. Respondent is now, and for more than two years last past has been engaged in the business of importing diamonds for resale, and in purchasing for resale, jewelry, silverware, diamonds, clocks, leather goods, and kindred items. Respondent operates, and for more than two years last past has operated, a factory in New York, where it manufactures certain lines of jewelry which it sells. Such jewelry manufactured by respondent amounts to less than 10 percent of all of the jewelry handled by it. Respondent causes, and for more than two years last past has caused, the articles dealt in by it, when sold, to be shipped to the purchasers thereof, some of whom are located in the State of New York and others located in various other States of the United States; and there is now, and has been for more than two years last past, a constant current of trade and commerce by respondent in the aforesaid articles in which it deals, between and among the various States of the United States. Respondent sells in practically all of the States of the United States. In the course and conduct of its business, respondent is, and has been for more than two years last past, in substantial competition with other corporations and with partnerships, firms and individuals engaged in the sale and distribution of similar articles of merchandise in commerce between and among the various States of the United States.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, respondent, in soliciting the sale of and in selling the articles dealt in by it, has published and caused to be published, and has distributed and caused to be distributed to purchasers or prospective purchasers of the articles dealt in by respondent (which said purchasers and prospective purchasers, as hereinbefore mentioned, are located in the various States of the United States), catalogs in which many of the articles offered for sale and sold by it are pictorially and descriptively represented. Such catalogs are sent chiefly to industrial concerns, cooperative buying bureaus, State governments, municipal governments and purchasing clubs. On the covers of such catalogs and at various places therein, respondent refers to itself as, and calls itself, "wholesale jewelers".

PAR. 3. In the course and conduct of its business as described in paragraphs 1 and 2 hereof, the respondent, in connection with the offering for sale and sale of the articles dealt in by it in interstate commerce, under the trade status designated by itself as "whole-

saler", has quoted and still quotes, in connection with each of the items listed by it in its said catalogs hereinbefore referred to, certain figures termed by respondent "list prices." Inserts in the said catalogs suggest to proposed purchasers, members of the purchasing public, that the said "list prices" of all items in respondent's catalogs are subject to a dealer's discount of 50 percent and an additional cash discount of 6 percent on the remaining 50 percent, making a total discount from the "list price" of 53 percent. The term "list price" is a trade term used by manufacturers, jobbers and wholesalers in connection with sales to the retail trade. The term "list price" as used by respondent, and the discounts therefrom are used by the respondent, for the purpose of inducing the purchasing public to buy the articles dealt in by the respondent, under the beliefs that respondent is a wholesaler engaged in selling to the retail dealer trade, and that the purchaser is buying from respondent at retail dealer prices. In truth and in fact, the so-called "list prices" are not "list prices", but are figures which will, when reduced by the discount of 53 percent, be figures which will show the prices of respondent's articles as offered for sale to members of the purchasing public. The said prices at which respondent's articles are sold to the purchasers thereof are not, and have not been wholesale prices of such articles but are higher than the usual and customary prices charged by wholesalers of jewelry to purchasers thereof.

PAR. 4. A wholesaler of jewelry is one who sells to the trade for resale and seldom, if ever, to the purchasing public, with the exception that sales to industrial concerns, public utilities, banks and other similar organizations, which purchase in quantity lots (i. e., simultaneous sales of more than one of a given item), not for resale, but for use by such organizations, are considered as wholesale transactions. It is the character of sales to the trade that makes and distinguishes a wholesaler. The jewelry industry has defined a wholesaler to be a distributor whose principal business is selling to the retail dealer. It is the practice and custom of wholesalers of jewelry through and by means of their salesmen calling upon retailers and by means of catalogs sent to retailers to solicit purchases by retailers. Only a small proportion of respondent's catalogs are sent to retailers and few retailers are called upon by respondent's salesmen, who are few in number. Many retail jewelers in business for a substantial number of years had never heard or known of respondent until they testified in this proceeding. They had never received respondent's catalogs nor had they ever been solicited by respondent. Such retailers are from the States of New Jersey, Vermont, Florida, New Hampshire, New York, Wisconsin, Nebraska, North Carolina, and

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Ohio. Many manufacturers of jewelry selling to the wholesale trade do not sell to respondent because such manufacturers do not consider respondent to be a wholesaler. In truth and in fact, respondent is not a wholesaler but is a mail order house engaged chiefly in selling to the purchasing public.

PAR. 5. During the year from October 1, 1930, to September 30, 1931, respondent sold merchandise in commerce between and among the various States of the United States of the approximate value of \$1,035,000. The character of the business done in that year by the respondent is typical of its business from year to year and is divisible into seven groups hereinafter described, which groups are herein numbered 1 to 7 respectively. These groups are respectively, the following:

Group 1

Vendees in this group include industrial concerns, public utilities, banks and other similar organizations to which merchandise was sold and shipped by the respondent, not for resale, but for use by such organizations. The sales to this group include various articles, but do not include purchases in quantity lots.

Group 2

Vendees in this group include industrial concerns, public utilities, banks and other similar organizations which buy merchandise from the respondent in quantity lots (i. e., simultaneous sales of more than one of a given item), not for resale, but for use by such organizations.

Group 3

Vendees in this group include industrial concerns, public utilities, banks and other similar organizations, which buy merchandise from the respondent, not for resale but for the benefit of their employees. Such merchandise is sometimes shipped by the respondent directly to the employee for whom the merchandise is ultimately intended, and in other instances is shipped by the respondent to the organization purchasing same. In the majority of cases the organization purchasing the merchandise pays the respondent therefor with its check and the organization obtains reimbursement from the employees. In some instances the employee's money order or personal check is forwarded to the respondent by the organization making the purchase. In some instances the organizations keep the cash discount and in other instances they give the benefit of such cash discount to the employee.

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Group 4

Vendees in this group include industrial concerns, mines and other similar organizations maintaining commissary stores. Merchandise purchased from the respondent by vendees in this group is resold by said vendees.

Group 5

Vendees in this group are all wholesale or retail distributors of merchandise which purchase such merchandise from respondent for resale. This group includes building supply dealers, college book stores, clothiers, drug stores, export associations, general stores, glove vendors, garage and filling stations, gift shops, grocery and food stores, hotel news stands, hardware stores, jewelers, lumber companies, radio stores, sporting goods stores and seed stores.

Group 6

Vendees in this group include army canteens, army post exchanges and ships' service stores, which are maintained by army posts, forts, camps and naval ships and stations, and which resell the merchandise which they purchase from the respondent.

Group 7

The vendees in this group include mutual buying clubs maintained by fraternities, colleges and universities and the employees of some large industrial, public utility or similar organizations, for the purpose of obtaining the benefits in price and otherwise, of such buying. Merchandise bought from the respondent by vendees in this group is not resold by the vendees, but is applied to their own use or the use of the members of such organizations.

The sales of \$1,035,000 above stated, for the year October 1, 1930, to September 30, 1931, were allocated as follows:

To vendees in group 1, approximately-----	\$39, 000
To vendees in group 2, approximately-----	82, 000
To vendees in group 3, approximately-----	569, 000
To vendees in group 4, approximately-----	92, 000
To vendees in group 5, approximately-----	175, 000
To vendees in group 6, approximately-----	38, 000
To vendees in group 7, approximately-----	40, 000

Of the aforesaid groups, those designated as group 1, group 3 and group 7 aggregating \$648,000 out of a total of \$1,035,000 business done by respondent, are retail business.

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PAR. 6. The aforesaid practices of respondent have had and have the capacity and tendency to mislead and deceive the purchasing public into the belief that the products offered for sale and sold by it are sold at wholesale prices and that such persons as purchase such articles from the respondent may buy at the wholesale prices and save the retail dealer's profit and to induce the purchase of the respondent's products by members of the purchasing public in reliance upon such erroneous belief, and the aforesaid practices of respondent have misled and deceived the purchasing public into the belief that the products offered for sale and sold by respondent are sold at wholesale prices and that such persons as purchase such articles from the respondent may buy at wholesale prices and save the retail dealer's profit and have induced the purchase from respondent by members of the purchasing public in reliance upon such erroneous belief.

PAR. 7. The aforesaid practices of the respondent have had, and still have the capacity and tendency to unfairly divert trade to the respondent from competitors who truthfully describe their status and the prices at which the articles dealt in by them are regularly sold. Thereby substantial injury has been done and is being done by respondent to substantial competition in interstate commerce.

CONCLUSION

The acts and practices of respondent under the conditions and circumstances described in the foregoing findings are to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission on the complaint of the Commission, the answer of the respondent, the testimony and briefs of counsel for the Commission and counsel for the respondent, respectively (but without oral argument, counsel for the respondent having waived the oral argument), and the Commission having made its report in which it stated its findings as to the facts, with its conclusion that the respondent has violated the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and the Commission being fully advised in the premises—

Now, therefore, it is hereby ordered, That the respondent, L. & C. Mayers Co., Inc., its officers, agents, servants, and employees, in connection with the sale and the offering for sale by said L. & C. Mayers Co., Inc., of jewelry and similar articles in interstate commerce in the following described kinds and classes of its business, forthwith cease and desist from representing itself in and by its catalogs, and in every other way, to be a wholesale jeweler or wholesaler, the said kinds and classes of its business being as follows:

(1) Sales to industrial concerns, public utilities, banks and other similar organizations of articles not for resale but for use by such organizations where the sales are not in quantity lots.

(2) Sales to industrial concerns, public utilities, banks and other similar organizations buying merchandise not for resale but for the benefit of their employees, the merchandise being shipped by respondent directly to the employee for whom the merchandise is ultimately intended or to the organization purchasing the same, the organization paying the respondent therefor with its check and obtaining reimbursement from the employees, or the employees' money orders or personal checks being forwarded to the respondent by the organization making the purchase.

(3) Sales to mutual buying clubs maintained by fraternities, colleges or universities and to the employees of industrial, public utility or similar organizations of articles purchased for the purpose of obtaining benefits in price and otherwise of such buying, where the merchandise purchased by such purchasers is not resold, but is applied to their own use or to the use of members of such organizations.

(4) Sales in any other manner to an individual or individuals purchasing for their own use and not for resale, and sales to an individual or individuals for the use of such individual or individuals as owner or owners of industrial organizations carried on by them, when such sales are not in quantity lots.

It is hereby further ordered, That the respondent shall, within 60 days from the day of the date of service upon it of this order, file with this Commission its report in writing setting forth the manner and form in which it shall have complied with this order by the Commission.

Syllabus

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IN THE MATTER OF

HENRY ROSS, DOING BUSINESS UNDER THE NAMES
AND STYLES OF TIVOLI CLOTHES, BREWSTER
CLOTHES, GOOD WILL CLOTHES, WINDSOR WOOLEN
COMPANY AND UNITED WOOLEN COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2535. Complaint, Aug. 30, 1935—Order, Oct. 30, 1935*

Consent order requiring respondent, doing business as aforesaid and as an individual, and his agents, etc., in connection with the sale and offer in commerce among the several States and in the District of Columbia, of suits of clothing for men, to cease and desist from—

- (a) Advertising or representing in any way to the purchasing public or to prospective agents the character and quality of the garments sold by him through use of such words or phrases as "all wool", "the best woolens", "distinctive woolens", "trimmed with silk serge lining"; until and unless such garments are actually manufactured from the quality of woolen and other materials represented and in the manner or at the place represented;
- (b) Advertising, etc., that he buys woolens and other materials in large quantities and at close prices, and owns or operates a manufacturing plant or plants, with resulting prices lower than those of comparable competitive merchandise, through such statements as "Windsor's tremendous buying and manufacturing facilities make these prices possible", "We have purchased a large quantity of woolens and linings of every number in the sample outfit; this has enabled us to price our line considerably lower than the present market price", or "The lowest priced quality line on the market", or advertising or representing in any way that he has dealers in principal cities, until and unless he actually owns, operates, or controls manufacturing facilities of sufficient size and purchases woolens and other materials in sufficient quantities to enable him actually to secure closer prices on all of said merchandise than are secured by others selling merchandise of competitive quality, or has such dealers, other than itinerant vendors, as aforesaid claimed;
- (c) Advertising, promising, or in any way representing to the purchasing public that satisfaction is guaranteed with respect to his garments, which are guaranteed to fit and satisfy and to be exactly as represented by the swatches of the various sample books, and that he has the ability, resources, and willingness to make adjustments as represented, until and unless such representations are in fact true; or
- (d) Placing in the hands of salesmen and other representatives sample books containing swatches of cloth that do not truthfully illustrate or depict the design or quality of the cloth from which the garments sold by respondent are made, or using or placing in the hands of agents and representatives for use in taking orders from customers, order books containing the statement, "We cut from first choice, if possible", or words of similar import indicating that the garment delivered is actually tailored for the purchaser in conformity with the measurements set out on said order blank, or adver-

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tising or in any way representing or advising prospective purchasers that the garment is either an exceptional value or has been tailored to the customer's own measurements, until and unless the garment has in fact been tailored and aforesaid statements are true in fact.

Mr. John W. Hilldrop for the Commission.

Mr. Harold Baer, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Henry Ross, trading and doing business under the names and styles of Tivoli Clothes, Brewster Clothes, Good Will Clothes, Windsor Woolen Company, and United Woolen Company, and as an individual has been or is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, the Commission hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The said respondent; Henry Ross, is an individual residing and doing business in the city of New York, State of New York, and respondent is now and since the year 1927 has been doing business under the names and styles of Tivoli Clothes, Brewster Clothes, Good Will Clothes, Windsor Woolen Company, and United Woolen Company, and has been maintaining his office and principal place of business in said city of New York.

PAR. 2. The said respondent is now, and has been engaged, since the year 1927, in the business of selling suits of clothing for men, in interstate commerce; shipping his said clothing from his place of business in New York, N. Y., to various other States of the United States of America, and is in competition with other firms, individuals, and corporations doing an interstate business similar to the business of respondent.

PAR. 3. The respondent conducts his said business and sells and distributes clothes as hereinbefore stated, advertising for salesmen in the different trade journals and other papers and publications to sell his clothing by personal solicitation and to the wearer. The respondent compensates his salesmen as follows:

When the purchaser of a suit of clothes from respondent's salesmen gives an order therefor, he makes a deposit or down payment to the salesman taking the order, the size of such deposit or down payment varying according to the price of the suit ordered. This deposit or

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down payment constitutes and is the commission of the salesman taking the order. For the remainder of the purchase price of the suit of clothes, the purchaser signs a form of written order promulgated by respondent and by him furnished his salesmen, wherein the purchaser agrees that the suit of clothes may be sent him C. O. D. for the balance of the purchase price due and unpaid. Almost all of these C. O. D. shipments are sent through the United States mails.

PAR. 4. In order to obtain salesmen in the various States of the United States to sell the clothing of respondent, he, the said respondent, advertises in "Specialty Salesman", "How to Sell", "Opportunity", and other like publications having an interstate circulation, and also by personal letters directed to various agents whose names respondent obtains from lists which he buys from Guild Company of New York, which company specializes in the business of selling lists of prospective salesmen for the different types of selling activities. To these agents and salesmen who answer the advertisements of respondent in said publications, and to those agents and salesmen whose names respondent obtains as aforesaid from Guild Company, and as an inducement for them to enter the employ of respondent and sell his clothing, respondent makes the following false, exaggerated, and misleading statements: That the garments are "all wool"; that they are "fashion tailored to fit", that they are "trimmed with silk serge lining", and that "satisfaction is guaranteed". In truth and in fact, the garments sold by respondent through his agents and salesmen are not "all wool"; they are not "fashion tailored to fit"; they are not "trimmed with silk serge lining"; and satisfaction is not guaranteed to the customers of respondent, but to the contrary a large number of respondent's customers who buy his clothing become and remain dissatisfied with the clothing shipped them by respondent, as being made of different material and inferior to the material ordered and as not fitting the customer, and seldom if ever does respondent make any effort to satisfy his customers in this respect.

Respondent supplies his agents and salesmen with order blanks, directions for measurements, tapelines, and cards, on which cards there appear the following statements: "The lowest priced quality line on the market"; "fashion tailored to fit"; "Windsor's tremendous buying and manufacturing facilities make these prices possible." In truth and in fact, the clothes sold by respondent are of an inferior quality and are not priced to the customer lower than goods of similar material sold in interstate commerce by various competitors of respondent; they are not "fashion tailored to fit", but to the contrary are not tailored at all, and are not made to the measure of the individual customer, but are taken from a small stock of ready-to-wear

clothes which respondent keeps at all times in his place of business, and which are sent to his customers in interstate commerce when orders are received, without reference to the measurements of the particular customer; respondent, trading as Windsor Woolen Company, or under any other trade name, or as an individual, has no "tremendous buying facilities", but to the contrary operates a small business in a very small storeroom, and does not manufacture any of the clothing he sells, and has no interest or control, financial or otherwise, in any factory or factories making clothes; respondent's said cards, which he furnishes to his agents and salesmen, have prominently displayed thereon the following:

"United Woolen Company", "Satisfaction guaranteed", and "Dealers in the following large cities", following which there appear the names of twenty or more large cities, when in truth and in fact "United Woolen Company" is not a company, but is one of the trade names adopted by respondent, Henry Ross, and by which he conceals the fact that he is trading as an individual, and he has no dealers in the large cities named on said cards, but only has itinerant agents soliciting therein.

PAR. 5. Respondent likewise furnishes to his agents and salesmen a book which contains samples of cloth, different models of suits, and the price of garments, and in such book so furnished respondent's said agents and salesmen for the spring and summer of 1935, the trade name of respondent, to wit, "Windsor Woolen Company", prominently appears in many places, along with such phrases as, "lined with silk serge", "the best woolens", "fashion tailored to fit", "satisfaction guaranteed", "dealers in principal cities", and "tailored on Fifth Avenue."

The respondent, under another of his trade names, to wit, "United Woolen Company", has supplied his agents and salesmen with a certain sample book for the spring and summer of 1935, in which the following statements appear: "Every garment fashion tailored to fit", "lined with silk serge", "guaranteed to fit and satisfy", "we guarantee all United merchandise to be exactly as represented in the sample book", "the best woolens", "every garment tailored by experts", "every garment guaranteed by our many years' experience in the manufacture of cloth", "satisfaction guaranteed", "dealers in principal cities", and "tailored on Fifth Avenue."

In truth and in fact, the statements, representations, advertisements and inducements set out in this paragraph are false and misleading, in that in addition to the false and misleading statements set out in prior paragraphs herein, the garments of respondent are not "lined with silk serge"; they are not "tailored on Fifth Avenue",

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but are bought from a wholesaler in a part of the city of New York remote from Fifth Avenue; they are not composed of "the best woolens"; every garment is not "tailored by experts", but to the contrary the garments are factory made and carried in stock as ready made suits; and respondent has not had "many years' experience in the manufacture of clothing", but to the contrary has for many years been a dealer in ready made suits for men.

PAR. 6. Respondent, when sending his said agents and salesmen the said order book and other supplies, also sends a circular along therewith, in which the following statement is made:

We have purchased a large quantity of woolens and linings of each number in the sample outfit. This has enabled us to price our line considerably lower than the present market price. These low prices will also enable you to out-value any competition, and help you get the orders.

In truth and in fact, respondent had not purchased large quantities of woolens and linings, but to the contrary, as hereinbefore set out, he buys the suits of clothing, which he ships to his customers in the various States of the United States, already manufactured, and carries them in stock in his said place of business in the city of New York.

PAR. 7. The false and misleading statements and inducements held out to actual and prospective agents and salesmen of respondent have a tendency and capacity to and do mislead and deceive such agents and salesmen and induce them to enter the employ of respondent; and the false and misleading statements and representations contained in the sample books of respondent, as set out in paragraphs 5 and 6 hereof, are, by the salesmen and agents of respondent, exhibited and shown to customers and prospective customers of respondent, and have a tendency and capacity to deceive the buying public and to cause it to buy the goods of respondent, and such advertisements and representations contained in the said sample books of respondent constitute an instrumentality whereby the agents and salesmen of respondent may and do mislead and deceive the buying public.

PAR. 8. Respondent furnishes to his agents and salesmen certain order blanks which contain blank spaces to be filled out by the agent or salesman, with the measurements of every part of the anatomy of the customer, and this order blank is displayed to the customer, and the agent or salesman takes certain measurements of the customer and likewise fills in the said blank spaces, all of which has a tendency and capacity to and does create in the mind of the customer the impression that the suit of clothes ordered will be made and tailored from the selected fabric, to the measurements of such customer when in truth and in fact, as aforesaid, respondent makes or tailors none

of the clothes he sells, but sends such customer a suit of clothes ready made and taken out of the stock carried by respondent in his place of business in New York, N. Y.

In like manner, when a dissatisfied customer will, as frequently happens, return the clothing to respondent, respondent will send such customer a printed postal card on which the following statement prominently appears: "This garment has been made especially for you, and is an exceptional value", when in truth and in fact the said garment was not made especially for such customer, and is not an exceptional value.

PAR. 9. The foregoing false and misleading statements, advertisements, inducements, and representations of the respondent, as hereinbefore set out, all have the tendency and capacity to, and do, mislead and deceive the buying public, and likewise have the tendency and capacity to, and do, unfairly divert trade to respondent from those individuals, corporations, associations and firms doing a like and similar business in interstate commerce and who truthfully and correctly advertise, represent, and label the clothing sold by them.

PAR. 10. The above acts and things done by respondent are all to the injury and prejudice of the public and competitors of respondent in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Henry Ross, trading and doing business under the names and styles of Tivoli Clothes, Brewster Clothes, Good Will Clothes, Windsor Woolen Company, and United Woolen Company, and as an individual, the respondent herein, having filed his answer to the complaint in this proceeding, in which answer he states that he desires to waive hearing on the charges set forth in the complaint herein and not to contest the proceeding, consenting in and by his said answer that, as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission may, without trial, without evidence and without findings as to the facts, or other intervening procedure, make, enter and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having considered the said answer and being fully advised in the premises—

It is now ordered, That the respondent, Henry Ross, doing business under the names and styles of Tivoli Clothes, Brewster Clothes,

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Good Will Clothes, Windsor Woolen Company, and United Woolen Company, and as an individual, and his agents, servants, representatives and employees, in connection with the sale, and offering for sale, in commerce between and among the several States of the United States and in the District of Columbia, of suits of clothing for men, cease and desist from:

(1) Advertising or representing in any way to the purchasing public or to prospective agents the character and quality of the garments sold by respondent by use of the following phrases, or words or phrases of similar import: (a) "All Wool"; (b) "The Best Woolens"; (c) "Distinctive Woolens"; (d) "Fashion Tailored to Fit"; (e) "Tailored on Fifth Avenue"; and (f) "Trimmed with Silk Serge Lining", until and unless such garments are actually manufactured from the quality of woolen and other materials represented and in the manner or at the place represented.

(2) Advertising or representing in any way to the purchasing public and prospective agents, by use of the language "Windsor's tremendous buying and manufacturing facilities make these prices possible", "We have purchased a large quantity of woolens and linings of every number in the sample outfit; this has enabled us to price our line considerably lower than the present market price" or "The lowest priced quality line on the market", or language of similar import, that the respondent buys woolens and other materials in large quantities and at close prices and owns or operates a manufacturing plant, or plants, with resulting prices lower than those of competitive merchandise of similar quality, until and unless the respondent actually owns, operates or controls manufacturing facilities of sufficient size and purchases woolens and other materials in sufficient quantities to enable him to actually secure closer prices on all of said merchandise than are secured by others selling merchandise of a competitive quality.

(3) Advertising or representing in any way that he has dealers in principal cities until and unless respondent actually has such dealers, other than itinerant vendors, located in the principal cities of the several States of the United States.

(4) Advertising, promising, or in any way representing to the purchasing public that: (a) Satisfaction is guaranteed with respect to the garments sold by him; (b) said garments are guaranteed to fit and satisfy; (c) said garments when made, are exactly as represented by the swatches in the various sample books; and (d) he has the ability, resources and willingness to make adjustments as represented, until and unless such representations are, in fact, true.

(5) Placing in the hands of salesmen and other representatives sample books containing swatches of cloth that do not truthfully illustrate or depict the design or quality of the cloth from which the garments sold by respondent are made.

(6) Using, or placing in the hands of agents and representatives for use in taking orders from customers, order books containing the statement, "We cut from first choice, if possible", or words of similar import indicating that the garment delivered is actually tailored for the purchaser in conformity with the measurements set out on said order blank, until and unless said garment is actually so tailored to the individual measurements of the customer.

(7) Advertising or in any way representing or advising prospective purchasers that the garment is either an exceptional value or has been tailored to the customer's own measurements, until and unless said statements are true in fact.

It is further ordered, That respondent shall, within 60 days from the date of the service upon him of a copy of this order, file with the Commission a report in writing, setting forth the manner and form in which he has complied with the order herein set forth.

Complaint

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IN THE MATTER OF

B. F. HUNTLEY FURNITURE COMPANY

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

Docket 2503. Complaint, July 30, 1935—Order, Nov. 1, 1935

Consent order requiring respondent corporation, its agents, etc., in connection with the sale and offer in commerce among the several States and in the District of Columbia of certain household furniture, to cease and desist from—

- (a) Advertising or in any way otherwise representing, directly or by implication, by advertisements, advertising literature, stickers attached to the articles of furniture, or in any manner or by any means whatsoever that articles of furniture manufactured or sold by the respondent and not made from wood derived from the genus *Juglans*, of the tree family known as Walnut or Juglandaceae, are "walnut" or "oriental walnut"; or
- (b) Using the word "walnut" either independently or in connection with the word "oriental", or with any other word or words, in its advertising matter of whatever character, so as to represent, import, imply, or have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said articles of furniture are manufactured, either in whole or in part, from wood derived from trees of the Walnut or Juglandaceae family, when such is not the fact.

Mr. J. T. Welch for the Commission.

Manly, Hendren & Womble, of Winston-Salem, N. C., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that B. F. Huntley Furniture Company, a corporation, hereinafter designated as respondent, is now, and has been, using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating the charges in that respect as follows:

PARAGRAPH 1. Respondent, B. F. Huntley Furniture Company, is now, and has been at all times mentioned herein, a corporation organized, existing and doing business under and by virtue of the laws of the State of North Carolina, with its office and principal place of business in the city of Winston-Salem in said State, and is now, and has been at all times mentioned herein, engaged in the business of

manufacturing, distributing and selling household furniture to wholesale and retail dealers in such furniture.

PAR. 2. Said respondent, being engaged in the business of manufacturing, distributing, and selling household furniture as aforesaid, causes said furniture, when sold to wholesale and retail dealers located in various cities in the several States of the United States, to be transported from its principal place of business in the State of North Carolina, to the purchasers thereof located in other States of the United States and in the District of Columbia, and there is now, and has been at all times mentioned herein, a constant current of trade and commerce in said household furniture, manufactured, distributed and sold by respondent, between and among the various States of the United States and the District of Columbia.

PAR. 3. Said respondent is, and has been at all times mentioned herein, engaged in substantial competition with other corporations, partnerships, and individuals engaged in commerce among the several States of the United States and in the District of Columbia, in the manufacture, distribution, and sale of household furniture.

PAR. 4. Respondent, in the course and conduct of its business as detailed in paragraphs 1 to 3, inclusive, is now and has been, manufacturing, offering for sale, and selling, as and for "walnut" or "oriental walnut", certain household furniture made from woods other than walnut wood, but which resemble walnut wood in some characteristics and in general appearance. In advertisements, paper stickers attached to the various articles, circular letters, correspondence with purchasers and prospective purchasers, invoices, price lists, catalogs, and trade literature said respondent has represented, and still represents to said wholesale and retail dealers and the public generally that said household furniture is manufactured or constructed of "walnut" or "oriental walnut" wood, when in truth and in fact, said household furniture is not manufactured or constructed from walnut wood as that term is known, used and understood by the trade and the public generally.

PAR. 5. The word "walnut", when used either independently or in connection or conjunction with the word "oriental" or with any other word or words of similar import, in connection with or descriptive of household furniture means, and the trade and consuming public understand, and for many years have understood, it to mean that the said furniture, so referred to or described, is manufactured or constructed from wood obtained from the genus *Juglans* of the tree family known as "Juglandaceae".

PAR. 6. A substantial portion of the purchasing public has indicated, and has, a decided preference for household furniture manu-

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factured or constructed from genuine walnut wood obtained from the *Juglans* genus of the tree family known as "Juglandaceae" over household furniture manufactured or constructed from other woods resembling walnut wood in certain of its characteristics and general appearance but that cannot properly be designated as "walnut".

PAR. 7. The aforesaid representations made by the respondent, as set out in paragraph 4 hereof, were and are calculated to, and had and now have the tendency and capacity to, and did and now do mislead and deceive a substantial portion of the purchasing public into the belief that the respondent manufactures, distributes, and sells household furniture manufactured or constructed from genuine walnut wood and that all of the furniture manufactured and sold by the respondent under the description and representations above set out is constructed of walnut wood and to purchase said household furniture in such belief.

The aforesaid representations made by the respondent, as set out in paragraph 4 hereof, were and are calculated to, and had and now have the tendency and capacity to, and did and now do mislead and deceive a substantial portion of the wholesale and retail dealers in household furniture into the belief that the respondent manufactures, distributes and sells household furniture manufactured or constructed from genuine walnut wood and to purchase said household furniture manufactured or constructed by the respondent in the belief that the said furniture consists of walnut wood and to resell the said articles of household furniture to the general consuming public as and for furniture manufactured or constructed of walnut wood.

Further, the aforesaid representations, in said advertising literature hereinabove referred to, especially in catalogs, paper stickers attached to the various articles, invoices, price lists and trade literature, and the placing of all of said literature, containing said representations, in the hands of wholesale and retail furniture dealers, enables unscrupulous dealers to mislead and deceive customers into the belief that the furniture products manufactured and sold by the respondent are composed of and constructed from genuine walnut wood.

As a direct consequence of the mistaken and erroneous beliefs, induced by the acts, advertisements and representations of the respondent, as hereinabove detailed, a substantial number of wholesale and retail dealers in furniture and a substantial number of the purchasing public have purchased a substantial volume of respondent's household furniture products, with the result that substantial injury has been done to substantial competition in commerce among the various States of the United States and the District of Columbia.

PAR. 8. There are among the competitors of respondent many who have manufactured, constructed and sold, and who now manufacture, construct and sell, household furniture made of walnut wood and who rightfully and truthfully represent their said household furniture to be made or constructed of walnut wood; and there are among the competitors of respondent many who have manufactured, constructed and sold, and now manufacture, construct and sell household furniture not made of walnut wood, and who rightfully and truthfully represent said household furniture not to be made of walnut wood and rightfully and truthfully represent and designate the wood or woods used in the construction of said household furniture, and the alleged acts, practices and representations of the respondent divert a substantial volume of trade from, and otherwise prejudice and injure a substantial number of said competitors.

PAR. 9. The above and foregoing acts, practices, and representation of the respondent have been, and are, all to the prejudice of the public and respondent's competitors as aforesaid, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

B. F. Huntley Furniture Company, the respondent herein, having filed its answer to the complaint in this proceeding and having subsequently made application to withdraw the answer heretofore filed and tendering in lieu thereof a consent answer, in which answer respondent states that it desires to waive hearing and not to contest the proceeding, consenting in and by its said answer that, as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission may, without trial, without evidence and without findings as to the facts or other intervening procedure, make, enter, and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having considered the complaint and said answers, and being fully advised in the premises—

It is now ordered, That the respondent, B. F. Huntley Furniture Company, be, and it is hereby permitted to withdraw the answer heretofore filed by it and to file consent answer in lieu thereof, and the substituted answer tendered is received and filed. It is also ordered that the respondent, B. F. Huntley Furniture Company, its agents, servants, representatives and employees, in connection with the sale and offering for sale, in commerce among and between the

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several States of the United States and in the District of Columbia, of certain household furniture, cease and desist from:

(1) Advertising or in any way otherwise representing, directly or by implication, by advertisements, advertising literature, stickers attached to the articles of furniture, or in any manner or by any means whatsoever that articles of furniture manufactured or sold by the respondent and not made from wood derived from the genus *Juglans*, of the tree family known as Walnut or Juglandaceae, are "walnut" or "oriental walnut".

(2) Using the word "walnut" either independently or in connection or conjunction with the word "oriental", or with any other word or words, in its advertising matter of whatever character, so as to represent, import, imply, or have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said articles of furniture are manufactured, either in whole or in part, from wood derived from trees of the Walnut or Juglandaceae family, when such is not the fact.

It is further ordered, That respondent shall, within 60 days from the date of service upon it of a copy of this order, file with the Commission a report in writing, setting forth the manner and form in which it has complied with the order herein set forth by the Commission.

Complaint

IN THE MATTER OF

HARRY GOTTSAGEN, MAX GOTTSAGEN, MARTIN GOTTSAGEN, ALEXANDER GOTTSAGEN, TRADING AS GOTHAM SALES COMPANY AND AS UNIVERSAL MERCHANDISE COMPANY

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 20, 1914

Docket 2344. Complaint, Mar. 23, 1935—Decision, Nov. 4, 1935

Where a corporation engaged in the sale and distribution of assorted notions and novelties to the purchasing and consuming public throughout the several States, offered and sold large quantities of shoe laces upon the wrapper of each pair of which appeared in bold type "Mercerized Broadway Brand", notwithstanding fact that said laces, thus labeled, were not mercerized, to wit, laces treated with a caustic solution whereby the tensil strength and microscopic appearance thereof were changed, but were cheap cotton laces imported from Japan;

With capacity and tendency to confuse, mislead and deceive members of the public into the belief that said product was in fact mercerized, and induce purchase thereof in such erroneous belief, and with effect of diverting trade to it from competitors, including those who in nowise misrepresent the quality and kind of their products, and with tendency so to divert, to their substantial injury and prejudice:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury of the public and competitors and constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. DeWitt T. Puckett for the Commission.

Mr. Jerome L. Greenberg, of New York City, for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Harry Gottsagen, Max Gottsagen, Martin Gottsagen, Alexander Gottsagen, and Alfred Gottsagen, co-partners, trading as Gotham Sales Company and Universal Merchandise Company, hereinafter referred to as respondents, have been and now are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. The respondents, Harry Gottsagen, Max Gottsagen, Martin Gottsagen, Alexander Gottsagen, and Alfred Gottsagen, co-partners, trading as Gotham Sales Company and as Universal Mer-

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chandise Company, and having their principal office and place of business at 14 E. 17th Street, New York City, are now and have been engaged in business as wholesalers of novelties, toilet articles, drug sundries, and other merchandise. Said respondents have advertised and sold and are advertising and selling, or causing to be sold, throughout the country, shoe laces which are advertised as "mercerized" laces. Also said shoe laces have affixed thereto brands or labels upon which the word "mercerized" is featured. Respondents sell or cause to be sold said shoe laces through the jobbing and other trade to the public residing in various States of the United States. Respondents cause said commodities, when so sold, to be transported from their said place of business in New York City, into and through other States of the United States to said purchasers at their respective locations.

PAR. 2. In the course and conduct of their said business, respondents are in competition with other individuals, partnerships and corporations engaged in advertising, selling, and distributing in interstate commerce shoe laces intended and used for the same purposes as those for which respondents represent their laces, as herein-after set out, and respondents have been and are now in competition in interstate commerce in the sale of said shoe laces with such other individuals, partnerships, and corporations.

PAR. 3. Respondents, in the course of their business have offered for sale and sold shoe laces represented and labeled as "mercerized" shoe laces. Mercerized shoe laces are those laces which have been subjected to a chemical process which gives to the laces a silky, polished appearance, and which lends added strength, thereby producing a more valuable and desirable shoe lace. In truth and in fact, the laces so represented, labeled and sold by respondents have not been subjected to a process of mercerization, and are not "mercerized" but instead are a cheap cotton lace imported from Japan.

PAR. 4. The representations of respondents have the tendency and capacity to confuse, mislead and deceive members of the public into the belief that the said shoe laces of respondents are mercerized, as advertised on the label, and to induce them to buy and use the same because of such erroneous belief so engendered. Such representations unfairly divert trade to respondents from legitimate competitors who truthfully advertise similar products, and who are engaged in the sale in interstate commerce of products intended for and used for the same purposes as those for which respondents represent their products.

PAR. 5. The above alleged acts and practices of respondent are all to the prejudice of the public and of respondent's competitors and

constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served complaint upon the respondents, Harry Gottsagen, Max Gottsagen, Martin Gottsagen, Alexander Gottsagen, and Alfred Gottsagen, copartners, trading as Gotham Sales Company and as Universal Merchandise Company, charging them with unfair methods of competition in violation of Section 5 of said Act, and respondents duly filed their answer thereto. Thereafter, respondents having entered their appearance, testimony was taken and evidence received in support of the complaint and on behalf of respondents, and duly reduced to writing and recorded and filed in the office of the Commission. Subsequently, this proceeding came on for final hearing on the record, and the Commission having duly considered the record and the brief of counsel for the Commission, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondents, Harry Gottsagen, Max Gottsagen, Martin Gottsagen, Alexander Gottsagen, and Alfred Gottsagen, are co-partners, trading as Gotham Sales Company and as Universal Merchandise Company. Their principal office and place of business is at 14 East Seventeenth Street, New York, N. Y. They also have branch stores in Chicago, Ill., New Orleans, La., and San Francisco, Calif. Respondents now are, and have been for the past nine years, engaged in the sale and distribution in interstate commerce of assorted notions and novelties to the purchasing and consuming public throughout the several States of the United States, and cause said products, when so sold, to be transported from their place of business in New York City through and into other States of the United States to their said vendees at their respective points of location and residences. In the course and conduct of their said business respondents are in competition with other individuals, and with firms, partnerships and corporations engaged in the sale and distribution of like

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products in commerce between and among the various States of the United States, which products so sold and distributed by such competitors are used for purposes similar to those purposes for which respondents' products are used.

PAR. 2. Respondents, in the course and conduct of their business, as described in paragraph 1 hereof, offered for sale and sold large quantities of "Broadway Brand" shoe laces labeled "mercerized". On the wrapper of each pair of said laces appeared the following in bold type:

MERCERIZED BROADWAY BRAND

A mercerized shoe lace is one which has been treated with a caustic solution, which process increases the tensil strength of the lace and also increases its sensitiveness to dyeing. The microscopic appearance of the fibre is also changed. The public is willing to pay more for mercerized laces than for laces which are not mercerized. In truth and in fact, the said "Broadway Brand" shoe laces labeled "mercerized" by respondents were not mercerized laces, and had not been treated with a caustic solution which increases the tensil strength and changes the microscopic appearance of the laces, but were cheap cotton laces imported from Japan.

PAR. 3. The representations of respondents, as aforesaid, have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that respondents' "Broadway Brand" shoe laces labeled "mercerized" are mercerized shoe laces. Said representations of respondents have had and do have the tendency and capacity to induce members of the public to buy and use respondents' laces because of the erroneous beliefs engendered, as above set forth, and to divert trade to respondents from competitors engaged in the sale in interstate commerce of shoe laces.

PAR. 4. There are among the competitors of respondents in the sale of their products, those who in nowise misrepresent the quality and kind of their competing products, and respondents' acts and practices, as hereinbefore set forth, tend to and do divert the business to respondents from their competitors, to the substantial injury and prejudice of such competitors.

CONCLUSION

The practices of said respondents, under the conditions and circumstances described in the foregoing findings, are all to the injury of the public and of respondents' competitors, and constitute unfair methods of competition in commerce, and are in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create

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a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been duly heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, the testimony in support of the charges of said complaint and in opposition thereto, and brief filed by counsel of the Commission, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is ordered, That respondents, Harry Gottsagen, Max Gottsagen, Martin Gottsagen, Alexander Gottsagen, and Alfred Gottsagen, co-partners, trading as Gotham Sales Company and as Universal Merchandise Company, their officers, directors, agents, representatives, servants and employees, in connection with the sale, offering for sale, or distribution in interstate commerce and in the District of Columbia of shoe laces, cease and desist from representing by express statements or by implication, or otherwise, that any of the said laces are mercerized, when such is not the fact.

It is further ordered, That respondents, within 60 days from and after the date of service upon them of this order, shall file with the Commission a report in writing, setting forth in detail the manner and form in which they are complying with the order to cease and desist hereinbefore set forth.

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IN THE MATTER OF

MAXWELL STEEL VAULT COMPANY

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

Docket 2160. Complaint, Jan. 26, 1934—Decision, Nov. 5, 1935

Where a corporation engaged in the manufacture and sale of two types of steel burial vaults,

Represented in periodical and newspaper advertisements thereof and in circulars, letters, and other trade literature and in purported certificates of warranty, that one or both of said vaults, as the case might be, were made of rust-resisting metal and would withstand any earth pressure incident to interment and that they were absolutely or positively airtight, waterproof, and vermin-proof, and included in their said purported certificates of warranty an offer to replace without cost to the purchaser any vault failing to meet such "warranties";

The facts being that said supposed warranties were mere sales inducements and false and misleading, in that said products would not withstand any or all earth pressure, were not made of rust-resisting material, but were subject to the pitting or corroding action and resulting rust from the corrosive qualities inherent in varying degrees in all soils and quite common in those in the United States, were not at all times free from defective materials or workmanship, were not positively or at all times waterproof or airtight or watertight or vermin-proof, as understood by the consuming public from a reading of the supposed warranties, and that only under ideal burial conditions, presupposing coincidence of various favorable factors and including, among others, uniformity in temperature and atmospheric pressure, which coincidence in many instances does not prevail, would said vaults endure as waterproof for a great number of years, and said certificates were worthless to a vast majority of the ultimate purchasers of said products, due to infrequency of disinterment and consequent absence of opportunity in which to ascertain whether or not they were fulfilling their terms;

With capacity and tendency to mislead and deceive the public into the belief that said vaults had the qualities claimed for them under all burial conditions, and that they would endure as airtight, etc., as hereinbefore set forth, and to divert trade to it from competitors engaged in manufacturing and selling steel and other vaults for similar purposes and otherwise to injure the same:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Norwood*, trial examiner.

Mr. E. J. Hornibrook for the Commission.

Coville & Santry, of Oneida, N. Y., and *Waite, Schindel & Bayless*, of Cincinnati, Ohio, for respondent.

COMPLAINT

Pursuant to the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Maxwell Steel Vault Company has been or is using unfair methods of competition in commerce as "commerce" is defined in said act and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Maxwell Steel Vault Company is a corporation organized and existing and doing business as such under and by virtue of the laws of the State of New York, with its principal office and factory in the city of Oneida in said State, at and from said city of Oneida, respondent, among other things, manufactures and sells steel vaults for use in the burial of the dead. These steel vaults are called by respondent the Maxwell Burial Vault and Oneida Air-Seal Vault. Respondent sells these vaults exclusively to jobbers. Practically all of its contacts with said jobber customers and sales of the said vaults are made through the United States mails. Its jobber customers number approximately 8,000. These vaults are so sold in every State of the United States and in the Dominion of Canada and when orders are received therefor, they are shipped by respondent from the said city of Oneida into and through other States of the United States to the respective places of business of such jobbers. These jobbers resell said vaults to undertakers, morticians, cemetery associations and the like, who, and which in turn, sell the same to the ultimate purchasers thereof with a written certificate of warranty of respondent to the effect that they are waterproof. In the course of the conduct of said business respondent is in substantial competition with individuals, copartnerships, and corporations likewise engaged in the manufacture and sale and transportation between and among various States of the United States of steel, stone, cement, and other vaults used in the burial of the dead.

PAR. 2. In aid of the sale of said vaults, respondent advertises in magazines and newspapers having general circulation throughout the United States and by and through the use of circulars, letters, booklets, pamphlets, purported certificates of warranty and other printed and illustrated materials caused by respondent to be furnished to the consuming public, and in and through such media respondent makes the following false and misleading representations:

- (a) Maxwell Burial Vault is absolutely waterproof;
- (b) Oneida Air-Seal Vault is positively waterproof

The term "waterproof" as used by respondent as aforesaid, means to the consuming public a watertight vault, a vault which will not permit water to enter the same. Neither of said vaults is waterproof as the term is understood by the consuming public; in either water may seep into it through the joints thereof.

PAR. 3. The certificate of warranty mentioned above contains a clause in which respondent offers to replace without cost to the purchaser any such vault failing to meet the warranty as to being waterproof. The exhumation of bodies after burial is so rare as to make this certificate of warranty worthless to a vast majority of the ultimate purchasers of either of these vaults for the reason that no opportunity is afforded them in which to ascertain whether a vault is waterproof or not.

PAR. 4. The said use of the said certificates of warranty has the tendency and capacity to deceive ultimate purchasers of said vaults into the mistaken belief that they are waterproof and to induce them to purchase the same in that belief and to unfairly divert trade from said competitors to the said respondent and otherwise injure them, and the representations of respondent described in paragraph 2 hereof, have and have had the tendency and capacity to deceive the purchasing public into the belief that they are true and to induce purchasers to buy said vaults in such belief and to unfairly divert trade from the said competitors to the said respondent and otherwise injure them.

PAR. 5. The acts and practices of respondent above set forth are all to the prejudice of the public and to respondent's said competitors and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 26th day of January, A. D. 1934, issued and served its complaint in this proceeding upon respondent, Maxwell Steel Vault Company, charging it with the use of unfair methods of competition in commerce in violation of the provisions of said Act. After the issuance of said complaint, and the filing of respondent's answer thereto, testimony and evidence, in support of the allegations of said complaint and in opposition

thereto, were introduced before John W. Norwood, an examiner of said Commission theretofore duly designated by the Commission, by E. J. Hornibrook, attorney for the Commission, and by William F. Santry and Herbert Shaffer, attorneys for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, briefs in support of the complaint and in defense thereto, and the oral argument of counsel aforesaid; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Maxwell Steel Vault Company, is a corporation organized, existing, and doing business as such under and by virtue of the laws of the State of New York, with its principal office and factory in the city of Oneida in said State. At and from said city of Oneida, respondent, among other things, manufactures and sells steel vaults for use in encasing coffins and caskets in the burial of the dead. These steel vaults are called by respondent the "Maxwell Burial Vault" and the "Oneida Air-Seal Vault".

Respondent sells these vaults exclusively to jobbers. Practically all of its contacts with said jobber customers and sales of the said vaults are made through the United States mails. Its jobber customers number approximately two hundred and fifty. Since the year 1911 respondent has sold metal vaults of the gross value of \$5,000,000. The estimated total sales of the entire metal vault industry are 1,800,000 units. Respondent's said vaults are so sold in every State of the United States and in the Dominion of Canada, and when orders are received therefor, they are shipped by respondent from the city of Oneida, into and through other States of the United States, to the respective places of business of such jobber customers. These jobbers resell said vaults to undertakers and morticians who, and in turn, sell the same to the ultimate purchasers thereof with written certificates of purported warranty of respondent to the effect that they are waterproof and will endure as such.

Maxwell Burial Vault

PAR. 2. The Maxwell Burial Vault is a top closing vault constructed of Keystone copper bearing steel, 15 gauge on top and 17 gauge on the sides. It is made of five pieces of pressed metal which

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are assembled, welded, and soldered. The top is fastened by twenty clamps, the lever action of which exerts pressure on a ropelike fiber gasket confined in the rim of the lower section and presses the gasket between the top and bottom of the vault. The gasket is made of hemp or flax with a cotton covering and is treated with grease, tallow, or paraffin. The ends of the gasket are spliced for the purpose of forming a continuous sealing cushion around the rim and this splicing must be directly under one of the eccentric clamps in order to prevent leakage. No instructions accompany the vault as to how the same should be sealed. There are other metal vaults on the market similar in construction, materials, and designs to that of the Maxwell Burial Vault.

Oneida Air-Seal Vault

Respondent began the manufacture and sale of the Oneida Air-Seal Vault in the year 1925, and has continued the manufacture and sale of the same since that year. The Oneida Air-Seal Vault is a steel receptacle consisting of two parts, (1) a pan (or base), and (2) a hood (dome or top) which operates on the principle of the diving bell, by which the confined air in the inverted airtight dome is supposed to resist the entrance of water from rising from below. It is constructed of Keystone copper bearing steel of 12 gauge of 0.1072 of an inch in thickness. The top and sides of the hood are made of one piece of steel. The pan is made of one piece of steel. The pan (or base) consists of a flat edge or flange $1\frac{1}{2}$ inches wide extending entirely around the bottom of the vault and a raised portion $2\frac{3}{4}$ inches above the plane of the lower surface of the flange as it rests on the ground or support. The entire base resembles an inverted pan. Small raised portions, or bosses, hold the bottom of the casket $\frac{7}{16}$ inch above the top of the pan and $3\frac{1}{16}$ inches above the grave floor. The bottom rim or flange of the hood (or top dome) rests on this outside flange of the pan the width of the metal from the grave floor.

Respondent's air-sealed vault is similar to the air-sealed vaults made by the trade generally, including the Clark, Galion, Springfield, Champion, Perfection, U. "5", and National. These are made on the same principle and their dimensions are practically the same. Similar results can be expected from all of these under identical conditions. This vault is not airtight until sealed by resisting water at the level at the highest point in the rim of the inverted dome which rests on the flange of the pan. Water rising from the bottom of the grave forces the air from the cavity, under the base through holes at each corner of the pan, into the hood, and as the pressure of

the outside water head increases the resistance of the compressed air increases.

PAR. 3. In the course and the conduct of said business, respondent is in substantial competition with individuals, co-partnerships, and corporations likewise engaged in the manufacture and sale and transportation between and among various States of the United States of steel, stone, cement and other vaults used in the burial of the dead. The following, among others, manufacture steel burial vaults and sell and ship the same in and into States other than the State where they are manufactured: G. F. Mitchell & Sons Co. of Cleveland, Ohio; Commercial Shearing Co. of Youngstown, Ohio. The first named company does not issue warranties for its vaults and has lost business because of respondent's methods in issuing the purported warranties hereinafter described. The following among others manufacture concrete, cement or stone vaults and sell and ship the same in and into States other than the State where they are manufactured: Permanent Concrete Co. and Kurtz Rock & Stone Co. of Columbus, Ohio; Taylor Stone Co. and Walter Bros. of McDermit, Ohio; Belmont Burial Vault Co. and Hernwood Vault Co. of Philadelphia, Pa.; Mead-Suydon Co. of Reading, Pa.; and Nazareth Vault Co. of Nazareth Pa.

The practices of respondent as heretofore and hereinafter set forth have and have had, and each of them has and has had the capacity and tendency to divert trade to respondent from its said competitors, and to otherwise injure them.

PAR. 4. In aid of the sale of said vaults, respondent advertises in magazines and newspapers having general circulation throughout the United States, and by and through the use of circulars, letters, booklets, pamphlets, purported certificates of warranty, and other printed and illustrated material caused by respondent to be furnished to the consuming public and in and through such media, respondent makes the following among other false and misleading representations:

- (a) Maxwell Burial Vault is absolutely water-proof;
- (b) Oneida Air-Seal Vault is positively water-proof.

The certificates of purported warranty mentioned above contain a clause in which respondent offers to replace, without cost to the purchaser, any vault failing to meet the terms of such purported warranty.

PAR. 5. These purported certificates of warranty are furnished by respondent through the jobber of said vaults and are intended to be and are delivered to ultimate purchasers thereof by undertakers or

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morticians or other persons in charge of funerals in which said vaults are used. They read as follows:

MAXWELL CERTIFICATE OF WARRANTY

We hereby certify that this

MAXWELL BURIAL VAULT

is made of strong, durable, rust-resisting metal, so constructed and reinforced as to withstand any earth pressure incident to burial.

That this vault has been fully tested and carefully inspected before shipment and is free from defective materials, construction or workmanship.

That the especial feature known as the Maxwell-Eccentric-Sealing-Clamp provides a positive method of sealing and when properly fastened will make this burial vault absolutely air tight, waterproof and vermin-proof.

We offer to replace without cost to the purchaser any such vault failing to meet these warranties.

MAXWELL STEEL VAULT COMPANY, ONEIDA, NEW YORK.
J. D. Candey, President.

MAXWELL CERTIFICATE OF WARRANTY

We hereby certify that this

ONEIDA AIR-SEAL VAULT

is made of strong, durable, rust-resisting metal, so constructed as to withstand any earth pressure incident to burial.

That this vault has been thoroughly tested and carefully inspected before shipment and is positively waterproof, and free from defective materials, construction or workmanship.

We offer to replace without cost to the purchaser any such vault failing to meet these warranties.

MAXWELL STEEL VAULT COMPANY, ONEIDA, NEW YORK.
J. D. Candey, President.

PAR. 6. The above described purported warranties are not warranties. They are mere sales inducements and are false and misleading in that: the Maxwell Burial Vault will not withstand any or all earth pressure incident to burial, and is not made of rust-resisting metal, and is not at all times free from defective materials and workmanship; the method of sealing the same is not a positive method and will and frequently does fail and permits water to enter said vaults; it is not absolutely airtight, watertight or vermin-proof, in fact, or as these terms are understood by the consuming public from a reading of said purported warranties, as will be hereinafter explained.

The Oneida Air-Seal Vault will not withstand any and all earth pressure incident to burial, it is not rust-resisting and is not at all times free from defective materials or workmanship, and is not positively waterproof in fact, or as the term is understood by the

consuming public from a reading of the said purported warranty, as will be hereinafter explained.

PAR. 7. The word "waterproof" as applied to a burial vault is understood by scientific men to indicate that the vault will not let water pass, that it will exclude water and that it will not permit water to touch the casket contained in the vault. The ordinary meaning of the word, as defined by Funk & Wagnalls Standard Dictionary is: "To render impervious to water, allowing no water to enter or pass through."

The term "Waterproof" as used by respondent, as aforesaid, means to the consuming public, a watertight vault, a vault which will not permit water to enter the same. Neither of said vaults is waterproof in fact, or as the term is understood by the consuming public; in either water may and often does seep into it through the joints and holes thereof and cause the coffin and remains therein to disintegrate.

These said purported warranties are silent as to the length of time during which said vaults will remain waterproof. Respondent contends in its answer and in some of its testimony that these warranties only guarantee that the vaults in question are waterproof at the time of interment. Eight lay witnesses were called to testify as to their reaction as to the length of time these vaults were guaranteed to endure as "waterproof" and as protecting the remains of a deceased person. They read the purported warranties and understood their terms to imply the continuation of water exclusion under burial conditions for varying lengths of time such as:

- A reasonable length of time after burial;
- For a long period of time;
- For at least one hundred years;
- During the life time of the purchaser;
- For a life time;
- Forever;
- For an indefinite time;
- No limit to time;
- At least during my lifetime;
- At least my lifetime or an average lifetime;
- From twenty-five to fifty years.

These witnesses included a barber, grocery-store keeper, a housewife, a drug-store clerk, an engineer draftsman, instructor in economics, the manager of the Haskin Information Bureau of Washington, D. C., and the head of a division of the Hall of Science of Washington, D. C.

The representations of said warranties are understood by the purchasing public to mean, import and imply, and they do so mean, import and imply, that said vaults are not only waterproof at the time of interment thereof, but that they will endure as such under any and all burial conditions for a period from twenty-five to one hundred years; while in truth and in fact many of each type of said vaults are not waterproof at the time of interment thereof and many will cease to be waterproof under burial conditions in a period of from one to fifteen years.

PAR. 8. Under ideal burial conditions these said vaults will endure as waterproof for a great number of years, but these conditions presuppose a perfectly dry grave at all times, and that the vault is buried in soil which is only very slightly corrosive. In many instances such ideal burial conditions do not prevail and these said respondent's vaults fail of being waterproof and protecting the coffin and remains encased therein, as will be hereinafter shown.

Wet graves are common. Water frequently appears in graves located at the tops of hills. In the Arlington Cemetery, which has the highest elevation of any cemetery in or adjoining the District of Columbia, water very frequently is found coming out of the tops of graves which are six feet or more in depth and such graves are often located on the high ground of this cemetery. Many graves in various sections of the country have been opened and found to be full of water.

It is generally true that cemeteries are located on high ground, yet the topography of much of the territory of the United States is flat and high ground cannot be found convenient thereto for the purpose of burial and the cemeteries in such localities are perforce located on flat or low ground. Where cemeteries are located on flat or low ground, water will be found in graves thereof, particularly during the rainy seasons. In the State of Indiana there is much flat country with no hills in sight and many cemeteries are located there on flat ground. The same is true in parts of Ohio, northern Iowa, southern Minnesota, parts of South Dakota, much of North Dakota, the great plains of Kansas and the irrigated valleys of Idaho, Nevada, Utah, California, and elsewhere in the States of the United States. In these irrigated belts water has been seen coming out of the sides of the hills ten feet above the surface of the surrounding country—due to seepage.

Water in graves will touch these said vaults and such water will in time produce rust thereon. Rust is the beginning of corrosion. Corrosion once started on these vaults is progressive and will continue

until the metal of the same is eaten through and they are then no longer waterproof or vermin-proof. This has happened to respondent's said vaults and similar vaults many times.

All soils are corrosive and will cause all ferrous metals to pit or corrode. The fact that you have rust indicates that corrosion has started. Rust is the source of corrosion.

Corrosive soils are quite common in the United States and ferrous metals which have been buried in corrosive soils for from two to eleven years have corroded and pitted and several have pitted to a depth greater than the 12 gauge (the thickest) metal used by the respondent in the construction of its said vaults. All ferrous metals will pit and corrode in a given soil to an equal depth. The copper bearing steel used in the construction of respondent's said vaults is a ferrous metal.

In the case of the Maxwell Burial Vault, corrosion or pitting is the principal factor in the deterioration of these vaults and its effects in many instances weaken the structure and perforate the metal thereof so that air and water may pass through. The seventeen gauge metal, of which the sides of the Maxwell Burial Vault are made, is only 0.0552 of an inch thick and would weaken and become pitted from corrosion much quicker than twelve gauge metal if buried in corrosive soils. The said fiber gasket with which this vault is sealed, as aforesaid, is another hazard against its efficiency, as such sealing if properly adjusted could not be maintained longer than the fiber gasket would retain its elasticity.

One condition precedent to the exclusion of water by this vault, even when first buried, is that the fiber gasket must be placed so that the splicing comes directly under one of the eccentric clamps. No instructions are furnished with these vaults showing how the gasket is to be placed, although respondent furnishes a tag instructing the user to "be sure the gasket or packing is in proper position when placing the cover on the vault at the time of burial." The vault is shipped with the gasket properly placed, but any disarrangement in handling, or otherwise, might in this way result in the vault failing to be water resistant, or impervious to water at the time of burial.

In a number of cases Maxwell Burial Vaults and similar makes were disinterred and found after burial of from six to fifteen years to be in a damaged condition. One of these, buried six years, was indented, had rust spots, looked scaly and had water running out of it to the extent of twenty-five to thirty buckets. Another buried fourteen years was rusted, full of holes and had water running out of it. Another was shown to have collapsed. Other vaults made of the same or similar metals have failed or were found to be in various

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stages of corrosion. A scientist, Walter F. Stutz of the Bureau of Standards, conducted experiments with this Maxwell Burial Vault for the purpose of ascertaining whether or not it was waterproof. A new Maxwell Burial Vault was immersed in water and tested for air and water tightness. The vault permitted a small amount of water to enter and allowed air pumped into the vault to escape through the water. The manner in which these experiments were conducted and the results obtained will be set forth later in these findings.

The Oneida Air-Seal Vault

PAR. 9. Respondent's Oneida Air-Seal Vault is similar to the air-seal vaults made by the trade generally. They are made of the same metals, 12 gauge in thickness, they operate on the same principle, and their dimensions are practically the same. Similar results could be expected from all of these under identical conditions.

This vault is subject to the effects of corrosion as set forth above, and corrosion is often the cause of its failure to remain waterproof. In addition, in order for it to remain waterproof for any considerable length of time, it must be buried and remain buried under ideal conditions, which are:

(1) An airtight hood, (2) A level base, (3) The air space underneath the pan must not be occupied by dirt or other materials that will reduce the amount of air to be forced into the dome, (4) There must be no appreciable change of temperature in the grave from that obtaining when the vault is first buried, (5) There must be no appreciable changes in atmospheric pressure.

These said "ideal" conditions do not obtain in a large number of cases of burial.

Condition 1. An airtight hood is essential to the waterproofness of these vaults. When it is removed the air escapes, removing all compression and consequent resistance to the water which then rises on the inside to the level of the outside head. A puncture the size of a pin hole would destroy the diving bell action and permit free entry of water. This essential condition is destroyed by fracture and puncture resulting from excessive or uneven pressure, weakness, corrosion, freezing and other causes.

Condition 2. With the removal of a level base to the extent of 1 inch and with all other favorable conditions present a 5-foot outside water head would permit water to rise above the top of the rests or bosses and cause a wooden or cloth covered casket to take up the water by capillary attraction. With such a head, an elevation of any side or corner one inch above the level of any other side or

corner would produce an equivalent rise of water and would submerge some part of the casket bottom to an approximate depth of nine-sixteenths of an inch. With smaller water heads, 3 and 6 inch deviations would permit water to reach the casket. The bottoms of graves are not always level. No spirit level is used for the purpose of determining whether graves are level at the bottom or not. In many cemeteries it is the custom to dig graves from one to three inches lower at one end than the other for the purpose of drainage.

The Oneida Air-Seal Vault rests entirely on the flange of the pan which is $1\frac{1}{2}$ inches in width extending entirely around the edge of the vault and which approximates a total area of 2 square feet. This supports the weight of the vault, casket, body, and the overlying dirt. This weight varies in a 6-foot grave under burial conditions from 2,500 pounds to 3,900 pounds per square foot of flange. This would sink the flange of the vault in ordinary soils and would do so the more readily because of the narrowness of the supporting flange. In clay soil commonly distributed throughout the East, parts of the South and through the West, this vault in a 6-foot grave would sink more than 2 inches. In case of a soil variation such as volcanic ash at one end and this clay at the other, the vault would sink more 0.4 of an inch at one end and more than 2 inches at the other. Soil variations which permit of uneven settling under such pressure are quite common in some parts of the country. Thus soils expand and contract on taking up moisture, freezing and drying in different proportions, and such conditions affect adversely the level of the loaded areas of the earth. Soils become much less stable when saturated with water and in case of water standing in a grave for a considerable length of time the base support would be lessened in varying degrees depending upon the character and variety of the underlying strata.

The estimate of 3,900 pounds of earth pressure per square foot of flange is well within that which must be sustained by a large number of vaults as it does not include greater weights of earth which may run as high as 150 pounds per cubic foot, nor does it include the weight of water with which the soil is often saturated.

Condition 3. The air space underneath the pan must not be occupied by dirt or other materials that would reduce the amount of air which would be forced by rising water up into the dome to augment the air already there and add to the resultant resistance. When water is in the grave and ten per cent of this space is filled with solid material, the water rises 0.2 of an inch higher within the vault. With this cavity 40 percent filled the water level is increased 0.8 of an inch or more than enough to enable a 5-foot waterhead to

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reach and saturate an ordinary casket. Filling the pan 75 percent increases the water level approximately 1.5 inches.

Percolating and rising water, as well as base settling from other causes, has the effect of reducing and filling up this underneath air space. Water rising subsequent to this filling encounters a reduced air volume and less resistance. As a result of such action, the water level inside the vault is raised.

Condition 4. There must be no appreciable change of temperature from that obtaining when the vault is first buried. A drop of 10 degrees Fahrenheit inside this vault contracts the air 2 percent of its volume which is equivalent in its effect on the inside water level to adding 7 inches to the waterhead outside. With the mouth of the vault closed by water pressure, this 2 percent contraction admits a proportionate amount of water to fill the space. Repeated changes of temperature, together with continuous water pressure, tends to a gradual reduction of air resistance within the vault and constant encroachment of the water level. Changes of temperature between summer and winter are sufficient to affect the water level. Monthly averages of underground changes of temperature at a depth of 36 inches vary in Fahrenheit degrees from 41 to 66 in Indiana, 45 to 77.2 in Missouri, from 35.3 to 69.4 in Nebraska, and from 32.6 to 66.6 in Colorado. There is a frost penetration of over 5 feet in large sections of the country comprising portions of Maine, New Hampshire, New York, Michigan, Wisconsin, Minnesota, Iowa, the Dakotas, Wyoming, Idaho and Montana.

The top of this air-sealed vault in a 6-foot grave is 43 inches from the surface and in a 5-foot grave 31 inches. As the confined air in the vault would circulate until the entire vault is uniformly affected by the temperature of the top, these depths are well within a temperature range that would affect the air volume of water-sealed vaults from 2 to 6 percent and affect a proportionate rise of the water surface. The depth of graves is usually from 5½ to 6 feet.

Condition 5. There must be no appreciable change in atmospheric pressure. Atmospheric pressure affects conditions inside an air-sealed vault to the extent of raising the outside water level 1 foot for every 1 inch of increase of barometric pressure. Such changes are common.

The removal of one or more of these said five ideal conditions would result in the increased entry of water into an Oneida Air-Seal Vault in the presence of waterheads of from 4 inches to 6.1 feet, results varying with the nature of the causes and complications obtaining.

PAR. 10. Substantial numbers of respondent's said vaults and other vaults of similar construction failed through corrosion and the nat-

ural agencies mentioned. In actual experience, as testified to by witnesses to disinterments of these vaults, they have been found to contain water, rust holes, surface rust, and weaknesses from corrosion.

Due to corrosion and collapsing, a steel vault or any other vault made of ferrous metal is not a permanent fixture and their use has been excluded from one cemetery unless they are vaulted (i. e., encased in a vault of stone, brick, concrete, or cement) for the reason that they do collapse. One metal vault which was exhumed from the Charles Evans Cemetery of Reading, Pa., was full of water. A vault built on the principle of a diving bell will not exclude water therefrom if water remains there long enough to absorb the air pressure within. All metal vaults which have been exhumed from said cemetery contained wet caskets and were wet on the inside and rusted. One such vault buried in said cemetery collapsed after being buried for a period of about 10 years.

In the National Cemetery, Washington, D. C., a metal vault was exhumed and at one corner of the vault one of the locks or fasteners had become corroded on the side and out of that corner water came out. It ran for possibly an hour, just a trickle, trickle, trickle, like a spigot turned on, possibly one-fourth or one-fifth of its full force. The stream or trickle was about the size of a lead pencil.

At the Riverdale Cemetery at Niagara Falls a Maxwell Burial Vault which had been buried for 14 years was exhumed. At the time of the disinterment it was in poor condition, very well rusted and full of holes. There was water in it. The water had gotten around the glass top of and into the casket so that the water had been above the casket. There were many holes in the vault, both at the bottom and sides thereof. A vault similar in type to Oneida Air-Seal Vault was exhumed in this cemetery. It had been in the ground one year and on disinterment it was found that water had gotten into the vault and had risen about six inches on the casket.

In a cemetery at Pittsburgh, Pa., a Clark metal air-sealed vault which had been interred about three months was exhumed. Water had entered the vault to a depth of about 4 inches above the bottom of the pan or base. This means that water had reached the casket to a depth of about 4 inches. There were indications of rust on the outside of this vault.

In a cemetery at Westerville, Ohio, a Clark air-sealed vault was disinterred which had been buried about 12 years. This vault was rusted until the metal thereof was very thin. There were pits in this vault. This vault had rings of rust around it up to about 6 inches, inside the vault, indicating that water had been up to that point.

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Another Clark air-sealed vault which had been buried about 6 months in the cemetery named last above was slightly rusted on the outside.

A Maxwell Burial Vault which was buried at Utica, N. Y., on March 13, 1931, and was disinterred in June 1931, upon examination showed that the finish on the coffin was gone. At the time of disinterment the finish was gone and it was back to its natural wood birch condition. The inside of the vault was mouldy and there was mould on the casket plate. The coffin itself was wet. The varnish of the coffin was off completely. A Maxwell Burial Vault which had been in the ground 15 years upon disinterment was found to be covered with rust with some small holes in it, and it was possible to stick one's finger through the metal because it had become so thin.

At the burial of two Maxwell vaults at a cemetery at Erie, Pa., when dirt was thrown upon them they were seen to bend and heard to make a muffled noise, and the vault settled under the weight of the dirt. Metal vaults disinterred at this cemetery have shown rust spots and the entire side of metal vaults completely rusted, the handles at times almost undistinguishable as such because of the heavy coating of rust. Men digging alongside metal vaults buried in this cemetery have thrust their shovels through the sides of such vaults.

At a cemetery at Wilkes-Barre, Pa., a Maxwell Burial Vault which had been buried and disinterred had the top indented from 5 to 6 inches, had spots of about 3½ inches of rust upon it. There was water coming out of this vault in a stream as big as a lead pencil. It probably ran for three hours. Between 25 and 30 buckets of water came out of the vault.

Metal vaults at Arlington Cemetery in Virginia have been found upon disinterment to be full of water and in some the metal was decayed and looked like it was falling apart. In one instance there were two or three holes found in one of these metal vaults.

A metal vault buried in a cemetery at Spartansburg, S. C., which had been buried eight years was disinterred and water was seen to be coming from it. It had pits in it from the size of a dime to the size of a dollar. Some of these pits were deep enough to permit water to seep into the vault. These pits went clear through the vault. Water dripped out of the pits and holes in the vault.

At the Lake View Cemetery of Jamestown, N. Y., metal vaults which have been in the ground for any length of time show evidence of corrosion. Vaults disinterred at this cemetery show a rusted condition both inside and out. A casket inside of a metal vault which

had been disinterred at this cemetery was in a damp, mouldy condition.

Thirty-one tests as to the waterproofness of the Maxwell Burial Vault were conducted at the instance of respondent, and one came out with a small amount of water therein.

PAR. 11. Both the Maxwell Burial Vault and the Oneida Air-Seal Vault were tested for waterproofness by the Bureau of Standards. In the case of the Maxwell Burial Vault, it was found by experts who made such tests, and the Commission so finds, that this vault leaked water to the extent of about one-half a glassful, and that the same was and is not airtight, or waterproof.

In the case of the Oneida Air-Seal Vaults, four tests were made by said Bureau of Standards to determine whether or not this vault was waterproof.

These said four tests show, and the Commission finds, that:

In Test No. 1, with water 3 feet above the top of the vault and the vault empty, that water entered the vault to a height such that the top of the base was submerged to the depth of $2\frac{1}{2}$ inches.

In Test No. 2, with water standing around the vault to a depth of 1 foot, water entered the vault to a height so that the floor of the base was just covered with water.

In Test No. 3, wherein material was used to simulate a coffin and water was turned on to a depth of 3 feet above the top of the cover, water entered the vault to a depth such that the top surface of the base was covered with water to a depth of $3\frac{1}{2}$ inches. In other words, under actual burial conditions, the coffin would have been resting in more than 3 inches of water.

In Test No. 4, the test was made under conditions which would prevail if the shallow space below the base were not filled with earth but with a vault resting upon the solid floor. Under these conditions with the vault submerged to a depth of 3 feet above the top of the vault, water entered the vault to a depth such that the top surface of the base was covered with water to a depth of 1 inch.

These vaults are buried in graves which do not have a solid base as was the case in this last test. Under actual burial conditions the earth seeps into or is pressed under the pan until the air or most of it is pressed out, thereby lessening the resistance of the air and consequently permitting a greater amount of water to enter the vault.

The results obtained by the Bureau of Standards show that both of these vaults will permit water to enter the same at the time of interment, and the Commission so finds.

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PAR. 12. The number of disinterments of metal vaults is negligible. The testimony of 17 dealer witnesses, whose aggregate sales experience covered many years, indicated no complaints by customers on account of the failure of metal vaults. Respondent received 30 complaints of rust, water, seams, etc., as to the Maxwell Burial Vaults, during and since the year 1929. During this period respondent sold 34,000 of this type of vault. From the sale of 3,000, one dealer received one complaint. Another made complaint that two Maxwell Burial Vaults had collapsed. The number of disinterments reported, or known, out of 37,781 metal vaults sold by various jobbers and dealers was 91, or one disinterment for 404 vaults, or about one-fourth of 1 percent of the total number of interments. The exhumation of bodies is so rare as to make this certificate of warranty worthless to a vast majority of the ultimate purchasers of either of these said vaults, for the reason that no opportunity is afforded them in which to ascertain whether said vaults fulfill the terms of said purported warranties.

PAR. 13. The practices of respondent in using said purported warranties in aid of the sale of its said Maxwell Burial Vaults, as aforesaid, and in so using or otherwise using the words "Certificate of Warranty", or the word "Warranty", or the phrases "Rust-resisting metal, so constructed as to withstand any earth pressure incident to burial"; "Maxwell-Eccentric-Sealing-Clamp provides a positive method of sealing and when properly fastened will make this burial vault absolutely airtight, waterproof, and vermin-proof"; "we offer to replace without cost to the purchaser any such vault failing to meet these warranties", have and have had, and each of them has and has had, the capacity and tendency to mislead and deceive the public into the belief that said vaults are airtight, waterproof, and vermin-proof under all burial conditions, and that they will endure as such.

The practices of respondent when using said purported warranties in aid of the sale of its said Oneida Air-Seal Vault, as aforesaid, and in so using or otherwise using the words "Certificate of Warranty", or the word "Warranty", or the phrases "Rust-resisting metal, so constructed as to withstand any earth pressure incident to burial", "positively waterproof", "we offer to replace without cost to the purchaser any such vault failing to meet these warranties", have and have had, and each of them has and has had, the capacity and tendency to mislead and deceive the public into the belief that said vaults are waterproof and that they will endure as such.

CONCLUSION

The practices of the said respondent, under the conditions and circumstances described in the foregoing findings, are to the prejudice of the public and respondent's competitors, and constitute unfair methods of competition in interstate commerce and a violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, the testimony and evidence, and briefs and arguments of counsel for the Commission and of counsel for respondent, and the Commission having filed its report, stating its findings as to the facts and its conclusion that the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That respondent, Maxwell Steel Vault Company, its agents, employees, and representatives cease and desist:

From representing, in connection with offering for sale or selling in interstate commerce burial vaults, in purported certificates of warranty, in advertising or in any other manner, that: (a) Maxwell Burial Vaults are made of rust-resisting metal and will withstand any earth pressure incident to burial, or that they are waterproof, airtight, or vermin-proof at the time of interment thereof, or that they will endure as waterproof, airtight, or vermin-proof under burial conditions for any fixed or stated period of time; (b) Oneida Air-Seal Vaults are made of rust-resisting metal, so constructed as to withstand any earth pressure incident to burial, or that they are waterproof at the time of interment thereof, or that they will endure as waterproof under burial conditions for any fixed or stated period of time.

It is further ordered, That respondent shall, within 60 days after the service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

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IN THE MATTER OF

LEADING PERFUMERS & CHEMISTS, INC.

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

Docket 2361. Complaint, Apr. 11, 1935—Order, Nov. 5, 1935

Where a domestic corporation engaged in compounding perfumes and other toilet preparations and in the sale and distribution thereof to retail dealers and jobbers, doing no business of any kind in France and having no connection with any business organization therein—

- (a) Labeled the bottles in which it sold a perfume compounded by it of essential oils and alcohol bought in the United States, with its trade name "Fleur de Matin-Cartel", and displayed the same upon the large shipping cartons in which it customarily delivered its said products in dozen unit quantities, and set forth upon the individual containers thereof a French legend followed by the words "Fleur de Matin by Cartel", together with the notice on one side in small and inconspicuous letters, "1/4 oz. Net, Bottled in the U. S. A.", and statement thereon that "the intention behind the packing of this product is to deliver a fine perfume in a sensible container at the minimum cost"; and
- (b) Set forth on the front of the circulars enclosing said bottles within their said individual containers the words "Parfum de Cartel", and on the center panel thereof, "Les Parfums Fleur De Matin-Cartel", "* * * An empress could have no lovelier perfume than this creation of one of the leading perfumers of Paris. * * * To import this perfume from Paris would make the cost prohibitive. Our chemists have succeeded in making it so perfect that it will please the discriminating person as well as the expert";

With capacity and tendency to mislead and deceive many vendees and the consuming public into the belief that said perfume was an imported product made or compounded in France by a perfumer or leading perfumer of Paris or France, and with effect of causing purchase thereof in such belief by said public, many of whom consider the French product superior to the domestic and purchase it in preference thereto, and of placing in the hands of retailers and jobbers a means of representing, offering and selling to the consuming public said domestic perfume as and for one made or compounded in France, with the high reputation attached thereto, and with tendency to divert to itself business from competitors to their substantial injury and prejudice:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury and prejudice of the public and constituted unfair methods of competition.

Before *Mr. William C. Reeves*, trial examiner.

Mr. Astor Hogg for the Commission.

Mr. Emanuel L. Turberg and *Newman & Bisco*, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Leading Perfumers and Chemists, Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city and State of New York. It is engaged in the business of manufacturing and compounding perfumes and other toilet preparations, and the sale and distribution of said products to retail dealers located at points in the various States of the United States. Respondent causes said products, when sold, to be transported from its place of business in the city and State of New York into and through other States of the United States and the District of Columbia to said vendees at their respective points of location, and in so carrying on its business respondent maintains a constant current of trade and commerce in said products between the State of New York and other States of the United States and the District of Columbia. In the course and conduct of its said business respondent is in active and substantial competition with other corporations, partnerships, and individuals engaged in the sale and distribution of perfumes and other toilet preparations in commerce between and among the various States of the United States and the District of Columbia.

Par. 2. In the course and conduct of its business, respondent, in soliciting the sale of and selling its products in interstate commerce, used and uses the following methods and practices:

(a) Caused and causes the trade name or brand of "Fleur de Matin-Cartel" to appear on the label attached to its perfume, and also on the cartons in which said perfume was and is packed. On the back of said cartons the following appeared and appears:

L'embellage de ce produit est fait de telle sorte qu'on est a meme d'offrir un parfum de premiere qualite, contenu dans un flacon pratique, avec l'avantage d'un prix des plus moderes.

Fleur de Matin by Cartel

The intention behind the packing of this product is to deliver a fine perfume in a sensible container at the minimum cost.

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On the side of said cartons, and in small inconspicuous letters appeared and appears the following:

$\frac{1}{4}$ oz. net

Bottled in U. S. A.

Respondent caused and causes to be wrapped around each bottle of said product, and enclosed in the carton, a circular containing printed matter in both the French and English language. On the front of such circular appeared and appears the words:

Parfume de Cartel

and on the center panel thereof appeared and appears the following:

Les Parfume Fleur de Matin, Cartel

Fine Enough for

an Empress

An empress could have no lovelier perfume than this creation of one of the leading perfumers of Paris. He has succeeded in imprisoning the rare, exotic fragrance of the flowers of the morning, blending them into a variety of single, delicate, alluring odors. To import this perfume from Paris would make the cost prohibitive. Our chemists have succeeded in making it so perfect that it will please the discriminating person as well as the expert.

Said labels, descriptions, and representations made by respondent, as in this paragraph set out, are for the purpose and effect of creating and they do create the impression with the purchasing public that said product is of French origin and manufacture. In truth and in fact the perfume so labeled, described, represented, and referred to was not and is not the creation of a perfumer of Paris, and was not and is not manufactured in Paris or imported from any foreign country, but was and is a domestic product of the United States of America.

(b) The respondent, further, in soliciting the sale of and selling its products as set out in paragraph 2 hereof, caused and causes the container of a talcum powder which it sells and distributes, and has sold and distributed as aforesaid under the trade name or brand of

L'Enchanteur, Poudre de Talc Sweet Pea

to be branded with the words "HENRIET PARIS", followed by the words in small and inconspicuous type, "Made in U. S. A.", which brand is used by respondent for the purpose and effect of creating the impression with the purchasing public that said talcum powder

is of French origin and manufacture, when, in truth and in fact, this talcum, so branded, labeled, described and represented was not and is not manufactured in Paris or imported from any foreign country, but was and is a domestic product of the United States of America. Respondent has delivered and delivers said perfume and talcum powder, so labeled, designated, and packed, as aforesaid, to its aforesaid vendees, and said products, still so labeled, designated, and packed, are by said vendees displayed, offered for sale, and sold to the consuming public.

PAR. 3. Perfumes and talcum powders manufactured in France have for many years enjoyed widespread popularity, good will, and demand among the trade and consuming public throughout the United States, many of whom believe and consider that perfumes and talcum powders manufactured in France are superior in quality and other desirous characteristics to perfumes and powders manufactured in the United States, and many of the consuming public throughout the United States purchase perfumes and talcums manufactured in France and imported into the United States in preference to perfumes and talcums manufactured in the United States.

PAR. 4. Respondent's aforesaid labeling, advertising, and designating of its perfumes and talcums, as set out herein, have the capacity and tendency to and do mislead, confuse, and deceive its vendees and many of the consuming public into the belief that its said perfumes and talcums are manufactured and produced in France and imported into the United States, and they purchase said perfume and talcum in that belief. As a matter of fact respondent's said products are manufactured in the United States.

PAR. 5. Further, respondent's said labeling, advertising, and designating of its said products, as set out herein, places in the hands of the aforesaid dealers the instrument and means whereby said dealers may and they do commit fraud upon a substantial portion of the consuming public by enabling said dealers to represent, pass off, offer for sale, and sell respondent's said products as products manufactured in France.

PAR. 6. There are among the competitors of respondent referred to in paragraph 1 herein, many who deal in and sell perfumes and talcums manufactured in France and import same into the United States, and who rightfully and lawfully represent said perfumes and talcums to be such. There are others of said competitors who deal in and sell perfumes manufactured in the United States, and who in no manner represent their said perfumes and talcums to be manufactured in Paris. Respondent's acts and practices, as in this

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complaint before set out, all tend to and do unfairly divert business from and otherwise injure and prejudice said competitors, and do substantially injure such competitors so engaged in the sale and distribution of like products in interstate commerce.

PAR. 7. The above alleged acts and practices of respondent are all to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on April 11, 1935, issued and served its complaint in this proceeding upon respondent, Leading Perfumers & Chemists, Inc., charging it with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint, and the filing of respondent's answer thereto, testimony and evidence, in support of the allegations of said complaint and in opposition thereto, were introduced before William C. Reeves, an examiner of said Commission theretofore duly designated by the Commission, by Astor Hogg, attorney for the Commission, and by Nathan Waxman, attorney for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, and briefs in support of the complaint and in defense thereto; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom;

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city of New York in said State. Since the year 1920 respondent has been engaged in the business of compounding perfume and other toilet preparations and in the sale and distribution of said products

to retail dealers and jobbers located in various States of the United States. Respondent causes said products, when so sold, to be transported from its place of business in the State of New York into and through other States of the United States to said vendees at their respective points of location. In the course and conduct of its said business, respondent is in substantial competition with other corporations and with partnerships and individuals engaged in the sale of perfume and other toilet preparations in commerce between and among the various States of the United States.

PAR. 2. The perfume sold by respondent, as set out in paragraph 1 hereof, and labeled, marked, branded, and designated as set out in paragraph 3 hereof, is manufactured and compounded in the United States of America. The body of this perfume is alcohol, to which is added essential oils. The essential oils and the alcohol are purchased by the respondent in the United States.

PAR. 3. Perfume sold by the respondent in interstate commerce, as set out in paragraph 1 hereof, is put up and sold in quarter-ounce bottles. The bottles containing such perfume are labeled—

Fleur de Matin-Cartel

The phrase "Fleur de Matin-Cartel" is a trade name of respondent. Wrapped around each bottle of said perfume is a circular containing printed matter in both the French and English languages. On the front of such circular appeared and appears the words "Parfum de Cartel" and on the center panel of said circular appeared and appears the following:

Les Parfums Fleur de Matin-Cartel

Fine Enough for an Empress

An empress could have no lovelier perfume than this creation of one of the leading perfumers of Paris. He has succeeded in imprisoning the rare, exotic fragrance of the flowers of the morning, blending them into a variety of single, delicate, alluring odors. To import this perfume from Paris would make the cost prohibitive. Our chemists have succeeded in making it so perfect that it will please the discriminating person as well as the expert.

Respondent packs and places the said bottles of perfume, wrapped with the circular as aforesaid, in individual cartons. The aforesaid trade name also appears and appeared on the individual cartons in which said perfume is packed. On the back of said cartons the following French and English phraseology has appeared and appears:

L'embellage de ce produit est fait de telle sorte qu'on est a meme d'offrir un parfum de premiere qualite, contenu dans un flacon pratique, avec l'avantage d'un prix des plus moderes.

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Fleur de Marin by Cartel

The intention behind the packing of this product is to deliver a fine perfume in a sensible container at a minimum cost.

On the side of said individual cartons containing the bottles of perfume and in small and inconspicuous letters appeared and appears the following:

¼ oz. net, bottled in the U. S. A.

It is the respondent's usual practice to place a dozen bottles of its perfume, encased in the individual cartons as aforesaid, into a large carton for shipping purposes, on the back of which large carton appeared and appears the trade name "Fleur de Marin-Cartel". Respondent delivers said perfume so bottled, wrapped, designated, branded, and packed as aforesaid, to its aforesaid vendees, and said perfume, so bottled, wrapped, designated, branded, and packed in the individual cartons is by said vendees displayed, offered for sale, and sold to the consuming public. The individual cartons are not sealed, but purchasers and prospective purchasers of the individual cartons of perfume do not see the circular wrapped around each bottle unless and until the individual cartons are opened and the circulars are removed from around the bottles encased in the individual cartons.

PAR. 4. Perfumes manufactured in France have for many years enjoyed widespread popularity, good will, and demand among the trade and consuming public throughout the United States, many of whom believe and consider that perfumes manufactured in France are superior in quality to perfumes manufactured in the United States and that such perfumes manufactured in France have other characteristics more desirable than have perfumes manufactured in the United States, and many of the consuming public throughout the United States purchase perfumes manufactured in France and imported into the United States in preference to purchasing perfumes manufactured in the United States.

French perfumes have always had a high reputation. To label a domestic perfume as one of French origin causes such perfume to have added sales value and enables dealers in perfume so labeled to sell same more readily than would otherwise be the case.

Respondent does no business of any kind whatsoever in France and has no connection with any business organization in France.

PAR. 5. Respondent also sells and distributes in interstate commerce a talcum powder put up in a tin container on which appears the words:

L'Enchanteur Poudre Talc-Sweet Pea,
Henrilet Paris

This talcum powder is not manufactured in the United States but on the contrary is imported.

PAR. 6. Respondent's aforesaid labeling, designating, and branding of its perfume, as hereinabove set out, with the French word or words indicating that the said perfume was manufactured in or imported from France without clearly stating in equally conspicuous and legible type that the perfume was manufactured in the United States, has the capacity and tendency to mislead and deceive many of its vendees and the consuming public into the belief that said perfume is manufactured or compounded in France and imported into the United States and causes the purchasing public to purchase said perfume in that belief, when in truth and in fact respondent's perfume is manufactured and compounded in the United States.

Respondent's said labeling, designating, and branding of its perfume as set out herein places in the hands of retailers and jobbers the means whereby they may represent, offer for sale, and sell to the consuming public said perfume as perfume manufactured or compounded in France.

The acts and practices, all as hereinbefore set forth, tend to divert business to respondent from its competitors, to the substantial injury and prejudice of said competitors.

CONCLUSION

The practices of said respondent, Leading Perfumers & Chemists, Inc., under the conditions and circumstances hereinbefore set forth, are all to the injury and prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce and in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent, testimony and evidence submitted, briefs of counsel, and the Commission having made its findings as to the facts and entered its conclusion that respondent has violated Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

Order

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It is now ordered, That respondent, Leading Perfumers & Chemists, Inc., its representatives, agents, servants, and employees, in connection with the sale, offer for sale, or distribution of perfume in interstate commerce, do cease and desist:

(1) From directly or indirectly advertising, branding, labeling, designating, or otherwise representing perfume compounded or manufactured in the United States, with the term, "Fleur de Matin-Cartel", or with any other French word or words indicating or importing that said perfume has been compounded or manufactured in France and imported into the United States.

(2) From directly or indirectly advertising, branding, labeling, designating, or otherwise representing perfume with any word or words or foreign phraseology or illustration which imports or implies that perfume had been manufactured or produced in France and imported into the United States, when such is not the fact.

(3) From representing in any manner, directly or indirectly, that perfume is the creation of one of the leading perfumers of Paris, or that any perfumer or other person of Paris or France has any direct or indirect connection with perfume when such is not the fact.

It is further ordered, That the respondent shall, within 60 days after the date of the service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

And it is hereby further ordered, That subparagraph (b) of paragraph 2 of the complaint, wherein it is charged that respondent misbranded certain of its talcum powder so as to represent that same was of French origin and manufacture, be and the same hereby is dismissed.

Syllabus

IN THE MATTER OF

MORRIS R. SHAPIRO, CHARLES SHAPIRO, MARY SHAPIRO, AND MRS. ROBERT SHAPIRO, TRADING AS THE ROBERT MORE COMPANY

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

Docket 2493. Complaint, July 6, 1935—Order, Nov. 5, 1935

Where a firm engaged in the sale of Christmas seals and merchandise through agents on the "return or remit" plan—

- (a) Misleadingly represented in their advertisements for agents in various newspapers and other periodicals that they would furnish certain premiums for the sale of a given number of articles, and "dozens of other wonderful premiums", and that they were also giving away various other specified articles for the sale of their Christmas seals, the facts being that only a few of such articles could be earned through the sale of the number of packages of seals and tags specified in said advertisement, and remittance of additional money was necessary to secure other so-called "gifts" or premiums, and it did not offer "dozens of other wonderful premiums" as therein represented;
- (b) Included among the premiums offered in the circular matter sent those replying, a "big six-tube radio receiver", without giving advice of fact that such article was not a complete set ready for immediate use, but required a battery which it did not supply, and that tubes, speaker or parts necessary for use were not included, or notice, until receipt of money from agent, that it would also be necessary to pay \$2.00, more or less, for express charges; and
- (c) Set forth in their advertisements directed to securing agents as aforesaid, "We pay postage on goods", facts being such postage was paid on only a comparatively few of the premiums offered to agents, and, in the case of the majority of such articles, prepayment of postage and money to cover cost of packing was demanded in addition;

With effect of causing many of the public to become agents for the sale of said products and to purchase its premiums and rewards in reliance upon the truth of such false, misleading, and deceptive representations, and with capacity and tendency so to do and to prejudice and injure public and competitors, divert trade unfairly from and otherwise prejudice and injure competitors' business, and operate as a restraint upon and a detriment to the freedom of fair and legitimate competition in the business concerned:

Held, That such practices, under the conditions set forth, were to the injury and prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. George Foulkes for the Commission.

Complaint

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COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Morris R. Shapiro, Charles Shapiro, Mary Shapiro, and Mrs. Robert Shapiro, copartners trading as the Robert More Company, hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondents, Morris R. Shapiro, Charles Shapiro, Mary Shapiro, and Mrs. Robert Shapiro are copartners trading as the Robert More Company, and are engaged in business in the city of Chicago, State of Illinois. They are now and for more than two years last past have been engaged in the business of distributing and selling salves, Christmas seals, and miscellaneous merchandise, which they distribute to purchasers, many of whom reside in States other than the State of Illinois, and when orders are received thereof, they are filled by respondents by shipping the same from the said city of Chicago, Ill., into and through other States of the United States and in the District of Columbia, to the respective places of business or residence of such purchasers.

PAR. 2. In the course and conduct of their business said respondents were and are in substantial competition with other corporations, individuals, firms, and partnerships likewise engaged in the sale and distribution of salves, Christmas seals, and miscellaneous merchandise between and among the various States of the United States and in the District of Columbia.

PAR. 3. Respondents' method of conducting their business is what is commonly known as the "return or remit" plan. In the course and conduct of such business respondents have advertised and do advertise in various newspapers, magazines, and periodicals for agents to sell their merchandise on the said "return or remit" plan, under which such agents are furnished with the merchandise to be sold and are allowed thirty days to sell the same and remit to respondents the agreed portion of its selling price or to return the unsold portion of the merchandise. No deposit is required and the goods remain the property of the respondents until paid for. The selling agent may remit the stated sum of the amount collected and keep the rest as commission, may remit the entire sum collected and receive what is

advertised by respondent as a "gift" for the performance of the selling services, or may remit other stated amounts together with the sum collected upon the sale of the merchandise and receive a "gift" as set out in respondents' premium list which is sent to its selling agents.

PAR. 4. The advertising placed by respondents in various newspapers, magazines, and periodicals is variously devised to show representations of express wagons, air rifles, radios, motion picture projectors, dishes, wrist watches, and various other sundry articles, and contains statements and representations such as the following:

**YOUR CHOICE!
FOR A LITTLE OF YOUR SPARE TIME**

For selling only 20 packages of Christmas Seals and Tags at 10¢ a package, we will send you choice of a dandy banjo ukulele, big telescope, a guaranteed pocket watch, a genuine Eastman camera, a genuine leather football, dandy pen and pencil set and dozens of other wonder premiums!

BIG CASH COMMISSIONS PAID

Thousands of our agents are earning money in spare and full time selling our famous Christmas Seals at 10¢ a package. We also give away ukuleles, 22-caliber Hamilton rifles, radios, 32, 38 and 42-pc. dinner sets, ladles and men's wrist watches, Flying Eagle coaster wagons, movie projectors, and many other wonderful gifts for selling our Christmas Seals and remitting according to offers in premium lists.

* * * * *

We pay postage on goods

PAR. 5. In truth and in fact the majority if not all of the various so-called "gifts" or premiums so advertised by respondents to be obtainable by their selling agents on completing sales of a specified number of packages of Christmas seals and tags, are only obtainable by such selling agents upon the payment of various sums in cash, in addition to cash remittances realized upon the sale of such seals and tags, and in truth and in fact the only goods upon which respondents pay postage are the items of merchandise forwarded to selling agents for sale by them. While it is true that upon receiving an application from an individual who desires to become a selling agent, respondents send with the merchandise forwarded to such selling agent various communications which indicate that the receipt of many of the gifts or premiums aforesaid is conditional upon payment of an amount in cash in excess of the proceeds anticipated from the sale of such merchandise, nevertheless such conditions are so pre-

sented to prospective selling agents as to fail to negative the representations contained in respondents' advertising.

PAR. 6. The representations of respondents as aforesaid have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that upon making sales of specified amounts of respondents' merchandise, the various gifts or premiums advertised as a reward therefor, will be received unconditionally, when in truth and in fact such is not the case. Said representations of respondents have had and do have the tendency and capacity to induce members of the public to answer respondents' advertisements and to sell respondents' merchandise, as above set forth, and unfairly to divert trade to respondents from competitors engaged in the sale of similar merchandise upon "return or remit" plan which plans do not misrepresent the conditions or terms upon which said sales are made.

PAR. 7. The above acts and things done by respondents are all to the substantial injury and prejudice of the public and to substantial competitors of respondents in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon the respondents, Morris R. Shapiro, Charles Shapiro, Mary Shapiro, and Mrs. Robert Shapiro, copartners trading as the Robert More Company, charging said respondents with the use of unfair methods of competition in commerce in violation of the provisions of Section 5 of said Act. The respondents thereafter having filed answer to said complaint and having made, executed, and filed a stipulation as to the facts which was entered upon the record in which it is stipulated and agreed by and between the respondents and the Federal Trade Commission that the said Commission may take said stipulation as to the facts in this proceeding and in lieu of testimony in support of the charges stated in said complaint or in opposition thereto, and that said Commission may proceed upon said agreed stipulation as to the facts to make its report, stating its findings as to the facts (including inferences which it may draw from the said stipulated facts) and its conclusion based thereon, and enter its

order disposing of the proceeding—the right of both the Commission and respondent to file briefs and the presentation of argument being expressly waived. Thereupon this proceeding came on for decision, and the Commission having duly considered the record and being fully advised in the premises, makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondents, Morris R. Shapiro, Charles Shapiro, Mary Shapiro, and Mrs. Robert Shapiro are copartners trading as the Robert More Company, and are engaged in business in the city of Chicago, State of Illinois. They are now and for more than two years last past have been engaged in the business of distributing and selling salves, Christmas seals, and miscellaneous merchandise, which they distribute to purchasers, many of whom reside in States other than the State of Illinois, and when orders are received thereof, they are filled by respondents by shipping the same from the said city of Chicago, Ill., into and through other States of the United States and in the District of Columbia, to the respective places of business or residence of such purchasers.

PAR. 2. In the course and conduct of their business said respondents were and are in substantial competition with other corporations, individuals, firms, and partnerships likewise engaged in the sale and distribution of salves, Christmas seals, and miscellaneous merchandise between and among the various States of the United States and in the District of Columbia. Among these competitors are the American Seed Company of Lancaster, Pa., the Wilson Chemical Company of Tyrone, Pa., and the Lancaster County Seed Company of Paradise, Pa., who advertise their products in the same newspapers located in the same competitive area as the respondent and who sell to agents and purchasers in the same competitive area as the respondents.

PAR. 3. Respondents' method of conducting their business is what is commonly known as the "return or remit" plan. In the course and conduct of such business, respondents have advertised and do advertise in various newspapers, magazines, and periodicals for agents to sell their merchandise on the said "return or remit" plan, under which such agents are furnished with the merchandise to be sold and are allowed thirty days to sell the same and remit to respondents the agreed portion of its selling price or to return the unsold portion of the merchandise. No deposit is required and the goods remain the property of the respondents until paid for. The selling agent may remit the stated sum of the amount collected

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and keep the rest as commission, may remit the entire sum collected and receive what is advertised by respondents as a "gift" for the performance of the selling services, or may remit other stated amounts together with the sum collected upon the sale of the merchandise and receive a "gift" as set out in respondents' premium list which is sent to its selling agents.

PAR. 4. The advertising placed by respondents in various newspapers, magazines, and periodicals is variously devised to show representations of express wagons, air rifles, radios, motion picture projectors, dishes, wrist watches, and various other sundry articles, and contains statements and representations such as the following:

YOUR CHOICE!

For a Little of Your Spare Time

For selling only 20 packages of Christmas seals and tags at 10¢ a package, we will send you choice of a dandy banjo ukulele, big telescope, a guaranteed pocket watch, a genuine Eastman camera, a genuine leather football, dandy pen and pencil set and dozens of other wonderful premiums!

BIG CASH COMMISSIONS PAID

Thousands of our agents are earning money in spare and full time selling our famous Christmas Seals at 10¢ a package. We also give away ukuleles, .22-caliber Hamilton rifles, radios, 32, 38 and 42 pc. dinner sets, ladies' and men's wrist watches, Flying Eagle coaster wagons, movie projectors, and many other wonderful gifts for selling our Christmas Seals and remitting according to offers in premium lists.

* * * * *

We pay postage on goods

Said advertisement appeared in the Boston Advertiser, of Boston, Mass., on October 9, 1934, and divers other papers. Said Wilson Chemical Company also advertise in the Boston Advertiser.

PAR. 5. When the respondents receive an application from an individual who desires to become a selling agent, they send with the merchandise forwarded to such agent various communications, among which is a communication, marked Exhibit 2 of File 2493-4-3 of the Commission's files, which is made a part hereof, and which is as follows:

Quality Gifts

Xmas Tags and Seals

Importers—Exporters

ROBERT MORE COMPANY

300 Locust St., Chicago

Only 20 Packs of Xmas Seals and Tags Sent in This Order.

As Per Your Request We Are Sending *only* 20 Packs of Xmas Seals and Tags Which You Will Sell at 10¢ Each.

Choose any Gift on back of this Premium sheet for selling these 20 packs of Xmas Seals. Remit when sold and the Gifts shown on back of this sheet will be sent postpaid promptly. Or if you wish *Cash Commission* take out one-third of amount collected—keep 67¢ and send us \$1.33 for our share.

Last year we required our agents to sell 30 packs of Seals, but on account of conditions prevailing *we give most of the regular gifts for selling only 20 packs of Seals.*

By adding 50¢ in cash to the \$2.00 obtained from sale of this package of Seals, making a total of \$2.50, we will send you choice of the following Gifts: Gift #8 10 pc. Toilet Set, Gift #14 Big Doll, Gift #29 Tableware Set, Gift #11 Baby Doll, Gift #120 500 Shot Repeater Rifle (you have choice of selling 10 additional packs of seals instead of adding the 50¢ in cash to obtain above mentioned Gifts).

For more expensive Gifts follow plan below:

Gift #92 Big 6 Tube Radio Receiver—sell \$2.00 worth of Seals and add only \$3.75 in cash making a total of \$5.75 to be sent us. *Just think! a big radio set on the easiest offer ever made.* Don't miss this bargain whatever you do.

Gift #15 Aluminum Set—Sell \$2.00 worth of Seals and add \$1.95 in cash.

Gift #27 Sport Wrist Watch—Choice of square or octagon shape. Sell only \$2.00 worth and add \$1.75 in cash.

Gift #40 42 pc. Dinner Set—Sell only \$2.00 worth and add \$2.95 cash.

Gift #32 32 pc. set dishes—Sell only \$2.00 worth and add \$1.95 in cash.

Gift #36 Choice of Wood or Steel Wagon—Sell only \$2.00 worth of goods and add \$1.75 in cash.

Gift #2 Big DeVry Movie Projector—Sell only \$2.00 worth of Seals and add \$1.95 in cash. This is a rare bargain indeed. Go into a retail store and price a projector like this one.

NOTICE! Should you want to sell sufficient Xmas Seals to obtain above gifts instead of adding cash listed above, write us regarding plans and name premium wanted. Send remittances by Money Order as it will save time and we can send Gifts Promptly.

ROBERT MORE COMPANY

BOYS' OR MEN'S WRIST WATCH

(Picture of
Wrist Watch)

Gift #204 Here is an offer hard to believe. High grade square or cushion shaped Wrist Watch with Radium

Figures and hands so you can tell the time in the dark. Chromium plated case guaranteed for 20 years. Looks and wears like White Gold. Thin model and snugs the wrist. Silver Finish metal dial. If you could buy this watch in your local stores for as low as \$7.50 you would have a rare bargain. Yet we give it for selling 20 packs of Xmas Seals and Tags and only \$1.75 in cash—a total of \$3.75 to be sent us. Have you ever heard of such a bargain before?

On the back of this mimeographed letter are listed the articles obtainable for the selling of 20 packages of Christmas Seals at 10 cents a package. Pictures of such articles are set forth on the page and said articles are denominated as "gifts". These "gifts" are listed with pictures of the same as follows:

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Big Telescope—Gift No. 501.
 Jazzy Banjo-Uke—Gift No. 507.
 Football—Gift No. 500.
 Eastman Camera—Gift No. 59.
 Full Size 3 Pc. Toilet Set—Gift No. 502.

Orphan Annie Doll—Gift No. 503.
 Fountain Pen and Pencil Set—Gift No. 548.
 Wonderful Watch and Chain—Gift No. 579.

These articles, or "gifts", are the only articles or "gifts" which the selling agent can obtain for the sale of 20 packages of Christmas Seals at 10 cents a package without adding other stated amounts to the sum collected from such sale, and the respondents do not give away "dozens of other wonderful premiums" for the sale by agents of 20 packages of Christmas seals at 10 cents a package.

PAR. 6. The respondents also enclose with the so-called mimeographed letter, referred to herein as Exhibit 2 of File No. 2493-4-3 of the Commission's file, another communication, referred to herein as Exhibit 3 of File No. 2493-4-3 of the Commission's file, and made a part hereof, which is as follows:

ALTERNATE PLANS FOR OBTAINING PREMIUMS FROM SALE OF XMAS SEALS AND TAGS

You may obtain the following gifts by selling our Xmas Seals and Tags and remitting as suggested below.

Gift #92 Blg 6 Tube Radio Receiver—for selling \$8.00 worth of Xmas Seals. Remit for the first lot and we will then send you 60 additional seals which you sell at 10¢ each, then when sold and remitted for will entitle you to Gift #92.

Gift #15 Aluminum Set—for selling \$6.00 worth of Xmas Seals. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #15.

Gift #27 Sport Wrist Watch—for selling \$6.00 worth of Xmas Seals. Choice of square or octagon shape watch. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #27.

Gift #40 42 pc. Dinner Set—given for selling \$9.00 worth of Xmas Seals. Remit for the first lot and we will then send you 70 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #40.

Gift #32 32 pc. Set of Dishes—given for selling \$6.00 worth of Xmas Seals. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #32.

Gift #36 Choice of Wood or Steel Wagon—for selling \$6.00 worth of Xmas Seals. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #36.

Gift #2. Blg DeVry Movie Projector—given for selling \$6.00 worth of Xmas seals. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #2.

Gift #204 Boys or Men's Wrist Watch—for selling \$6.00 worth of Xmas Seals. Remit for the first lot and we will then send you 40 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to Gift #204.

NOTE! Due to the recent Government Law on Firearms, Gift #22 and Gift #66 are temporarily discontinued.

Gift #21 Big 12 pc. Dresser Set, Gift #90 Double Blankets, Gift #16 Towel Set, each given for selling \$3.00 worth of Xmas seals. Remit for the first lot and we will send you 10 additional seals which you sell at 10¢ each, which when sold and remitted for will entitle you to the above gifts, or you may send advance payment and gifts will go out at once.

See Premium lists if you wish to sell only 20 packs of Xmas Seals at 10¢ each and additional cash out of your pocket for obtaining gifts at once. Send all remittance to:

ROBERT MORE COMPANY, Chicago, Illinois

The radio referred to in the above communication and listed as Gift #92 Big 6 Tube Radio Receiver, and also referred to in paragraph 4 hereof as a "radio" and set forth in Exhibit 2 of File No. 2493-4-3 (herein set forth) in manner and form as follows:

Gift #92 Big 6 Tube Radio Receiver—sell \$2.00 worth of Seals and add only \$3.75 in cash making a total of \$5.75 to be sent us. *Just think! a big radio set on the easiest offer ever made.* Don't miss this bargain whatever you do.

is not a radio complete in construction and ready for immediate use, but is in fact a receiving set, operating only with electricity supplied by a battery, and respondents do not furnish such battery, nor does the radio set sent to selling agents for the sale of seals include tubes, speaker, or parts necessary for the use thereof by the agent. When a selling agent remits \$8.00 derived from the sale of 80 packages of Christmas seals, or the sum of \$5.75 derived from the sale of 20 packages of Christmas seals and an additional \$3.75 supplied by the selling agent from his own pocket, and selects the radio as the gift of his choice, the respondent informs the selling agent by mail that the "radio" advertised is a battery set without battery, without tubes and without speaker. The respondents also inform such agent that it will be necessary to pay \$2.20 more or less for express charges.

PAR. 7. In addition to the communications set forth in paragraphs 5 and 6 hereof, another communication is sent to the selling agent, which communication appears in the Commission's files as Exhibit 5 of File No. 2493-4-3 and made a part hereof as if the same were set out in full herein, and which purports to set forth by the use of pictures the gifts obtainable by the selling of 20 packages of Christmas seals at 10 cents a package and additional stated amounts to be

supplied by the selling agent. The communication contains pictures of:

1. Big Mama Doll—Gift No. 14
2. 12 Piece Bath Towel Outfit—Gift No. 16
3. Single-shot 30'' Model Rifle—Gift No. 22
4. 22-Cal. Bolt Action Rifle—Gift No. 47
5. 22 Hamilton Repeater—Gift No. 63
6. Steel Wagon with Bumper and Brake—Gift No. 145
7. A pair Plaid Fleece Twill Blankets—Gift No. 90
8. Junior Size Gift No. 85 is a wagon, and in connection with the sale of said wagon the respondents use the following phrase: "Shipped Express, Receiver to Pay charges."

These "gifts" can be obtained by the selling agent by remitting to the respondents the proceeds from the sale of 20 packages of Christmas seals at 10 cents a package and additional stated amounts. No wording is used in connection with the advertisement of these "gifts" to inform the agents that the "gifts" can be obtained by selling Christmas Seals without adding an additional amount of money to make up the difference between the amount of money obtained from the sale of the Christmas seals and the pretended value of the "gifts", but in each case it is necessary for the agent to remit an additional amount of money to procure said premium.

The only "gift" or premium upon which the respondents pay postage are the following:

- Gift No. 59, Gift No. 500, Gift No. 501.
Gift No. 502, Gift No. 506, Gift No. 507.
Gift No. 548, Gift No. 579.

The respondents require that the agent or prospective agent pay the postage or freight on all other gifts or premiums. The use of the phrase "We pay postage on goods" by the respondents in their advertisement as set forth in paragraph 4 hereof is incorrect and misleading in that the reader is led to believe from such advertisement that the respondents do in fact pay all charges necessary to ship or transmit the gifts or premiums chosen by the selling agent to such agent. In truth and fact, the respondents only pay postage on the "gifts" above enumerated and also upon the Christmas seals sent by the respondents to the prospective selling agents.

PAR. 8. All of the aforesaid statements and representations made by respondents in connection with and relating to their aforesaid "gifts" and premiums and also their representations concerning the amount of articles it is necessary for their agents to sell to entitle them to gifts or premiums and also their representations as to the quality of certain of said premiums and also their representations as to the payment of postage on goods, as in this complaint hereinbefore

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set forth, have the capacity and tendency to and do cause many of the public to become agents for the sale of respondents' products and to purchase respondents' premiums and rewards in the belief that said statements and representations are true, when in truth and in fact, said statements and representations are false, deceptive, and misleading as hereinbefore set forth.

PAR. 9. The above alleged misleading and deceptive representations and practices of respondents under the circumstances and conditions hereinbefore set forth, constitute practices or methods of competition which have and had the capacity and tendency: to prejudice and injure the public; unfairly to divert trade from and otherwise prejudice and injure the business of respondents' competitors; and to operate as a restraint upon and a detriment to the freedom of fair and legitimate competition in the business of selling in interstate commerce, Christmas seals, salves, and miscellaneous articles through agents who sell said articles for a premium or reward.

CONCLUSION

The practices of said respondents under the conditions described in the foregoing findings are to the injury and prejudice of the public and respondents' competitors and are unfair methods of competition in commerce and constitute a violation of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondents, and the statement of facts agreed upon by the respondents and counsel for the Commission, filed herein, and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

Now therefore, it is hereby ordered, That the respondents, Morris R. Shapiro, Charles Shapiro, Mary Shapiro, and Mrs. Robert Shapiro, and each of them individually and as copartners doing business under the name and style of Robert More Company, or under any other trade name, their and each of their agents, servants, and employees, in connection with the sale and the offering for sale

of any article in interstate commerce, forthwith cease and desist from representing in and by advertisements or in any other manner directly or indirectly:

(a) That they will furnish a given and stated premium or reward for the sale of a given number of articles in which they deal, until and unless they actually furnish such premium or reward for the making of such number of sales.

(b) That they will prepay the postage on premiums and rewards represented to be furnished by them, until and unless they actually prepay the postage on such premiums or rewards.

(c) That as a premium or reward they will furnish a radio receiving set, until and unless they actually furnish as a premium or a reward a radio receiving set complete in construction, equipped with tubes and all other necessary parts to make such receiving set ready for immediate use.

(d) That they will furnish "dozens of other wonderful premiums" in addition to premiums mentioned in their advertisements until and unless they actually furnish such premiums.

(e) That they will prepay the postage on premiums offered until and unless they actually prepay such postage and the expense of packing such premiums in the containers thereof.

(f) That they will prepay the postage on goods until and unless they actually prepay postage on the articles which they sell and until and unless they actually pack without cost to the purchaser the goods which they sell and the premiums they offer without charging the purchaser thereof for such packing and postage.

(g) That any premium or reward is a "gift" where the giving of any such premium or reward is based upon the furnishing by the purchaser or prospective purchaser of services, money, or other valuable consideration.

It is hereby further ordered, That the aforesaid respondents shall within 60 days from the day of the date of the service upon them of this order, file with this Commission a report or reports in writing, setting forth the manner and form in which they and each of them shall have complied with this order.

Syllabus

IN THE MATTER OF

CERTIFIED PRODUCTS COMPANY, INC., AND JEROME
C. ARDCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2500. Complaint, July 18, 1935—Order, Nov. 5, 1935*

Consent order requiring respondents, their several officers, etc., in connection with the sale or offer for sale in interstate commerce of brushes, dusters, brooms, mops, and other furnishings and equipment of like nature, forthwith to cease and desist from—

- (a) Making or publishing any false or fraudulent representations for the purpose of enticing any person from the employ of any competitor into the employ of the respondents or either of them;
- (b) Making or publishing any false or fraudulent statements disparaging the financial condition or business policy of any competitor; or
- (c) Maliciously enticing away the employees of competitors with the purpose and effect of unduly hampering, injuring, or embarrassing competitors in their business.

Before *Mr. John W. Norwood*, trial examiner.

Mr. Alden S. Bradley for the Commission.

Beddow, Ray & Jones, of Birmingham, Ala., for respondents.

COMPLAINT

Count 1

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Certified Products Company, Inc., a corporation, and Jerome C. Ard, a natural person, hereinafter referred to as respondents, have been and now are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Certified Products Company, Inc., is, and at all times hereinafter mentioned was, a corporation organized in the year 1932, and existing under and by virtue of the laws of the State of Alabama, having its principal office and place of business located in the city of Birmingham, Ala. Respondent Jerome C. Ard, is a natural person, a resident of the city of Birmingham, State of Alabama. Respondent Jerome C. Ard is also the president and general manager of respondent, Certified Products Company, Inc.

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Respondent, Certified Products Company, Inc., has been, since its organization in 1932, and now is, under the direction, supervision, and management of respondent, Jerome C. Ard, in his official capacity as related above, engaged in the sale of brushes, dusters, brooms, mops and other furnishings and equipment of like nature, kind and design.

Such sales are and have been made to purchasers and users thereof located in the various States of the United States of America and in the District of Columbia through the medium of personal or individual solicitation of prospective users and purchasers in interviews had for that purpose, whereupon orders for various items of said merchandise are procured, and pursuant to such orders shipment is made by respondent, Certified Products Company, Inc., from its place of business in the city of Birmingham, State of Alabama, and various warehouses maintained by it for the purpose of storing its merchandise, to users and purchasers located in the various States of the United States and in the District of Columbia, and there now is and has been, since the year 1932, a constant current of trade and commerce by the respondent, Certified Products Company, Inc., in the merchandise above listed and designated between and among the various States of the United States and the District of Columbia. In the course and conduct of its business respondent, Certified Products Company, Inc., now is and has been, since the year 1932, in substantial competition with other corporations, firms, persons, and copartnerships engaged in the sale of like articles between and among the various States of the United States and the District of Columbia.

PAR. 2. There are in the various States of the United States other corporations, persons, firms, and copartnerships engaged in the business of selling brushes, dusters, brooms, mops, and other furnishings and equipment of like nature, kind and design to users and purchasers thereof located throughout the various States of the United States, and pursuant to such sales said persons, firms, corporations, and copartnerships make shipments from their various respective places of business to such users and purchasers located in the various States of the United States other than the State of the location of such persons, firms, corporations, and copartnerships so selling.

PAR. 3. Among such competitor corporations, persons, firms, and copartnerships is a certain corporation styled The Fuller Brush Company, a corporation existing under and by virtue of the laws of the State of Connecticut and having its principal offices and place of business in Hartford, in the State of Connecticut.

PAR. 4. Since the organization of the respondent, Certified Products Company, Inc., acting by and through its duly authorized officials, agents, and employees and particularly through the person of Jerome C. Ard, its president and general manager, and respondent Jerome C. Ard, in his personal and individual capacity, have continuously enticed and attempted to entice, for the purpose of employing the same, employees of The Fuller Brush Company, a corporation, as aforesaid, and have endeavored to appropriate and have appropriated values created by the competitor, The Fuller Brush Company, a corporation by enticing and attempting to entice employees of The Fuller Brush Company, a corporation, to violate the contractual relations of such employees with the competitor, The Fuller Brush Company, a corporation, by enticing and endeavoring to entice such employees from the employ of the said The Fuller Brush Company, a corporation, to enter into the employ of the respondent, Certified Products Company, Inc.; the value so appropriated and attempted to be appropriated being the training, experience, and ability of such employees as salesmen in their particular field of competition.

PAR. 5. The enticing and the attempts to entice, as related in the paragraph last above, have been made throughout the various States of the United States and the District of Columbia by the named respondents and each of them.

PAR. 6. The acts and practices of the respondents, Certified Products Company, Inc., and Jerome C. Ard, are prejudicial and injurious to respondents' competitor, The Fuller Brush Company, which said competitor is engaged in identically the same business as the respondents, and such acts and practices occasion substantial injury to substantial competition in interstate commerce.

The above acts and practices done and caused to be done by the respondents, are and were, each and all, to the prejudice of the public and of respondents' competitors and constitute unfair methods of competition in commerce within the meaning and intent of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

Count 2

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Certified Products Company, Inc., a corpora-

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tion, and Jerome C. Ard, a natural person, hereinafter referred to as respondents, have been, and now are, using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Certified Products Company, Inc., is, and at all times hereinafter mentioned was, a corporation organized in the year 1932, and existing under and by virtue of the laws of the State of Alabama, having its principal office and place of business located in the city of Birmingham, Ala. Respondent, Jerome C. Ard, is a natural person, a resident of the city of Birmingham, State of Alabama. Respondent Jerome C. Ard is also the president and general manager of respondent, Certified Products Company, Inc. Respondent, Certified Products Company, Inc., has been, since its organization in 1932, and now is, under the direction, supervision, and management of respondent, Jerome C. Ard, in his official capacity as related above, engaged in the sale of brushes, dusters, brooms, mops, and other furnishings and equipment of like nature, kind, and design.

Such sales are and have been made to purchasers and users thereof located in the various States of the United States of America and in the District of Columbia through the medium of personal or individual solicitation of prospective users and purchasers in interviews had for that purpose, whereupon orders for various items of said merchandise are procured, and pursuant to such orders shipment is made by respondent, Certified Products Company, Inc., from its place of business in the city of Birmingham, State of Alabama, and various warehouses maintained by it for the purpose of storing its merchandise, to users and purchasers located in the various States of the United States and in the District of Columbia, and there now is and has been, since the year 1932, a constant current of trade and commerce by the respondent, Certified Products Company, Inc., in the merchandise above listed and designated between and among the various States of the United States and the District of Columbia. In the course and conduct of its business respondent, Certified Products Company, Inc., now is and has been, since the year 1932, in substantial competition with other corporations, firms, persons, and copartnerships engaged in the sale of like articles between and among the various States of the United States and the District of Columbia.

PAR. 2. There are in the various States of the United States other corporations, persons, firms, and copartnerships engaged in the busi-

ness of selling brushes, dusters, brooms, mops, and other furnishings and equipment of like nature, kind, and design to users and purchasers thereof located throughout the various States of the United States, and pursuant to such sales said persons, firms, corporations, and copartnerships make shipments from their various respective places of business to such users and purchasers located in the various States of the United States other than the State of the location of such persons, firms, corporations, and copartnerships so selling.

PAR. 3. Among such competitor corporations, persons, firms, and copartnerships is a certain corporation styled The Fuller Brush Company, a corporation existing under and by virtue of the laws of the State of Connecticut and having its principal office and place of business in Hartford, in the State of Connecticut.

PAR. 4. Respondent, Certified Products Company, Inc., acting by and through its duly authorized officials, agents, and employees, and particularly through the person of Jerome C. Ard, its president and general manager, and respondent, Jerome C. Ard, in his personal and individual capacity, have since the organization of the respondent corporation in 1932 continuously and persistently, among the personnel of the respondent corporation, disparaged the financial status, management, and business policies of the competitor, The Fuller Brush Company, by uttering, issuing, and making to the personnel of the respondent corporation statements of a nature derogatory to the financial status, management, and business policies of the said competitor, The Fuller Brush Company, to the hurt and injury of the same, the effect and result of such statements being to entice and in enticing employees of the competitor, The Fuller Brush Company, to sever the contractual relationship between such employees and the competitor, The Fuller Brush Company, such statements being persuasive of the personnel of the respondent corporation to transmit the same to the employees of the competitor, The Fuller Brush Company, thereby appropriating and endeavoring to appropriate to respondent corporation's own separate use and benefit values created by the competitor, The Fuller Brush Company, to wit, the experience, training, and knowledge of such employees.

PAR. 5. The enticing and the attempts to entice, as related in the paragraph last above, have been made throughout the various States of the United States and the District of Columbia by the named respondents and each of them.

PAR. 6. The acts and practices of the respondents, Certified Products Company, Inc., and Jerome C. Ard, are prejudicial and injurious to respondents' competitor, The Fuller Brush Company,

which said competitor is engaged in identically the same business as the respondents, and such acts and practices occasion substantial injury to substantial competition in interstate commerce.

The above acts and practices done and caused to be done by the respondents are and were, each and all, to the prejudice of the public and of respondents' competitors and constitute unfair methods of competition in commerce within the meaning and intent of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondents herein having filed their answer to the complaint in this proceeding and having subsequently filed with this Commission their motion that they be permitted to withdraw such answer and that they be permitted to file in lieu thereof a substitute answer, a draft of such proposed substitute answer being annexed to said motion and being made part thereof; and the Commission, having duly considered said motion, issued an order permitting the withdrawal of the original answer filed by the respondents and permitted the filing of the proposed substitute answer in lieu of the original.

And the said respondents in and by their said substitute answer having waived hearing on the charges set forth in the complaint in this proceeding and having stated in said substitute answer that they do not desire to contest the said proceeding, and having consented in their said substitute answer that the Commission, without a hearing, without evidence, and without findings as to the facts or other intervening procedure might make, enter, issue, and serve upon the said respondents, and each of them, an order to cease and desist from the methods of competition charged in the complaint, and the Commission being fully advised in the premises—

It is hereby ordered, That the respondents, Certified Products Company, Inc., a corporation, and Jerome C. Ard, or either of them, and their several officers, agents, servants, and employees, in connection with the sale or offering for sale in interstate commerce of brushes, dusters, brooms, mops, and other furnishings and equipment of like nature, kind, and design, shall forthwith cease and desist:

(1) From making or publishing any false or fraudulent representations for the purpose of enticing any person from the employ of any competitor into the employ of the respondents or either of them.

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(2) From making or publishing any false or fraudulent statements disparaging the financial condition or business or business policy of any competitor.

(3) From maliciously enticing away the employees of competitors with the purpose and effect of unduly hampering, injuring, or embarrassing competitors in their business.

It is hereby further ordered, That the respondents shall, within 60 days from the day of the date of the service upon them of this order, file with this Commission their report in writing stating the manner and form in which they have complied with this order.

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IN THE MATTER OF
**MORRIS HELLER, INDIVIDUALLY, AND TRADING AS
VENICE IMPORTING COMPANY**

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

Docket 2074. Complaint, July 5, 1935¹—Order, Nov. 8, 1935

Consent order requiring respondent, individually, and doing business as aforesaid, his officers, etc., in connection with the offer for sale and sale in interstate commerce and in the District of Columbia, of olive oil, compound vegetable oil and related products, to cease and desist from—

- (a) Using the word "Lucca" or the name of any other city or of any district or province of Italy as a brand or label or in any other way so as to import or have the capacity or tendency to confuse or mislead purchasers into the belief that said product was produced in and imported from the Lucca district of the Province of Tuscany, or from any other city or district or province of Italy, unless in fact so produced in and imported from said city, etc.;
- (b) Using the word or words "Italy", "Italian Product", "Italian oil", or "Imported from Italy", or depiction of the Italian flag or coat-of-arms, or ruler or member of the ruling house, either alone or with words "Imported Product", or other words describing the same or using said word or words or depictions or representations as a brand or label for olive oil so as to import or have the tendency or capacity to confuse or mislead purchasers into the belief that said product was composed wholly of oils produced in and imported from Italy unless in fact so produced and imported;
- (c) Using the word "Ollo" to designate or describe a product composed in part of olive oil and in part of other oils without using in immediate conjunction therewith, in clear type or lettering of equal size, other word or words accurately and truthfully describing the true content thereof; or
- (d) Using in connection with such a product depictions of olive branches or word "Romanini" or other word or words indicating or suggesting Italian origin unless qualified and explained as hereinabove set forth.

Mr. Marshall Morgan for the Commission.

Lamb & Lerch, Finkler & Finkler and Parsons & Constable, of New York City, for respondent.

COMPLAINT¹

Whereas, The Federal Trade Commission did heretofore, to wit, on October 25, 1932, issue its complaint herein, charging and alleg-

¹ Supplemental and amended.

ing that respondent herein is and has been guilty of unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914; and

Whereas, This Commission having reason to believe that respondent herein has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, other than and in addition to those in relation to which the Commission issued its complaint as aforesaid, and it appearing to said Commission that a further proceeding by it in respect thereof would be in the public interest:

Now, therefore, Acting in the public interest, pursuant to the provisions of the Act of September 26, 1914, aforesaid, the Federal Trade Commission charges that Morris Heller, individually, and trading as "Venice Importing Company", has been and now is using unfair methods of competition in interstate commerce in violation of Section 5 of said Act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Morris Heller, an individual trading as "Venice Importing Company", at 66 North Sixth Street, Brooklyn, N. Y., and hereinafter referred to as respondent, is, and for more than two years last past has been engaged, as hereinafter described, in the business of selling and distributing olive oil and vegetable compound or salad oil to retail grocery dealers in various States of the United States, more particularly the States of New Jersey, Pennsylvania, and Connecticut. In consummating such sales and in distributing such products, respondent causes the olive oil and vegetable compound oil so sold to be transported and delivered from his place of business in New York City, State of New York, through and into various other States of the United States, to the respective purchasers thereof at their respective points of location. In the course and conduct of his business, the respondent has been and is now engaged in direct and substantial competition with various corporations, partnerships, and individuals likewise engaged in the sale and distribution of olive oil and vegetable compound oil and offering such products for sale in commerce between and among the various States of the United States and within the District of Columbia.

PAR. 2. Olive oil imported from Italy has come to be known among a substantial number of the users and consumers of olive oil and among merchants and dealers in olive oil as being of a quality and flavor superior to all others. Lucca, in the territorial division of

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Tuscany, Italy, is one of the great olive oil centers of the world, and the olive oil produced there and imported therefrom has become noted among users and consumers of olive oil and among merchants and dealers in olive oil for its superior quality and delicate flavor. Lucca olive oil is considered the best and finest of all olive oil and is preferred by the trade and consumers alike, especially consumers of Italian blood or origin. Practically all olive oil coming from Lucca, Italy, is packed in cans there, the amount exported in bulk from Lucca being inconsequential. The amount of olive oil produced in the Lucca district from olives grown there is not sufficient for Italian consumption. It is much cheaper to import olive oil in bulk. Large quantities of olive oil are imported in bulk from Spain into the United States. Spanish olive oil is substantially cheaper than genuine Italian olive oil, and the oil obtained by blending Spanish oil in substantial proportions with Italian oil is neither as expensive nor as desirable as pure Italian olive oil produced from olives grown in Italy, consumers preferring Italian olive oil. The Italian word "Olio" indicates and is accepted as meaning, particularly to persons of Italian blood and origin, the juice or liquid which is extracted from the olive. The Italian words "Da" and "Dall", as used by respondent in labeling his cans, mean, and are intended to mean, "from", and the Italian word "Marca" means "brand".

PAR. 3. In the sale and distribution of olive oil and vegetable compound oil to retail grocery dealers, as hereinabove described, respondent has caused and still causes large and substantial quantities of his said products to be labeled, branded, offered for sale, sold, and distributed under designations, descriptions, and representations indicating and intended to indicate Italian origin.

On the front of one of respondent's cans used by him in the sale of olive oil in interstate commerce as aforesaid, appears the following label, employed in connection with a design of olive branches surrounding a likeness of Princess Jolanda, daughter of King Victor Emmanuel III of Italy:

Pure Olive Oil Virgin Registered Trade Mark Reginella Brand Imported From
Lucca Italy

On the reverse side of the can this same label is printed in Italian. This label, with its design containing the representation of Princess Jolanda, appears in both English and Italian on an olive oil container issued and used by respondent at a later date, except that the bottom line of the earlier label, which read "Imported From Lucca, Italy" has been changed to read "Imported Pure Olive Oil."

On another can appears a registered trade mark containing a pictorial representation of a girl standing between olive branches, and the following label printed in both English and Italian:

Giovinezza Brand Virgin Extra Pure Olive Oil Imported from Lucca Italy

On the side of the can is printed in English and Italian the following:

Giovinezza Brand Olive Oil Is An Italian Product * * *

On the face of another can, above and below a picture of two maidens, appears the following label in both English and Italian:

Abbondanza Brand Pure Virgin Olive Oil Imported from Lucca Italy

Another can on its face, and above and below a picture of a maiden and an olive tree, carries the following label in both English and Italian:

Imported Virgin Olive Oil Venus Brand Imported from Lucca Italy

On another can, in connection with the picture of the smiling face of a girl, appears the following label, printed in both English and Italian:

Italian Product Olive Oil Muriel Brand Imported from Lucca Italy

On another can, showing a picture of a small boy perched on a wall, appears the following label:

Idalo Brand Pure Virgin Olive Oil Imported from Lucca Italy

Another can showing a picture of a maiden holding a basket and gathering olives, bears the following label in English and Italian:

Pure Olive Oil Imported from Lucca Italy

Another can carrying a pictorial design of a sprig of olives and the face of a woman wearing a mantilla bears the following label in English and Italian:

La Palina Brand Pure Olive Oil Imported from Lucca Italy

Another can bears the following label, in both English and Italian, used in connection with the design of an olive branch:

Italian Product Lucca Extra Virgin Extra I Olive Oil Tuscany Brand Imported from Italy

The words "Lucca" and "Tuscany" appear on this label in large black type. The word "Brand" is printed under the word "Tuscany" in letters so small as to be almost illegible except on close inspection.

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A can using a similar design of an olive branch is labeled in both English and Italian:

Italian Product Lucca Extra Virgin Extra I Olive Oil Kanares Brand Imported from Italy

Another can has a picture of the face of a little girl encircled by a wreath of olives and bears the following label in both English and Italian:

Italian Product Extra Virgin Olive Oil Estelle Brand Imported from Lucca Italy

Another can employing the design of a little girl's face encircled by a wreath of olives, is labeled in English with Italian equivalent as follows:

Italian Product Extra Virgin Olive Oil Lorraine Brand Imported from Lucca Italy

On another can, using as a design a picture of the head and shoulders of a woman together with a wreath of olives, appears the following label, printed in both English and Italian:

Italian Product Extra Virgin Olive Oil Stella Mia Brand Imported from Lucca Italy

Near the bottom of the design of the woman's head on this can appears a representation in red, white, and green of the coat-of-arms of Italy.

Still another can used by respondent as a container for olive oil sold by him in interstate commerce contains a design or pictorial representation of an olive branch and of two small children on a bed of olive branches and roses, and the following label printed in both English and Italian:

Italian Pure Olive Oil La Salute Brand Pure Olive Oil Imported from Genoa Italy

In addition to selling olive oil, respondent also sells and has sold in interstate commerce vegetable and salad oils composed of cotton seed, corn or sesame oil, blended with a small amount of olive oil. In connection with the sale by him in interstate commerce of such blended vegetable and salad oils, respondent employs various designs and labels.

On one container for salad oil appears the following printed in Italian only,

Ollo Da Lucca

in heavy, conspicuous type.

On one side of the face of this can, under the words "Da Lucca", in small inconspicuous type, in English, appears the word "Brand".

Below this in English, in type much smaller and less conspicuous than that used in connection with the words "Da Lucca", appears the following:

Pure Olive Oil Twenty Per Cent and High Grade Vegetable Oil Eighty Per Cent
With Vegetable Flavor and Color

On the reverse side of this can, above the words "Da Lucca", appears the Italian word "Marca" in small type. Below the words "Da Lucca" appears the following in small Italian script:

Olivo puro d' oliva venti per cento con la migliore qualita d' olia vegetabile
ottanta per cento con aroma e colore

On the two narrow sides of this can, in large heavy type easily read at a distance, appear the words:

Olivo Da Lucca

meaning in Italian:

Olive oil from Lucca

On another container used by respondent in the sale of vegetable oil appears a design employing the outspread wings of a bird in full flight, the coat-of-arms of Italy representing the head of the bird, and below this a floral design consisting largely of olive blossoms. In connection with these designs appears the following label:

Olivo Sopraffino Balbo Brand

the first three words being printed in heavy type.

Below this language appears the following:

Consisting eighty per cent vegetable oil twenty per cent virgin Olive Oil
the words "Olive Oil" being printed in larger, heavier type than the rest of the quotation.

On another container used for the sale of blended salad oil appears the following label, printed in large, heavy type:

OLIO ROMANINI

and immediately below this in small inconspicuous type the words "Brand". Near the bottom of the can appears the following, printed in relatively small inconspicuous type with the exception that the words "Olive oil" are in heavier, larger type:

This can contains a delicious blended salad oil comprised of eighty per cent
choice vegetable oil and twenty per cent pure imported virgin Olive Oil

The above language in similar type and arrangement appears on the other side of the can in Italian.

On two sides of another can used in the sale of salad oil appears the following label:

Olivo Sopraffino Da Sorrento Brand

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the words "Olio" and "Da Sorrento" being printed in large heavy type. Beneath this label appears the following in much smaller type, in both English and Italian:

This can contains a delicious blended salad oil, comprised of eighty per cent choice vegetable oil and twenty per cent pure imported virgin Olive Oil

the words "olive oil" again being printed in larger type.

Labeling identical with that employed in the "Da Sorrento" brand is used by respondent on still another container for salad oil with the exception that the words "Da Luccia" appear in heavy type under the words "Olio Sopraffino" in place of the words "Da Sorrento".

The words, designations, descriptions, and representations "Lucca", "Tuscany", "Imported From Lucca Italy", "Italian Product", "Imported From Italy", "Imported From Genoa Italy", "Olio", "Reginella", "Giovinezza", "Abbondanza", "Idalo", "La Palina", "Lorraine", "Stella Mia", "La Salute", "Da Luccia", "Marca", "Sopraffino", "Balbo", "Romanini", and "Da Sorrento", and pictorial representations of Italian scenes and of the flag or coat-of-arms of Italy as used and employed by respondent in labeling products sold by him in interstate commerce are of Italian meaning, implication, and suggestion and indicate to retail grocery dealers and to the consuming public, especially to persons of Italian blood or origin, and are and were intended to indicate and mean, that the olive oil and vegetable compound or salad oil products thus variously designated, described, and represented, were imported respectively from Lucca, Genoa, or from Italy.

PAR. 4. The truth and the facts are that the said olive oil designated, described, marked, and represented by respondent with the words "Lucca", "Genoa", "Tuscany", "Da Lucca", and "Imported From Lucca Italy", was not imported from the regions, districts, or places stated, nor wholly from Italy, and that sold under labels showing representations of the flag or coat-of-arms of Italy and of Italian scenes and containing words of Italian suggestion such as "Olio", "Reginella", "Giovinezza", "Abbondanza", "Idalo", "La Palina", "Lorraine", "Stella Mia" and "La Salute" were not imported wholly from Italy, the so-called Italian olive oil handled and sold by respondent herein consisting of Italian oil blended by him with at least twenty-five percent of a cheaper oil imported from Spain in bulk, the resulting product being thereafter sold by respondent as Italian oil; and the vegetable compound or salad oils bearing labels employing in large type the Italian word "Olio", meaning olive oil, and other words of Italian meaning or suggestion, such as "Da Luccia", "Balbo", "Romanini" and "Da Sorrento", do not contain any Italian olive oil, nor even Spanish oil, except in small quantity, but are and

have been composed largely of vegetable oils, mainly cottonseed or corn, produced in the United States, and of sesame oil.

PAR. 5. Respondent in further connection with his business of selling and distributing olive oil in interstate commerce, has resorted to and adopted, and still resorts to and adopts, the practice of mixing Spanish and Italian oil in one large tank from which said tank numerous cans or small containers are thereafter filled, variously labeled, marked or branded so as to convey the impression upon the purchaser of the same that they contain different types, grades, and qualities of olive oil. Likewise respondent resorts to and has resorted to the practice of employing various labels or brands on compound or salad oils, indicating different brands or types, all drawn from the same tank. Respondents labels, brands, marks, and representations, embracing some 30 or 40 brand names, including those on his vegetable compound or salad oil products, are not used in a manner to indicate origin of the product in the respondent herein, nor to identify or distinguish commercial source, nor do they indicate type, grade, or quality in connection or association with origin or commercial source.

PAR. 6. Said respondent in the further conduct of his said business of selling and distributing olive oil and vegetable or salad oil in interstate commerce has failed or refused to advertise or otherwise to identify and associate many of the above-referred to products with his business, thereby placing in the hands of the retail grocer or other dealers in various States an instrument enabling and permitting the retailer more easily to substitute respondent's goods for those of another.

PAR. 7. Respondent's use of the words, designations, descriptions, and representations, "Lucca", "Genoa", "Tuscany", "Da Lucca", "Imported From Lucca Italy", and "Imported From Italy", pictorial representations of Italian scenes and of the flag or coat-of-arms of Italy, and of further words of Italian suggestion such as "Reginella", "Giovinezza", "Abbondanza", "Idalo", "La Palina", "Lorraine", "Stella Mia", and "La Salute" in designating, describing, and representing, offering for sale and selling his said olive oil as described in paragraphs 3 and 4 hereof, is false, misleading, and deceptive and has the capacity and tendency to mislead and deceive a substantial number of retail grocery dealers and of the consuming public into purchasing said olive oil in the erroneous belief that it was imported entirely from Lucca, Genoa, or from Italy when such is not the fact; and respondent's use of the Italian words "Olio", "Da Sorrento", "Balbo", "Romanini", and "Da Luccia" in designating, describing, and representing, offering for sale and selling a vegetable compound or salad oil containing a small percentage of Spanish olive oil, as de-

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scribed in paragraphs 3 and 4 hereof is likewise false, misleading, and deceptive and has the capacity and tendency to mislead and deceive substantial numbers of retail grocery dealers and of the consuming public into purchasing said vegetable compound or salad oil in the belief that it was and is composed wholly or largely of Italian, olive oil or olive oil when such is not the fact.

PAR. 8. The use by respondent of the false, misleading, and deceptive representations, statements, and assertions hereinabove set forth, including those in paragraphs 5 and 6 herein, constitute practices and methods of competition which tend to and do, (a) confuse, prejudice, and injure the public, (b) unfairly divert trade from and otherwise prejudice and injure respondent's competitors, (c) operate as a restraint upon and a detriment to free and legitimate competition in the business of marketing olive oil, and (d) place in the hands of retail grocers and dealers an instrument which permits them more easily to substitute the goods of respondent for those of another.

PAR. 9. Said false, misleading, and deceptive acts, practices, and methods of respondent, under the circumstances and conditions hereinabove alleged are unlawful, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding coming on for final hearing by the Federal Trade Commission on the record, including the supplemental and amended complaint of the Commission issued under Section 5 of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and respondent's answer thereto in which respondent waives hearing on the charges set forth in said complaint, refrains from contesting the proceeding and, pursuant to the provisions of the Commission's Rules of Practice with respect to answers, consents that the Commission may make, enter, and serve upon respondent an order to cease and desist from unfair methods of competition set forth in the said supplemental and amended complaint herein, and the Commission being advised in the premises—

It is now ordered, That the respondent, Morris Heller, individually, and trading as Venice Importing Company, his officers, agents, servants, and employees, in connection with the offering for sale and sale in interstate commerce, and in the District of Columbia, of olive oil, compound vegetable oil and related products, do cease and desist from:

(1) The use of the word "Lucca" alone or in connection or conjunction with any other word or words, and from the use of the name of any other city, or of any district or province of Italy, as a brand or label, or in any other way, so as to import or imply or to have the capacity or tendency to confuse, mislead, or deceive purchasers into believing that said product was produced in and imported either from the Lucca district of the Province of Tuscany, or from any other city or any district or province of Italy, unless and until said statements are true in fact and said olive oil was produced in and imported respectively from the city, district, or province of Italy stated or indicated.

(2) The use of the word "Italy" or the words "Italian Product", "Italian Oil", or "Imported From Italy", alone or in connection or conjunction with any other word or words, and from the use of any pictorial representation of the Italian flag or of the coat-of-arms of Italy, or of any ruler or member of the ruling house of Italy, alone or in conjunction with the words "Imported Product", or any other word or words describing the said product, and from the use of the said word or words or pictorial representation or representations as a brand or label for olive oil so as to import or imply, or having the tendency or capacity to confuse, mislead, or deceive purchasers into believing that said product is composed wholly of oils produced in and imported from Italy, unless and until such statements and representations are true in fact and said olive oil was produced in and imported from Italy.

(3) The use of the word "olio" to designate or describe an oil product composed in part of olive oil and in part of other oils unless and until there appears in immediate connection and conjunction with the word "olio" and in clear and legible type or lettering in size equal to that of the word "olio", other word or words which accurately and truthfully describe and designate the true content of the product; and from the use, in connection with an oil composed in part of olive oil and in part of other oils, of pictorial representations of olive branches, or the word "Romanini" or other word or words indicating or suggesting Italian origin, unless and until there appears in connection and conjunction therewith and in clearly legible and conspicuous type a word or words accurately and truthfully describing and designating the true content of the product.

It is further ordered, That the respondent within 60 days from and after the date of service upon him of this order, shall file with the Commission a report, or reports, in writing, setting forth in detail the manner and form in which he is complying with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

SAMUEL KRONOVET, AS AN INDIVIDUAL, AND TRADING
AS WESTBURY KNITTING MILLSCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2532. Complaint, Aug. 30, 1935—Order, Nov. 11, 1935*

Consent order requiring respondent individual, his agents, etc., in connection with the sale or offer in commerce between the States and in the District of Columbia of knitted garments, to cease and desist from—

- (a) Using the words "Knitting" and "Mills" as a part of his trade name in advertisements or in any way, until and unless he actually owns, operates and controls the factory or factories wherein said knitted garments sold and distributed by him are actually knitted and made; or
- (b) Representing by advertisements, by general business stationery or in any manner or means whatever, that he is the knitter or manufacturer of the knitted garments sold by him, subject to the qualification hereinabove set forth.

Mr. John W. Hilldrop for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Samuel Kronovet, as an individual and trading as Westbury Knitting Mills, has been, or is, using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, the Commission hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The said respondent, Samuel Kronovet, is an individual trading under the name and style of Westbury Knitting Mills, with his principal place of business located in the city of New York, State of New York. Respondent is now, and for more than one year last past has been engaged in the sale of knitted garments to the trade between and among various States of the United States; causing said products, when sold, to be shipped from his place of business in the State of New York to purchasers thereof located in the various States of the United States, other than the State of New York; and in the course and conduct of his business the respondent, Samuel Kronovet, was at all times herein referred to in competition with other individuals, firms, partnerships, and corporations likewise en-

gaged in the sale and distribution, in interstate commerce, of like and similar products.

PAR. 2. In the course and conduct of his business as described in paragraph 1 hereof, respondent, Samuel Kronovet, adopted as and for a trade name under which to carry on his said business the words "Westbury Knitting Mills", and caused such trade name so containing the words "Knitting Mills" to appear on invoices, letter-heads, and other advertisements and advertising matter in soliciting the sale of and selling his products in interstate commerce when in truth and in fact said Samuel Kronovet did not own, control, or operate any mill or mills wherein the products he sold and distributed in interstate commerce were manufactured, but on the contrary, respondent purchased such products from others or from the manufacturers thereof. When respondent purchases said products from the manufacturers thereof, he sells same to retail merchants in the various States of the United States, who in turn sell same to the public at retail.

PAR. 3. There is, on the part of a large portion of the retail trade selling knitted garments to the consumer, a tendency to deal with and to buy such goods directly from the manufacturer, as it is generally considered among the trade that by buying direct from the manufacturer a middleman's profit is eliminated, and that thereby better prices can be obtained by the retailer, which is a decided trade advantage. The use of the term and words "knitting" and/or "mills", either separately or in conjunction each with the other, by respondent in the manner and form as hereinbefore set out, has a tendency and capacity to mislead and deceive the retail merchants dealing in such commodities by causing them to believe that in buying from respondent they are buying direct from the mill or factory in which the goods so bought were made, and also has a tendency and capacity to unfairly divert to respondent trade from those individuals, corporations, associations, and firms selling to the retail trade in interstate commerce goods, wares and merchandise similar to those sold by respondent, but who truthfully represent and advertise same, and also from those individuals, corporations, associations, and firms who really manufacture the goods they sell and ship in interstate commerce similar to the goods sold by respondent as aforesaid.

PAR. 4. The above acts and things done by respondent are to the injury and prejudice of the public and competitors of respondent in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Com-

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mission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Samuel Kronovet, trading and doing business as Westbury Knitting Mills, respondent herein, having filed his answer to the complaint in this proceeding, in which answer he states that he desires to waive hearing on the charges set forth in the complaint herein, and not to contest the proceeding, consents in and by his said answer that as provided in paragraph (b) of Rule V of the Commission's Rules of Practice, the Commission, without trial, without evidence and without findings as to the facts or other intervening procedure, may make, enter, and serve upon said respondent an order to cease and desist from the methods of competition alleged in the complaint.

And the Commission having considered the said answer and being fully advised in the premises—

It is now ordered, That the respondent, Samuel Kronovet, trading and doing business as Westbury Knitting Mills, and his agents, servants, representatives, and employees, in connection with the sale, or offer for sale in commerce between and among the several States of the United States and in the District of Columbia, of knitted garments, cease and desist from:

(1) Using the words "knitting" and "mills", either independently or in conjunction with other words, as a part of his trade name, or in advertisements or advertising literature or in any way, until and unless he actually owns, operates, and controls the factory or factories wherein said knitted garments, sold and distributed by him, are actually knitted and manufactured.

(2) Representing, by advertisements, by general business stationery or in any manner or means whatever, that he is the knitter or manufacturer of the knitted garments sold by him, until and unless he actually owns, operates, and controls the factory or factories wherein said knitted garments, sold and distributed by him, are actually knitted and manufactured.

It is further ordered, That the respondent shall, within 60 days after the service upon him of this order, file with the Commission a report in writing, setting forth the manner and form in which he has complied with the order herein set forth.

Complaint

IN THE MATTER OF

CAMEO SILK MILLS, INC.

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

Docket 2574. Complaint, Oct. 9, 1935—Order, Nov. 11, 1935.

Consent order requiring respondent corporation, its officers, etc., in connection with the sale or offer in interstate commerce of silk or raw cloth to cease and desist from using corporate name containing word "Mills" and from representing by any other means that it is a knitter, weaver or manufacturer of cloth, unless and until it actually knits, weaves, or manufactures the cloth sold or offered by it or owns or controls a mill or mills in which such cloth is knit, woven or manufactured.

Mr. T. H. Kennedy for the Commission.

Mr. Abraham Karp, of Brooklyn, N. Y., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Cameo Silk Mills, Inc., a corporation, hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. The respondent, Cameo Silk Mills, Inc., is a corporation organized under the laws of the State of New York in 1925, then, ever since and now exists by virtue of the laws of said State and now has its principal place of business in the city of New York, State of New York. Respondent is and for more than one year last past has been engaged as a selling agent for manufacturers or converters of silk or raw cloth, the major part of which consists of silk and a small percentage of other fabrics, in commerce between and among the various States of the United States, causing the same when sold to be shipped from its place of business in the State of New York or other State of origin to purchasers thereof located in various States of the United States other than the State of New

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York or other States of origin. In the course and conduct of its business, respondent was at all times hereinafter referred to in competition with other corporations, individuals, firms, and partnerships likewise engaged in the sale and distribution in interstate commerce of similar products.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, said respondent adopted as and for its name the words Cameo Silk Mills, Inc., under which to carry on its business, and which name containing the word "Mills" it has used continuously since in or about 1925 and is now using in soliciting the sale of and selling its said products in interstate commerce. Respondent has caused said name "Cameo Silk Mills, Inc." to appear on its letterheads, billheads, invoices, and other office stationery, and in advertisements and advertising matter distributed in interstate commerce; when in truth and in fact respondent does not now make or manufacture, nor has it ever made or manufactured, the products sold by it which it has sold and distributed in interstate commerce, nor has respondent manufactured silk nor owned, controlled, or operated any mill or mills wherein the products which it has sold and distributed were manufactured.

PAR. 3. There is a preference on the part of certain of the retail merchants in the different States of the United States for goods, wares, and merchandise, to be resold at retail to the public, bought directly from the mill owner or manufacturer thereof, and there is an impression and belief existing among certain of said retail merchants that by dealing directly with a mill owner or manufacturer they can buy goods at a cheaper price and on more favorable terms than they can from jobbers or corporations, associations, individuals, firms, and partnerships not manufacturing goods, wares, and merchandise they sell to such retail dealers by eliminating the profit of the middleman and that a more uniform line of goods can be purchased from a mill operator than from one who does not operate a mill.

The use by the respondent of the word "mills" in its name in respondent's letterheads, billheads, invoices, stationery, or otherwise, has a tendency and capacity to mislead and deceive purchasers who are customers and prospective customers of respondent by causing them to believe that respondent actually owns and operates or directly and absolutely controls the mill or mills in which said products are made or manufactured, or that respondent himself makes or manufactures his products and that thereby such customers or prospective customers have or will save the middleman's profit; and the use by the respondent of the word "mills" has a

tendency and capacity unfairly to divert trade to respondent from other corporations, associations, individuals, firms, and partnerships, who are actually manufacturing products similar to the products of respondent for sale and distribution in interstate commerce, and those competitors of respondent who do not manufacture similar or like products to those of respondent for sale and distribution in interstate commerce, but who truthfully advertise and label same and who do not claim or represent themselves to be manufacturers.

PAR. 4. The practices of respondent described in paragraph 2 hereof are all to the prejudice of the public and the respondent's competitors and constitute unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having come on for final hearing by the Federal Trade Commission upon respondent's answer, waiving all further procedure and consenting that the Commission may make, enter, and serve upon it an order to cease and desist from the unfair methods of competition charged in the complaint and the Commission being fully advised in the premises—

It is ordered, That the respondent, Cameo Silk Mills, Inc., a corporation, its officers, agents, representatives, or employees, in connection with the sale or offering for sale by it in interstate commerce of silk or raw cloth;

Cease and desist from using a corporate name containing the word "mills", and from representing by any other means that the respondent is a knitter, weaver, or manufacturer of cloth, unless and until it actually knits, weaves, or manufactures the cloth it sells or offers for sale, or owns or controls a mill or mills in which such cloth is knit, woven, or manufactured.

It is further ordered, That the said respondent, within 60 days from the date of the service upon it of this order, shall file with the Commission a report in writing, setting forth in detail the manner and form in which it is complying and has complied with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

PYRENE MANUFACTURING COMPANY

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

Docket 2563. Complaint, Sept. 27, 1935—Order, Nov. 18, 1935

Consent order requiring respondent corporation, its officers, etc., in connection with the sale and offer in interstate commerce of the cleaning fluid made and sold by it under the name Pyrene Safety Cleaner, forthwith to cease and desist from the use of any statement or representation to the effect that said product will remove grease spots from all materials to which it is applied without injury to color or fabric or of any statement such as "no injury to fabric or color" or of any other statement of equivalent meaning so as to import or imply that, or which may have the tendency or capacity to lead purchasers into the belief that said product may be used on materials or fabrics dyed with non-fast or fugitive colors, without impairing, harming, or injuring said colors, and from the use of words or expressions which may naturally import or imply or tend to convey the belief to purchasers that said product will remove spots of whatever kind or character from materials or fabrics to which the product is applied.

Mr. R. L. Kennedy for the Commission.

Chadbourne, Hunt, Jaeckel & Brown, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Pyrene Manufacturing Company, a corporation, hereinafter referred to as the respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, and states it charges in that respect as follows:

PARAGRAPH 1. The respondent is a corporation, organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business at 560 Belmont Avenue, Newark, N. J., and branch offices in Chicago, Ill.; Atlanta, Ga.; Kansas City, Mo., and San Francisco, Calif. Respondent is now and for more than two years last past has been engaged in the sale of a cleaning fluid, designated as

Pyrene Safety Cleaner and, in the distribution thereof, in commerce between and among the various States of the United States and the District of Columbia, causes and has caused said product, when sold, to be transported in interstate commerce from its places of business in the States of New Jersey, Illinois, Georgia, Missouri, and California, to purchasers thereof, some located in said States, and others located in various other States in the United States and in the District of Columbia.

PAR. 2. In the course and conduct of its said business, respondent is now and has been, for more than two years last past, in substantial competition with other corporations and with individuals, partnerships, and firms, engaged in the manufacture, sale, and distribution of cleaning fluids and similar products, in interstate commerce between and among the various States in the United States and the District of Columbia, used for purposes similar to the purposes for which respondent's products are used.

PAR. 3. In the course and conduct of its said business as hereinabove described, the respondent in soliciting the sale of and selling, in interstate commerce, a cleaner manufactured and sold by it under the name of the Pyrene Safety Cleaner, composed, substantially, of 70 percent carbon tetrachloride, 30 percent benzol, and a small quantity of oil of lemon and citronella, caused and still causes its said product to be placed in bottle containers of 4- and 8-ounce capacity, which bottles are packed in cartons, and printed statements appearing on the cartons, or cardboard containers, housing said bottles of cleaner and on said bottles describe it as:

PYRENE
Safety Cleaner
Spots "take wings"
Removes Grease Spots from all materials
without injury to fabric
or color
No injury to fabric or color

PAR. 4. In truth and in fact the product hereinabove described, labeled and sold by the respondent will not cause "spots" to "take wings" or disappear, and the aforesaid statements that said product "removes grease spots from all materials without injury to fabric or color"; and that it will cause "no injury to fabric or color" are, and each of them is, false, extravagant, misleading, and deceptive. The use of said product on fabrics, dyed with certain kinds of dyes, such as non-fast dyes, does impair, harm, and affect the colors of such fabrics, by causing the same to bleed or run. The use of said product on certain fabrics, and under certain conditions or cir-

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cumstances, does result in the appearance of a spot or ring on such fabrics, and in either or both of these ways such fabrics are in fact injured by the use of said product thereon.

PAR. 5. Said advertisements and labels have had and still have the tendency and capacity to mislead and deceive; do mislead and deceive, and have misled and deceived the purchasing public, by causing it to believe that respondent's cleaner removes grease spots and other spots without injury to fabric or color; and to induce the purchasing public to buy respondent's cleaner, hereinabove described, in such erroneous belief; afford retail merchants an opportunity to perpetrate a fraud on the purchasing public; have the capacity and tendency to divert, have unfairly diverted, and do now unfairly divert trade to respondent from competing individuals, partnerships, and corporations engaged in the sale of like or similar cleaners in interstate commerce, who truthfully and honestly advertise and label their cleaners.

PAR. 6. The acts, practices, and representations of the respondent hereinabove set forth are all to the injury and prejudice of the public and the competitors of the respondent, in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding coming on for hearing by the Federal Trade Commission upon the record, including the complaint and the answer of the respondent, in which answer the respondent states that it waives hearing on the charges set forth in the complaint, refrains from contesting the proceeding, and consents that the Commission may make, enter, issue, and serve upon it, without trial, without evidence, and without findings as to the facts or other intervening procedure, an order to cease and desist from the methods of competition charged in the complaint, and the Commission having duly considered the record, and being now fully advised in the premises—

It is ordered, That the respondent, Pyrene Manufacturing Company, a corporation, its officers, agents, servants, and employees, in connection with the sale and offering for sale in interstate commerce of the cleaning fluid manufactured and sold by it under the name of Pyrene Safety Cleaner, forthwith cease and desist:

From the use of any statement or representation to the effect that said product will remove grease spots from all materials to which it

is applied without injury to color or fabric or of any statement such as "no injury to fabric or color" or of any other statement of equivalent meaning so as to import or imply that, or which may have the capacity or tendency to lead purchasers into the belief that said product may be used on materials or fabrics dyed with non-fast or fugitive colors, without impairing, harming, or injuring said colors, and from the use of words or expressions which may naturally import or imply or tend to convey the belief to purchasers that said product will remove spots of whatever kind or character from materials or fabrics to which the product is applied.

It is hereby further ordered, That the respondent shall, within 60 days after service upon it of a copy of this order, file with the Federal Trade Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

ALFRED MENDELL

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

Docket 2585. Complaint, Oct. 17, 1935—Order, Nov. 18, 1935

Consent order requiring respondent, his agents, etc., in connection with the sale or offer of candy in interstate commerce, forthwith to cease and desist from—

- (a) Representing in and on cartons, labels, or in any other way that a brand of candy designated by him as "Fruit Pops" is 100 percent pure, until and unless the candies so designated are made entirely of ingredients all of which are 100 percent pure; and
- (b) Designating on cartons, labels, or in any other way candies not 100 percent pure, but synthetically colored and flavored, as "Fruit Pops" until and unless such designation "Fruit Pops" is followed conspicuously, wherever used, with the statement that such candies are artificially colored and artificially flavored.

Mr. Edward L. Smith for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Alfred Mendell, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act of Congress, and it appearing to said 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. Respondent Alfred Mendell is an individual having his place of business in Ozone Park, State of New York, and is now, and for more than one year last last, has been engaged in the manufacture of confectionery and in the sale thereof to wholesalers and retailers, between and among the various States of the United States and in the District of Columbia, causing such confectionery when sold by him to be shipped from his place of business in Ozone Park, in the State of New York, to the purchasers thereof, some located in the State of New York and others located in various other States of the United States and in the District of Columbia. In the course and conduct of his business, respondent has been for more

than one year last past, and still is, in substantial competition with other individuals and with firms, partnerships, and corporations engaged in the sale and distribution of confectionery to wholesalers and retail dealers in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of his business as described in paragraph 1 hereof, respondent has manufactured, assembled, sold and distributed, and still manufactures, assembles, sells, and distributes to wholesalers and retailers between and among the various States of the United States and in the District of Columbia, an assortment of confectionery under the name "Fruit Pops". Upon the ends of both the inside and outside sections of the cartons containing such assortments designated as "Fruit Pops", respondent has caused and still causes the words "Delicious Flavored Fruit Pops" to be printed, and on both sides of the lower inside section of such cartons has caused and still causes to be printed the following:

Pineapple	Raspberry	Lime	Orange	Lemon	Chocolate
Delicious Flavored					
F R U I T			P O P S		
5 for 5 cents			100 percent Pure		

Such confectionery is sold to the trade and to the purchasing public in and from the cartons so labelled.

In truth and in fact, the products in such assortment and so described have not been and are not flavored with the fruits mentioned, or with the juices thereof, but have been and are flavored and colored with synthetic flavors and with ingredients other than the fruits and juices of the fruits mentioned and are not 100 percent pure.

PAR. 3. The aforesaid representations made by respondent as set out in paragraph 2 hereof, and the use by respondent of the name "Fruit Pops" for said confectionery, have the capacity and tendency to mislead and deceive wholesalers and retailers and the purchasing public into the beliefs that such confectionery so described is flavored and colored with the fruits mentioned, or with the juices thereof, and is 100 percent pure, and to purchase said products of respondent in such erroneous beliefs.

There are among the competitors of respondent mentioned in paragraph 1 hereof, manufacturers and dealers who flavor and color the

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products in which they deal with the fruits or the juices thereof, and who truthfully represent their said products to be so flavored and colored and 100 percent pure. There are also among such competitors others who flavor and color their products with synthetic flavors and with ingredients other than fruits or juices, but who do not represent that their products are flavored or colored with fruits or juices thereof, or that they are 100 percent pure. By the aforesaid representations of the respondent, trade is diverted by respondent from his aforesaid competitors and thereby substantial injury has been done and is being done by respondent to substantial competition in interstate commerce.

PAR. 4. The above alleged acts and practices of respondent are to the prejudice of the public and to the competitors of respondent and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondent herein having filed his answer to the complaint in this proceeding, and having subsequently filed with this Commission his motion that he be permitted to withdraw his said answer and that he be permitted to file in lieu thereof as a substituted answer, the draft of a proposed substituted answer annexed to the said motion; and the Commission having duly considered the said motion—

It is hereby ordered, That the said motion be and the same is hereby granted; that the said answer be and the same is hereby withdrawn; and that the said proposed substituted answer be, and the same is hereby filed in lieu of the said answer so withdrawn.

And the said respondent in and by his said substituted answer having waived hearings on the charges set forth in the complaint in this proceeding, and having stated in his said substituted answer that he does not contest the said proceeding, and having consented in his said substituted answer that the Commission, without a trial, without evidence, and without findings as to the facts or other intervening procedure, might make, enter, issue, and serve upon the said respondent, an order to cease and desist from the methods of competition charged in the complaint; and the Commission being fully advised in the premises—

It is hereby further ordered, That the respondent, Alfred Mendell, his agents, servants, and employees, in connection with the sale or offering for sale of candy in interstate commerce, forthwith cease

and desist (1) from representing in and on cartons, labels, or in any other way that a brand of candy designated by him as "Fruit Pops" is 100 percent pure, until and unless the candies so designated are made entirely of ingredients all of which are 100 percent pure; and (2) from designating on cartons, labels, or in any other way candies not 100 percent pure, but synthetically colored and flavored, as "Fruit Pops" until and unless such designation "Fruit Pops" is followed conspicuously, wherever used, with the statement that such candies are artificially colored and artificially flavored.

And it is hereby further ordered, That the said respondent, Alfred Mendell, shall within 60 days from the day of the date of the service upon him of this order, file with this Commission his report in writing, setting forth in detail the manner and form in which he shall have complied with this order.

Complaint

21 F. T. C.

IN THE MATTER OF

WESTPHALIA MANUFACTURING COMPANY, INC., AND
POLY CHEMICAL LABORATORIES, INC.COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2566. Complaint, Oct. 2, 1935—Order, Nov. 22, 1935*

Consent order requiring respondent corporations, and each of them, their agents, etc., to cease and desist, directly or indirectly, in connection with offering for sale or selling in interstate commerce their cleaning fluid, known and described as Rid-O-Spot, from representing on labels affixed to the container or containers of such product, or in advertisements, oral, printed, or written, that Rid-O-Spot, when used for cleaning purposes leaves no rings or that it removes all grease spots without injury to the most delicate fabric or color.

Mr. James M. Brinson for the Commission.

COMPLAINT

Pursuant to the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that the Westphalia Manufacturing Company, Inc., a corporation, and the Poly Chemical Laboratories, Inc., a corporation, hereinafter designated as respondents, have been and are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent Westphalia Manufacturing Company, Inc., has been for several years last past and now is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New Jersey.

Respondent Poly Chemical Laboratories, Inc., is also a corporation organized, existing, and doing business under and by virtue of the laws of the State of New Jersey.

The main offices and principal places of business of said respondent corporations are located at Jersey City in the State of New Jersey.

Respondents are now and have for several years last past been engaged in the sale and distribution of a cleaning fluid which they have described and designated as "Rid-O-Spot", in commerce among and between the State of New Jersey and the various other States of the United States and the District of Columbia. It has been

and is the practice of said respondent corporations to transport or cause said product to be transported when sold from their said place of business in the State of New Jersey to purchasers of such product located in the various other States of the United States.

In the course and conduct of their business, said respondent corporations have been and were, and each of them has been and was, at all times mentioned herein, in competition with other individuals, partnerships, and corporations similarly engaged in the sale and distribution in interstate commerce of cleaning fluids.

PAR. 2. Respondents in the course and conduct of their said business, described in paragraph 1 hereof, have offered for sale and sold said cleaning fluid by means of false and misleading statements and representations to the effect that Rid-O-Spot is a cleaning fluid which leaves no rings and removes all grease spots instantly without injury to the most delicate fabric or color and other representations and statements to the same, equivalent, or similar effect. The following statements on the labels affixed to containers of their product are typical of the representations by which respondents sell their product:

RID-O-SPOT CLEANING FLUID

Leaves No Rings. Removes all Grease Spots Instantly without injury to the most delicate Fabric or color

In truth and in fact, the use of respondents' said product on fabrics dyed with certain kinds of dyes, such as non-fast or fugitive dyes, does affect the colors of fabrics upon which said product has been used by causing them to bleed or run, as such effect is generally described in the trade. The use of said product on certain fabrics produces and leaves a ring, spot or mark, and such fabrics are in fact injured by the use thereon of such product.

PAR. 3. There are now and for several years past have been individuals, partnerships and corporations offering for sale and selling in interstate commerce cleaning fluids for fabrics of all kinds.

PAR. 4. The aforesaid representations of respondents are false, and each of them has had and has, and all of them have had and have, the capacity and tendency to mislead and deceive the public into the belief that they are true, and into the purchase of such product of respondents in reliance upon such erroneous belief.

Such representations have had and have, and each of them has had and has, the capacity and tendency to divert trade to respondents from competitors offering for sale and selling cleaning fluids in interstate commerce.

PAR. 5. The above and foregoing practices of respondents have been and are, and each of them has been and is, to the prejudice of

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the public and of respondents' competitors, and have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Respondents herein, having filed their answer to the complaint in this proceeding, and having subsequently filed with this Commission their motion that they be permitted to withdraw said answer and that they be permitted to file in lieu thereof as a substitute answer the draft of proposed substitute answer submitted in connection with said motion, and the Commission having duly considered the said motion—

It is hereby ordered, That the said motion be and the same hereby is granted; that the said answer be and the same hereby is withdrawn and that the said proposed substituted answer be and the same hereby is filed in lieu of the said answer so withdrawn.

And the said respondents, in and by their said substituted answer, state that they refrain from contesting the proceeding and consent that the Commission may make, enter and serve upon them and upon each of them, an order to cease and desist from the violations of the law alleged in the complaint, without hearing, without evidence, and without findings as to the facts or other intervening procedure, and the Commission being fully advised in the premises—

It is hereby further ordered, That respondents, Westphalia Manufacturing Company, Inc., a corporation, and Poly Chemical Laboratories, Inc., a corporation, and each of them, their agents, employees, and representatives, and the agents, employees and representatives of each of them, cease and desist, directly or indirectly, in connection with offering for sale or selling in interstate commerce their cleaning fluid, known and described as Rid-O-Spot, from representing on labels affixed to the container or containers of such product, or in advertisements, oral, printed, or written, that Rid-O-Spot, when used for cleaning purposes leaves no rings or that it removes all grease spots without injury to the most delicate fabric or color.

It is further ordered, That the respondents shall within 30 days after the service upon them of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

AMERICAN ARMY AND NAVY STORES, INC.

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

Docket 2284. Complaint, Jan. 25, 1935—Decision, Nov. 26, 1935

Where a corporation, engaged in the conduct of a mercantile establishment, the inventory of which never showed more than ten or fifteen percent of goods procured from the Army or Navy Departments through purchase of products offered by said departments in sales of surplus, reject and refuse goods—

Caused its corporate name, in which were included words "Army and Navy", to be displayed in large signs about its mercantile establishment and in trade journals, circulars and advertisements in newspapers and other periodicals, and featured the words "Army and Navy" therein as prominently as other portions;

The facts being that, while aforesaid corporation was organized chiefly to engage in purchase and resale of such surplus, reject and refuse goods, said departments began to curtail sharply the quantity thereof offered annually in the open market a number of years after the war, until, for some years since, no such goods had been thus offered, and such products had been ultimately absorbed for the conduct of retail trade by said corporation and other individuals and concerns similarly engaged;

With the result that various members of the purchasing public came to the belief that goods purchased in its establishment were substantially all, if not all, procured from the Army and Navy and were of the quality and nature used by said departments, and that a substantial bargain with reference to price and quality would be therein obtained, and were induced by reason thereof to make purchases from it, and with capacity and tendency thereby to mislead the purchasing public, and with effect of diverting trade to it from competitors, who offer to sell merchandise identical with the bulk of its inventory, similarly purchased from the ordinary marts of trade, without the use of such misleading and deceptive practice, and of causing substantial injury to substantial competition in the District of Columbia:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice and injury of competitors and the public and constituted unfair methods of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. S. Brogdyne Teu, II, and *Mr. Alden S. Bradley* for the Commission.

Mr. H. Mitchell Pfeffer, of Washington, D. C., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commis-

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sion, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that American Army and Navy Store, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Said respondent, American Army and Navy Store, is a corporation organized and existing under and by virtue of the laws of the District of Columbia, having its principal office and place of business in the city of Washington, in said District. The said respondent was incorporated August 11, 1929, and since said date has been and is now engaged in the general merchandise business.

Said respondent has sold and has caused and still causes merchandise in which he deals to be transported from his place of business into and through the various parts of the District of Columbia to purchasers located therein.

In the course and conduct of his said business, respondent is in competition with other individuals, partnerships and corporations engaged in the sale and transportation of like merchandise in the District of Columbia.

PAR. 2. Since August 11, 1929, said respondent has operated under the corporate name of American Army and Navy Store. By the implied representations of said corporate name, purchasers are led to believe that the stock of merchandise held out to the purchasing public by said respondent was made for or purchased from the United States Army and Navy. In truth and in fact none of the stock of merchandise of said respondent is purchased from the Army and Navy. None of the merchandise is purchased at any Army and Navy surplus or refuse goods sales. The small amount of such Army and Navy goods carried by said respondent, if any, is bought from jobbers, wholesalers, and others who buy at such Army and Navy refuse goods sales. The remainder of the said respondent's stock of merchandise consists of the usual stock found generally in general merchandise establishments. It is purchased in the marts of commerce in which the general merchant buys his stock of goods, and is not purchased from the Army and Navy or from those who purchase merchandise at any Army and Navy surplus or refuse sales. The said respondent is in no way connected with the Army and Navy, does not have affiliation, association, or working agreement with the Army and Navy.

PAR. 3. There are, among the competitors of said respondent referred to in paragraph 1, *supra*, individuals, partnerships, and corporations engaged in the sale and distribution of like and similar merchandise within the District of Columbia, Maryland, and Virginia, which said individuals, partnerships, and corporations do not misrepresent their merchandise by the use of a false and misleading corporate, or trade name.

PAR. 4. The above alleged acts and things done by the respondent are all to the injury and prejudice of the public and the competitors of respondent in interstate commerce, and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (38 Stat. 717), the Federal Trade Commission issued and served its complaint upon the respondent herein, charging it with the use of unfair methods of competition in commerce as "commerce" is defined in said act, and the respondent having filed its answer to the complaint, testimony and evidence in support of the allegations of the complaint were taken before trial examiner John W. Addison, theretofore duly assigned by the Commission for that purpose, and which testimony and evidence were reduced to writing and filed in the office of the Commission.

Subsequently thereto, a brief in behalf of the Commission was filed in support of the allegations of the complaint, and the respondent failed to file a brief.

Thereupon, the cause came on for final hearing before the Commission on said testimony and evidence and the said brief and oral argument of Alden S. Bradley, attorney for the Commission. The respondent failed to make oral argument.

The Commission having duly considered the testimony and evidence, the aforesaid brief and the aforesaid argument, and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, American Army and Navy Stores, Inc., is and has been doing business within the District of Columbia and

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the city of Washington continuously since the date of its incorporation on August 11, A. D. 1929.

PAR. 2. Respondent was organized chiefly for the purpose of engaging in, and has partially engaged in, the purchase and resale of surplus, reject, and refuse goods to be procured from the Army and Navy Departments of the United States Government, but from the date of its incorporation the respondent has been unable to procure and has never possessed any quantity of such goods in excess of fifteen per cent of its total inventory.

PAR. 3. During the year 1927, or thereabout, the Army and Navy Departments of the United States Government began sharply to curtail the quantity of goods theretofore offered by them annually in the open market, until, since the year 1932, virtually no goods of any description have been so offered.

The goods formerly offered by the Army and Navy Departments of the United States Government were ultimately absorbed for the purpose of the conduct of a retail trade by the respondent and various other persons, copartnerships, and corporations engaged in the conduct of mercantile establishments approximately identical with the one herein described as having been conducted by the respondent.

The inventory of the respondent reflects the fact of the withdrawal from the market of surplus, refuse, and reject goods of the Army and Navy Departments of the United States Government in that its inventory has never revealed more than ten or fifteen per cent of the total thereof to consist of such goods procured from the Army or Navy Departments of the United States Government as above related.

PAR. 4. There are no goods now being offered, nor, since the year 1932, has there been any substantial amount of goods offered by the Army or Navy Department of the United States Government.

PAR. 5. The respondent causes its corporate name to be displayed in large signs about its mercantile establishment, in trade journals, in circulars and in advertisements appearing in the daily newspapers and other periodicals, with the words "Army and Navy" featured therein as prominently as other portions of its corporate name.

PAR. 6. Various members of the purchasing public, upon observing the use of the words "Army and Navy" in connection with the corporate name of the respondent and in its circulars and advertisements, as hereinabove stated, have formed the conclusion or received the impression and belief, from the use of such words, that the goods to be purchased in said store were substantially all, if not all, procured from the Army and Navy Departments of the United States Government; that the goods were of the quality and nature used by

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said Departments; that a substantial bargain with reference to price and quality would be obtained in such store; and a substantial number of such members of the purchasing public have been induced, by virtue of such belief or impression, to make purchases of and from the respondent.

PAR. 7. The use by the respondent of the words "Army and Navy" in connection with its corporate name, in its advertisements and circulars, as above described, had and has the tendency and capacity to, and did and does, in fact, mislead and deceive members of the purchasing public into the false impressions and beliefs as set forth in paragraph 6 hereof.

PAR. 8. The use of the words "Army and Navy" in connection with the corporate name, circulars, and advertisements of the respondent, has caused and causes a diversion of trade from competitors of the respondent who offer to sell merchandise identical with the bulk of the inventory of the respondent and procured from the same source, i. e., the ordinary marts of trade, but who do not make use of such misleading and deceptive practice, and has caused and now causes substantial injury to substantial competition within the District of Columbia.

CONCLUSION

The practice of the respondent, doing business under the above-mentioned corporate name and using such corporate name in circulars, trade journals, and other advertising matter, under the conditions and circumstances described in the foregoing findings, were and are to the prejudice and injury of competitors of the respondent and were and are to the prejudice and injury of the public, and were and are unfair methods of competition in commerce and constitute a violation of the provisions of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission on the complaint of the Commission, the answer of the respondent, the testimony taken, and the brief filed in behalf of the Federal Trade Commission herein, and oral argument of counsel for the Federal Trade Commission, and the Commission having made its findings as to the facts and conclusion that the respondent American Army and Navy Stores, Inc., has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a

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Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That the respondent American Army and Navy Stores, Inc., in connection with the conduct of its mercantile establishment within the District of Columbia, cease and desist from:

(1) Using in connection with its corporate name the words "Army and Navy" or either of them.

(2) Advertising or causing to be advertised in any circulars, trade journals, daily newspapers or other periodicals the words "Army and Navy" or either of them, descriptive of or in connection with any merchandise to be sold or offered for sale to the public, unless in fact the words "Army and Navy" be used specifically in connection and conjunction with particular merchandise actually procured from the Army or Navy Department of the United States Government.

It is further ordered, That respondent shall, within 90 days after the service upon him of a copy of this order, file with the Commission a report in writing setting forth in detail the manner and form in which this order has been complied with and conformed to.

Syllabus

IN THE MATTER OF

ARMY AND NAVY TRADING COMPANY

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

Docket 2285. Complaint, Jan. 26, 1935—Decision, Nov. 26, 1935

Where a corporation, engaged in the conduct of a mercantile establishment in the city of Washington and which was organized chiefly to engage in the purchase and resale of surplus, reject and refuse goods procured from the Army and Navy Departments, and did so engage from its organization in 1922 until the year 1927, approximately—

Caused its corporate name, including the words "Army & Navy", to be displayed in large signs about its mercantile establishment and in trade journals, circulars, and advertisements in papers and other periodicals, and in said use featured such words as prominently as other portions of its name;

Facts being that while during period 1922 to 1927, 85 to 90 percent of respondent's merchandise had been procured either directly or indirectly from such Army and Navy sales, its inventory currently reflected, as did competitors', the curtailment of such offers by said departments in said latter year, and virtual cessation thereof in 1932, and ultimate absorption of such products for conduct of retail trade by said corporation and its competitors, so that by 1932, such products had decreased to approximately 15 to 18 percent of their inventory, as contrasted with aforesaid higher proportions in said earlier period;

With the result that various members of the purchasing public came to the conclusion or received the impression that goods there purchased were substantially all, if not all, procured from the Army and Navy and were of the quality and nature used by said departments and that a substantial bargain with reference to price and quality would be therein obtained, and were induced by reason thereof to make purchases from it, and with capacity and tendency thus to mislead the purchasing public, and with effect of diverting trade to it from competitors who offer to sell merchandise identical with the bulk of its inventory, similarly purchased from the ordinary marts of trade, without the use of such misleading and deceptive practice, and of causing substantial injury to substantial competition in the District of Columbia:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice and injury of competitors and the public and constituted unfair methods of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. S. Brogdyne Teu, II, and *Mr. Alden S. Bradley* for the Commission.

Mr. Joseph B. Stein, of Washington, D. C., for respondent.

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COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that Army and Navy Trading Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Said respondent, Army and Navy Trading Company, is a corporation organized and existing by virtue of the laws of the State of Maryland, having its principal office and place of business located in the city of Washington, in the District of Columbia, and has been, for more than one year past, engaged in the sale and distribution of general merchandise within the said District of Columbia. Said respondent sold, and has caused and still causes the said articles of merchandise in which he deals to be sold and transported from his place of business to various purchasers located at various points in the said District of Columbia.

In the course and conduct of his said business, respondent is in competition with other individuals, partnerships, and corporations engaged in the sale and transportation of like merchandise in the District of Columbia.

PAR. 2. For more than one year past, said respondent has operated under the corporate name of Army and Navy Trading Company. By the representations of said corporate name purchasers are led to believe that the stock of merchandise held out to the purchasing public by said respondent was made for or purchased from the United States Army and Navy. In truth and in fact none of the stock of merchandise of said respondent is purchased from the Army and Navy. None of the merchandise is purchased at any Army and Navy surplus or refuse goods sales. The small amount of such Army and Navy goods carried by said respondent, if any, is bought from jobbers, wholesalers, and others who buy at such Army and Navy refuse goods sales. The remainder of the said respondent's stock of merchandise consists of the usual stock found generally in general merchandise establishments. It is purchased in the marts of commerce in which the general merchant buys his stock of goods, and is not purchased from the Army and Navy or from those who purchase merchandise at any Army and Navy

surplus or refuse goods sales. The said respondent is in no way connected with the Army and Navy, does not have affiliation, association, or working agreement with the Army and Navy.

PAR. 3. Said respondent, in the conduct of his business has for some time past offered to the purchasing public a man's garment, commonly known as a "windbreaker" or jacket, as "nationally advertised—genuine buckskin jacket." Such description is false and misleading in that the reader thereof believes the jacket is made of genuine buckskin. In connection with the above advertisement appears the head of a deer. In truth and in fact, the said garment has no buckskin whatsoever in it, but is made entirely of textile fabrics.

PAR. 4. There are among the competitors of said respondent referred to in paragraph 1, supra, individuals, partnerships, and corporations engaged in the sale and distribution of like and similar merchandise within the District of Columbia, Maryland, and Virginia, which said individuals, partnerships and corporations do not misrepresent their merchandise by the use of a false and misleading corporate, or trade name, or the material of which said merchandise is made.

PAR. 5. The above alleged acts and things done by respondent are all to the injury and prejudice of the public and of the competitors of respondent in interstate commerce, and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (38 Stat. 717), the Federal Trade Commission issued and served its complaint upon the respondent herein, charging it with the use of unfair methods of competition in commerce as "commerce" is defined in said act; and the respondent filed its answer to the complaint. Testimony and evidence in support of the allegations of the complaint and of the issues joined by the respondent were taken before trial examiner John W. Addison, theretofore duly assigned by the Commission for that purpose, which said testimony and evidence were reduced to writing and filed in the office of the Commission subsequent thereto. A brief on behalf of the Commission was filed

in support of the allegations of the complaint, and the respondent filed its brief in support of the material allegations of its answer.

Thereupon the cause came on for final hearing before the Commission upon the testimony and evidence as adduced by counsel for the Commission and for the respondent, and brief on behalf of the Commission and oral argument of Alden S. Bradley, trial attorney for the Commission, and the brief on behalf of the respondent and oral argument of Joseph B. Stein, attorney for the respondent.

The Commission, having duly considered the testimony and evidence, the aforesaid briefs and the aforesaid arguments, and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusions drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Army and Navy Trading Company, is a corporation organized and existing under the laws of the State of Maryland, by charter issue under such authority in the year 1922, and has, since the beginning of its corporate existence maintained and now does maintain, its principal place of business in the city of Washington, in the District of Columbia, and, since the beginning of its corporate existence, has done and now does business in the District of Columbia, in the city of Washington.

PAR. 2. Respondent was organized chiefly for the purpose of engaging in, and has engaged in, the purchase and resale of surplus, reject, and refuse goods to be procured from the Army and Navy Departments of the United States Government, and from the date of the organization of respondent until the year 1927, or thereabout, between 85 and 90 percent of the merchandise offered for sale by the respondent had been procured from the Army or Navy Department of the United States, either directly or indirectly, by the respondent.

PAR. 3. Respondent engaged in the business related in the paragraph last above at a time when the condition of the market afforded opportunity to secure large lots of various kinds of merchandise actually sold by the Army and Navy Departments of the Government of the United States and the respondent did make substantial purchases of such lots and maintained, as long as the market permitted, a large majority of his total inventory in such goods. The later proportionate decrease in his inventory was in consonance with the decrease in the availability of such goods. Respondent continuously advertised its corporate name in connection with advertisements of sales of its merchandise and established a substantial trade value in connection with such corporate name.

PAR. 4. During the year 1927, or thereabout, the Army and Navy Departments of the United States Government began sharply to curtail the quantity of goods theretofore offered by them annually in the open market, until, since the year 1932, virtually no goods of any description have been so offered.

The goods formerly offered by the Army and Navy Departments of the United States Government were ultimately absorbed for the purpose of the conduct of a retail trade by the respondent and various other persons, copartnerships, and corporations engaged in the conduct of mercantile establishments approximately identical with the one herein described as having been conducted by the respondent.

The inventory of the respondent as well as the inventories of its competitors last above referred to, reflect the condition of the withdrawal from the market of surplus, refuse and reject goods of the Army and Navy Departments of the United States Government by decrease of the quantity of such goods in their inventories from approximately 85 to 90 percent in the year 1927 to approximately 15 to 18 percent in the year 1932.

There are no goods now being offered, nor, since the year 1932, has there been any substantial amount of goods offered by the Army or Navy Department of the United States Government.

PAR. 5. The respondent causes its corporate name to be displayed in large signs about its mercantile establishment, in trade journals, in circulars, and in advertisements appearing in the daily newspapers and other periodicals, with the words "Army & Navy", or "Army and Navy" featured therein as prominently as other portions of its corporate name.

PAR. 6. Various members of the purchasing public, upon observing the use of the words "Army & Navy", or "Army and Navy", in connection with the corporate name of the respondent and in its circulars and advertisements as hereinabove stated, have formed the conclusion or received the impression or belief, from the use of such words, that the goods to be purchased in said store were substantially all, if not all, procured from the Army and Navy Departments of the United States Government; that the goods were of the quality and nature used by said Departments; that a substantial bargain with reference to price and quality would be obtained in such store; and a substantial number of such members of the purchasing public have been induced, by virtue of such belief or impression, to make purchases of and from the respondent.

PAR. 7. The use by respondent of the words "Army & Navy", or "Army and Navy", in connection with its corporate name and in its advertisements and circulars, as above described, had and has the

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tendency and capacity to, and did and does, in fact, mislead and deceive members of the purchasing public into the false impressions and beliefs as set forth in paragraph 6 hereof.

PAR. 8. The use of the words "Army & Navy", or "Army and Navy", in connection with the corporate name, circulars and advertisements of the respondent, has caused and causes a diversion of trade from competitors of the respondent who offer to sell merchandise identical with the bulk of the inventory of the respondent and procured from the same source, i. e., the ordinary marts of trade, but who do not make use of such misleading and deceptive practice, and has caused and now causes substantial injury to substantial competition within the District of Columbia.

CONCLUSION

The practice of the respondent, doing business under the above-mentioned corporate name and using such corporate name in circulars, trade journals, and other advertising matter, under the conditions and circumstances described in the foregoing findings, were and are to the prejudice and injury of competitors of the respondent and were and are to the prejudice and injury of the public, and were and are unfair methods of competition in commerce and constitute a violation of the provisions of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission on the complaint of the Commission, the answer of the respondent, the testimony taken, and the brief filed in behalf of the Federal Trade Commission herein, and oral argument of counsel for the Federal Trade Commission, and the Commission having made its findings as to the facts and conclusion that the respondent Army and Navy Trading Company has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That the respondent Army and Navy Trading Company in connection with the conduct of its mercantile establishment within the District of Columbia, cease and desist from:

(1) Using in connection with its corporate name the words "Army and Navy" or either of them.

(2) Advertising or causing to be advertised in any circulars, trade journals, daily newspapers, or other periodicals the words "Army and Navy" or either of them, descriptive of or in connection with any merchandise to be sold or offered for sale to the public, unless in fact the words "Army and Navy" be used specifically in connection and conjunction with particular merchandise actually procured from the Army or Navy Department of the United States Government.

Provided, however, That for a period of two years from the date of the service of this order upon respondent, the respondent shall be permitted to use in connection with such corporate or trade name as it might assume the words:

Formerly Army and Navy Trading Company

It is further ordered, That respondent shall, within 90 days after the service upon him of a copy of this order, file with the Commission a report in writing setting forth in detail the manner and form in which this order has been complied with and conformed to.

And it is further ordered, That respondent shall, within 24 months after the service upon him of a copy of this order, file with the Commission a report in writing setting forth in detail the manner and form in which this order has been complied with and conformed to.

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IN THE MATTER OF
THE BILLINGS-CHAPIN COMPANY

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

Docket 1733. Complaint, Dec. 14, 1929—Decision, Nov. 27, 1935

Where a corporation, engaged in the manufacture of paints, with an annual business normally amounting to about \$1,000,000 a year, and selling its product principally in cans or containers of 1-gallon capacity or less for display as shelf goods in stores, and distributing its output, between 90 and 95 percent of which was disposed of at retail and consumed by the purchasing public in painting inside and outside of dwellings, etc., and on yachts, steamships, and fishing boats, through various large wholesalers and some nine hundred retail stores scattered throughout the United States, but primarily east of the Mississippi—

- (a) Conspicuously displayed the letters "U. S. N." or, later, "U. S.", on the labels of its deck paint and various other brands, representing normally between 60 and 70 percent of its total business, printed in white letters larger than any other wording on the container and on a navy blue background, and which resembled, in the striking color combination involved, official colors of the Navy, and depicted thereon the battleship *Maine*, first with, and later without, name "Maine";
- (b) Distributed large advertising display placards for paint store counters and windows which frequently depicted enlarged cans of its said paint in color, bearing the designation "U. S. N. Deck Paint" or "U. S. Deck Paint" in letters 2 inches or more high, above a battleship at sea, together with sea scenes and pictures of ship's officers in uniform, about two-thirds life size, on duty on the bridge of a vessel, in uniform very similar to that used by naval officers and in close proximity to a legend, in letters over 2 inches high, reading "U. S. Deck Paint for Sea-Swept Decks and Well Kept Homes", and in another sea scene set forth under caption "Sea Tried" and over words "The Commodore", the statement "For more than thirty years I've seen U. S. N. Deck Paint give unfailing service on ships. I recommend it for your home"; and
- (c) Reproduced, in its advertising in magazines, newspapers, circulars, etc., its said labels, both plain and in said color combination of white and navy blue, but stressing, in all cases, letters "U. S." or "U. S. N." over picture of a battleship, and frequently depicting the ocean, ships, and ships' officers in uniform, together with statements emphasizing product's successful use on vessels, such as "Sea Tried for Fine Homes", "Paint Good for Ships is Better for Homes", "U. S. Deck Paint—the famous sea tried paint is adaptable alike for outside painting, inside painting," etc.;

The facts being that while its said paint had been used on seagoing vessels for many years, it had never been used or tried upon ships of the United States Navy or Government, and it was not made for or in accordance with or in conformity with requirements, formulae, directions, or instructions of said Navy or Government, and had not been regularly used, adopted, approved, or tested thereby; said product differed in composition from that

used or made in accordance with the formulae, specifications, or standards of the Navy or Government, in that, among other things, it contained a greater proportion of added "inert" pigment than was required or permitted in the Navy or Government specifications, and which was cheaper and bulkier than such standard pigments as white lead, zinc or titanox, and substantially decreased the raw material cost for its product as compared with that made in accordance with official Navy specifications;

With effect of misleading and deceiving substantial numbers of the purchasing public into the erroneous belief that said paints and varnishes had been made for or in accordance with specifications, formulae, directions, or requirements of the Navy or Government or had been approved, adopted, used or tested thereby on ships or on Government property and were of equal quality with paints and varnishes so approved, adopted, or used, and with capacity and tendency so to mislead and deceive, and effect of causing certain of the purchasing public to buy its said products by reason of such erroneous beliefs, and of unfairly diverting trade from and otherwise injuring the business of its competitors, and with capacity and tendency so to do:

Held, That such false, misleading and deceptive acts and practices, under the circumstances set forth, were to the prejudice and injury of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Bennett*, trial examiner.

Mr. Henry Miller and *Mr. James M. Hammond* for the Commission.

Baker, Hostetler, Sidlo & Patterson and *Garfield, Cross, Daoust, Baldwin & Vrooman*, of Cleveland, Ohio, for respondent.

COMPLAINT

The Federal Trade Commission, having reason to believe from a preliminary investigation made by it that The Billings-Chapin Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce in violation of the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", and it appearing to the Commission that proceeding by it in respect thereof would be to the interest of the public, issues this its complaint and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, The Billings-Chapin Company, is a corporation organized and existing under and by virtue of the laws of the State of Ohio having, at all times herein mentioned, its principal office and place of business in the city of Cleveland, in said State, and branch offices and warehouses in the cities of Boston, Mass., and New York, N. Y. It is engaged in carrying on the business of manufacturing, selling, and distributing in large and substantial quantities to dealers, users, and consumers of the purchasing

public of the United States certain paints and varnish to which it applies as the respective brand names and designations thereof the several phrases, "U. S. N. Deck Paint", "U. S. Deck Paint", "U. S. N. Armor Paint", "U. S. Armor Paint", "U. S. N. Marine Green Paint", "U. S. Marine Green Paint", "U. S. N. Marine White Paint", "U. S. Marine White Paint", "U. S. N. Marine Tints", "U. S. Marine Tints", "U. S. N. Varnish", and "U. S. Varnish." Said business is and for more than three years last past has been conducted by respondent as follows:

Respondent packs said products in commercial paint and varnish containers of graduated sizes and affixes to each container its own labels, in which containers and under which labels said products are marketed by said respondent and by dealers to the purchasing public in the several States. Respondent offers for sale and sells said paints and varnish to dealers, users, and consumers throughout the United States (a) through and by means of its officers, salesmen, and agents whom it employs to solicit purchase orders for said products from its customers and prospective customers, (b) also through and by means of advertisements of said paints and varnish published by it from time to time in newspapers, magazines, trade journals, and other publications circulating among the trade and consuming public throughout the United States and in various sections thereof; and (c) through and by means of certain trade promotional literature such as catalogs, color cards, pamphlets, letters, and other written communications which it sends from time to time from its place of business in Cleveland, Ohio, Boston, Mass., and New York, N. Y., to its customers and prospective customers located respectively in the several States of the United States. As a result of and in response to said offering for sale and solicitation many sales of said products are regularly and continuously made by respondent to a large and substantial number of dealers, users, and consumers throughout the United States, who in purchasing from respondent said paints and varnishes send and transmit by mail and otherwise among the States their several purchase orders therefor to respondent at its aforesaid places of business.

Pursuant to said purchase orders and to consummate the sale and distribution of its products respondent causes the several lots or parcels of said paints and varnish so ordered and sold to be shipped and transported between different States from its places of business in Cleveland, Ohio, Boston, Mass., and New York, N. Y., into States other than the States in which such shipments originated respectively, and to be delivered to the respective purchasers thereof in such other States. In the sale and distribution of its paints and

varnish respondent is and for more than three years last past has been engaged in interstate commerce and in direct active competition with many individuals, partnerships, and other corporations also engaged in the sale and distribution of paints and varnish in commerce among the several States of the United States.

PAR. 2. In the course and conduct of its business and in promoting, and furthering the sale and distribution of its paints and varnish, as set forth in paragraph 1 hereof, respondent has for more than one year last past:

(1) Caused and continues to cause said paints and varnish to be advertised, represented, described, offered for sale and sold, by its officers, agents, salesmen and in and through its aforesaid advertising matter and trade promotional literature, as and for, respectively, "U. S. N. Deck Paint", "U. S. Deck Paint", "U. S. N. Armor Paint", "U. S. Armor Paint", "U. S. N. Marine Green Paint", "U. S. Marine Green Paint", "U. S. N. Marine White Paint", "U. S. Marine White Paint", "U. S. N. Marine Tints", "U. S. Marine Tints", "U. S. N. Varnish", and "U. S. Varnish".

(2) Caused and continues to cause aforesaid phrases containing the letters "U. S. N." and "U. S." to be used as the respective brand names and designations of said paints and varnish, and to be set forth severally as such, in its aforesaid advertising matter and trade promotional literature and on said labels affixed to the containers in which said paints and varnish are marketed by respondent and by dealers to the purchasing public.

(3) Caused and continues to cause said letters "U. S. N." and "U. S." of said names, wherever appearing in said labels, advertising matter, and trade promotional literature, to be set forth predominantly and to be printed in letters larger and more conspicuous than the words in said names and in the text used in conjunction therewith.

(4) Caused and continues to cause a depiction of a United States battleship to be prominently and conspicuously displayed in conjunction with said letters, "U. S. N." and "U. S." in said advertising matter, trade promotional literature, and upon said labels under which said paints and varnish are marketed as above set forth.

(5) Caused and continues to cause the letters and words and the depiction of said battleship which appear on said labels to be printed in white on a navy blue field, which colors of white and blue are symbolic and emblematic of the United States Navy.

(6) Caused and continues to cause facsimiles of said labels in the colors of navy blue and white to be set forth in said advertising matter and trade promotional literature.

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(7) Caused and continues to cause said paints and varnish to be further represented, described, and advertised, by its officers, salesmen, agents, and in its aforesaid advertising matter and trade promotional literature, as "Sea tried" and as "The sea-roving paint that came home", and as having been manufactured for, successfully tested and used on the decks and other parts of ships which encounter and are subjected to salt water atmosphere and the severe and varying weather conditions of the arctic and tropical regions of the oceans.

(8) Caused and continues to cause to be set forth in its aforesaid advertising matter and trade promotional literature, and as pertaining to said paints and varnish, certain depictions of marine scenes such as (a) pictures of a ship's officer in uniform on the deck of a sea-going vessel, and (b) pictures of ships at sea and in or approaching harbor.

PAR. 3. Said letters "U. S. N." and "U. S." are abbreviations and insignia of the United States Navy and of the United States; and they are and at all times herein mentioned have been understood and recognized by the purchasing public of the United States as signifying and indicating respectively the United States Navy and the United States Government.

PAR. 4. Said paints and varnish manufactured and sold by respondent under the representations, descriptions and names set forth in paragraphs 1 and 2 hereof were not and are not manufactured for nor in accordance with or conformity to requirements, formulae, specifications, directions, or instructions of the United States Navy or of the United States Government; nor have said paints and varnish been used, adopted, approved, or tested by the United States Navy or by the United States Government as deck paint or varnish or for any marine or other uses.

PAR. 5. Said paints and varnishes of respondent differ in constituent ingredients from, and are inferior in quality to, paints and varnish manufactured in accordance with the specification or requirements of the United States Navy or the United States Government for use on ships or for other uses.

PAR. 6. Respondent's use of said letters "U. S. N." and "U. S." in advertising, representing, describing, and branding its paints and varnish, as hereinbefore set forth, is false, misleading, and deceptive, and is calculated to have and has the capacity and tendency to and does mislead and deceive substantial numbers of the purchasing public into, and to cause them to purchase said products in and because of, the erroneous beliefs that said paints and varnish have been manufactured for or in accordance with, or in conformity to, specifi-

cations, formulae, directions, instructions, or requirements of the United States Navy or of the United States Government, or that said paints and varnish have been approved, adopted, used, or tested by the United States Navy or by the United States Government on ships or on other Government property, and is of equal quality with paints and varnish which has been so approved, adopted, or used.

PAR. 7. The above-alleged false, misleading, and deceptive acts and practices of respondent under the circumstances and conditions hereinabove set forth have the capacity, tendency, and effect of unfairly diverting trade from and otherwise injuring the business of respondent's competitors, are to the prejudice and injury of the public and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on December 14, 1929, issued and served its complaint in this proceeding upon the Billings-Chapin Company, a corporation, respondent herein, charging it with the use of unfair methods of competition in commerce, in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answer thereto, testimony and evidence, in support of the allegations of said complaint and in opposition thereto, were introduced before John W. Bennett, an examiner of said Commission, theretofore duly designated by the Commission, by Henry Miller, and James M. Hammond, attorneys for the Commission, and by Baker, Hostetler, Sidlo, and Patterson, and by Garfield, Cross, Daoust, Baldwin, and Vrooman, attorneys for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, briefs in support of the complaint and in defense thereto, and the oral argument of counsel aforesaid; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Billings-Chapin Company, is a corporation, organized and existing under and by virtue of the laws of the State of Ohio, having at all times herein maintained its office, factory and principal place of business in the city of Cleveland, in that State, with branch offices and warehouses in the cities of Boston, Mass., and New York, N. Y. The business of respondent was initiated by a predecessor in interest in 1879. After several changes of name, it was finally organized in 1899 as the Billings-Chapin Company, the respondent herein.

Respondent is now, and for many years prior thereto; has been engaged in the manufacture, sale, and distribution in commerce among the various States of the United States, of paints, varnishes, and paint products. Respondent Billings-Chapin Company causes merchandise sold by it to be transported from points of origin at its factory and warehouse at Cleveland, Ohio, and from its branch warehouses at Boston, Mass., and New York, N. Y., through and to various other States of the United States to the respective purchasers thereof and, in the course and conduct of its business, respondent has been and is now in active competition with our corporations, partnerships, and individuals engaged in the similar sale and distribution of paints, varnishes, and paint products in commerce in, between, and among the several States of the United States and in the District of Columbia.

The business of respondent results from sales negotiated through the medium of salesmen and agents and through and as a result of advertisements of its said paints, varnishes, and paint products inserted from time to time in newspapers, magazines, trade journals, and other publications having general circulation among the trade and the consuming public throughout the United States. In furtherance of its sales respondent company also distributes through its main and branch offices to customers and prospective customers located in the several States of the United States, trade promotional literature including catalogs, color cards, pamphlets, letters, and other written communications. Dealers to whom the respondent sells its products, in turn offer them for sale and sell the same to the general purchasing public.

Respondent packs its paint and varnish products in containers of graduated sizes, running from half-pints to barrels, but principally in cans of 1 gallon or less capacity for display as shelf goods in stores. Respondent affixes its labels to such containers, sometimes by lithographing of the same direct on the cans, and at other times by the use of paper labels affixed thereto.

Respondent manufactures and sells large quantities of the paints and varnishes in question and its business normally amounts to approximately \$1,000,000 per year. The brands in question, described in paragraph 3 hereof, normally amount to between 60 and 70 percent of its total business. In addition to its two branches at New York and Boston, its paint output is handled by various large wholesalers and some 900 retail stores scattered throughout the United States but primarily east of the Mississippi River. Between 90 and 95 percent of respondent's product is disposed of at retail and is consumed by the purchasing public in this manner. It is used in painting the outside and inside of dwellings, porches, floors, porch furniture, woodwork, etc.; in fact, for almost any type of painting, both inside or outside, which the average member of the public might desire. It is also used extensively on yachts, steamships, and fishing boats but, as hereinafter shown, not on United States Navy vessels.

PAR. 2. For many years prior to 1912 a corporation known as Billings, King & Company, engaged in the paint and varnish business, operating out of New York City and Boston. In the year 1892 Billings, King & Company requested respondent to make for it the highest grade porch and deck paint respondent could produce. Respondent submitted samples of such paint which were acceptable and Billings, King & Company proceeded to market the paint. At that time Billings, King & Company was selling material to the Brooklyn Navy Yard where the battleship "*Maine*" was being built. The vice president of Billings, King & Company conceived the idea of calling this paint "U. S. N. Deck Paint". The Brooklyn Navy Yard, thereupon furnished the vice president of Billings, King & Company with an architect's drawing of the "*Maine*" to go on the label. This was the manner in which the label for this paint originated. There is no evidence that this paint was ever used on the battleship "*Maine*".

On October 10, 1906, Billings, King & Company of New York and Boston, Mass., made application to the United States Patent Office for the registration of a trade mark for paints and varnishes. The trade mark in question consisted of a drawing of a two-funneled, three-masted ship of the general design of a battleship, having masts built to resemble fighting tops, a right forward gun turret being visible, but with its rigging lines shaded so as to resemble or give the aspect of sails. The design, as registered, did not show any name on the side of the vessel, either on bow or stern. The application for registration was approved and the trade mark was registered at the United States Patent Office on February 12, 1907. Billings, King

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& Company, it appears, thereafter added the name "*Maine*" to the picture of this vessel as used on its labels. Some twenty years later Billings, King & Company encountered financial difficulties and offered respondent a controlling interest in its business, which respondent decided to buy. Respondent thereupon invested a considerable sum of money in this venture, at first apprehensively, eventually managing to put the purchased property on its feet. Subsequent to purchasing this property, respondent had renewed at the Patent Office, as successor in interest to the Billings, King & Company, the paint and varnish design of the ship or war vessel which had originally been registered in the name of Billings, King & Company. The latter company went out of business following its purchase by respondent. The trade mark rights and property of Billings, King & Company passed to respondent company as a result of the latter acquiring and taking over the former company.

Respondent, having bought out the company which had been selling respondent's goods in the east, decided to introduce such goods in the west. Respondent thereupon adopted Billings, King & Company's "U. S. N. Deck Paint" label in connection with this plan and purpose.

Under date of May 12, 1919, respondent, The Billings-Chapin Company filed a petition with the United States Patent Office, requesting registration for a trade mark for paints and painters materials, said mark consisting of the letters or legend:

"U. S. N."

It was recited in respondent's petition that this trade mark has been used continuously in the business of the corporation since 1912, having been applied or affixed to respondent's goods by stamping or painting it directly on packages containing such goods.

Under date of June 6, 1919, an examiner of the Patent Office refused registration of the "U. S. N." mark for the following stated reason:

Registration is refused the letters "U. S. N." on the ground that they are a simulation of public insignia, being used by the Government to indicate the United States Navy.

Under date of September 16, 1919, The Billings-Chapin Company was again advised by an examiner of the Patent Office:

Registration is again refused for the reason of record. The marks cited by the applicant cannot be considered as including insignia of the United States.

The above ruling was reaffirmed by the Patent Office under date of November 1, 1919, in reply to a letter of October 22, 1919, from The

Billings-Chapin Company, the Patent Office again calling attention to the fact that to use the mark "U. S. N." on deck paint, which at once connects it with ships, would be deceptive, saying:

It is commonly recognized that paint looms large in the construction and upkeep of the Navy. That the public recognizes even its color to be a matter of interest and importance, is shown by the general use in various lines of merchandise of the term "Battleship Grey" to designate colors approaching that of the paint used by the Navy. To use the mark "U. S. N." on deck paint, which at once connects it with ships, would be to deceive the purchaser with the idea that this particular paint has the approval of the naval authorities or is used by them upon the ships of the Navy. It is accordingly held to be against public policy to sanction the use of this insignia for such purpose or with such effect. * * *

Under date of December 28, 1919, The Billings-Chapin Company appealed this decision to the Commissioner of Patents.

Under date of June 16, 1920, the Patent Office acted on the appeal, holding that the prior refusal of registration was proper.

The above comprises, briefly, the history of the two marks, the one as to the vessel granted registration, and the other as to the mark "U. S. N." refused registration, which form the basis of the trade marks and labels involved in this proceeding. It is considered advisable to remark, in passing, however, that the mere fact the Commissioner of Patents allowed the registration of a trade mark would not be available as the basis for a defense to a charge of improper or deceptive use of such a mark in interstate commerce.

PAR. 3. Respondent company, in connection with the sale of its products in various States, sells, manufactures, and distributes and has manufactured and sold and distributed, several lines and brands of paints known, described, and designated as follows:

"U. S. N. Deck Paint" or "U. S. Deck Paint";

"U. S. N. Marine Green" or "U. S. Marine Green";

"U. S. N. Marine White and Tints" or "U. S. Marine White and Tints";

"U. S. N. Armor Paint" or "U. S. Armor Paint";

"U. S. N. Deck Varnish" or "U. S. Deck Varnish";

"U. S. Marine Varnish";

"U. S. Deck Enamel".

Each of these lines or brands of paint has comprised and included many different shades and colors, thereby offering a wide range of selection to the public. The respondent manufactures and sells other lines or brands of paints, varnishes or paint products which are not marked, branded or labeled as next above stated and are not covered by or involved in this proceeding.

PAR. 4. The so-called "U. S. N. Deck Paint" line of respondent, first made in 1892, was later expanded, from time to time, to include all the other lines of paints and varnishes referred to in paragraph 3 hereof.

For many years all of respondent's labels on the lines of paint and varnish referred to herein featured the letters "U. S. N.", as more particularly described hereinafter, printed in white letters larger than any other wording on the container, on a Navy blue background over a picture of the battleship "*Maine*", and after 1930, over the picture of the same ship, unnamed and as registered at the United States Patent Office. No name appeared on this picture as originally trade-marked, as hereinbefore shown, but as used by respondent on its labels prior to the gradual change of its "U. S. N." brand to "U. S." in 1929 and 1930, it carried the name "*Maine*" on its bow.

The paints now in use are not the same as those used when the "*Maine*" was built, as titanox, one of respondent's most commonly used pigments, was not invented until about 1910, and was not available in commercial quantities for seven or eight years later.

PAR. 5. The Navy Department, through its Bureau of Construction and Repair, notified the respondent that it was possibly misleading the public by the use of the letters "U. S. N." on its paint by letter dated June 19, 1922, as follows:

The Bureau has received your letter of May 13, 1922, in answer to its letter of May 11, 1922, regarding the use of the letters "U. S. N." as applied to deck paint and deck varnish as manufactured by you, and notes that you have advertised your goods under this brand for more than 30 years.

In connection with the inquiry contained in the last paragraph of your letter as to whether there is any objection on the part of the Navy to the use of these letters as descriptive of your materials, the Bureau suggests they are possibly misleading to the public, creating the impression that the goods are identical with materials of this nature used by the Navy.

PAR. 6. Respondent never made any attempt to inform the public that its "U. S." or "U. S. N." deck paint and its other "U. S." and "U. S. N." lines described in paragraph 3 hereof, were not the same as paint manufactured for or used by the United States Navy until 1933, at which time the following legend was placed on its paint and varnish containers:

U. S. Deck Paint should not be confused with any paint made by any department of the United States Government for it is and always has been made under our own formulae.

This legend, in some cases, was printed vertically and inconspicuously on the side of the container in letters approximately one-eighth

the size of the letters "U. S. Deck Paint" featured on the front of the can. It was not visible from a front view of the can, or as shown in the pictures of cans set out in the large cardboard displays distributed by respondent to retailers and dealers for use in windows or on counters. In other instances, it was printed in inconspicuous type at the foot of the face of the labels. Several of the witnesses called by the Commission testified they would not have observed or read this small inconspicuous legend in any event.

PAR. 7. Respondent sold its "U. S. N." lines of paint and varnish to the public for many years but in 1929, after the propriety of using that designation was brought into question by the Commission's investigation, it decided to change the designation "U. S. N." as used on its containers and in its literature, to read simply "U. S." It accordingly made an announcement to that effect in the American Paint & Oil Dealer in October 1929, stating, in part, that "as fast as our labels, sample cards and other advertising matter are set up, the new brand will appear."

Respondent did make this gradual change as announced but both types of lettering were continued in use long after the complaint in this case was served.

Concurrently with the accomplishment of this change the name "*Maine*" which had theretofore appeared on the bow of the battleship pictured on respondent's labels was also eliminated.

PAR. 8. Respondent's method of labeling its product was through the medium of the letters "U. S. N." in white on a blue background. These letters "U. S. N." were printed in very large type and were placed at the top of the label and immediately below them the picture of the battleship "*Maine*" appeared. For example, the label for its deck paint read as follows:

U. S. N.
DECK PAINT

and immediately below this a picture of the battleship "*Maine*." After dropping the letter "N" in 1929 and 1930 the deck paint label read as follows:

U. S.
DECK PAINT

together with a picture of the same ship with the word "*Maine*" deleted.

All of respondent's paints and varnishes involved herein were similarly labeled. The only difference in the wording or color design was in the name of the paint, such as "U. S. N. Marine Green", "U. S. N. Marine White and Tints", "U. S. N. Deck Varnish", etc.,

except "U. S. Deck Enamel", on which the name of the paint was printed in an orange color.

The color combination of blue and white used on all of these labels was striking to the eye and its similarity to the official colors of the Navy is shown by Commission's Exhibits 49 to 52, inclusive, being the Union Jack and the official flags or colors for an admiral, vice admiral, rear admiral, and commodore, the Secretary of War, and the President, who is commander in chief of the Navy. All of these flags represent a color combination of white on a blue background. These colors are used by high command in the Navy and have been so used throughout its history and are familiar to the public as the official colors of the Navy. The use by respondent of a similar shade of Navy blue as a background on which are printed in large letters "U. S." or "U. S. N." in white over the picture of a battleship is sufficient to impress substantial numbers of the public with the idea that respondent's products have some official naval significance. This striking color combination is carried out through respondent's promotional literature depicting the paint containers, sometimes in greatly enlarged size in actual colors.

PAR. 9. The respondent also distributes large advertising scenes on placards for display on counters and in windows of paint stores. These frequently consist of pictures of enlarged cans of paint, in color, bearing the designation "U. S. N. Deck Paint" or "U. S. Deck Paint" in letters 2 inches or more high above a battleship at sea, thus bringing them into greater prominence, and which, when flanked by sea scenes and pictures of ship's officers in uniform strikingly convey the impression of some official Naval connection with the product involved. One of these scenes depicts a ship's officer about two-thirds life size on duty on the bridge of a vessel in a uniform very similar to that used by naval officers, in close proximity with a legend in letters over 2 inches high reading: "U. S. Deck Paint for sea swept decks and well kept homes."

In another one of these larger placards is a picture of an enlarged paint can marked "U. S. N. Deck Paint." Below this is shown a sea scene with a lighthouse, a vessel at sea and bearing a picture of a ship's officer in uniform together with the following legend:

SEA TRIED

For more than 30 years I've seen U. S. N. Deck Paint give unfailing service on ships. I recommend it for your home.

The Commodore.

The rank of "Commodore" was for many years an official designation for an officer of high rank of the United States Navy.

Advertising is also done through the medium of magazines, newspapers, circulars as well as color cards, leaflets, etc. These contain reproductions of respondent's labels, both plain and with the color combination of white and Navy blue, all stressing the letters "U. S." or "U. S. N." over the picture of a battleship. In addition there are frequently shown pictures of the ocean, of ships and of ships' officers in uniform. Coupled with these pictures statements are generally made as follows:

U. S. N. Deck Paint.

Sea Tried for Fine Homes.

U. S. Deck Paint,

Paint Good for Ships

Is Better for Homes.

U. S. Deck Paint

Sea Tried for Fine Homes.

U. S. Deck Paint

For Sea Swept Decks

And Well Kept Homes.

U. S. N. Deck Paint is Sea Tried

For Fine Homes.

Paint good for ships is better for homes.

That's the U. S. Deck Paint story in a sentence.

You can rely on U. S. N. Deck Paint.

* * * To find out how good a paint can really be get acquainted with the sea-tried U. S. N. Deck Paint.

U. S. N. Deck Paint is sturdy. It defies the elements which ravage lesser paint.

U. S. Deck Paint—the famous sea tried paint is adaptable alike for outside house painting, inside painting, walls, porches, floors, woodwork, etc.

On the decks of ships U. S. N. Deck Paint first proved its claim to longer life and lasting beauty. But now its faithful service in the home exceeds by far its use on ships. * * *

Respondent's paint has been used and tested on seagoing vessels for many years. The statement of that fact, however, accompanied by the letters "U. S." or "U. S. N." in blue and white over the picture of a battleship or in the other ways hereinbefore described, has and has had, a tendency to and does create and has created the impression in the public mind that the ships on which respondent's paint has been tried, or is being used, are in fact United States Navy ships, when, as a matter of fact, respondent's paints have not been used or tried upon ships of the United States Navy or of the United States Government.

PAR. 10. The aforesaid paints and varnishes, in connection with which respondent has used said letters "U. S." and "U. S. N.", as hereinbefore described, have not been manufactured for or in accordance with, or in conformity to requirements, formulae, speci-

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fications, directions, or instructions of the United States Navy or of the United States Government, nor have said paints or varnishes been regularly used, adopted, approved or tested by the United States Navy or the United States Government as deck paint or varnish or otherwise. Respondent's said paint differs in composition from that used by or manufactured in accordance with the formulae, specifications, or standards of the United States Navy or the United States Government. One of such differences is that respondent's said paint contains and has contained a greater proportion of added "inert" pigment that is required or permitted in Navy or Government specification paint. For example, the quantity of added "inerts" contained in the solids of the six formulae of respondent's paints available to the Commission, are as follows:

Respondent's paint

Commission's exhibit number	Respondent's color number	Color or shade	Percent of solids in paint	Percent of added "inerts" in solids
58.....	Y-30.....	White.....	54	19.7
59.....	Y-15.....	Bluish Gray.....	57	33.7
60.....	Y-37.....	Light Gray.....	52.7	33.3
61.....	Y-58.....	French Gray.....	56	21.8
63.....	Y-25.....	Shamrock.....	48	55.4
63-B.....	Y-47.....	Colonial Cream.....	52.71	32.85

The same data pertaining to official United States Navy paint is as follows:

Official Navy paint

Commission's exhibit number	Type of paint	Percent of solids in paint	Percent of added "inerts" in solids
64-A.....	Light Gray Outside.....	53.81	0
64-B.....	Outside White.....	63.50	0
64-C.....	Outside Green.....	45.85	0
64-D.....	Inside White.....	67.82	0
64-E.....	Inside Green Gloss.....	41.58	0

Such "inert" material is cheaper and bulkier than such standard pigments as white lead, zinc, or titanox and for that reason the cost of raw materials per gallon of paint made in accordance with Navy or Government specifications is greater than in the case of respondent's paint. Outside white paint manufactured in accordance with official Navy specifications entails a cost for raw materials at open market prices, of \$1.11 per gallon, whereas the cost of raw materials for respondent's outside white paint, computed on the same basis, and sold under the name "U. S. Deck Paint" and "U. S. N.

Deck Paint" is \$0.95. Upon the same cost basis the official Navy outside green paint costs \$1.39 per gallon and the respondent's "Shamrock" U. S. N. deck paint costs \$1.14 per gallon.

PAR. 11. In January of 1934 the respondent company decided to abandon use of the letters "U. S." on all of its lines, it previously having dropped the letter "N", and orders were placed immediately for the necessary printing of new labels and the lithographing of new cans so that thereafter, or as soon as the current supply of cans and labels were exhausted, the respondent's labels would all read:

BILLINGS-CHAPIN DECK PAINT

in white letters on a blue field superimposed above the picture of a ship.

Simultaneously the legend set out in paragraph 5 hereof was likewise dropped. Respondent's factory superintendent estimated that it would take from a year to 18 months to exhaust the old supply of "U. S." paint in the factory and warehouse on April 3, 1934. The respondent notified the Commission of this change but failed to stipulate or otherwise bind itself not to resume the relabeling of its products with the letters "U. S." or "U. S. N." in the manner herein described.

PAR. 12. Respondent's use of said letters "U. S." and "U. S. N." in advertising, representing, describing, and branding its paints and varnishes, as hereinbefore set forth, either in association with a picture of the battleship "*Maine*" or not so associated, and in association with the pictures and statements referred to in paragraph 9 hereof or not so associated, is false, misleading, and deceptive, and is calculated to, had and has the capacity and tendency to and does mislead and deceive substantial numbers of the purchasing public into the erroneous belief that said paints and varnishes have been manufactured for or in accordance with, or conformity to, specifications, formulae, directions, instructions, or requirements of the United States Navy or of the United States Government, or that said paints and varnishes have been approved, adopted, used, or tested by the United States Navy or by the United States Government on ships or on other Government property, and are of equal quality with paints and varnishes which have been so approved, adopted or used, and have caused certain of the purchasing public to purchase respondent's products by reason of such erroneous beliefs.

PAR. 13. The above-alleged false, misleading, and deceptive acts and practices of respondent under the circumstances and conditions hereinabove set forth have the capacity, tendency, and effect of unfairly diverting trade from and otherwise injuring the business of

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respondent's competitors, are to the prejudice and injury of the public and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

CONCLUSION

The practices of said respondent under the circumstances described in the foregoing findings are all to the injury and prejudice of the public and of respondent's competitors and constitute unfair methods of competition in commerce and are in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the record, including the complaint of the Commission, the answers of respondent thereto, the testimony and evidence adduced in support of the allegations of the complaint and in opposition thereto, upon the exceptions taken by counsel for respondent to the trial examiner's report upon the facts, and upon the briefs and oral arguments submitted by counsel for the Commission and for the respondent; and the Commission having made its findings as to the facts, with its conclusion that respondent has violated the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"—

It is now ordered, That the respondent, The Billings-Chapin Company, a corporation, its officers, agents, directors, representatives, and employees, in connection with the offering for sale, sale, or distribution in interstate commerce of any paint, enamel, or varnish products, do cease and desist:

(1) From the use of the words "United States", "United States Navy", "U. S. Navy", or the abbreviations or letters "U. S." or "U. S. N.", and from the use of any other word or words, phrases, abbreviations, letters, statements, representations, pictorial or otherwise, alone or in conjunction with any other word, words, abbreviations, or letters, to describe the aforesaid products, which import or imply that any such products of respondent are manufactured for or in conform-

ity with the formulae, specifications, or requirements of the United States Navy or the United States Government, or that any such products have been used, approved, tested, or adopted by the United States Navy or the United States Government when such is not the fact.

(2) From, directly or indirectly, using or causing to be used in advertisements, placards or in any other trade promotional literature of its aforesaid paint, enamel, or varnish products, any depiction of an officer or man, or of officers or men, in the uniform of the United States Navy or in the uniform of the United States Government or any depiction of any ship or ships of the United States Navy in such manner as to import or imply that the said products of respondent or any of them are manufactured for or in conformity with the formulae, specifications, or requirements of the United States Navy or the United States Government or that any such products have been used, approved, tested, or adopted by the United States Navy or the United States Government unless and until such is the fact.

It is further ordered, That respondent within 60 days from and after the date of the service upon it of this order shall file with the Commission a report in writing setting forth in detail the manner and form in which it is complying with the order to cease and desist as hereinbefore set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

ROSE R. SCOTT, TRADING AS KOTALKO SALES
COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2282. Complaint, Jan. 22, 1935—Decision, Nov. 27, 1935*

Where an individual, engaged in the sale and distribution of two proprietary preparations, consisting of a product to be rubbed into the scalp and over the hair, and an auxiliary soap, which it sold under the names "Kotalko" and "Kotalko Soap", respectively, to the consuming public throughout the several States—

Represented that said preparations would eliminate dandruff, stop falling hair, and grow hair on bald heads, through advertisements in newspapers and magazines, and that, as a result of use thereof, beautiful hair had replaced baldness and dandruff had entirely disappeared, through form letters, circulars, and pamphlets setting forth purported testimonials, accompanied by alleged photographs exhibiting users' fine hair, and emphasized such purported letters or testimonials as supplying proof of the results and merits of said product;

Facts being that preparations in question, as disclosed by expert testimony bearing on therapeutic uses and efficacy thereof, were not an effective remedy or cure for the various forms of alopecia, and that aforesaid representations as to the merits, functioning, or efficacy thereof were exaggerated, misleading, and unwarranted, and did not truthfully and accurately state their therapeutic value;

With tendency and capacity to confuse, mislead, and deceive members of the public into the belief that said products would eliminate dandruff, grow hair on bald heads and beautify the hair, and to induce them to buy and use the same because of such erroneous beliefs, and to divert trade to said individual from competitors engaged in the sale of treatments for hair and scalp, among whom there are those who in no wise misrepresent the efficacy or therapeutic value of their competing products, and with effect of so diverting, to the substantial injury and prejudice of such competitors:

Held, That such acts and practices were to the prejudice of the public and competitors, and constituted unfair method of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. DeWitt T. Puckett for the Commission.

Mr. J. Bond Smith and *Mr. Benjamin G. Wilkinson*, of Washington, D. C., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled, "An Act to create a Federal Trade Commission, to define its powers and

duties, and for other purposes", the Federal Trade Commission, having reason to believe that Rose R. Scott, trading as Kotalko Sales Company, hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. The respondent, Rose R. Scott, trading under the name of Kotalko Sales Company, whose principal office and place of business is at 130 West 17th Street, New York City, has been since 1933, and is now engaged in the business of advertising and selling, or causing to be sold, throughout the country, Kotalko and Kotalko Soap, a preparation advertised to produce a luxurious growth of hair on bald heads, eliminate dandruff, and stop falling hair; respondent sells, or causes to be sold, said products, through jobbers and drug stores throughout the country, to the public, and also sells said products through the United States mail, direct to the purchasing public, residing in various States of the United States. Respondent causes said commodities when so sold to be transported from its said place of business in New York City, into and through other States of the United States, to said purchasers at their respective points of location.

PAR. 2. In the course and conduct of its said business, respondent is in competition with other individuals, partnerships, and corporations engaged in compounding, selling, and distributing in interstate commerce medicinal preparations intended and used for the same general purposes for which respondent represents her said medicine to be a treatment and remedy, as hereinafter set out; such individuals and corporations have caused and do now cause their said preparations when so sold by them, to be transported through various States of the United States, into and through States other than the State of origin of the shipment thereof. Respondent has been since 1933 and is now in competition in interstate commerce in the sale of her said medical preparation with such other individuals, firms, and corporations.

PAR. 3. Respondent, in the course of her business, has offered for sale and sold a preparation represented and advertised to eliminate dandruff, stop falling hair, grow new hair on bald heads, and beautify hair. In advertisements, form letters, testimonials, and other advertising matter, respondent has represented said products to be a panacea for the aforementioned ailments of the scalp and hair.

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PAR. 4. In truth and in fact, said preparation will not cure dandruff, nor prevent the loss of hair; neither will it stimulate the roots of the hair nor produce a luxuriant growth of hair. Most of the claims in the advertising and testimonials are extravagant, unwarranted, and misleading.

PAR. 5. The representations of respondent have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that her said preparation is a remedy and competent and adequate for the ailments which it is advertised and recommended by respondent to cure; to induce them to buy and use the same, because of such erroneous belief, so engendered; such representations divert trade to respondent from legitimate competitors who truthfully advertise similar preparations and who are engaged in the sale in interstate commerce of preparations intended for and used for the ailments of the human body for which respondent represents her said preparation to be a remedy and competent and adequate treatment, as aforesaid.

PAR. 6. The above alleged acts and practices of respondent are all to the prejudice of the public and respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provision of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on January 22, 1935, issued and served its complaint in this proceeding upon respondent Rose R. Scott, trading as Kotalko Sales Company, charging her with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint, and the filing of respondent's answer thereto, testimony and evidence in support of the allegations of said complaint were introduced by DeWitt T. Puckett, attorney for the Commission, before John W. Addison, an examiner of the Commission, theretofore duly designated by it, and in defense of the allegations of the complaint by J. Bond Smith, attorney for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, briefs in support of the complaint and in

defense thereto, and the oral arguments of counsel aforesaid; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Rose R. Scott, is an individual trading as Kotalko Sales Company. Her principal office and place of business is at 130 West 17th Street, New York City. Respondent now is and has been, since 1933, engaged in the sale and distribution in interstate commerce of Kotalko and Kotalko Soap, proprietary preparations for the hair and scalp, to the purchasing and consuming public throughout the several States of the United States, and causes the said products, when so sold, to be transported from her place of business in New York City through and into other States of the United States to her said vendees at their respective points of location. In the course and conduct of her said business, respondent is in competition with other individuals and with firms, partnerships and corporations engaged in the sale and distribution of similar products in commerce between and among the various States in the United States.

PAR. 2. Kotalko is prepared and sold by respondent in liquid and solid form. The product includes the following ingredients:

Pilocarpine Hydrochloride	Oil Camphor—Sassy
Resorcine	Sulphur (resublimed)
Oleoresin Capsicum Solution	Petrolatum—dark green
Bear Oil	Petrolatum—light amber
Castor Oil	Paraffine

Kotalko Soap is advertised and sold by respondent as an auxiliary to Kotalko. The instructions are to rub Kotalko into the scalp and over the hair and at intervals to shampoo the hair with Kotalko Soap.

PAR. 3. Respondent, in the course and conduct of her said business as described in paragraph 1 hereof, caused advertisements to be inserted in newspapers and magazines circulated to the purchasing public in which it was represented and implied that Kotalko and Kotalko Soap will eliminate dandruff, stop falling hair, and grow hair on bald heads.

Respondent also advertised her products through form letters, circulars and pamphlets in which appeared purported testimonials by users of Kotalko and Kotalko Soap. Accompanying said testimonials and as a part thereof appeared the alleged photographs of the said users of Kotalko exhibiting a fine suit of hair.

Some of the testimonials were to the effect that through the use of Kotalko and Kotalko Soap beautiful suits of hair had been produced on heads which formerly were bald. Others were to the effect that dandruff had entirely disappeared since the person began using Kotalko.

Some of the headlines above the testimonials were:

(a) **MILLIONS OF NEW HAIRS GROW ON SMOOTH HEADS**

Marble is beautiful when smooth and polished. And some bald heads appear to be just as smooth as marble. But who wants to have a "marble dome?" Many former smooth heads are now growing new hair. Why? Because starving hair roots are being vitalized with Kotalko and Kotalko Soap.

(b) **CONVINCE YOURSELF**

How delightful it is to possess a full growth of hair! No one knows this better than one who has new hair, after having faced the spectre of partial or complete hair loss. Therefore, what can be more convincing than letters from those who, through personal use, found a way to encourage such results through the use of Kotalko, and Kotalko Soap? Let these testimonials be your inspiration. Determine that you also will become entitled to join the enthusiastic group who recommend Kotalko, and Kotalko Soap.

(c) **WHAT MADE THEIR HAIR GROW? HERE IS THE ANSWER**

PAR. 4. Expert testimony has been taken with regard to the therapeutic uses and efficacy of respondent's products. That testimony is to the effect, and the Commission finds as a fact, that Kotalko and Kotalko Soap are not an effective remedy or cure for the various forms of alopecia. In conformity with such testimony the Commission finds that said representations of respondent in regard to the efficacy of Kotalko and Kotalko Soap are exaggerated, misleading, unwarranted in fact and that they do not truthfully and accurately state the therapeutic value thereof.

PAR. 5. Representations of respondent as aforesaid have had and do have the tendency and capacity to confuse, mislead and deceive members of the public into the erroneous belief that respondent's products, Kotalko and Kotalko Soap will eliminate dandruff, grow hair on bald heads and beautify the hair. Said representations of respondent have had and do have a tendency and capacity to induce members of the public to buy and use respondent's products because of the erroneous beliefs engendered as above set forth and to divert trade to respondent from competitors engaged in the sale in interstate commerce of treatments for the hair and scalp.

PAR. 6. There are, among the competitors of respondent, those who, in the sale of their products, in nowise misrepresent the efficacy or therapeutic value of their competing products, and respond-

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ent's acts and practices as hereinbefore set forth tend to and do divert trade to respondent from her competitors to the substantial injury and prejudice of such competitors.

CONCLUSION

The aforesaid acts and practices of respondent are to the prejudice of the public and of respondent's competitors, and under the conditions and circumstances stated in the foregoing findings, constitute unfair methods of competition in interstate commerce, and constitute a violation of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and evidence taken before John W. Addison, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, briefs filed herein, and oral arguments by DeWitt T. Puckett, counsel for the Commission, and by J. Bond Smith, counsel for the respondent, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

It is ordered, That the respondent, Rose R. Scott, her agents and employees, in connection with the advertising, offering for sale and sale in interstate commerce, or in the District of Columbia, of the preparations now designated by her as Kotalko and Kotalko Soap:

Cease and desist from representing in any manner, including by or through the use of testimonials or endorsements, that said preparations, or either of them, by whatever name or description known, will eliminate dandruff or grow hair on bald heads or that they are efficacious as treatments for the various forms of alopecia.

It is further ordered, That the respondent shall, within 60 days after service upon her of this order, file with the Commission a report in writing setting forth in detail the manner and form in which she has complied with this order.

Complaint

21 F. T. C.

IN THE MATTER OF

LOUIS DUBINOFF, TRADING AS FAMOUS PURE SILK
HOSIERY COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2297. Complaint, Feb. 14, 1935—Order, Nov. 27, 1935*

Where an individual, engaged in the sale of hosiery through salesmen who solicited and transmitted orders therefor—

- (a) Falsely represented that he owned, operated or controlled a mill or factory in which products dealt in by him were made;
- (b) Represented that he was a direct mill distributor, facts being he purchased products dealt in by him from manufacturers thereof or through their agents and from jobbers and wholesalers for resale on his own account, and was not such a distributor, but a retailer of hosiery;
- (c) Falsely represented that the hosiery offered and sold by him was "run-proof", facts being it was not run-proof as known to trade and public, meaning that a run would not occur when a thread breaks and releases a second thread with a resulting so-called "run"; and
- (d) Guaranteed his said product as "run-proof", facts being customers had at times neither received hosiery purchased nor any refund of the money paid therefor, and had returned hosiery as unsatisfactory and received no return or refund of the money paid or other hosiery in place thereof;

With capacity and tendency to mislead the purchasing public into the belief that said representations were true and into the purchase of its said product in reliance on such erroneous beliefs, and to divert trade to said individual from competitors offering and selling hosiery truthfully advertised and described, through salesmen or solicitors, mail orders and otherwise:

Held, That such practices were all to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. James M. Brinson for the Commission.

Mr. Jacob Lipman, of Newark, N. J., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Louis Dubinoff trading as Famous Pure Silk Hosiery Co., hereinafter called respondent, has been or is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent Louis Dubinoff is an individual who is now trading and for more than a year last past has been trading under the firm name and style of Famous Pure Silk Hosiery Co., with his offices and principal place of business at Newark in the State of New Jersey. He is now and for more than a year last past has been engaged in the sale of hosiery from his said place of business in, among and through the various States of the United States, by means of or through duly authorized salesmen who solicit orders for such hosiery and thereupon transmit the same to respondent at his said place of business. Thereafter respondent fills or pretends to fill such orders by transporting or causing to be transported from his said place of business into or through the several States of the United States hosiery of various kinds or sorts to the persons from whom the orders were obtained by his salesmen.

In the course and conduct of his business, respondent Louis Dubinoff has been or was at all times herein mentioned in competition with other individuals, firms, partnerships and corporations engaged in the sale and distribution of hosiery in interstate commerce.

PAR. 2. Respondent Louis Dubinoff, in the course and conduct of the business described in paragraph 1 hereof, has offered for sale and sold his hosiery through his duly authorized salesmen and solicitors, as aforesaid, by means of the following false representations and statements, to wit:

- (a) That he was a direct mill distributor;
- (b) That he owned, operated or controlled a mill or factory in which the products were made or fabricated which he sold and distributed;
- (c) That extra length stockings would be furnished without extra charge;
- (d) That the hosiery sold and distributed by him was guaranteed for a period of from three to five months;
- (e) That such hosiery was run-proof;
- (f) That such hosiery was full-fashioned;
- (g) That hosiery furnished by respondent would conform in size, color, length, and quality to orders.

In truth and in fact respondent Louis Dubinoff has not owned, controlled or operated, and does not own, control or operate any mill or factory wherein the products sold and distributed by him have been or were made or fabricated. On the contrary he purchased such products from manufacturers thereof, and from jobbers and wholesalers. He has not been and was not a direct mill dis-

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tributor, but has been and is a retailer of hosiery. He has not furnished and does not furnish extra length stockings to customers without extra charge. His products were not and have not been guaranteed; were not and have not been run-proof; and were not and have not been manufactured in whole or in part in accordance with the process used in the manufacture of "fashioned" or "full-fashioned" hosiery. His products have not been and were not such products as have been or are known to the trade and the purchasing public as "run-proof", or as "fashioned", or "full-fashioned" hosiery.

Respondent Louis Dubinoff, in addition to use of the above and foregoing false representations and statements, in offering for sale and selling his products, has used the following methods and practices, to wit:

He has filled certain orders received by him with hosiery which was of different size, color, length, or quality, or different in all such respects than hosiery ordered, and in certain instances he has failed and neglected to supply or furnish hosiery after receiving orders with deposits. He has also failed and neglected promptly in any instances, or at all in many instances, to adjust or correct orders improperly filled, or to refund money received in connection therewith.

PAR. 3. There are now and for more than a year last past have been individuals, partnerships and corporations, offering for sale and selling in commerce among and between the various States of the United States by means of salesmen, solicitors, mail orders, and otherwise, hosiery of all kinds.

PAR. 4. The aforesaid representations of respondent, described in paragraph 2 hereof, have had and have the capacity and tendency to mislead and deceive the public into the purchase of respondent's hosiery in reliance on their truthfulness, or the truthfulness of one or more of them.

Said representations of respondent have had and each of them has had the capacity and tendency to divert trade to respondent from competitors offering for sale and selling hosiery in interstate commerce.

PAR. 5. The practices of respondent, described in paragraph 2 hereof, are all to the prejudice of the public and of respondent's competitors, and have been and are unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served a complaint upon Louis Dubinoff, trading as Famous Pure Silk Hosiery Company, hereinafter called respondent, charging him with the use of unfair methods of competition in interstate commerce in violation of the provisions of said act.

Respondent Louis Dubinoff, trading as Famous Pure Silk Hosiery Company, filed his answer herein. Testimony and evidence were duly received before an examiner of the Commission theretofore duly appointed for such purpose, in support of the complaint and on behalf of respondent. Thereupon this proceeding having come on for final hearing on the record and on brief in support of complaint, respondent, having failed to submit either brief or oral argument, and the Commission having considered the record and being fully advised in the premises, finds that this proceeding is in the interest of the public and now files this its report in writing, setting forth its findings as to the facts and its conclusion drawn therefrom, as follows, to wit:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Louis Dubinoff is an individual who is now trading and for more than a year last past has been trading under the firm name and style of Famous Pure Silk Hosiery Company, with his office and principal place of business at Newark in the State of New Jersey. He is now engaged and for more than a year last past has been engaged in the sale of hosiery from his said place of business among and between the State of New Jersey and the various other States of the United States and the District of Columbia. It has been and is the practice of respondent to transport or cause to be transported hosiery from his said place of business at Newark, N. J., to purchasers in and through the various other States of the United States than the State of New Jersey.

In the course and conduct of his business respondent has been and now is in competition with individuals, partnerships and corporations offering for sale or selling hosiery in interstate commerce.

PAR. 2. It has been and is the practice of respondent to offer for sale and sell his hosiery by means of or through duly authorized salesmen who solicit orders for the hosiery and thereupon transmit the same to respondent at his said place of business. Thereafter respond-

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ent fills such orders by transporting or causing to be transported from his said place of business the hosiery of various kinds or sorts to the persons from whom the orders were obtained by his salesmen. Respondent Louis Dubinoff, in the course and conduct of the business described in paragraph 1 hereof has offered for sale and sold his hosiery through his duly authorized salesmen and solicitors, as aforesaid, by means of the following false representations and statements, to wit:

(a) That he was and is a direct mill distributor;

(b) That he owned, operated or controlled a mill or factory in which the products were made or fabricated which he sold and distributed:

(c) That the hosiery offered for sale and sold by him was and is guaranteed to be and is "run-proof."

In truth and in fact respondent Louis Dubinoff has not been, was not and is not a direct mill distributor. He has neither owned, controlled, nor operated and does not own, control or operate any mill or factory wherein the products sold and distributed by him have been or are made or fabricated. On the contrary he has purchased and continues to purchase the products sold by him from manufacturers thereof or through their agents and from jobbers and wholesalers for resale on his own account. Instead of being a direct mill distributor he has been and is a retailer of hosiery.

He has not supported or fulfilled his guaranty of the products that they are or will be "run-proof" and they have not been and are not "run-proof", as such phrase or expression is known to the trade and the purchasing public. Such understanding of the purchasing public is that a run in the stocking occurs when a thread breaks, causing the release of another thread resulting in the so-called "run", and this has been the experience of many customers who have purchased respondent's hosiery in reliance on such guaranty. The customers of respondent have at times neither received the hosiery purchased by them nor any refund of the money paid by them. Customers have returned hosiery to respondent as unsatisfactory and received no return nor refund of the money paid nor any other hosiery in its place.

PAR. 3. There are now and for more than a year last past have been individuals, partnerships and corporations offering for sale and selling in commerce among and between the various States of the United States hosiery of all kinds truthfully described by means of salesmen, solicitors, mail orders, and otherwise.

PAR. 4. The false representations of respondent described in paragraph 2 have had and have and each of them has had and has the capacity and tendency to mislead and deceive the purchasing public

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into the belief that such representations are true and into the purchase of respondent's product in reliance on such erroneous belief.

The aforesaid false representations have also had and have and each of them has had and has the capacity and tendency to divert trade to respondent from competitors mentioned in paragraph 3 hereof offering for sale or selling hosiery in interstate commerce truthfully advertised or described.

CONCLUSION

The above and foregoing practices of respondent have been and are all to the prejudice of the public and of respondent's competitors and have been and are unfair methods of competition in violation of the provisions of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon complaint of the Commission, the answer of respondent, the testimony and evidence, and the brief in support of the complaint, counsel for respondent having failed to submit brief or oral argument, and the Commission having filed its report stating its findings as to the facts and its conclusion that the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

It is now ordered, That respondent, Louis Dubinoff, trading as Famous Pure Silk Hosiery Company, or by or under any other trade name, his agents, employees and representatives, cease and desist, directly or indirectly, in connection with offering for sale or selling hosiery in interstate commerce, from representing either orally, or by means of advertisements in magazines, newspapers, or in any other written or printed matter, or by means of radio broadcasting:

(1) That he owns, controls, or operates the mill or factory in which is manufactured the hosiery offered for sale or sold by him, unless and until he does in fact own, control, or operate such mill or factory;

(2) That he is a direct mill distributor, unless he has and maintains a distributing or agency connection with or relationship to the mill or factory in which the products sold by him are manufactured other than as a purchaser of such products from the mill or factory for resale on his own account to the consuming public;

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(3) That the hosiery offered for sale or sold by him is run-proof, or, in other words, will not "run" as the term is popularly understood;

(4) That he guarantees the hosiery offered for sale or sold by him unless or until he establishes and maintains the fixed and uniform practice of promptly refunding to purchasers of stockings from him that have run the several purchase prices paid therefor by such respective purchasers.

It is further ordered, That respondent file a report in writing within 60 days from the service of this order setting forth in detail the manner and form of its compliance therewith.

Complaint

IN THE MATTER OF

X LABORATORIES, INC.

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

Docket 2564. Complaint, Sept. 30, 1935—Order, Nov. 27, 1935

Where a corporation, engaged in the manufacture, compounding and sale of a cleaning fluid designated as "X Odorless Dry Cleaner", set forth upon the labels on the containers thereof that such cleaner was "Non-injurious to any fabric or color", and represented in advertisements, pamphlets and circulars that it would remove certain types of spots from fabrics, no matter how delicate, and leave no ring on materials upon which used, facts being that use thereof on fabrics dyed with fugitive or non-fast dyes impaired and affected the colors by causing same to bleed or run, and use thereof on certain fabrics and under certain conditions resulted in appearance of a spot or ring; with capacity to mislead purchasing public by causing it to believe that said cleaner removed grease and other spots without injury to fabrics or color and induce it to buy said product in such erroneous belief, and to divert trade to it from competitors engaged in the sale of similar cleaners:

Held, That such acts and practices were each and all to the prejudice of the public and competitors and constituted unfair methods of competition.

Mr. R. L. Kennedy for the Commission.

Underwood & Kilpatrick, of Washington, D. C., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the X Laboratories, Inc., a corporation, hereinafter referred to as the respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, and states its charges in that respect as follows:

PARAGRAPH I. The respondent is a corporation, organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city of New York, N. Y., and a factory in Cambridge, Mass. Respondent is now and for more than two years last past has been engaged in the manufacture, compounding and sale of a cleaning fluid, designated as "X Odorless Dry Cleaner", and, in the distribution thereof, in commerce between and among the various States of the United

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States and the District of Columbia, causes and has caused said product, when sold, to be transported in interstate commerce from its places of business in the States of New York and Massachusetts to purchasers thereof, some located in said States, and others located in various other States in the United States and the District of Columbia.

PAR. 2. In the course and conduct of its said business, respondent is now and has been, for more than two years last past, in substantial competition with other corporations and with individuals, partnerships, and firms, engaged in the manufacture, sale, and distribution of cleaning fluids and similar products, in interstate commerce between and among the various States in the United States and the District of Columbia, used for purposes similar to the purposes for which respondent's products are used.

PAR. 3. In the course and conduct of its said business as hereinabove described, the respondent in soliciting the sale of and selling, in interstate commerce, a cleaner manufactured and sold by it under the name of "X Odorless Dry Cleaner", caused and still causes its said product to be placed in cans or containers, of half pint, pint or gallon capacity, upon each of which appears the statement that "X Odorless Dry Cleaner is absolutely non-inflammable, non-explosive and non-injurious to any fabric or color", and in advertisements, pamphlets, and circulars has stated that said cleaner will remove certain types of spots from fabrics, no matter how delicate, and that it leaves no ring on materials upon which it is used.

PAR. 4. In truth and in fact the respondent's product hereinabove described, labeled and sold by respondent is not absolutely non-injurious to any fabric or color, and said misrepresentation is false, extravagant, misleading, and deceptive. The use of said product on fabrics, dyed with certain kinds of dyes, such as non-fast dyes, does impair, harm, and affect the colors of such fabrics, by causing the same to bleed or run. The use of said product on certain fabrics, and under certain conditions or circumstances, does result in the appearance of a spot or ring on such fabrics, and in either or both of these ways such fabrics are in fact injured by the use of said product thereon.

PAR. 5. Said advertisements and labels have had and still have the tendency and capacity to mislead and deceive; do mislead and deceive, and have misled and deceived the purchasing public, by causing it to believe that respondent's cleaner removes grease spots and other spots without injury to fabric or color; and to induce the purchasing public to buy respondent's cleaner, hereinabove described, in such erroneous belief; afford retail merchants an opportunity to perpetrate a fraud on the purchasing public, have the capacity and tendency to divert, have unfairly diverted, and do unfairly divert trade to respondent from competing individuals, partnerships, and corpora-

tions engaged in the sale of like or similar cleaners in interstate commerce, who truthfully and honestly advertise and label their cleaners.

PAR. 6. The acts, practices, and representations of the respondent hereinabove set forth are all to the injury and prejudice of the public and the competitors of the respondent, in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served its complaint upon the respondent herein, X Laboratories, Incorporated, a corporation organized and doing business under and by virtue of the laws of the State of New York, and charging said respondent with the use of unfair methods of competition in commerce in violation of the provisions of said act.

Respondent, having entered its appearance and having filed its answer herein, entered into a stipulation whereby it was stipulated and agreed that a statement of facts signed and executed by respondent, by its counsel, and W. T. Kelley, chief counsel for the Federal Trade Commission, subject to the approval of the Commission, are the facts in this proceeding and shall be taken by the Federal Trade Commission as such and in lieu of testimony before the Commission in support of the charges stated in the complaint, or in opposition thereto, and that said Commission may proceed further upon said statement of facts, stating its findings as to the facts and conclusion thereon and entering its order disposing of the proceeding:

And thereupon, this proceeding came on for final hearing and the respondent, having waived the filing of briefs and the hearing of oral argument herein before the Commission, and said Commission having approved and accepted said stipulation as to the facts and having duly considered the record and being now fully advised in the premises, makes this its findings as to the facts and conclusion:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent is a corporation, organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business in the city of New York, N. Y., and a factory in Cambridge, Mass.; and respondent is now and since September 28, 1934, has been engaged in the

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manufacture, compounding and sale of a cleaning fluid designated as "X Odorless Dry Cleaner", and, in the distribution thereof, in commerce between and among the various States of the United States and the District of Columbia, causes and has caused said product, when sold, to be transported in interstate commerce from the places of business in the States of New York and Massachusetts to purchasers thereof, some located in said States, and others located in various other States in the United States and the District of Columbia.

PAR. 2. In the course and conduct of its said business, respondent is now and has been, for more than two years last past, in substantial competition with other corporations and with individuals, partnerships, and firms engaged in the manufacture, sale and distribution of cleaning fluids and similar products, in interstate commerce between and among the various States in the United States and the District of Columbia, used for purposes similar to the purposes for which respondent's products are used.

PAR. 3. In the course and conduct of its said business as hereinabove described, the respondent in soliciting the sale of and selling, in interstate commerce, a cleaner manufactured and sold by it under the name of "X Odorless Dry Cleaner", caused and still causes its said product to be placed in cans or containers, of half pint, pint or gallon capacity, upon each of which appears the statement that "X Odorless Dry Cleaner" is "Non-inflammable, non-explosive, non-injurious to any fabric or color", and in advertisements, pamphlets, and circulars has stated that said cleaner will remove certain types of spots from fabrics, no matter how delicate, and that it leaves no ring on materials upon which it is used.

PAR. 4. In truth and in fact the respondent's product hereinabove described, labeled, and sold by respondent is not absolutely non-injurious to any fabric or color; the use of said product on fabrics dyed with certain kinds of dyes, such as fugitive or non-fast dyes, does impair, harm, and affect the colors of such fabrics, by causing the same to bleed or run; the use of said product on certain fabrics, and under certain conditions or circumstances, does result in the appearance of a spot or ring on such fabrics; and in either or both of these ways such fabrics may in fact be injured by the use of said product thereon.

PAR. 5. Said advertisements and labels have had and still have the capacity to mislead the purchasing public, by causing it to believe that respondent's cleaner removes grease spots and other spots without injury to any fabric or color, and to induce the purchasing public to buy respondent's cleaner, hereinabove described, in such erroneous belief; and said advertisements have the capacity to divert

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trade to respondent from competing individuals, partnerships, and corporations engaged in the sale of like or similar cleaners in interstate commerce.

CONCLUSION

The aforesaid acts and practices of respondent, X Laboratories, Incorporated, are each and all to the prejudice of the public, and to the competitors of respondent, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been duly heard by the Federal Trade Commission upon a complaint of the Commission, the answer of the respondent, and a stipulation entered into between the respondent herein, X Laboratories, Inc., a corporation, by its counsel, H. C. Kilpatrick, and counsel for this Commission, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

Now, therefore, it is hereby ordered, That the respondent, X Laboratories, Inc., a corporation, its officers, agents, representatives, and employees, in connection with the distribution, offering for sale, and sale of X Odorless Dry Cleaner, in interstate commerce, forthwith cease and desist from:

Advertising or labeling its X Odorless Dry Cleaner as non-injurious to any fabric or color, as leaving no ring on materials upon which it is used, or as a cleaner of spots from fabrics no matter how delicate, or other statements having the same or similar meaning, or which may have the capacity or tendency to lead purchasers to the belief that the colors or fabrics of materials dyed with fugitive dyes, will not be injured by the use of said product, or that it will under no circumstances leave a ring on material on which it is used.

It is further ordered, That the respondent shall within 60 days after the service upon him of this order, file with the Commission, a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

G. H. SOEFFING AND E. H. EISLER, TRADING AS JOHN ALDEN COMPANY AND L. M. STONE, MGR.; AND VICKERY & HILL PUBLISHING CO.

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

Docket 2364. Complaint, Apr. 13, 1935—Order, Nov. 30, 1935

Where a firm, engaged in the business of operating a magazine subscription agency to solicit subscriptions, and conducting, pursuant to said purpose, and under the name of an office employee as "Mgr.", a so-called "Auto Boosters Club" or plan or scheme, which had for its purpose the procuring of subscription solicitors for the periodical in question, and which involved the giving of prizes to such solicitors on the basis of specified voting credits for subscriptions secured, in addition to the payment thereto of commissions based on subscriptions received, and acting under a contract with an individual, with whom periodical publisher concerned had theretofore separately contracted for subscription promotion, and in which later contract said publisher had had no part—

Represented, in puzzle prize advertisements directed to securing persons to solicit subscriptions for offer and sale in interstate commerce of said publisher's periodical, that mere solution of problem or puzzle entitled one solving it to a prize consisting of \$1500 in cash or choice of a Ford, Plymouth or Chevrolet automobile, that plan cost "nothing to try"—"send no money"—"\$750 cash" would be paid to the winner of first prize for being prompt, and that one must "act at once" and "rush answers" in order to qualify for the "promptness prize";

The facts being that said statements were false and fictitious, and purpose to secure solicitors for sale of magazine in question became known to contestants only after they had submitted solutions which did not entitle anyone to any prize, and no prize or other thing of value was paid by reason of any solution, or \$750 in cash for being prompt or for any other reason in connection with the solution of the puzzle:

Held, That such acts and practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. P. C. Kolinski for the Commission.

Mr. John E. Nelson, of Augusta, Me., for Vickery & Hill Publishing Co.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

the Federal Trade Commission, having reason to believe that G. H. Soeffing and E. H. Eisler, trading as John Alden Company and also as L. M. Stone, Mgr., and Vickery & Hill Publishing Company, a corporation, hereinafter called respondents, have been and are now using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, it hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondents G. H. Soeffing and E. H. Eisler, are now, and for several years last past have been copartners trading under the name and style of John Alden Company and also as L. M. Stone, Mgr., with their principal office and place of business in the city of Chicago, State of Illinois, engaged in the business of operating a magazine subscription agency for the purpose of soliciting subscriptions for magazines circulated in interstate commerce, including the magazine "Good Stories", published by respondent, Vickery & Hill Publishing Company. In the course and conduct of said business, respondents procure the services of agents, salesmen and representatives to be employed in the business of soliciting subscriptions for magazines including the magazine "Good Stories", and are in substantial competition with other individuals, partnerships and corporations engaged in commerce in the similar business of operating magazine subscription agencies.

Respondent Vickery & Hill Publishing Company is now and for several years last past has been, a corporation, organized and existing under the laws of the State of Maine, with its principal office and place of business in the city of Augusta in said State, engaged in the business of publishing and circulating in interstate commerce a magazine known as "Good Stories". Respondent causes said publication to be transported from its place of business in the city of Augusta, State of Maine, to subscribers and purchasers located in various other States and territories of the United States. In the course and conduct of its said business, respondent is in substantial competition with other individuals, corporations and partnerships likewise engaged in the publication, sale and transportation of magazines and periodicals in interstate commerce between and among the various States of the United States.

PAR. 2. It has been and is the practice of the respondents, in the course and conduct of their respective businesses described in paragraph 1 hereof, to conduct a so-called "Auto Boosters Club" for the purpose of procuring subscription solicitors and promoting the sale and circulation of "Good Stories" magazine in interstate commerce.

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The particular feature of such Auto Boosters Club has been and is a puzzle-prize form of advertising, the advertisements of which have been caused to appear in various magazines and newspapers of general circulation in the United States under the name of "L. M. Stone, Mgr.," whom respondents describe or designate as manager of the Auto Boosters Club. L. M. Stone is a fictitious person.

Said Auto Boosters Club designates an advertising and promotion campaign operated for the purpose of procuring subscriptions to the magazine "Good Stories". Prospective subscription solicitors are recruited from the readers of aforesaid puzzle-prize advertisements. A system of voting credits is devised as follows:

Each 1-year subscription at 25¢-----	250 credits
Each 2-year subscription at 50¢-----	500 credits
Each 3-year subscription at 75¢-----	750 credits
Each 4-year subscription at \$1.00-----	1,000 credits

In addition the subscription solicitors are paid a 10% commission on all subscription payments received by them. A definite contest period is fixed, and at the conclusion thereof, the votes or "credits" received by the contestants in said subscription-gathering contest are tallied and certain prizes awarded to the announced winners.

In such advertisements, respondents have made and continue to make statements and representations in reference to their prize contests, to the following effect, to wit:

That the mere solution of the problem or puzzle in the advertisement of respondents qualifies or entitles the one solving it to receive a prize consisting of \$1,500.00 in cash or choice of a Ford V8, Plymouth, or Chevrolet automobile;

That the contest does not require the sending of money—that "It costs nothing to try—you may win—who knows?"—"Send no money—answer right away—no money required"—"\$750.00 cash will be paid to the winner of first prize for being prompt"—"Not one nickel of your money is needed to win";

That one must "act at once" and "rush answers" in order to qualify for the "promptness prize".

In truth and in fact:

(a) The mere solution of the problem or puzzle in the advertisement of respondents does not qualify or entitle the one solving it to receive a prize consisting of \$1,500.00 in cash or choice of a Ford V8, Plymouth or a Chevrolet automobile, and respondents do not and have not, for the mere solution of the problem or puzzle in the advertisement, awarded a prize consisting of \$1,500.00 in cash or the choice of a Ford V8, Plymouth or Chevrolet automobile, or any other thing of value;

(b) The contest does require the sending of money by persons entering such contest;

(c) \$750.00 cash is not paid and has not been paid to any person entering such contest for being prompt or for any other reason in conjunction with the solution of the puzzle;

(d) The only means by which a person entering such contest receives any amount of money or any reward is by way of commissions made by such contestant in securing subscriptions for the respondents to the aforesaid magazine called "Good Stories."

In truth and in fact the use of the representations aforesaid is done by respondents for the purpose of securing solicitors for the sale of the aforesaid magazine "Good Stories", which fact is not disclosed by the respondents in and by the aforesaid advertisements and which fact becomes known to contestants only after they have submitted to the respondents their solutions of the problems or puzzles contained in such advertisements.

PAR. 3. The practices of respondents described in paragraph 2 hereof have had, and now have the capacity and tendency to mislead and deceive the public interested in bona fide puzzle contests, into participation in the contest conducted by respondents, in the belief that if the reader correctly solved the puzzle, he would receive the prizes offered in said advertisements; and also induce some members of the reading public to become subscription solicitors and subscribers in furtherance of respondents purposes.

Such practices of respondents have also had, and now have, the capacity and tendency to divert trade to them from competitors who have been and are now publishing, circulating and procuring subscriptions to magazines in interstate commerce by fair and truthful representations and methods. Thereby substantial injury is done to substantial competition in interstate commerce.

PAR. 4. The above acts and things done by respondents are all to the injury and prejudice of the public and competitors of respondents in interstate commerce, within the meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on April 13, 1935, issued and served its complaint in this proceeding upon respondents G. H. Soeffing and E. H. Eisler, trading as John Alden Company and also as L. M. Stone, Mgr., and Vickery & Hill Publishing Company, a corporation,

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charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint, and the filing of respondents' answer thereto (respondent Vickery & Hill Publishing Co., a corporation, filing no answer but appearing by John E. Nelson its attorney), testimony and evidence, in support of the allegations of said complaint were introduced by P. C. Kolinski, attorney for the Commission, before W. W. Sheppard, an examiner of the Commission theretofore duly designated by it, and in defense of the allegations of the complaint by John E. Nelson, attorney for respondent Vickery & Hill Publishing Co., and by respondents G. H. Soeffing and E. H. Eisler in their own behalf; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, and brief in support of the complaint; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondents G. H. Soeffing and E. H. Eisler, are now, and for several years last past have been copartners trading under the name and style of John Alden Company and also as L. M. Stone, Mgr., with their principal office and place of business in the city of Chicago, State of Illinois, engaged in the business of operating a magazine subscription agency for the purpose of soliciting subscriptions for magazines circulated in interstate commerce, including the magazine "Good Stories", published by respondent, Vickery & Hill Publishing Company. In the course and conduct of said business, respondents procure the services of agents, salesmen and representatives to be employed in the business of soliciting subscriptions for magazines including the magazine "Good Stories", and are in substantial competition with other individuals, partnerships and corporations engaged in commerce in the similar business of operating magazine subscription agencies.

Respondent Vickery & Hill Publishing Company is now and for several years last past has been a corporation, organized and existing under the laws of the State of Maine, with its principal office and place of business in the city of Augusta in said State, engaged in the business of publishing and circulating in interstate commerce a magazine known as "Good Stories". Respondent causes said publication to be transported from its place of business in the city of

Augusta, State of Maine, to subscribers and purchasers located in various other States and territories of the United States. In the course and conduct of its said business, respondent is in substantial competition with other individuals, corporations and partnerships likewise engaged in the publication, sale and transportation of magazines and periodicals in interstate commerce between and among the various States of the United States.

PAR. 2. It has been and is the practice of the respondents, in the course and conduct of their respective businesses described in paragraph 1 hereof, to conduct a so-called "Auto Boosters Club" for the purpose of procuring subscription solicitors and promoting the sale and circulation of "Good Stories" magazine in interstate commerce.

The particular feature of such Auto Boosters Club has been and is a puzzle-prize form of advertising, the advertisements of which have been caused to appear in various magazines and newspapers of general circulation in the United States under the name of "L. M. Stone, Mgr.", whom respondents describe or designate as Manager of the Auto Boosters Club. L. M. Stone is an office employee of respondents G. H. Soeffing and E. H. Eisler.

Said Auto Boosters Club designates an advertising and promotion campaign operated for the purpose of procuring subscriptions to the magazine "Good Stories". Prospective subscription solicitors are recruited from the readers of aforesaid puzzle-prize advertisements. A system of voting credits is devised as follows:

Each 1-year subscription at 25¢.....	250 credits
Each 2-year subscription at 50¢.....	500 credits
Each 3-year subscription at 75¢.....	750 credits
Each 4-year subscription at \$1.00.....	1000 credits

In addition the subscription solicitors are paid 25%, 20%, and 10% commissions on all subscription payments received by them. A definite contest period is fixed, and at the conclusion thereof, the votes or "credits" received by the contestants in said subscription-gathering contest are tallied and certain prizes awarded to the announced winners.

In such advertisements, respondents have made and continue to make statements and representations in reference to their prize contests, to the following effect, to wit:

That the mere solution of the problem or puzzle in the advertisement of respondents qualifies or entitles the one solving it to receive a prize consisting of \$1,500.00 in cash or choice of a Ford V8, Plymouth, or Chevrolet automobile;

That the contest does not require the sending of money—that "It costs nothing to try—you may win—who knows?"—"Send no money—answer right away—no money required"—"\$750.00 cash will be paid to the winner

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of first prize for being prompt"—"Not one nickel of your money is needed to win";

That one must "act at once" and "rush answers" in order to qualify for the "promptness prize."

PAR. 3. The representations set out in the advertising matter described in the preceding paragraph as to prizes and rewards for solving puzzles advertised by respondents are false and fictitious. Such representations are made for the purpose of securing solicitors for the sale of the aforesaid magazine "Good Stories", which fact becomes known to contestants only after they have submitted to respondents their solutions of the puzzles contained in such advertisements.

In truth and in fact, the mere solution of the problem or puzzle in the advertisement of respondents does not qualify or entitle the one solving it to receive a prize consisting of \$1,500 in cash or choice of a Ford V8, Plymouth, or a Chevrolet automobile, and respondents do not and have not, for the mere solution of the problem or puzzle in the advertisement, awarded a prize consisting of \$1,500 in cash or the choice of a Ford V8, Plymouth, or Chevrolet automobile, or any other thing of value. The contest does require the sending of money by persons entering such contest. \$750 cash is not paid and has not been paid to any person entering such contest for being prompt or for any other reason in conjunction with the solution of the puzzle.

PAR. 4. The only means by which a person entering such contest receives any amount of money or any reward is by way of commissions made by such contestant in securing subscriptions for the respondents to the aforesaid magazine called "Good Stories." Respondents G. H. Soeffing and E. H. Eisler, during the said contest, through the efforts of their subscription gatherers, procured 67,172 subscriptions for "Good Stories" magazine. 3,366 contestants entered the puzzle contest and engaged as subscription gatherers. The sum of \$19,649.73 was paid to respondent Vickery & Hill Publishing Co. in payment for said subscription contracts. The sum of \$7,000 was paid as commissions to compensate the services of the subscription gatherers. One Anna Warzala was determined to be the winner of the contest and entitled to receive the first prize aggregating \$3,110.00.

PAR. 5. Respondent Vickery & Hill Publishing Co. entered into a contract on August 2, 1934, with C. G. Simpson, doing business as Whitlock and Company (not incorporated) of Chicago, Ill., engaging said Simpson for the purpose of procuring subscriptions to the magazine "Good Stories", said contract authorizing C. G. Simpson to perform such services by his own activities or by the activities of such special representatives as he may select. Thereafter on September 6, 1934, said C. G. Simpson entered into a contract with respondents

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G. H. Soeffing and E. H. Eisler as his agents in the procurement of subscriptions to the magazine "Good Stories", which contract contained these provisions:

You are to produce all subscriptions in accordance with all Postal and ABC regulations, which are in effect at this time, or may be put into effect during the term of this agreement.

This agreement may be terminated by Whitlock and Company upon notice in writing if the Post Office Department, or the Federal Trade Commission or any other duly constituted Federal authority having jurisdiction, refuses Vickery and Hill Publishing Company the right to serve the subscriptions produced under this agreement in accordance with their second class mailing privilege.

Respondent Vickery & Hill Publishing Co. had no part in the contract existing between C. G. Simpson and respondents G. H. Soeffing and E. H. Eisler, and had nothing to do with advertising inserted in newspapers and magazines by them. Respondents Vickery & Hill Publishing Co. exercised ordinary care and entered into its contract with C. G. Simpson in the customary course of such business dealing.

CONCLUSION

The acts and practices of respondents G. H. Soeffing and E. H. Eisler, under the conditions and circumstances described in the foregoing findings, are to the prejudice of the public and respondents' competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes"; and the acts and practices of respondent Vickery & Hill Publishing Co., under the conditions and circumstances described in the foregoing findings, do not constitute unfair methods of competition within the intent and meaning of said act.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and evidence taken before W. W. Sheppard, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, brief filed herein, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

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It is ordered, That respondents G. H. Soeffing and E. H. Eisler, trading as John Alden Company, and L. M. Stone, manager, or trading under any other designation, their officers, agents representatives and employees, in connection with the sale of or offering for sale or distribution in interstate commerce of subscriptions for magazines, cease and desist directly or indirectly, from:

(1) Advertising puzzle contests representing in such advertisements that the mere solution of the puzzle will enable a contestant to win a prize.

(2) Advertising puzzle-prize contests with the representation that the contest does not require the sending of money by contestants.

(3) Advertising puzzle-prize contests accompanied by any representation that the advertised prizes are offered free, without the rendition of sales, solicitation, or subscription gathering services on the part of contestants.

It is further ordered, That respondents shall within 60 days after service of a copy of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with and conformed to the order to cease and desist as above set forth by the Commission.

It is further ordered, That the complaint against Vickery & Hill Publishing Co. be and the same is hereby dismissed.

Syllabus

IN THE MATTER OF

C. S. ALLEN CORPORATION AND CLAUDE S. ALLEN,
DOING BUSINESS UNDER THE TRADE NAME AND
STYLE OF LONDON TOFFEE COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2459. Complaint, June 26, 1935—Order, Nov. 30, 1935*

Where a corporation, engaged in the manufacture and sale of confectionery products, including one known as "Toffee"—

(a) Set forth on the cellophane or paper containers thereof, and on shipping boxes, and upon its letterheads and billheads sent to dealers, purchasers, customers and prospective customers in the several States, along with other matter, its corporate name, together with words "London, England; Montreal, Canada; Brooklyn, New York", notwithstanding fact it did not own, control or operate manufacturing plants, branches or selling agencies, directly or indirectly, either in London or Montreal; and

(b) Included in the legends displayed respectively upon the containers and shipping boxes, as above set forth, and upon its letterheads and billheads, the words "Famous in London since 1860", or "Famous in England since 1860", and also depicted upon said containers and shipping boxes an English "Beef Eater" uniformed guard and English castle, notwithstanding fact that said confectionery was of domestic manufacture entirely, and was not the English or other foreign-made confectionery product which had for many years enjoyed undisputed popularity, good-will and demand among the consuming public in the United States, by many of whom it was considered superior in quality and other desirable characteristics to the domestic product, and purchased in preference thereto;

With intent, tendency and capacity to mislead and deceive a substantial portion of the purchasing public and trade and induce their purchase of said product in the belief that said representations and statements as to foreign factories, branches or selling agencies and foreign source of product were true; and

Where an individual, president of said corporation and in control thereof by virtue of stock ownership, engaged under the trade name and style of "London Toffee Co.", in sale and distribution of confectionery, including said "Toffee"—

(c) Included upon the cellophane or paper containers thereof, along with the phrase "Manufactured by" and the trade name employed by him as above set forth, words "London, England; Montreal, Canada; Brooklyn, New York", notwithstanding fact that he did not manufacture said product, or own, control or operate manufacturing plants, branches or selling agencies in London, Montreal or Brooklyn, but owned his distributing and selling business in New York only; and

(d) Included in his trade name, employed as above set forth, and in trade name and designation of said product, word "London", and set forth same on individual containers of said product, together with representation of tower of House of Parliament, and displayed upon individual wrappers of

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said product words "London Toffee", notwithstanding fact product in question was entirely of domestic manufacture, and not, as aforesaid, imported; With intent, capacity and tendency to mislead and deceive a substantial portion of the purchasing public and trade and induce their purchase of product sold by said individual in reliance upon the truth of said representations and statements as to manufacture and distribution of said "London Toffee" as an imported English confection made by a concern engaged under aforesaid trade name, in London, Montreal, or Brooklyn, with factories, branches, or selling agencies in said foreign cities; and

With further capacity and tendency unfairly to divert a substantial volume of trade from competitors of said corporation and of said individual, among whom there are those who sell such confectionery products made in England and imported to the United States, and who rightfully and lawfully represent their merchandise as an imported product, and those who manufacture and sell the domestic product without in any manner representing same as made in or imported from England or other foreign country, and with effect of so diverting, and of inducing sale of substantial quantities of said products to dealers and purchasers on account of the beliefs induced by such false and misleading representations, with resulting substantial injury to substantial competition in commerce:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors, and constituted unfair methods of competition.

Mr. J. T. Welch for the Commission.

Mr. Edward T. Corcoran, of New York City, for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that C. S. Allen Corp., a corporation, and Claude S. Allen, an individual, doing business under the trade name and style of London Toffee Company, hereafter designated as respondents, are now, and have been, using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating the charges in that respect as follows:

PARAGRAPH 1. Respondent, C. S. Allen Corp., is now, and has been at all times mentioned herein, a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, and with its office and principal place of business in the city of New York in said State, and is now, and has been at all times mentioned herein, engaged in the business of manufacturing and selling confectionery products, including a product known to the trade as "toffee." Respondent, Claude S. Allen, is an individual who is now,

and has been at all times mentioned herein, engaged in the business of selling and distributing confectionery products, including the aforementioned product known as "toffee", under the trade name and style of London Toffee Company, in the city of New York, in the State of New York. Respondent, Claude S. Allen, is the president of respondent corporation and actively in charge of its business affairs to such an extent that he is the virtual operator of both businesses as a single venture. Both of said respondents are doing business at 100 Water Street.

PAR. 2. Said respondents, being respectively engaged in the business of manufacturing and selling and of distributing and of selling confectionery products, including the product known to the confectionery trade as "toffee", cause said product when sold to wholesale and retail dealers located in various cities in the several States of the United States, to be transported from their principal place of business in the State of New York to the purchasers thereof located in other States of the United States and in the District of Columbia, and there is now, and has been at all times mentioned herein, a constant current of trade and commerce in said product known as "toffee", manufactured or sold by the respective respondents, between and among the various States of the United States and in the District of Columbia.

PAR. 3. Said respondents, in the course and conduct of their respective businesses, are, and have been at all times mentioned herein, engaged in substantial competition with other individuals, partnerships and corporations engaged in commerce among the several States of the United States and in the District of Columbia, in the manufacture, importation, distribution and sale of domestic and foreign confectionery products, including the product known as "toffee."

PAR. 4. Respondent, C. S. Allen Corp., in the course and conduct of its business, as detailed in paragraphs 1 and 2 hereof, has offered for sale and sold, in commerce, as hereinabove set out, certain of its products, to wit, "Allen's Toffee", in cellophane or paper bags or containers, on the outside of said bags or containers, by way of advertisement and inducement to purchase, there being lithographed or printed, together with other words, the following:

Allen's Toffee
Famous in England since 1860
C. S. Allen Corp.
London, England, Montreal, Canada
Brooklyn, New York.

The aforesaid cellophane bags or containers also have lithographed or printed on the outside a picturization of an English guard in

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uniform and an English castle. The shipping boxes in which the cellophane or paper bags or containers are shipped from respondent's place of business in commerce, as set out in detail in paragraph 2, to dealers and purchasers located in the several States, and in the District of Columbia, contain the same printed advertising as hereinabove set out in detail. Respondent, C. S. Allen Corp., also uses letterheads and billheads, having printed thereon the following:

London, England—Montreal, Canada
C. S. Allen Corporation
Manufacturers of
English Toffee Specialties
Famous in London, England since 1860
100 Water Street
Brooklyn, New York.

Cable Address: Altofee New York

- The letterheads and billheads used by the said respondent in its course of business, containing the said advertisements as above detailed in full, are sent through the United States mails to dealers, purchasers, customers and prospective customers located in the several States of the United States and in the District of Columbia.

PAR. 5. Respondent, C. S. Allen Corp., does not own, control or operate manufacturing plants, branches or selling agencies, directly or indirectly, either in London, England or Montreal, Canada. The confectionery product, known as "toffee", manufactured by respondent in its plant in Brooklyn, New York, has not been famous in England since 1860 under the popular name "Allen's Toffee", and has not been famous in England since 1860 as the product of respondent corporation. Respondent corporation does not own, operate or control its manufacturing plant in Brooklyn, New York, in conjunction with or under license from any English confectionery manufacturer of "toffee". Respondent corporation does not manufacture "Allen's Toffee" by use of methods, processes or formulas used in England in the manufacture of "toffee."

PAR. 6. Respondent, Claude S. Allen, doing business under the trade name of London Toffee Company, in the course and conduct of his business, has offered for sale and sold, in commerce, as set out in paragraph 2, said confectionery products, to wit, "London Toffee", in cellophane or paper bags or containers, on the outside of said bags or containers, by way of advertisement and inducement to purchase, there being printed or lithographed, together with other words, the following:

London Toffee
Manufactured by
London Toffee Company
London, England, Montreal, Canada
Brooklyn, New York

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The aforesaid cellophane bags or containers also have lithographed or printed on the outside a picturization of the tower of the Houses of Parliament of London, England. The individual wrappers on the product itself bear the words "London Toffee." Since the commencement of the investigation in connection with this complaint, the respondent, Claude S. Allen, doing business and trading as aforesaid, has changed the advertising matter appearing on the cellophane bags or containers used in transporting respondent's products in interstate commerce as aforesaid, so as to read:

London Style Toffee
Manufactured By
London Toffee Company
Brooklyn, New York

The cellophane bags or containers also have lithographed or printed thereon on the outside, a picturization of the tower of the Houses of Parliament of London, England.

PAR. 7. Respondent, Claude S. Allen, doing business under the trade name of London Toffee Company, does not manufacture any of the products, including "toffee", designated by him as "London Toffee", distributed or sold by him and does not own, control or operate manufacturing plants, branches or selling agencies either in London, England, Montreal, Canada or Brooklyn, New York, except the distributing and selling business conducted in New York City, New York, as hereinabove set out.

PAR. 8. The product commonly known to the confectionery trade as "toffee", manufactured by the corporation respondent and sold and distributed by the corporation respondent and the individual respondent, under the respective names of "Allen's Toffee", and "London Toffee", is of domestic manufacture and is not imported from a foreign country and is not manufactured under foreign processes or formulas.

PAR. 9. Confectionery products, including "toffee", manufactured in England or other foreign countries, have for many years enjoyed widespread popularity, good will and demand among the consuming public throughout the United States, many of whom believe and consider that confectionery products, especially those designated as "toffee", manufactured in England or manufactured under English methods, formulas and processes, are superior in quality and other desirable characteristics to similar confectionery products manufactured in the United States. Many of the consuming public throughout the United States purchase "toffee" manufactured in England and imported to the United States in preference to "toffee" manufactured in the United States.

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PAR. 10. The false and misleading advertising and representations hereinabove set out, on the part of both of respondents places in the hands of aforesaid wholesale and retail dealers and jobbers, an instrument and a means whereby said dealers and jobbers may commit a fraud upon a substantial portion of the consuming public by enabling such dealers to represent and offer for sale and sell the said products known as "Allen's Toffee" and "London Toffee", either as an imported product or as a product manufactured in the United States in conjunction with or under license from English manufacturers of "toffee" or as a product manufactured in the United States by use of foreign methods, processes and formulas. There are among the competitors of both respondents, many who deal in confectionery products and sell "toffee", as well as other confectionery products, manufactured in England and imported to the United States and who rightfully and lawfully represent such merchandise to be imported. There are others among the competitors of both respondents who deal in confectionery products, including "toffee", that are manufactured in the United States and who in no manner represent their products as manufactured in or imported from England or any other foreign country.

PAR. 11. The effect of the foregoing false and misleading advertisements and representations of both the respondent corporation and respondent individual is to mislead a substantial number of wholesale and retail merchants and jobbers, as well as a substantial portion of the consuming public, in the several States by inducing them to believe:

- (1) That respondent corporation owns and operates factories in London, England, and Montreal, Canada, as well as in Brooklyn, New York, in which factories is manufactured a product known as "Allen's Toffee", offered for sale and sold to said wholesale and retail merchants and jobbers;

- (2) That individual respondent owns and operates manufacturing plants in London, England, Montreal, Canada, and Brooklyn, New York, where said individual respondent manufactures the product known as "London Toffee", offered for sale and sold to said wholesale and retail merchants and jobbers;

- (3) That they are securing for themselves and their consumer customers the advantage of close prices resulting from purchasing from a larger manufacturer with several factories, thus assuring themselves of both close prices and quality by dealing direct with the manufacturers and saving the profit of the customary middleman;

- (4) That the products known as "Allen's Toffee" and "London Toffee" are importations of a foreign manufactured product that can

be sold by them on the open market to the consumer public at a higher price than like products of a domestic manufacture, and at a less cost to the dealer than a like product genuinely imported, so as to allow the dealer a wider margin of profit;

(5) That the products known as "Allen's Toffee" and "London Toffee" are manufactured in conjunction with or under license from foreign manufacturers who have been engaged in the confectionery business for many years, or are manufactured by the use of methods, formulas, or processes used by foreign manufacturers of the same or similar products.

The foregoing false and misleading statements and representations, on the part of both respondents, are added inducements for a substantial number of wholesale and retail merchants and jobbers, as well as consumer purchasers, to buy the product known as "Allen's Toffee", manufactured and offered for sale by respondent corporation, and the product known as "London Toffee", sold and distributed by respondent individual, and have a tendency and a capacity to, and do divert a substantial volume of trade from competitors of both respondents engaged in similar businesses to both respondents, with the result that substantial quantities of said products known as "Allen's Toffee" and "London Toffee" are sold to said dealers and purchasers and to the consuming public on account of said beliefs induced by said false and misleading representations, and, as a consequence thereof, a substantial injury has been done by both respondents to substantial competition in commerce among the several States of the United States, and in the District of Columbia, as hereinabove detailed.

PAR. 12. The above and foregoing acts, practices and representations of both respondents, have been, and are, all to the prejudice of the public and respondents' competitors, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled an "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served its complaint upon the respondents herein C. S. Allen Corporation, a corporation organized and doing business under and by virtue of the laws of the State of New York, and Claude S. Allen, doing business under

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the trade name and style of London Toffee Company, charging said respondents with the use of unfair methods of competition in commerce in violation of the provisions of said act.

Both respondents, having entered their respective appearances and having filed their answers herein, entered into a stipulation whereby it was stipulated and agreed that a statement of facts signed and executed by both respondents, and their counsel, and J. T. Welch, attorney for the Federal Trade Commission, subject to the approval of the Commission, are the facts in this proceeding and shall be taken by the Federal Trade Commission as such and in lieu of testimony before the Commission in support of the charges stated in the complaint, or in opposition thereto, and that said Commission may proceed further upon said statement of facts, stating its findings as to the facts and conclusion thereon and entering its order disposing of the proceeding:

And, thereupon, this proceeding came on for final hearing and the respondents having waived the filing of briefs and the hearing of oral argument herein before the Commission, and said Commission having approved and accepted said stipulation as to the facts and having duly considered the record and being now fully advised in the premises, makes this its findings as to the facts and conclusion:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The corporation respondent, C. S. Allen Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. The individual respondent, Claude S. Allen, is the president of the respondent corporation and the present owner of a sufficient number of shares of the various classes of stock to enable him to elect three of the five directors of the corporation and control its operation. Both respondents maintain their offices and principal places of business at 100 Water Street, in the city of New York and in the State of New York. The respondent corporation is now, and has been since the date of incorporation in 1926, engaged in the business of manufacturing and selling confectionery products, including a product known as "Toffee." The individual respondent, Claude S. Allen, is now, and has been for a number of years, engaged in the business of selling and distributing confectionery products, including a product known to the trade as "Toffee", under the trade name and style of London Toffee Company.

PAR. 2. From the date of the incorporation of the respondent corporation, both respondents have caused said confectionery products.

including the product known as "Toffee", when sold by either of them, to be transported from their principal office and place of business in the State of New York to the purchasers thereof located at various cities in other States of the United States. Since the inception of their respective businesses there has been at all times a constant and substantial current of trade and commerce in said confectionery products, known to the trade as "Toffee", manufactured or sold by the respondents, between and among the various States of the United States.

Both respondents are now, and have been at all times since the incorporation of respondent corporation, operating their respective businesses in substantial competition with individuals, firms and corporations engaged in the business of manufacturing, distributing and selling confectionery products of like kind and character in commerce among and between the various States of the United States.

PAR. 3. In the course of the operation of his said business the individual respondent, Claude S. Allen, has sold, in commerce as hereinabove set out, said confectionery products, to wit: "Toffee" designated as "London Toffee" in cellophane or paper containers. On the outside of said containers, by way of advertisement and inducement to purchase, there is printed or lithographed, together with other words, the following:

London Toffee
Manufactured by
London Toffee Company
London, England, Montreal, Canada
Brooklyn, New York

The aforesaid containers also have lithographed or printed on the outside a picturization of the tower of the House of Parliament in London, England. The individual wrappers on the product itself bear the words "London Toffee."

The individual respondent, Claude S. Allen, doing business under the trade name of London Toffee Company, does not manufacture the product designated by him as "London Toffee", which is distributed and sold by him under his trade name, and does not own, control or operate manufacturing plants, branches or selling agencies either in London, England; Montreal, Canada or Brooklyn, N. Y., except the distributing and selling business conducted by him in New York City.

PAR. 4. Respondent, C. S. Allen Corporation, in the course and conduct of its business has sold, in commerce as hereinabove set out, certain of its products, to wit: "Allen's Toffee"—in cellophane or paper containers. On the outside of said containers, by way of ad-

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vertisement and inducement to purchase, there is printed or lithographed, together with other words, the following:

Allen's Toffee
Famous in London Since 1860
C. S. Allen Corporation
London, England, Montreal, Canada
Brooklyn, New York

The aforesaid containers also have lithographed or printed on the outside a picturization of an English "Beef Eater" guard in uniform and an English castle. The shipping boxes in which the containers are shipped from respondent's place of business to dealers and purchasers located in the several States contain the same printed advertising legend above set out in detail.

Respondent, C. S. Allen Corporation, also uses letterheads and billheads having printed thereon the following:

London, England, Montreal, Canada
C. S. Allen Corporation
Manufacturers of
English Toffee Specialties
Famous in England Since 1860
100 Water Street
Brooklyn, New York

Cable Address Altofee, New York.

The shipping boxes, letterheads and billheads used by the respondent in the course of its business, containing the said advertisements above detailed in full, are sent to dealers, purchasers, customers and prospective customers located in the several States of the United States through the United States mail and otherwise.

Respondent, C. S. Allen Corporation, does not own, control or operate manufacturing plants, branches or selling agencies, directly or indirectly, either in London, England, or in Montreal, Canada. Respondent, C. S. Allen Corporation, does own, control and operate a manufacturing plant for the production of the confectionery products known as "Allen's Toffee" and "London Toffee" in Brooklyn, N. Y. and there produces and manufactures the above-named confectionery products.

The confectionery product manufactured by the corporation respondent and sold and distributed by the corporation respondent and the individual respondent under the respective names of "Allen's Toffee" and "London Toffee" is of domestic manufacture entirely and is not imported from a foreign country.

PAR. 5. Confectionery products, including "Toffee", manufactured in England or other foreign countries, have for many years enjoyed widespread popularity, good-will and demand among the consuming public throughout the United States, and many of them believe and

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consider that such products are superior in quality and other desirable characteristics to similar confectionery products manufactured in the United States. Many of the consuming public throughout the United States purchase such "Toffee" imported from England or other foreign countries to the United States in preference to "Toffee" manufactured in the United States.

PAR. 6. There are among the competitors of both respondents many who sell confectionery products, such as "Toffee", in interstate commerce as herein set out, manufactured in England and imported to the United States and who rightfully and lawfully represent such merchandise to be imported. There are others among the competitors of both respondents who manufacture and sell, in interstate commerce as herein set out, confectionery products, such as "Toffee", that are manufactured in the United States and who in no manner represent their products as manufactured in or imported from England or any other foreign country.

PAR. 7. The false and misleading statements on the part of the individual respondent operating under the trade name and style of London Toffee Company, in the marketing of the product designated as "London Toffee", to the effect (1) that the product is actually manufactured by the London Toffee Company either in London, England; Montreal, Canada, or Brooklyn, N. Y.; (2) that the London Toffee Company maintains factories, branches or selling agencies in Montreal, Canada, or London, England and (3) that the London Toffee Company manufactures and distributes "London Toffee" as a product imported from England are, and were, made for the purpose, and have, and have had, a tendency and capacity to mislead and deceive a substantial portion of the purchasing public and the trade and to cause them to purchase the product sold by the individual respondent under the belief that the said representations and statements were true.

The false and misleading statements on the part of the corporation respondent, C. S. Allen Corporation, in the marketing of the product designated as "Allen's Toffee", to the effect (1) that C. S. Allen Corporation owns, operates or controls factories, branches or selling agencies in Montreal, Canada, or London, England, and (2) that the product manufactured and distributed by the respondent corporation is a product manufactured in and imported from England or any other foreign country are, and were, made for the purpose, and have, and have had, a tendency and capacity to mislead and deceive a substantial portion of the purchasing public and the trade and to cause them to purchase the product sold by the corporate respondent under the belief that the said representations and statements were true.

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PAR. 8. The false and misleading statements and representations, used by both respondents as hereinabove set out, have had, and now have, a capacity and tendency to, and do, unfairly divert a substantial volume of trade from both classes of competitors of the respondents, as hereinabove set out.

The false and misleading statements and representations, on the part of both respondents, are added inducements for a substantial number of wholesale and retail merchants and jobbers, as well as consumer purchasers, to buy the product known as "Allen's Toffee", manufactured and sold by the respondent corporation, and the product known as "London Toffee", sold and distributed by the respondent individual.

Substantial quantities of said products, known as "Allen's Toffee" and "London Toffee" respectively, are sold to said dealers and purchasers on account of said beliefs induced by the false and misleading representations on the part of both respondents and, as a result, substantial injury has been done by both respondents to substantial competition in commerce among and between the several States of the United States.

PAR. 9. Since the filing and service of the complaint, the respondent, Claude S. Allen, doing business and trading as aforesaid, has altered the advertising matter appearing on the cellophane bags or containers used in transporting the product known as "London Toffee", in interstate commerce as aforesaid, so as to read:

London Style Toffee
Manufactured for
London Toffee Company
In Brooklyn, New York

The cellophane bags or containers continue to have lithographed or printed thereon on the outside a picturization of the tower of the House of Parliament in London, England. The letters of the word "Style" are plainly and clearly printed in close connection with the words "London" and "Toffee" and are readily discernible. The remaining portion of the legend, indicating that the product is actually manufactured in Brooklyn, N. Y., appears conspicuously placed in letters of sufficient size to be easily readable.

PAR. 10. Since the filing and service of the complaint, the respondent, C. S. Allen Corporation, has changed the advertising matter appearing on the cellophane bags or containers used in transporting respondent's products in interstate commerce as aforesaid, so as to read:

Allen's Toffee
Famous in England Since 1860
Manufactured by
C. S. Allen Corporation
In Brooklyn, New York

The aforesaid cellophane bags or containers continue to have lithographed or printed on the outside thereof a picturization of an English "Beef Eater" guard in uniform and an English castle. The remaining portion of the legend, indicating that the product is actually manufactured in Brooklyn, N. Y., appears conspicuously placed in letters of sufficient size to be easily readable.

The shipping boxes in which the cellophane or paper bags or containers are shipped from respondent's place of business to dealers and purchasers located in several States have been altered so that the printed or advertising matter now appearing thereon corresponds with that now appearing on the cellophane bags or containers.

The letterheads and billheads now used by the respondent have printed thereon the following:

C. S. Allen Corporation
Manufacturers of
Toffee Specialties
Famous in London, England Since 1860
100 Water Street
Brooklyn, New York

Cable address Altoffee, New York.

PAR. 11. The change in the reading matter on the various containers now used by both respondents, as set out in paragraphs 9 and 10, includes the addition of words clearly indicating that the product contained therein was actually manufactured in the United States. The size of the lettering in the words indicating the place of manufacture is sufficient to be clearly readable and to remove any doubt or confusion in the mind of the purchaser as to the place of origin of the product that might arise out of the use of the phrase "Famous in England Since 1860"; the use of the words "London Style Toffee" in designating the product manufactured by the corporation respondent and sold by the individual respondent and the various picturizations herein detailed appearing on the containers used in marketing both products.

CONCLUSION

The acts and practices of both respondents, C. S. Allen Corporation and Claude S. Allen, trading as London Toffee Company, except those corrected or modified as herein set out in paragraphs 9 and 10, are each and all to the prejudice of the public, and to the competitors of both respondents, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

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ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and a stipulation entered into between the respondents herein, C. S. Allen Corporation, a corporation, and Claude S. Allen, trading as London Toffee Company, and their counsel, Edward T. Corcoran, and counsel for this Commission, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes":

Now, therefore, it is hereby ordered, That respondent, Claude S. Allen, trading and doing business as London Toffee Company, or trading under any other name, his agents, representatives and employees, in connection with the distribution, offering for sale and sale of confectionery products, including "Toffee", in interstate commerce, forthwith cease and desist from:

(1) Causing the words "Montreal, Canada" or "London, England", or any other names of cities, either in foreign countries or in any State of the United States, except "Brooklyn, New York", to be printed on the cellophane or paper containers in which said product is distributed to the respondent's purchasers and to the ultimate consumers thereof or on the shipping boxes in which said containers are packed, unless and until said product is actually manufactured by said respondent in said city so designated on the said containers or shipping boxes;

(2) Causing the words "Manufactured by" or words of similar import to be printed on said containers or shipping boxes in connection with the respondent's trade name, until and unless the respondent is actually the manufacturer of said products;

(3) Representing himself or his company, by advertisements, advertising literature, stationery or by any manner or means whatever, as a manufacturer of confectionery products, including the product known as "Toffee", until he owns, operates or controls the factory or factories in which the said products are manufactured by him, or as owning, operating or controlling factories in any city of the United States or in any city in any foreign country, unless and until such is the fact;

(4) Using the word "London", alone or in conjunction with other words, or using picturizations of the tower of the House of Parliament in London, England or similar picturizations, unless there is placed in close proximity to and equal prominence with said word or picturizations words that clearly indicate that the product sold

and distributed by the respondent is actually produced or manufactured in the United States.

It is further ordered, That the respondent, C. S. Allen Corporation, its officers, agents, representatives and employees, in the manufacture, sale and distribution in interstate commerce of confectionery products, including "Toffee", forthwith cease and desist from:

(1) Causing the words "Montreal, Canada" or "London, England", or any other names of cities, either in foreign countries or in any State of the United States, except "Brooklyn, New York", to be printed on the cellophane or paper containers in which said product is distributed to the respondent's purchasers and to the ultimate consumers thereof or on the shipping boxes in which said containers are packed or on the stationery, including letterheads, invoices and similar business stationery used by the respondent, unless and until said product is actually manufactured by said respondent in said city so designated on the said containers, shipping boxes or stationery;

(2) Using the phrase "Famous in England Since 1860", alone or in conjunction with other words or phrases, or using picturizations of an English "Beef Eater" guard in uniform and an English castle, or similar picturizations, unless there is placed in close proximity to and equal prominence with said phrases or picturizations words that clearly indicate that the product sold and distributed by the respondent is actually produced or manufactured in the United States.

It is further ordered, That the respondents shall within 60 days after the service upon each of them of this order file with the Commission a report in writing setting forth in detail the manner and form in which each has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF

GOTHAM ASEPTIC LABORATORY CO., INC.

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2600. Complaint, Oct. 28, 1935—Order, Dec. 4, 1935*

Consent order requiring respondent, its officers, etc., in the course of or in connection with the sale or offer for sale or distribution of absorbent cotton in interstate commerce, to cease and desist from, directly or indirectly—

- (a) Advertising, branding, labeling, designating, or otherwise representing cotton as sterilized, or using any other word or words to the effect that such cotton is sterilized, unless said cotton is sterile and free of bacteria after having been packaged and while contained in original unbroken package, or when in fact said cotton is not and has not been sterilized and rendered free from bacteria, after having been packaged and while contained in original unbroken package, respectively;
- (b) Advertising, etc., cotton as manufactured under the strictest sanitary conditions, when in fact such cotton has not been manufactured or packed under strictest sanitary conditions, or when such cotton has been manufactured or packed under conditions in which full and strictest sanitary precautions have not been provided for or followed for the removal and exclusion from such cotton of all bacteria; or
- (c) Advertising, etc., absorbent cotton as being manufactured from the finest quality cotton obtainable, unless such cotton was manufactured from the finest selected quality of said product.

Mr. Astor Hogg for the Commission.

Mr. William L. Carns, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Gotham Aseptic Laboratory Co., Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent, Gotham Aseptic Laboratory, Co., Inc., is and at all times hereinafter mentioned has been a corporation organized and existing under and by virtue of the laws of the State of New York with its principal office and place of business located at Long Island City in said State. It is now and for more than one year last past has been engaged in the manufacture, sale and distribution of surgical supplies including absorbent cotton. Its sales are made chiefly to retail drug stores, jobbers and members of the medical profession located throughout the various States of the United States and in the District of Columbia, and, pursuant to such sales, shipment is made from its place of business in the State of New York into and through various States of the United States other than the State of point of origin of such shipment, and in the District of Columbia.

There are in the United States other corporations, persons and firms engaged in the manufacture and the sale and distribution of similar competing products who, pursuant to such manufacture and sale, ship their products into and through the various States of the United States other than the States of point of origin of such shipments, and with such other corporations, persons and firms respondent is and at all times hereinafter mentioned has been in active and substantial competition.

PAR. 2. In the course and conduct of its business respondent, in soliciting the sale of and selling its products in interstate commerce, used and uses the following methods and practices: caused and causes certain of its absorbent cotton to be packaged in cardboard containers on the labels of which respondent attaches and causes to appear the words "sterilized" and "Manufactured under the strictest sanitary conditions and from the finest quality obtainable."

The word "sterilized" appearing on the said containers of absorbent cotton means to the trade and to the purchasing public that the cotton contained therein is, at the time of purchase, bacteria-free.

PAR. 3. The aforesaid labeling and branding of respondent's absorbent cotton as "sterilized" is false and misleading, because said cotton was not and is not in fact free of bacteria at the time of purchase by the public so as to be properly and correctly represented, designated, and described or referred to as "sterilized". The aforesaid labeling of said cotton as "manufactured under the strictest sanitary conditions and from the finest quality obtainable" is false and misleading because in truth and in fact said product was not and is not manufactured under the strictest sanitary conditions nor was or is the said product manufactured from the finest quality

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cotton obtainable. Said descriptions of respondent's absorbent cotton reach the consuming public through the retail drug stores and are used by said drug stores in advertising and selling such cotton to the public.

PAR. 4. The use of the aforesaid descriptions, markings, representations and labeling by respondent has the capacity and tendency to deceive the purchasing public into the belief that its said absorbent cotton represented as sterilized, is free from bacteria, and into the belief that the said product was and is manufactured under strictest sanitary conditions and from the finest quality cotton obtainable, and the public purchases said absorbent cotton in those beliefs when, as a matter of fact, said absorbent cotton is not free of bacteria and is not manufactured under strictest sanitary conditions and is not made from the finest quality cotton obtainable.

PAR. 5. There are among the competitors of respondent, referred to in paragraph 1 herein, many who deal in and sell absorbent cotton that is in fact sterilized at the time of the sale to the purchasing public and who rightfully and truthfully represent such to be the case. There are among competitors of respondent, referred to in paragraph 1 herein, many who deal in and sell absorbent cotton manufactured under strictest sanitary conditions and who rightfully and truthfully represent said absorbent cotton to be such. There are others of said competitors of said respondent who sell absorbent cotton that is not bacteria-free, and who do not in any manner represent such cotton to be sterilized or bacteria-free. Respondent's acts and practices, as in this complaint set out, tend to and do unfairly divert business from and otherwise injure and prejudice said competitors and do substantially injure such competitors so engaged in the sale and distribution of like products in interstate commerce.

PAR. 6. The above alleged unfair practices of respondent are all to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Respondent herein having filed its answer to the complaint and waived hearings on the charges set forth in the complaint in this proceeding, and having stated in its said answer that it does not contest the said proceeding, and having consented in its said answer that the Commission, without trial, without evidence, and without findings

as to the facts or other intervening procedure, may make, enter, issue and serve upon said respondent an order to cease and desist from the methods of competition charged in the complaint; and the Commission being fully advised in the premises;

It is hereby ordered, That the respondent, Gotham Aseptic Laboratory Co., Inc., its officers, directors, representatives, agents, servants and employees, in the course of or in connection with the sale or offer for sale or distribution of absorbent cotton in interstate commerce, do cease and desist from—

(1) Directly or indirectly advertising, branding, labeling, designating, describing or otherwise representing cotton as sterilized, unless said cotton is sterile and free of bacteria after it has been packaged and while contained in such original unbroken package;

(2) Using any other word or words to the effect that such cotton is sterilized, when in fact such cotton is not and has not been sterilized and rendered free from bacteria after it has been packaged and while contained in such original unbroken packages;

(3) Directly or indirectly advertising, branding, labeling, designating, describing, or otherwise representing cotton as manufactured under the strictest sanitary conditions, when in fact such cotton has not been manufactured or packed under strictest sanitary conditions, or when such cotton has been manufactured or packed under conditions in which full and strictest sanitary precautions have not been provided for or followed for the removal and exclusion from such cotton of all bacteria;

(4) Directly or indirectly advertising, branding, labeling, designating, describing or otherwise representing absorbent cotton as being manufactured from the finest quality cotton obtainable, unless such cotton had been manufactured from the finest, selected quality of cotton.

It is further ordered, That the respondent shall within 60 days after the date of the service upon it of this order file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF
ARTE PRODUCTS COMPANY, INC.COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2288. Complaint, June 11, 1935¹—Order, Dec. 9, 1935*

Consent order requiring respondent, its officers, etc., in connection with the sale in interstate commerce of olive oil, compound vegetable oil, and related products, to cease and desist from—

- (a) Using words "Lucca" and "San Remo", alone or with any other word or words, and name of any other city, district or province of Italy, as a brand or label for olive oil, or in any other way so as to import or imply or to have capacity or tendency to confuse or mislead purchasers into believing that said product was produced in and imported from either Lucca, San Remo, or any other city or district or province of Italy, unless and until said statements are true;
- (b) Using word or words "Italy", "Italian Product", "Italian Oil", or "Imported from Italy", alone or with any other word or words, and using any pictorial representation of Italian flag or the coat-of-arms, or of any ruler or member of ruling house of Italy, alone or with words "Imported Product", or "Prodotto Importato", or other words describing said product, and using said words or pictorial representations as a brand or label for olive oil so as to import or imply or to have tendency or capacity to confuse or mislead purchasers into believing that said product is composed wholly of oils produced in and imported from Italy, unless and until such representations are true;
- (c) Using word "olio" to designate an oil product composed in part of olive oil and in part of other oils unless and until there appears in immediate conjunction therewith, and in clear and legible type in size equal to that of word "olio", other words which accurately describe the true content of the product; or
- (d) Using, in connection with oil composed in part of olive oil and in part of other oils, pictorial representations of olive branches, or words "Rima", "Latosca", or other words suggesting Italian origin, unless and until there appears, in conjunction therewith and in clearly legible and conspicuous type, words accurately describing the true content of the product.

Mr. Marshall Morgan for the Commission.

Mr. Morris Shapiro, of New York City, for respondent.

COMPLAINT¹

Whereas the Federal Trade Commission did heretofore, to wit, on January 29, 1935, issue its complaint herein, charging and alleging that respondent herein is and has been guilty of unfair methods of competition in interstate commerce within the intent and meaning of

¹ Supplemental and amended.

Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914; and

Whereas this Commission, having reason to believe that respondent herein has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, other than and in addition to those in relation to which the Commission issued its complaint as aforesaid, and it appearing to said Commission that a further proceeding by it in respect thereof would be in the public interest:

Now therefore, acting in the public interest, pursuant to the provisions of the act of September 26, 1914, aforesaid, the Federal Trade Commission charges that Arte Products Company, Inc., a corporation, has been and now is using unfair methods of competition in interstate commerce in violation of Section 5 of said act, and states its charges in that respect as follows:

PARAGRAPH 1. Respondent, Arte Products Company, Inc., is a corporation organized and existing under the laws of the State of New York, its principal place of business being at 18 Leonard Street, New York City. Respondent is, and for more than two years last past has been, engaged, as hereinafter described, in the business of selling and distributing olive oil and vegetable compound oil to retail grocery dealers located in various States of the United States, and more particularly in the States of New Jersey and Connecticut. In consummating such sales and in distributing such products, respondent causes the olive oil and vegetable compound oil so sold to be transported and delivered from its place of business in New York City, State of New York, through and into various other States of the United States to the respective purchasers thereof at their respective points of location. In the course and conduct of its business, Arte Products Company, Inc., the respondent herein, has been and is now engaged in direct and substantial competition with various corporations, partnerships and individuals likewise engaged in the sale and distribution of olive oil and vegetable compound oil and in offering such products for sale in commerce between and among the various States of the United States and within the District of Columbia.

PAR. 2. Olive oil imported from Italy has come to be known among a substantial number of the users and consumers of olive oil and among merchants and dealers in olive oil as being of a quality and flavor superior to all others. Lucca, in the territorial division of Tuscany, Italy, is one of the great olive oil centers of the world, and the olive oil produced there and imported therefrom has become

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noted among users and consumers of olive oil and among merchants and dealers in olive oil for its superior quality and delicate flavor. Lucca olive oil is considered the best and finest of all olive oil and is preferred by the trade and consumers alike, especially consumers of Italian blood or origin. Practically all olive oil coming from Lucca, Italy, is packed in cans there, the amount exported in bulk from Lucca being inconsequential. The amount of olive oil produced in the Lucca district from olives grown there is not sufficient for Italian consumption. It is much cheaper to import olive oil in bulk. Large quantities of olive oil are imported in bulk from Spain into the United States. Spanish olive oil is substantially cheaper than genuine Italian olive oil, and the oil obtained by blending Spanish oil in substantial proportions with Italian oil is neither as expensive nor as desirable as pure Italian olive oil produced from olives grown in Italy, consumers preferring Italian oil. The Italian word "Olio" indicates and is accepted as meaning, particularly to persons of Italian blood and origin, the juice or liquid which is extracted from the olive.

PAR. 3. In the sale and distribution of olive oil and vegetable compound oil to retail grocery dealers, as hereinabove described, respondent has caused and still causes large and substantial quantities of its said products to be labeled, branded, offered for sale, sold and distributed under designations, descriptions and representations indicating and intended to indicate Italian origin.

On one of respondent's cans appears the following label:

ARTE BRAND
SUPERFINE LUCCA
OLIVE OIL
IMPORTED FROM ITALY
TRADE MARK REGISTERED

On the other side of the can, beneath a design in gold, red and white, typifying the coat-of-arms of Italy, appear the words:

ITALIAN PRODUCT

On another container, beneath a design embodying in colors of red, white and green, the flag and coat-of-arms of Italy, appears the following label:

SPLENDOR
BRAND
PURE OLIVE OIL, SUPERFINE
IMPORTED FROM SAN REMO (ITALY)

On the label on the reverse side of this container appears the word "Italy", in a design of olive branches.

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A third can bears a label reading:

O SOLE MIO
VIRGIN EXTRA SUBLIME
OLIVE OIL
IMPORTED FROM
LUCCA—ITALY

The last above wording is set forth in conjunction with an olive wreath design. On the reverse side of the container appears a label giving a representation of a medal of award, and under this an inscription reading as follows:

O Sole Mio Italian Olive Oil is produced with selected ripe olives from the finest regions available. That is why the quality is uniformly of the best at all times.

Another container bears a label reading:

O SOLE MIO
PURE
OLIVE OIL
IMPORTED PRODUCT

On the top of this container is stamped in raised letters the following:

IMPORTED
FROM
ITALY

Another container has a label reading on its face:

SPLENDOR
BRAND
PURE OLIVE OIL
SUPERFINE
IMPORTED PRODUCTS

Above the wording on this can is a conspicuous design of the flag of Italy in its colors of green, white and red, together with a further and smaller design in red, white and blue, representing the Italian coat-of-arms. Near the bottom of the container is a large pictorial representation in colors, circular in shape, of an Italian scene.

Still another container has a label on its face reading:

ARTE
BRAND
SUPERFINE PURE
OLIVE OIL
IMPORTED PRODUCT

Beneath such wording appears a pictorial representation of a maiden holding an olive branch aloft in one hand and in the other a platter of

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olives. On one side of the container appear the words, "IMPORTED PRODUCT", and above these, a reproduction in colors of the Italian coat-of-arms; on the other side, the words in Italian, "PRODOTTO IMPORTATO", with a pictorial representation in colors of the flag of Italy.

A can of vegetable compound oil, labeled near the bottom of the can, in English, as containing 20 per cent of olive oil with 80 per cent of other vegetable oils, bears the following brand in Italian, printed in large letters:

"OLIO
RIMA"

These Italian words are worked into a design representing sprigs of the olive in bloom, with bees sucking honey from the blossoms.

The container for a product labeled as consisting of 15 per cent olive oil and 85 per cent cottonseed and peanut oil, bears on its face in large letters, as a brand, the Italian words, "LA TOSCA", together with a large, conspicuous design representing olive branches in bloom.

The designations, descriptions and representations, "SUPERFINE LUCCA OLIVE OIL", "IMPORTED FROM ITALY", "ITALIAN PRODUCT", "IMPORTED FROM SAN REMO, ITALY", "O SOLE MIO", "VIRGIN EXTRA SUBLIME OLIVE OIL IMPORTED FROM LUCCA—ITALY", "O SOLE MIO ITALIAN OIL", "OLIO RIMA" and "LA TOSCA", and the pictorial representations of Italian scenes, of the flag and coat-of-arms of Italy, and the word "Italy" in a design of olive branches, as used and employed by respondent in labelling products sold by it in interstate commerce, are of Italian meaning, implication and suggestion and indicate to retail grocery dealers and to the consuming public, especially to persons of Italian blood or origin, and are and were intended to indicate and mean, that the olive oil and vegetable compound oil products thus variously designated, described and represented, were imported, respectively, from Lucca or San Remo, Italy, or from Italy.

PAR. 4. The truth and the facts are that the said olive oil, designated, described, marked and represented by respondent as being imported from Lucca, Italy, from San Remo, Italy, or from Italy, as being a product of Italy, and that sold under labels showing representations of the Italian flag, the coat-of-arms of Italy and of Italian scenes, were not imported from the regions, districts or places stated, nor wholly from Italy, and the so-called Italian oil handled and sold by respondent herein consists of Italian oil blended with and containing at least 30 per cent of a cheaper oil imported in bulk from Spain, the resulting product being thereafter labeled and sold as Italian oil; and the vegetable compound oils bearing labels employing

Italian words in large type with pictures of olives in bloom, do not contain Italian olive oil, but are and have been composed largely of domestic vegetable oils produced in the United States, with a small quantity of Spanish olive oil added.

PAR. 5. Respondent, in further connection with its business of selling and distributing olive oil in interstate commerce, has resorted to and adopted, and still resorts to and adopts, the practice of mixing Spanish and Italian oils in one large tank, from which said tank numerous cans or small containers are thereafter filled, variously labeled, marked or branded so as to convey the impression to the purchaser that the same contain different types, grades and qualities of olive oil. Respondent's labels, brands, marks and representations including those on its vegetable compound products, are not used in a manner to indicate origin of the products in the respondent, nor to identify or distinguish commercial source, nor do they indicate type, grade or quality in connection or association with origin or commercial source.

PAR. 6. Said respondent, in the further conduct of its business of selling and distributing olive oil and vegetable compound oil in interstate commerce, has failed and refused to advertise or otherwise to identify and associate such products with respondent's business; thereby placing in the hands of the retail grocer or other dealer, in various States, an instrument enabling and permitting the retailer more easily to substitute respondent's goods for those of another.

PAR. 7. Respondent's use of the words and phrases, "SUPERFINE LUCCA OLIVE OIL", "IMPORTED FROM ITALY", "ITALIAN PRODUCT", "IMPORTED FROM SAN REMO ITALY", "O SOLE MIO", "VIRGIN EXTRA SUBLIME OLIVE OIL IMPORTED FROM LUCCA, ITALY", and of the Italian flag or coat-of-arms of Italy, of the word "Italy" with a design of olive branches and of Italian scenes, in designating, describing and representing, offering for sale and selling its said olive oil, as described in paragraphs 3 and 4 hereof, is false, misleading and deceptive, and has the capacity and tendency to mislead and deceive substantial numbers of retail grocery dealers and of the consuming public into purchasing olive oil in the erroneous belief that said olive oil was imported entirely from Lucca and San Remo, Italy, or from Italy; and respondent's use of the Italian words "Olio", "Rima", and "La Tosca", in pictorial designs showing the olive in bloom, in designating, describing and representing, offering for sale and selling of vegetable compound oil containing a small percentage of Spanish olive oil, as described in paragraphs 3 and 4 hereof, is likewise false, misleading and deceptive, and has the capacity and tendency to mislead and deceive substantial numbers of retail grocery dealers

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and of the consuming public into purchasing said vegetable compound oil, in the belief that it was and is composed wholly or largely of Italian olive oil or of olive oil.

PAR. 8. The use by respondent of the false, misleading and deceptive representations, statements and assertions hereinabove set forth, including those in paragraphs 5 and 6 herein, constitute practices and methods of competition which tend to and do, (a) confuse, prejudice and injure the public, (b) unfairly divert trade from and otherwise prejudice and injure respondent's competitors, (c) operate as a restraint upon and a detriment to free and legitimate competition in the business of marketing olive oil, and (d) place in the hands of retail grocers and dealers an instrument which permits them more easily to substitute the goods of respondent for those of another.

PAR. 9. Said false, misleading and deceptive acts, practices and methods of respondent, under the circumstances and conditions hereinabove alleged, are unlawful, and constitute unfair methods of competition within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

The respondent herein having filed its answers respectively to the original complaint and to the supplemental and amended complaint in this proceeding, and having subsequently filed with this Commission its motion that it be permitted to withdraw its said answers and that it be permitted to file in lieu thereof, as a substituted answer, the draft of a proposed substituted answer annexed to the said motion; and the Commission having duly considered the said motion—

It is hereby ordered, That the said motion be and the same is hereby granted; that the said answers be and the same are hereby withdrawn; and that the said proposed substituted answer be, and the same is hereby filed in lieu of the said answers so withdrawn.

And the said respondent in and by its said substituted answer having waived hearings on the charges set forth in the complaints in this proceeding, and having stated in its said substituted answer that it does not contest the said proceeding, and having consented in its said substituted answer that the Commission, without a trial, without evidence, and without findings as to the facts or other intervening procedure, might make, enter, issue and serve upon the said respondent, an order to cease and desist from the methods of competition charged in the complaints; and the Commission being fully advised in the premises:

It is hereby further ordered, That the respondent, Arte Products Company, Inc., its officers, agents, servants and employees, in connection with the offering for sale and sale in interstate commerce and in the District of Columbia, of olive oil, compound vegetable oil and related products, do cease and desist from:

(1) The use of the words "Lucca" and "San Remo", alone or in connection or conjunction with any other word or words, and from the use of the name of any other city, or of any district or province of Italy, as a brand or label for olive oil, or in any other way so as to import or imply, or to have the capacity or tendency to confuse, mislead or deceive purchasers into believing that said product was produced in and imported from either the Lucca district of the province of Tuscany, or the San Remo district of the province of Liguria, Italy, or from any other city or district or province of Italy, unless and until said statements are true in fact and said olive oil was produced in and imported respectively from the city, district or province of Italy stated or indicated.

(2) The use of the word "Italy" or the words "Italian Product", "Italian Oil", or "Imported from Italy", alone or in connection or conjunction with any other word or words, and from the use of any pictorial representation of the Italian flag or of the coat-of-arms of Italy, or of any ruler or member of the ruling house of Italy, alone or in conjunction with the words "Imported Product", or "Prodotto Importato", or any other word or words describing said product, and from the use of the said word or words or pictorial representation or representations as a brand or label for olive oil so as to import or imply, or having the tendency or capacity to confuse, mislead or deceive purchasers into believing that said product is composed wholly of oils produced in and imported from Italy, unless and until such statements and representations are true in fact and said olive oil was produced in and imported from Italy.

(3) The use of the word "olio" to designate or describe an oil product composed in part of olive oil and in part of other oils unless and until there appears in immediate connection and conjunction with the word "olio" and in clear and legible type or lettering in size equal to that of the word "olio", other word or words which accurately and truthfully describe and designate the true content of the product; and from the use in connection with an oil composed in part of olive oil and in part of other oils, of pictorial representations of olive branches, or the words "Rima", "Latosca", or other word or words indicating or suggesting Italian origin, unless and until there appears in connection and conjunction therewith and in clearly legible and conspicuous type a word or words accurately and truthfully describing and designating the true content of the product.

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It is further ordered, That the respondent within 90 days from and after the date of service upon it of this order, shall file with the Commission a report, or reports, in writing, setting forth in detail the manner and form in which it is complying with the order to cease and desist hereinabove set forth.

Complaint

IN THE MATTER OF

VASCO PRODUCTS, INC. AND WILLIAM M. LEA AND
KITTIE M. LEA, DOING BUSINESS AS LEA'S TONIC
COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2139. Complaint, Dec. 21, 1933—Decision, Dec. 10, 1935*

Where a corporation engaged in the sale of a proprietary hair preparation, and two individuals, partners, owners of the secret formula thereof; in advertising and describing said preparation and its nature and results in newspapers, periodicals, circulars and pamphlets, and through purported testimonials from users—

- (a) Designated and described the same as a tonic, and represented that, through its application and use on the scalp or hair, bodily functions were stimulated so that pigmentation was produced and color imparted to the hair, facts being that there is nothing known to medical science which, taken internally or applied externally, will stimulate the chromatophores or melanoblasts that cause hair pigmentation in the human system, or cause them to function so that pigment will be supplied to the hair and give it color, and said preparation, the ingredients of which had long been well known to physicians and dermatologists, was not a tonic and had no tonic effect upon any part of the system, and its functioning in imparting color to the hair was that of a dye or dying agent; and
- (b) Represented that use of said preparation would cure dandruff and make the hair grow abundantly and stop its falling out, facts being there was no internal or external treatment known to medical science which would achieve those results;

With effect of misleading and deceiving dealers in and users of proprietary articles or preparations for the hair and scalp into believing such representations to be true, and into purchasing said hair preparation instead of products of competitors, and with capacity and tendency so to mislead and deceive, and with result of thereby diverting trade from competitors to themselves:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors, and constituted unfair methods of competition in commerce.

Before *Mr. John W. Norwood*, trial examiner.

Mr. Edward E. Reardon for the Commission.

Mr. George E. Edelin, of Washington, D. C. and *Mr. Edwin R. Dickenson*, of Tampa, Fla., for respondents.

COMPLAINT

Acting in the public interest pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a

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Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that Vasco Products, Inc., and William M. Lea and Kittie M. Lea, copartners, doing business under the trade name Lea's Tonic Company, and hereinafter referred to as respondents, have been and are now using unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said act and states its charge as follows:

PARAGRAPH 1. Respondent Vasco Products, Inc., is a corporation organized prior to the year 1930 under the laws of the State of Delaware and having at all times since its organization a principal place of business at Brentwood, Md.

PAR. 2. Respondents William M. Lea and Kittie M. Lea are individuals residing in the city of Tampa, Florida, and they are and have been since prior to the year 1930 engaged in business under the trade name Lea's Tonic Company with a principal place of business at Brentwood, Md.

PAR. 3. During all of the times since on or before the year 1930 the respondents have been engaged in the sale of a proprietary article sold in bottles under the name "Lea's Hair Tonic" and purporting to be for the treatment of the hair and scalp.

PAR. 4. During the times above mentioned the respondents have sold and still sell Lea's Hair Tonic to individuals, firms and corporations, dealers in and users thereof, located in the various States of the United States other than Maryland or the State of origin of the shipment, and the respondents, respectively, have caused and still cause Lea's Hair Tonic when so sold by them to be transported from Maryland, or the State of origin of the shipment, to, into and through other States to the purchasers.

PAR. 5. During the times above mentioned other individuals, firms and corporations are and have been engaged, respectively, in the sale of various proprietary articles for the treatment of the scalp and hair, including proprietary or other articles for the same purposes of treatment of the scalp and hair as Lea's Hair Tonic, to purchasers, dealers and users thereof, located in the various States of the United States and they have caused their said proprietary articles when so sold by them, respectively, to be transported from the State of the seller, or the State of origin of the shipment, to, into and through other States to the purchasers.

PAR. 6. During the times mentioned and referred to above the respondents have been and they still are in competition in interstate commerce in the sale of Lea's Hair Tonic with the said other individuals, firms and corporations referred to in paragraph 5 hereof.

PAR. 7. During the times above mentioned the respondents have caused advertisements of Lea's Hair Tonic to be published in newspapers and periodicals circulating among the public in the various States of the United States and have caused advertisements to be printed in circulars and pamphlets and distributed in the packages in which Lea's Hair Tonic have been sold by them to the trade and public, in which among many other similar statements are statements quoted in part as follows:

Lea's works gradually in the most natural-like manner, depending on how long and how gray you are and the condition of the scalp and hair. Gradually the hair from scalp upwards begins turning, shade by shade back to a youthful deep shade, of blonde, auburn, red, black or whatever basic color your hair was originally. There are some three thousand shades of color in human hair. No dye expert can paint the hair as exquisitely as nature the exact shade most becoming to your eyes, complexion and beauty. Several of different complexion may use out of the same bottle—each goes back to their own color or shade of hair, users declare in amazement.

PAR. 8. The respondents in some of the advertisements above referred to caused statements to be published to the effect that one C. J. Mains is a nationally known expert on gray hairs and purporting to quote him in part as follows:

I can show men and women in two minutes how to get rid of their gray hairs and never have another

and

In the old days you had to dye your hair—like we still must get false teeth, but not now. You get a bottle of Lea's Hair Tonic. Rub into scalp and stimulate nature to renewed vigor, same as you take a tonic, a laxative to stimulate a sluggish system. You can't rub a tonic on your gums and grow new teeth, but you sure can keep your hair young looking, free of gray * * * Just a few drops at night on the scalp does the work * * * Away goes gray hair, dandruff and itchy scalp. Hairs become heavier and good looking. Takes ten years off your age. Goes right back to youthful color no matter what shade of hair you originally had. Doesn't change the other hairs * * *.

PAR. 9. Lea's Hair Tonic in its effect upon the color of the hair of the user is a stain or dye and in causing gray hair of the user to appear for a time of a different color, Lea's Hair Tonic acts upon the hair as a stain or a dye.

The changed color produced in applying Lea's Hair Tonic to gray hair of the user is not a color produced by nature or by natural causes. Lea's Hair Tonic has no effect in changing the color of the

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hair growth which appears subsequent to the application of the said tonic.

C. J. Mains mentioned in the above advertisements of the respondents referred to in paragraph 8 hereof is not an expert on human hair in any respect and is not a nationally or locally known expert on the human hair.

Lea's Hair Tonic does not cure the condition of the scalp known as dandruff and does not cause human hair to grow or prevent baldness.

PAR. 10. The respondents, by means of the statements in their advertisements above mentioned and referred to, falsely represented to the public, purchasers of proprietary or other articles and users of the same, that Lea's Hair Tonic is not a dye or a stain; that its use by purchasers would cause the hair of the user previously grown gray thereafter to grow naturally in its original natural color; that its use would cure and prevent the return of the condition of the scalp known as dandruff; that its use would cause hair to grow and prevent baldness of the user's head.

The respondents further falsely represented in their said advertisements that C. J. Mains, above mentioned, was an expert on the subject of the human scalp and hair and falsely represented that he was nationally known as such an expert, and the respondents, by such statements in their said advertisements, exaggerated and increased the power and influence of the statements in the advertisements, attributed to said Mains personally, and purporting to have been made by him, to deceive and mislead the public into the belief that the above false statements and representations regarding Lea's Hair Tonic and its use were true.

PAR. 11. The publication and use of the statements mentioned and referred to in the said advertisements have the tendency and capacity to mislead and deceive and they have mislead and deceived members of the public into believing that the said statements were and are true; and in reliance upon that belief into purchasing and using Lea's Hair Tonic in preference to preparations or proprietary articles sold by respondents' competitors; and have the further tendency and capacity to divert trade and they have caused trade to be diverted from competitors of respondents, mentioned and referred to in paragraph 5 hereof, to the respondents.

PAR. 12. The above acts and things done and caused to be done by the respondents are each and all to the prejudice of the public and of respondents' competitors and constitute unfair methods of competition in interstate commerce within the meaning and intent of Section 5 of an Act of Congress entitled "An Act to create a Federal

Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 21st day of December, 1933, issued and served its complaint in this proceeding upon the respondent Vasco Products, Inc., and the respondents William M. Lea and Kittie M. Lea, doing business as copartners under the trade name Lea's Tonic Company, charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act.

After the issuance of the complaint, and the filing of respondents' answers thereto, testimony and evidence were introduced by Edward E. Reardon, Esq., attorney for the Commission, in support of the allegations of the complaint and by George E. Edelin, Esq., attorney for the respondents, in opposition thereto, before John W. Norwood, Esq., an examiner of the Commission duly designated therefor by the Commission; and the testimony and evidence introduced were duly recorded and filed in the office of the Commission.

Thereafter, the proceeding regularly came on for final hearing before the Commission on the complaint, the answer to the complaint, the testimony and evidence, and upon the briefs and oral argument of counsel for the Commission and for the respondents; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH. 1. The respondent Vasco Products, Inc., is a corporation organized prior to the year 1930 under the laws of the State of Delaware and having a principal place of business at Brentwood, Maryland, now and at all times since its organization as a corporation, except that for a certain period of about two years its place of business was in Washington, D. C.

PAR. 2. The respondents William M. Lea and Kittie M. Lea are individuals residing in the city of Tampa, Florida, and the said respondents Lea are the owners of the formula under which a preparation called "Lea's Hair Tonic" was compounded and sold by them under the trade name Lea's Tonic Company for a period of about twelve years immediately prior to on or about April 20, 1926.

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PAR. 3. On or about April 20, 1926, respondents William M. and Kittie M. Lea leased to respondent Vasco Products, Inc., for a period of 99 years the exclusive right to advertise, sell and distribute in consideration of a royalty payment to them, the proprietary article called Lea's Hair Tonic in accordance with the formula under which the respondents Lea had been manufacturing and selling the article and among other things it was agreed between the respondents Lea and respondent Vasco Products, Inc., that from time to time the respondent Vasco Products would give to the respondents Lea orders for the manufacture of the said proprietary article and furnish them with said orders suitable containers in which to place the product when manufactured and in which to ship the same according to the directions of Vasco Products, Inc. to the purchasers from whom Vasco Products, Inc., had received the orders which were transmitted to respondents Lea, and the respondents Lea agreed among other things to fill promptly all orders received by them for the said proprietary article from Vasco Products, Inc., and to manufacture and to ship the products so ordered in accordance with shipping instructions received by them from Vasco Products, Inc., until such time as the parties to the agreement should arrange for the manufacture of the said proprietary article by Vasco Products, Inc.

For a considerable period of time after the respondents Lea leased the exclusive right to the Vasco Products, Inc., to manufacture and to sell the said proprietary article, the respondents Lea under the agreement above mentioned manufactured and shipped the proprietary article called Lea's Hair Tonic on the orders of respondent Vasco Products, Inc., as it was sold during said time by the respondent Vasco Products, Inc. Later the respondents Lea, to comply with the contract with Vasco Products, Inc., caused the said proprietary article to be manufactured for them and put up for shipping on orders of Vasco Products, Inc., according to the formula for the product, by Mr. H. O. Mains, vice president and general manager of the respondent Vasco Products, Inc. to whom, personally, the respondents Lea made known the formula for compounding the product under an agreement with him that he would not divulge the formula to anyone else and on the understanding that in compounding or manufacturing the proprietary article to fill the orders of Vasco Products, Inc., for its sale, that the said Mains was in the employ of and acting as the agent of the respondents Lea and not as an employee or agent of the respondent Vasco Products, Inc.

PAR. 4. During all of the times since on or about April 20, 1926, the respondent Vasco Products, Inc. has been engaged in the sale of the proprietary article, Lea's Hair Tonic, and during said times it has

sold and still sells the said proprietary article to individuals, firms and corporations, dealers in and users of the proprietary article, purchasers thereof, located in the various States of the United States other than Maryland or the State of origin of the shipment, and Vasco Products, Inc., has caused and still causes the said proprietary article when sold by it to be transported from Maryland, or the State of origin of the shipment, to the purchasers located in said other States.

PAR. 5. During all the times mentioned and referred to in paragraph 4 hereof, other individuals, firms and corporations are and have been engaged, respectively, in the sale of various proprietary articles for the treatment of the scalp and hair, including proprietary articles for the same purposes of treatment of the scalp and hair as the respondents' proprietary article, Lea's Hair Tonic, to purchasers, dealers in and users thereof, located in the various States of the United States other than the State of the seller, or the State of origin of the shipment, and they have caused their said proprietary articles when so sold by them, respectively, to be transported from the State of the seller, or the State of origin of the shipment, to the purchasers located in said other States.

PAR. 6. During the times mentioned and referred to in paragraphs 4 and 5 hereof, the respondent Vasco Products, Inc., is and has been in competition in interstate commerce in the sale of the proprietary article Lea's Hair Tonic, with the other individuals, firms and corporations referred to in paragraph 5 hereof.

PAR. 7. The respondents' proprietary article, called Lea's Hair Tonic, is a colorless liquid having the odor of bay and it is essentially a saturated solution of lead chloride and composed substantially of alcohol, water, glycerin, sulphur and lead chloride, with traces of alkaloid and perfume. The alcohol is present to the amount of 14.6% by volume, glycerin to the amount of 10.1 grams per 100 cubic centimeters and lead chloride to the amount of 0.87 grams per 100 cubic centimeters. Chemical tests made for cantharides in the chemical analysis of the proprietary article showed none present.

PAR. 8. All of the ingredients in the composition of Lea's Hair Tonic and effects produced by them in their application to the hair and scalp are and have been well known even in ancient times to physicians and dermatologists. Lead and sulphur are two ingredients that were used by the Egyptians in the distant past to dye hair.

PAR. 9. Hair grows from within hair follicles, which are invaginations of the epidermis or outer epithelial portion of the skin into

the deeper layers of the skin, or dermis, and underlying tissue. The hair grows from certain cells or papillae at the base of the follicle. Surrounding the papillae are certain cells called either chromatophores, or melanoblasts. The hair shaft, roughly speaking, is divided into a cortex and medulla, with the cortex outside and a hair sheet or cuticle outside of the cortex.

The hair shaft is not a living thing. It is a mass of closely packed horny cells, without life, without blood, without lymph and without nerves. It is a dead structure, as dead as a piece of finger-nail or cow's horn.

The composition of human hair resembles in general the composition of hair of other animals. Eighty-five percent of the composition of human hair is what is known as keratin and that is composed of a number of elements. The various constituent elements of hair keratin, one of which is cystine sulphur, are in general found in the same relative proportions in other animal hair that they are found in human hair. Cystine sulphur is an elemental form of sulphur and in elemental form sulphur is said to be insoluble in water or in alcohol, although there is no substance known that is absolutely insoluble.

The function of the chromatophores or melanoblasts above mentioned is to extract melanin, the pigment-forming matter, from the blood which is then distributed as pigment in the hair matrix cells of the hair bulb, commonly called the root of the hair. The pigment when formed or distributed in the hair matrix cells of the hair bulb is carried upward with the growth of the hair. There is no pigment formed in the hair shaft although it is seen in the hair shaft, more towards the medulla and not on the outside.

PAR. 10. Normal pigment formation is a living process and cannot take place in a dead thing, the shaft of the hair, so that any method which causes coloration in hair which has changed from its natural original color, for instance, to gray or white, would have to be a life process, the result of a process of rejuvenation or bringing back to life, if it really restored the normal pigment-forming function. The base of the hair follicle is about $\frac{1}{4}$ inch below the scalp. Only the upper one-third part of the hair in the follicle can be reached by any kind of dye or other liquid preparation, even by such as are rubbed in by the most intensive rubbing. The lower two-thirds of the hair in the lower part of the follicle, or the hair bulb at the base of the follicle, cannot be touched by any liquid sought to be introduced into the hair follicle. There is no medical treatment that can be applied externally on a person's head, which will reach the base of the hair follicle and there is no medical treatment known to medical science that has caused or can cause pigment formation in hair.

PAR. 11. Rabbit hair or fur, while it may not be said to be exactly the same as human hair, is of the same general composition. Its composition is chiefly keratin and the keratin is of the same general composition as the keratin of human hair and includes among its constituent elements, sulphur in fixed form. The albino rabbit, especially the albino rabbit with pink eyes, is absolutely incapable of hair pigment formation. Hair pigment formation is due to the presence of chromatophores or melanoblasts. Only melanoblast cells are capable of forming hair pigmentation and an albino rabbit has no melanoblast or pigment forming cells and there is no pigment in its hair or fur and coloration of the fur of an albino rabbit could not be formed by the application of the respondents' proprietary article, called Lea's Hair Tonic, by reason of any action which the application of it could have upon melanoblasts or pigment forming cells of an albino rabbit or upon pigment present by reason of such chromatophores or melanoblasts.

There is no difference in the characteristic composition of the fur of albino rabbits and normal pigmented fur except that the pigment is not present in the fur of the albino rabbit. Normal pigment when present might have some added chemical substance in its composition. Human gray hair is due to the fact that the melanoblasts have ceased functioning or no longer exist. Sometimes melanoblasts are present in human beings and dormant, and so not functioning, as in a case where disease has brought temporary baldness. In such case the first hair to reappear may be colorless and later may resume its normal color because the dormant melanoblasts resume their natural function of supplying pigment.

PAR. 12. Sulphur in human or other animal hair, known as cystine sulphur, is sulphur in elemental form and like the sulphur in the composition of respondents' Lea's Hair Tonic is said to be practically insoluble in water or alcohol. Young hair carries its sulphur entirely as cystine sulphur. But, cystine sulphur can to some extent readily be changed in form so that it will become more reactive to and combine with lead salts. The application of water to the hair causes a slow disintegration of the original protein, or keratin substance, with the result that the original cystine to some extent no longer gives cystine reactions and has become to some extent more reactive to lead salts. When the hair is washed a change takes place in two ways as shown by analysis of the hair. The total sulphur in the washed hair will have decreased, depending on the amount of exposure to water and the temperature of the water, and the sulphur remaining in the hair can then no longer be accounted for completely as cystine sulphur. The water used to wash the hair will contain some of the sulphur and

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that sulphur, depending on the washing conditions, may also contain minute traces of cystine, but most of the sulphur in the wash water will be in simpler form than cystine sulphur and reactive to lead salts. Some of the sulphur on the washed hair itself will also be more reactive to lead salts than the sulphur was when in its original cystine form. The change in the sulphur content of the hair results from a slow decomposition in which the sulphur content is changed while in or on the hair and slowly removed from the hair.

When the hair of adult animals is examined, the total sulphur may be the same as in the hair of a young animal or in recently produced hair, but in the adult animal the cystine sulphur does not account for all the sulphur in the hair. This difference between the hair of young animals and adult animals results from such things as combing of the hair, exposure to the elements, the weather, etc., which produce a change similar to or identical with that caused by the application of water in making the sulphur more reactive toward lead salts. In the change of sulphur from the cystine form, hydrogen sulphide is produced and that form of sulphur is also reactive to lead salts.

PAR. 13. The reaction of lead salts to sulphur of human or other animal hair depends to a considerable extent on the conditions under which the reaction is produced. In combining with the sulphur it may result under some conditions in a light yellow color and under other conditions will vary from light yellow to a very dark brown, depending upon the amount of lead sulphide produced by the reaction or combination of the lead salts and sulphur, and upon the size of the particles produced. And, also depending upon the number of times lead salts are applied to hair containing sulphur in reactive form and the thickness of the film of lead sulphide caused thereby, a deeper shade of color will result following each application up to a dark brown shade, approaching black, and, which may be said by some persons to be black, when not closely examined.

PAR. 14. The composition of cotton is cellulose. It contains no sulphur. Lead salts applied to untreated cotton fabric does not cause the color to be changed. When sodium thiosulphate, itself a colorless solution in water, is first applied to cotton, the cotton still remains white. When, however, Lea's Hair Tonic is applied to cotton which has been treated with a colorless solution of sodium thiosulphate, the lead chloride in the preparation combines with the sodium thiosulphate and causes the cotton to become dark colored. Repeated applications of Lea's Hair Tonic to such treated cotton causes the cotton to assume a still darker shade with each subsequent application until it finally is of such dark brown color that it appears black.

PAR. 15. Lea's Hair Tonic applied to the hair or fur of an albino rabbit causes the hair or fur to assume a yellowish tinge. As the application to the hair or fur of the albino rabbit is continued it causes a progressive coloration of the treated area towards a brownish or brownish black color.

PAR. 16. When Lea's Hair Tonic is applied to human gray hair which has been severed from a person's head, the hair assumes a yellowish tinge. Human gray hair so treated for ten days was caused to become colored a yellowish tinge on the ends and gradually a dark brown away from the ends.

By the use of the respondents' proprietary article the hair of the user gradually begins turning progressively, shade by shade from a light yellow or brown to a color approaching black, depending upon the length of time the preparation is used on the hair, and results in the change from gray hair are obtained by repeated applications of the preparation in from 10 days to 4 or 5 weeks in some cases according to the individual and the color desired, or which may approximate the shade or color that, in the opinion of the user, is similar to the color of the user's hair before it became gray. After the hair of the user has been brought back through various shades to the color desired, it is necessary that the use of the preparation should be continued once every week or ten days in order to keep the hair the color which it was caused to assume by the use of the product. When the use of the preparation is finally discontinued, the user's hair returns to its former gray or the color it had prior to the use of the preparation.

PAR. 17. There is a normal amount of fine scalings shed from normal scalps, just as hair and nails grow and are shed. A small number of these scales are normal on normal scalps. Dandruff, clinically speaking, consists of an abnormal quantity of fine scalings from the scalp and it is definitely indicated by the term "pityriasis capitis", rather than by the term "seborrhea", a term that is also used to indicate a different condition, namely, an oily flow of sebaceous matter from the sebaceous glands. There are several theories as to the cause of excessive exfoliation of fine scales from the scalp called "dandruff." The condition is said to be a symptom of a disease that causes dandruff, one theory being that it is of parasitic origin and caused by different parasites but the consensus of opinion of medical authorities, specialists in dermatology, is that the cause of dandruff is unknown and that nothing is known that will permanently cure dandruff.

There are innumerable things which by their application to the scalp of a person afflicted with dandruff will remove the dandruff scales present on the scalp at the time of their application. The re-

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spondents' proprietary article, called Lea's Hair Tonic, is one of such agencies, and soap and water is another that will equally effect the removal of dandruff scales. Beyond such use in removing the loose scales present at the time of its application and known as dandruff, the respondents' proprietary article has no remedial effect on the cause of the dandruff, no effect in preventing the formation of dandruff scales after its use, although if the scalp of the user is in an itchy condition it may perhaps relieve that itchy condition.

PAR. 18. The word "tonic" is defined adjectively in the Oxford English Dictionary, in physiology and in pathology, as "pertaining to, consisting in, or producing tensions; especially in relation to the muscles"; and, "pertaining to, or maintaining, the tone or normal healthy condition of the tissues or organs"; and is defined, in medicine, as "having the property of increasing or restoring the tone or healthy condition and activity of the system or organs; strengthening, invigorating, bracing."

PAR. 19. The word "dye" as a verb is defined in the Oxford English Dictionary, transitively, as follows: "to tinge with a color or hue; to fix a color in the substance of; to color, stain."

The verb "stain" in the Oxford English Dictionary, it is said, is derived from Old French and in that dictionary is defined as a synonym of the verb "to dye", as "of something dyed or colored; to impart its color to (something in contact). Also, in wider use (e. g., said of a chemical reagent), to alter the color of (something to which it is applied)."

The word "teindre" in the French language is defined in Cassell's New French Dictionary, as a verb, meaning "to dye, to tinge, to stain, to color."

PAR. 20. The respondent Vasco Products, Inc., has caused statements and representations to be published in newspapers and periodicals circulating among the public in the various States and in circulars and pamphlets distributed in the packages in which the preparation, Lea's Hair Tonic, was caused to be sold by it to the public, among other similar statements, as follows:

"Lea's works gradually in the most natural-like manner, depending on how long and how gray you are and the condition of the scalp and hair. Gradually the hair from scalp upwards begins turning, shade by shade back to a youthful deep shade, of blonde, auburn, red, black or whatever basic color your hair was originally. There are some three thousand shades of color in human hair. No dye expert can paint the hair as exquisitely as nature the exact shade most becoming to your eyes, complexion and beauty. Several of different complexion may use out of the same bottle—each goes back to their own color or shade of hair, users declare in amazement.

I can show men and women in two minutes how to get rid of their gray hairs and never have another.

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In the old days you had to dye your hair—like we still must get false teeth, but not now. You get a bottle of Lea's Hair Tonic. Rub into scalp and stimulate nature to renewed vigor, same as you take a tonic, a laxative to stimulate a sluggish system. You can't rub a tonic on your gums and grow new teeth, but you sure can keep your hair young looking, free of gray * * * Just a few drops at night on the scalp does the work * * * Away goes gray hair, dandruff and itchy scalp. Hairs become heavier and good looking. Takes ten years off your age. Goes right back to youthful color no matter what shade of hair you originally had. Doesn't change the other hairs.

* * * Users say it has made their hair grow abundantly and absolutely stopped it falling out. You will be delighted we feel sure.

The respondent Vasco Products, Inc., receives inquiries through the United States Mail from members of the public concerning the preparation, Lea's Hair Tonic, and its use and in answering such inquiries frequently sends copies of testimonials purporting to have been received from prior users of Lea's Hair Tonic and containing statements of such users to the effect that the use of Lea's Hair Tonic has stopped the hair of the used from falling out and caused the hair to grow, that it cured the condition known as dandruff with which the user was afflicted, and also in some instances that the use of the preparation caused the natural color of the user's hair, which had changed to gray, to be restored to its former youthful color.

PAR. 21. The vice president and general manager of the respondent Vasco Products, Inc., was at all times familiar with the advertisements of Vasco Products, Inc., above mentioned and referred to, which were caused by the said respondent to be published in newspapers and periodicals and with the testimonials above mentioned and referred to, purporting to have been received from members of the public following the use of Lea's Hair Tonic, and had knowledge of the statements caused to be made in the advertisements of the respondent, Vasco Products, Inc., and in the testimonials said to have been received from the users of Lea's Hair Tonic; and during all of said times, while acting as the vice president and general manager of the respondent Vasco Products, Inc., he was also acting as the agent of the respondents William M. Lea and Kittie M. Lea, in compounding Lea's Hair Tonic from the ingredients composing it and in causing it to be put up in the containers and cartons in which it was sold; and during such times he had charge of placing the circulars above mentioned in the cartons in which Lea's Hair Tonic was sold and in answering replies to inquiries received from members of the public. In answering such inquiries he caused printed circulars to be inclosed to such members of the public, containing parts of four or five testimonials purporting to have been received from other members of the public containing statements concerning the use

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and effect of Lea's Hair Tonic by them, such as the testimonial statements above referred to.

The respondents William M. Lea and Kittie M. Lea had knowledge of the statements and representations made by Vasco Products, Inc., above mentioned and referred to, to members of the public concerning Lea's Hair Tonic, its use and effect, and the respondents Lea made similar representations and to the same effect to members of the public concerning Lea's Hair Tonic prior to the time when they leased the right to the respondent Vasco Products, Inc., to manufacture and distribute Lea's Hair Tonic in interstate commerce.

PAR. 22. As above stated, there is no medical or other treatment known to medical science that will remove the cause of dandruff or cure that condition. There is nothing known, which, taken internally or applied externally, will stimulate the chromatophores or melanoblasts that cause hair pigmentation in the human system, or cause them to function so that pigment will be supplied to the hair and give it color. There is nothing known to medical science which taken internally or applied externally as a treatment for the hair and scalp will cause the hair of the user to grow or prevent its falling out, or which will cure the condition of baldness of the scalp.

PAR. 23. Lea's Hair Tonic, by its application to the scalp and hair of any person does not cause and it has not caused stimulation of the hair pigment forming cells of the user of the preparation so as to cause natural pigmentation or color to be distributed to the user's hair. The color produced by the application of Lea's Hair Tonic, to white cotton or cotton gauze, which had been treated with thiosulphate, a soluble colorless sulphur compound, as above set forth, was a change produced by the action of a dyeing agent or a dye. The color caused to gray hair severed from a person's head by the application of the respondents' preparation, and the color caused to the hair or fur of albino rabbits, as above stated, in one instance, from white to a yellowish tinge and, in the other instance, progressively from white to a dark brown color, were changes from white to a color that was produced by the action of Lea's Hair Tonic as a dyeing agent or a dye. It was not a change effected by any stimulation of natural body pigment forming functions connected with the human hair, or with the fur growth of the albino rabbits.

PAR. 24. Lea's Hair Tonic is a hair dye. It is not a tonic. It has no tonic effect upon any part of the human system. It will not cause hair to grow or prevent its falling out, and the statements and representations caused to be made by the respondents to members of the public, users of proprietary preparations or other treatments for the relief of the condition known as dandruff of the scalp or for the purpose of changing the color of the hair of the user, that re-

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spondents' said preparation is a tonic; that it causes hair to grow and prevents hair from falling out; that it will cure dandruff; and, that it stimulates natural functions, and causes hair to have restored to it, natural color that it has lost, were each and all false representations of material facts which the respondents knew or with the use of ordinary prudence and care should have known to be false when made.

Each and all of such representations had the capacity and tendency to mislead and deceive dealers and members of the public, dealers in and users of proprietary articles or other things for the treatment of the hair and scalp, and they have misled and deceived such dealers and users of such proprietary articles into believing that those representations were true, and in reliance upon such belief, into purchasing, and they have accordingly purchased respondents' Lea's Hair Tonic, instead of the products of respondents' competitors and trade has thereby been diverted from respondents' competitors to the respondents.

CONCLUSION

The practices of the respondents under the conditions and circumstances described in the foregoing findings are and have been to the prejudice of the public and of respondents' competitors and are unfair methods of competition in commerce and constitute a violation of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answers of the respondents, testimony and evidence taken before John W. Norwood, Esq., an examiner of the Commission theretofore duly designated by it, in support of the charges of the complaint and in opposition thereto, briefs filed herein, and oral arguments by Edward E. Reardon, Esq., counsel for the Commission, and by George E. Edelin, Esq., counsel for the respondents, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

It is ordered, That the respondent, Vasco Products, Inc., and the respondents William M. Lea and Kittie M. Lea, as copartners under the trade name Lea's Tonic Company or under any other trade

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name, in the sale of or in offering for sale in interstate commerce any preparation for use in the treatment of the hair and scalp of members of the public which is essentially a saturated solution of lead chloride and which is composed substantially of alcohol, water, glycerin, sulphur and lead chloride, or which is composed substantially of the same ingredients as the preparation sold by the respondents heretofore under the name *Lea's Hair Tonic*, or which may hereafter be sold by them or either of them under any other name, do cease and desist from: •

(1) The use of the word "tonic" either in the name or designation of the preparation or in describing or representing the manner of its action or the effect of its use in the application to or treatment of the scalp and hair of users of the preparation;

(2) Representing in advertisements in newspapers and periodicals, in circulars enclosed in the package in which the preparation is offered for sale to users, or in testimonial recommendations received from or purporting to have been received from members of the public, users of the preparation, or by means of radio broadcasting, that any preparation, composed either of the same or substantially the same ingredients as the preparation heretofore sold by the respondents under the name *Lea's Hair Tonic*, by its application and use on the scalp or hair stimulates bodily functions so that pigmentation is produced which is distributed in the hair and imparts color to the hair, or that it causes color to be imparted to the hair of the user in any other manner than as a dye or dyeing agent;

(3) Representing that the use and application of any preparation composed as described in this order will cure the condition of the scalp of the user known as dandruff, or that it will relieve such condition other than by its use in loosening the dandruff so that the dandruff scales present are readily washed off; or, representing that any preparation of the same or substantially the same composition will cause the hair of the user to grow, or that it will prevent or cure the condition known as baldness of the scalp of the user.

It is further ordered, That the respondent, *Vasco Products, Inc.*, and the respondents *William M. Lea* and *Kittie M. Lea*, shall within 30 days after the service of this order file with the Federal Trade Commission a report in writing setting forth in detail the manner and form in which they have complied with the above order to cease and desist.

Complaint

IN THE MATTER OF

PRINCE MATCHABELLI PERFUMERY, INC.

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

Docket 2498. Complaint, July 18, 1935—Order, Dec. 10, 1935

Consent order requiring respondent corporation, its agents, etc., in connection with the sale or offer for sale in interstate commerce of perfumes, powders, cosmetics and other merchandise of similar nature, to cease and desist from—

- (a) Using any sign, symbol or legend upon the containers or cartons of said merchandise indicating a particular country as the country of origin thereof, unless, in fact, said merchandise originated in such country;
- (b) Using upon such containers, etc., words "Les Perfumes du Prince Matchabelli Company, Inc. Paris", or any other word or words indicating that the commodity so vended was made in or imported from a foreign country or any country other than the country in which such commodity actually originated; or
- (c) Advertising, in writing or by broadcasts, or in any other manner, in connection with the sale or offer for sale of its merchandise, words "26 Rue Cambon, Paris", or any other word or words indicating that such merchandise was made in or imported from a foreign country or any country other than that wherein it actually originated.

• Before *Mr. John W. Addison*, trial examiner.

Mr. Alden S. Bradley for the Commission.

Tibbetts, Lewis, Lazo & Rand, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Prince Matchabelli Perfumery, Inc., a corporation hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent is, and at all times hereinafter mentioned was, a corporation organized and existing under and by virtue of the laws of the State of New York, with its principal office and place of business in New York City in said State. It is and has been engaged in the manufacture, compounding and sale of perfumes and cosmetics. Its sales were and are made to customers and dealers

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located in the various States of the United States and in the District of Columbia, and pursuant to such sales shipments were and are made by respondent from its place of business in New York to purchasers and dealers located in the various States of the United States and in the District of Columbia, and there is now and has been, since the year 1927, a constant current of trade and commerce by the respondent in perfumes and cosmetics between and among the various States of the United States and the District of Columbia. In the course and conduct of its business respondent now is and has been since the year 1927 in substantial competition with other corporations, firms, persons and co-partnerships engaged in the manufacturing, compounding and sale of perfumes and cosmetics between and among the various States of the United States and the District of Columbia.

PAR. 2. There are in the State of New York and in the various other States of the United States other corporations, persons, firms and co-partnerships engaged in the business of manufacturing, compounding and selling perfumes and cosmetics to dealers and customers located throughout the various States of the United States, and pursuant to such sales said persons, firms, corporations and co-partnerships make shipments from thier various respective places of business to such dealers and customers located in the various States of the United States other than the State of the location of such manufacturers, compounders and sellers.

PAR. 3. Since the organization of respondent, Prince Matchabelli Perfumery, Inc., in 1927, respondent has manufactured, compounded and sold and still manufactures, compounds and sells, as described in paragraph 1 hereof, certain perfumes variously designated by the legends, "Princess Norina", "Duchess of York", "Grace Moore", "Ave Maria" and other designations, and certain face powders variously designated as "Princess Marie" and other designations.

All, or virtually all, of the perfumes above listed and other perfumes manufactured by the respondent are placed in "Gold Crown" perfume bottles whereupon are stamped the various terms "Germany", "France" and "Made in France". Some of the above-enumerated and described perfumes of the respondent, which are manufactured, compounded and sold by it, are placed in a carton or box and sold under the trade name "Princess Norina" and on the inside cover of such carton or box appears the statement "Les Perfumes du Prince Matchabelli, Paris, New York", and upon the base of the perfume bottle placed in such carton or container is printed or stamped "Germany—Princess Norina—Prince Matchabelli". Other perfumes of the respondent are placed in a box or carton bearing

the legend "Les Perfumes du Prince Matchabelli, Paris, New York" printed on the inside box cover and the words "Made in France—Prince Matchabelli" stamped or imprinted on the base of the bottle containing the perfume and placed in such carton or box. Respondent also manufactures, compounds and sells, and offers for sale, certain face powder placed in a carton or box whereupon is labeled "Prince Matchabelli Face Powder, Princess Marie, Paris, New York". Various other bath essences, lotions, oils, cosmetics and similar merchandise are placed in packages, boxes, cartons and bottles bearing the terms "Paris—New York". Certain advertisements of the respondent appear in various newspapers, magazines, trade journals; and other publications, whereupon, as an integral part of such advertisements, appear the words "26 Rue Cambon, Paris" and "724 Fifth Avenue, New York".

PAR. 4. The perfumes and cosmetics and various merchandise of similar nature, as hereinabove described, manufactured, compounded and sold and offered for sale by the respondent are in truth and in fact manufactured and compounded wholly within the United States and generally within the State of New York. The use of the terms as related in paragraph 3 hereof, indicative of foreign manufacture and composition of the merchandise above described, when unaccompanied by any declaration asserting the fact of the domestic manufacture and composition of such merchandise, is false and misleading. Respondent corporation maintains no foreign businesses or offices.

PAR. 5. The merchandise so manufactured, compounded and sold, and offered for sale, advertised, bottled and packed is displayed and has been displayed for sale by dealers and is sold and has been sold to purchasers and users thereof throughout the various States of the United States and in the District of Columbia.

PAR. 6. Perfumes manufactured and compounded in Germany, France, and particularly Paris, have for many years enjoyed widespread popularity and demand among the trade and consuming public throughout the United States, many of whom believe and consider that perfumes and cosmetics of such foreign manufacture and composition are superior in quality to perfumes and cosmetics manufactured and compounded within the United States, and the use of words, symbols or legends indicative of the manufacture or composition in Germany, France, and in Paris, of perfumes and cosmetics has a tendency and capacity to and does mislead and deceive dealers, purchasers and users of such perfumes and cosmetics into the belief that perfumes and cosmetics so labeled, stamped or designated are in fact and in truth of French manufacture and composition.

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PAR. 7. There are among the competitors of the respondent various corporations, persons, firms and co-partnerships who manufacture and compound perfumes and cosmetics in Germany, France and in Paris. There are also among such competitor corporations, firms, persons and co-partnerships those who manufacture and compound perfumes and cosmetics wholly within the United States.

PAR. 8. The acts and practices of the respondent are prejudicial and injurious to respondent's competitors, both those who manufacture and compound perfumes and cosmetics in France or in Paris and those who manufacture and compound perfumes and cosmetics within the United States and who do not misrepresent the origin or place of manufacture of their products, and such acts and practices occasion substantial injury to substantial competition in interstate commerce.

The above acts and practices done and caused to be done by the respondent are and were, each and all, to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition in commerce within the meaning and intent of Section 5 of an Act of Congress entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This matter coming on to be heard by the Commission upon the complaint filed herein on July 18, 1935 and the answer to said complaint filed August 8, 1935, by Prince Matchabelli Perfumery, Inc., respondent herein, in which answer the said respondent states that it waives hearing on the charges set forth in the complaint herein; that it refrains from contesting the proceeding and that it consents that the Commission without a trial, without evidence, and without findings as to the facts or other intervening procedure, may make, enter, issue and serve upon the said respondent, an order to cease and desist from the methods of competition charged in the complaint; and the Commission being now fully advised in the premises;

It is hereby ordered, That the respondent, Prince Matchabelli Perfumery, Inc., a corporation, its officers, agents, servants and employees, in connection with the sale or offering for sale in interstate commerce of perfumes, powders, cosmetics and other merchandise of like and similar nature, do forthwith cease and desist from:

(1) Using any sign, symbol or legend upon the containers or cartons of said merchandise indicating a particular country as the country of the origin of such merchandise, unless, in fact, the mer-

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chandise contained therein shall have originated in such country so indicated.

(2) Using upon the containers or cartons containing such merchandise, the words "Les Perfumes du Prince Matchabelli Company, Inc. Paris", or any other word or words indicating that the commodity so vended was made in or imported from a foreign country or any country other than the country wherein such commodity actually originated.

(3) Advertising, in writing, by broadcasts or in any other manner in connection with the selling or offering for sale of its merchandise, the words "26 Rue Cambon, Paris", or any other word or words indicating that the merchandise so offered for sale was made in or imported from a foreign country or any country other than the country wherein such commodity actually originated.

It is hereby further ordered, That the respondent shall, within 60 days from the date of the service upon it of a copy of this order, file with this Commission a report in writing stating the manner and form in which it shall have complied with this order.

Syllabus

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IN THE MATTER OF
CAPE COD SHIRT COMPANY, INC.

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

Docket 2296. Complaint, Feb. 11, 1935—Decision, Dec. 11, 1935

- Where a corporation engaged in the manufacture of men's shirts, pajamas, etc., and in the sale thereof under its brand or trade name throughout the several States and particularly in the New England and adjacent States, in competition with others similarly engaged, and customarily marketing its said products, the output of which was substantial and formed an important item of interstate commerce, through selected retail dealers in men's wear, including a substantial portion of such dealers in said New England States; in pursuance of a "resale price maintenance policy",
- (a) in which, dealing separately with each customer, it requested the cooperation of all in (1) maintaining its said resale prices and pushing its price-maintained products, and, (2) preventing and eliminating sales at cut prices; and, (b) incident to the carrying out of which policy it (1) issued circulars and price lists to the trade and cooperated with customers in newspaper advertising, showing suggested uniform resale prices for its said products, (2) requested and insisted that its said selected dealers resell only at suggested resale prices, and (3) made known to them through broadcast, whether sold direct or not, that it would absolutely refuse sale of further supplies of its products to price cutters—
 - (a) Required its said distributors to enter into understandings and agreements with it that the distributor would maintain resale prices of its said branded shirts as suggested and specified by it, and refused to sell its said product to practically all such retailers as would not agree not to resell the same except at its said suggested prices; and
 - (b) Requested and secured the cooperation of dealer-customers in reporting to it names of competitors and other dealer-customers selling its said shirts at resale prices below those fixed by it, and acted on such reports by expressing its appreciation thereof and investigating the same and refusing further supplies to dealers thereby established as price cutters; and
 - (c) Refused to sell its said shirts further to dealer-customers who had failed to resell the same at its said prices and sought to prevent such customers from securing its said product from any other source, and reinstated as distributors thereof those previously cut off from its list of selected dealers for underselling its resale prices, upon the basis of satisfactory assurances that they would thereafter resell its said shirts at its suggested prices;
- With the result of protecting the relatively higher cost and less efficient retailers against the competition of the relatively lower cost and more efficient retailers and of eliminating competition in price among dealers handling its said products, and of thereby preventing retail concerns, and especially the lower cost and more efficient establishment, from selling its products at prices which they might deem adequate and warranted by their costs and selling efficiency, and compelling such portions of the

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public as required or preferred its said products to pay enhanced prices therefor:

Held, That such practices, under the circumstances set forth, constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. John L. Hornor for the Commission.

Mr. James P. McGuire of *Hurley & Torphy*, of Fall River, Mass., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Cape Cod Shirt Company, a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent is, and at all times hereinafter mentioned has been, a corporation organized and existing under and by virtue of the laws of the State of Massachusetts, with its principal place of business at Fall River, in said State. It is, and has been, engaged in the business of manufacturing and selling, among other things, men's shirts, which are trade-marked and known as "Cape Cod Shirts." Respondent's sales of Cape Cod Shirts are made to retail dealers in men's wear located in various States of the Union, particularly in the New England States. Pursuant to such sales, and as a part thereof, shirts are shipped by respondent from its factory at Fall River, Mass., to its customers at their places of business in the other States as aforesaid.

PAR. 2. For more than five years last past, in connection with its sale of Cape Cod Shirts in interstate commerce, as aforesaid, and directly affecting said commerce, respondent has used and is now using a resale price-maintenance policy and system for the purpose of controlling the prices at which retail dealers resold and resell Cape Cod Shirts to the public, and of causing them to sell at prices uniform among said dealers. In carrying out said resale price-maintenance policy and system respondent did and performed, and still does and performs, the following things, and used and still uses the following methods and practices:

(a) Enters into agreements and understandings with its dealer customers that they will sell Cape Cod Shirts to the public at prices fixed by said agreements and understandings and as fixed from time

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to time by respondent. The prices so fixed are to be, and are, uniform as among respondent's dealer customers.

(b) Upon the failure of a dealer customer to maintain the prices so fixed, respondent threatens to refuse, and refuses, further to sell to said customer and seeks to prevent him and prevents him from securing Cape Cod Shirts from any other source.

(c) Seeks and secures the cooperation of its dealer customers in enforcing the observance of the prices so fixed, by requesting them to report to it instances of such price cutting; such dealers do report such instances; and when such reports are received respondent takes action with the purpose and effect of causing the offending dealer thereafter to maintain the price uniformly observed by other dealer customers.

PAR. 3. The result and effect of the use by respondent of the system, methods and practices hereinabove set forth have been and are that retailers of respondent's said products are constrained to sell at prices uniform among them, so that price competition among them is destroyed and prevented; prices to the public are held at an arbitrary and artificially high level; and the public is denied the benefits of competition among said retailers.

PAR. 4. Respondent's said policy and system of resale price maintenance, and the said methods and practices used to make the same effective, have been and are to the prejudice of the public, and constitute unfair methods of competition in commerce within the intent and meaning of the act of Congress above entitled.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the Federal Trade Commission, on February 11, 1935, issued and served its complaint in this proceeding upon respondent, Cape Cod Shirt Company, Inc., charging it with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint, and the filing of respondent's answer thereto, testimony and evidence, in support of the allegations of said complaint were introduced by John L. Hornor, attorney for the Commission, before Robert S. Hall, an examiner of the Commission theretofore duly designated by it, and in defense of the allegations of the complaint by James P. McGuire, attorney for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission

on the said complaint, the answer thereto, testimony and evidence, brief in support of the complaint, filing of brief and oral argument having been waived by James P. McGuire, counsel for the defense; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Cape Cod Shirt Company, Inc., is a corporation, organized and doing business under the laws of the State of Massachusetts and having its principal office and place of business in the city of Fall River, Mass., and is now, and for more than five years last past has been engaged in the business of manufacturing and selling men's shirts, pajamas, etc., throughout the States of the United States, particularly that portion known as New England, and the States adjacent thereto, in direct competition with other individuals, partnerships, and corporations similarly engaged.

PAR. 2. In the conduct of its business the said respondent manufactures and packs its products in the city of Fall River, Mass., and from there sells and ships to the purchasers thereof in the different States and territories of the United States, and in the District of Columbia, the said men's shirts, pajamas and other products, and there is continuously and has been at all times herein mentioned, a constant current of trade and commerce in said men's shirts, pajamas and other products, between and among the several States, territories, and in the District of Columbia, of the United States.

PAR. 3. The quantity of such products so manufactured, sold and distributed by respondent has been and is substantial, and forms an important item of commerce among the several States, territories, and the District of Columbia, of the United States.

PAR. 4. Respondent customarily markets its products principally through retail dealers in men's wear lines, who in turn resell to the consuming public, all of which retail dealers are selected as desirable customers.

The total number of such retail dealers handling the products of respondent includes a substantial portion of the retail dealers in the men's wear goods throughout that part of the United States commonly known as the New England States.

PAR. 5. Respondent, in the sale and distribution of its products, has adopted and maintained, and still maintains, a policy known as "Resale price maintenance policy", and requests the cooperation

therein of all dealers selling the products manufactured by it, dealing with each customer separately.

PAR. 6. The purpose and intent of the respondent company in this merchandise policy is, among other things to obtain the active support and cooperation of all its retail distributors—

(1) Maintaining its said resale prices and pushing its price-maintained products; and

(2) Preventing and eliminating all sales at lower prices than its fixed uniform resale prices.

PAR. 7. In order to carry out said resale price maintenance policy and to secure such cooperation, respondent—

(a) Issues circulars, price lists, and list to the trade generally, and cooperates with its customers in newspaper advertising, showing suggested uniform resale prices to be charged for Cape Cod products;

(b) Requests and insists that the aforesaid selected retail dealers resell only at the suggested resale prices; and

(c) Makes it known through broadcast to such selected retail dealers, whether sold direct or not, that if they, or any of them, fail to sell at the resale prices suggested by the respondent as aforesaid, respondent will absolutely refuse to sell further supplies of its products to them, or any of them.

PAR. 8. Respondent, in carrying out said policy—

(a) Has required its distributors to enter into an understanding and agreement with respondent that the distributor would maintain the resale price of "Cape Cod Shirts" at the resale prices suggested and specified by the respondent.

(b) Has, within the time aforementioned, refused and does refuse to sell its products to practically all such retailers as would not agree to resell said products at the prices so suggested by the respondent;

(c) Has, within the time aforementioned, refused and does refuse to sell its products to practically all so-called price cutters;

(d) Has, within the time aforementioned, refused and does refuse to further sell to dealer-customers who have failed to resell at the prices so suggested by respondent, and sought and does seek to prevent the dealer-customers from securing "Cape Cod Shirts" from any other source;

(e) Has, within the time aforementioned, utilized a system whereby customer-dealers were, and are, requested to, and do, cooperate with the respondent in reporting to the respondent the names of competitors and other dealer-customers who were, and are, selling (or were suspected of selling) "Cape Cod Shirts" at resale prices below the prices fixed by the respondent for the sale of its products; and

(f) Has, within the time aforementioned, reinstated, and does reinstate, as distributors of its products, dealer-customers previously

cut off or withdrawn from the list of selected dealer-customers for failure to resell "Cape Cod Shirts" at the prices suggested and fixed by the respondent, upon the basis of the declarations, assurances, statements, promises and other similar expressions, as the case may be, by said distributors, which satisfy the respondent that such distributors will thereafter resell "Cape Cod Shirts" at the prices suggested and fixed by the respondent.

PAR. 9. Dealer-customers selling respondent's merchandise have repeatedly cooperated, and do cooperate with the respondent in reporting to the respondent instances of price cutting of "Cape Cod Shirts", in their respective localities, and in many cases have reported specifically the names of such price cutters, and have requested, and do request respondent to discontinue selling to said price cutters; and respondent has approved and furthered such action on the part of the dealer-customers selling its products, by expressing its appreciation of such notification by letters of reply to such dealer-customers. Upon receipt of such reports, respondent has investigated, and when the reported price cutting has been confirmed, it has refused to supply the price cutters with further goods.

PAR. 10. Individual dealer-customers, as shown by their letters and otherwise, have made statements to the effect that they will support respondent and cooperate with it in its selling policy, and that they prefer to deal with respondent, and will push its products on account of its refusal to supply goods to price cutters.

PAR. 11. The respondent, by its policy of maintaining resale prices and refusing to sell retail dealers failing to adhere to such prices, protects and has protected the relatively higher cost and less efficient retail dealer against the competition of relatively lower costs and more efficient retail dealers.

PAR. 12. The result of the fixing of said prices, as aforesaid, has been and is to eliminate competition in prices among retailers handling products manufactured by the respondent, thus preventing retailers, and especially the lower cost and more efficient establishments, from selling respondent's products at prices which they may deem adequate and which are warranted by their costs and selling efficiency heretofore set out, whereby such portions of the public as require or prefer the products of the respondent are compelled to pay enhanced prices therefor.

CONCLUSION

That the methods of competition set forth in the foregoing findings are, under the circumstances therein set forth, unfair methods of competition in interstate commerce, in violation of the provisions of an Act of Congress, approved September 26, 1914, entitled "An

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Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and evidence taken before Robert S. Hall, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, brief filed herein by John L. Hornor, counsel for the Commission, filing of brief and oral argument having been waived by James P. McGuire, counsel for the respondent, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

It is ordered, That respondent, Cape Cod Shirt Company, Inc., its officers, directors, agents, servants and employees, cease and desist from carrying into effect a policy of fixing and maintaining uniform prices at which the articles manufactured, sold and shipped by it in interstate commerce, shall be sold by its customers or dealers, by—

(1) Entering into contracts, agreements and understandings with customers or dealers, requiring or providing for the maintenance of specified resale prices on products manufactured by respondent;

(2) Requesting dealers to report competitors who do not observe the resale prices suggested by respondent, or acting on the reports so obtained by refusing, or threatening to refuse, sales to dealers so reported;

(3) Requesting or compelling salesmen or agents to assist in such policy by reporting dealers who do not observe the suggested resale price, or acting on reports so obtained by refusing, or threatening to refuse sales to dealers so reported;

(4) Refusing to sell its products to dealers previously cut off, unless and until they have given satisfactory assurance of their purpose to maintain respondent's resale prices, as a condition of reinstatement; and

(5) Utilizing any other cooperative means of accomplishing the maintenance of uniform resale prices fixed by the respondent.

It is further ordered, That the respondent, Cape Cod Shirt Company, Inc., shall file with the Commission within 60 days after the service upon it of a copy of this order, its report in writing, stating in detail the manner and form in which it has complied with the order to cease and desist hereinbefore set forth.

Complaint

IN THE MATTER OF

HARRY SACHNOFF, DOING BUSINESS UNDER THE
TRADE NAME OF PARK ROW PEN COMPANY, AND
ARGO PEN-PENCIL COMPANY, INC.COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2332. Complaint, Mar. 15, 1935—Order, Dec. 11, 1935*

Where an individual engaged in the business of assembling fountain pens, the parts of which it purchased from various jobbers, and in the sale of such pens, and pencils, at wholesale, in competition with the products of other dealers, assemblers and manufacturers; and a corporation similarly engaged, the stock of which was owned by said individual, his wife and son, who constituted, respectively, its president, treasurer, and secretary; in the course and conduct of their aforesaid businesses—

- (a) Held themselves out as manufacturers of such pens and pencils, and made use of corporate stationery, advertising matter, and invoices upon which were printed the words "Manufacturers of Pens and Pencils", and "Factory, Passaic, N. J.", notwithstanding the fact they neither owned controlled nor operated a plant or factory in which their said products were made, and said corporation did not own, operate or control a factory in said city; and
- (b) Caused pen points placed in certain of the fountain pens assembled and sold by them to be stamped or imprinted "DURIGOLD 14", notwithstanding the fact that said pen points were not made of gold or gold alloy and were not of 14-carat fineness, but, thinly gold-plated, were manufactured from stainless steel and chrome, and their cost was only a small proportion of what the price of the solid 14-carat points would have been;

With capacity and tendency to mislead and deceive many among the purchasing public and trade as to the composition of said fountain pen points, and into believing that in dealing with said individual and corporation they were patronizing a manufacturer and thereby benefiting through elimination of the middleman's profit:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury and prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. Morton Nesmith for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the

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Federal Trade Commission having reason to believe that Harry Sachnoff, doing business under the trade name and style of Park Row Pen Company, and Argo Pen-Pencil Company, Inc., a corporation has been and is using unfair methods of competition in commerce as "commerce" is defined in said act and it appearing to said 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. Harry Sachnoff, doing business under the trade name of Park Row Pen Company, one of the respondents herein, with his principal place of business at 206-208 Broadway, New York City, N. Y., is now and has been engaged in the business of assembling and selling fountain pens at wholesale and transporting said pens between and among the different States of the United States. The respondent, Argo Pen-Pencil Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New York, with its principal place of business at 206-208 Broadway, New York City, N. Y., and is likewise engaged in the business of assembling and selling fountain pens at wholesale between and among different States of the United States. The respondent, Harry Sachnoff is the sole owner of the Park Row Pencil Company and also is president and owner of virtually all of the capital stock of respondent, Argo Pen-Pencil Company, Inc. Said respondents, Harry Sachnoff, doing business under the trade name of Park Row Pen Company, and Argo Pen-Pencil Company, Inc., in the course and conduct of their said businesses, have caused and still cause the articles in which they deal to be transported from their said place of business into and through other States of the United States to various retailers located at points in different States of the United States. Said respondents are in competition with other individuals, partnerships, and corporations engaged in the manufacture, sale and transportation of fountain pens at wholesale in commerce between and among the different States of the United States.

PAR. 2. Harry Sachnoff, doing business under the trade name of Park Row Pen Company, one of the respondents herein, and Argo Pen-Pencil Company, Inc., a corporation, the other respondent, in the course and conduct of their businesses, as aforesaid, in soliciting the sale of and selling their products in interstate commerce have represented and held themselves out to be manufacturers of fountain pens and pencils. The respondent, Argo Pen-Pencil Company, Inc., caused and still causes to be printed upon its letterheads, advertising matter and invoices, the following:

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ARGO PEN-PENCIL COMPANY, INC.,
Manufacturers of
Fountain Pens and Pencils
Office and Sales Room
206-208 Broadway
New York, N. Y.

Said respondent, on its invoices, further caused and still causes to be printed, the following:

Factory:
Passaic, N. J.

PAR. 3. The respondents, in the course and conduct of their businesses as aforesaid, have caused and still cause to be stamped or imprinted upon certain of the pen points, which they use in their fountain pens as assembled, the following:

DURIGOLD 14

Said fountain pens, so assembled with the above-described or imprinted pen points, have been and are sold by the respondents in interstate commerce. Said "Durigold 14" was so stamped or imprinted upon said pen points as to resemble and simulate the marking on solid gold pen points and carries the impression that respondents' products are of some kind of gold and are 14 carats in fineness.

PAR. 4. In truth and in fact, neither of the respondents is a manufacturer of fountain pens nor do they manufacture any parts of fountain pens, but purchase said parts from different companies and then assemble the pens. Neither of the respondents own or control any factory or plant which manufactures or produces fountain pens. The respondent, Argo Pen-Pencil Company, does not own, operate or control a factory at Passaic, N. J. In truth and in fact, the pen points which respondents caused to be imprinted or stamped "Durigold 14" are manufactured from steel and said points are thinly gold-plated and are not composed of gold or a gold alloy and are not of 14-carat fineness; all of which has the capacity and tendency to mislead and deceive the purchasers of respondents' products into the belief that when purchasing from respondents they are dealing with the manufacturer of the products purchased and are thereby gaining an advantage by eliminating the middlemen's profits, and that said pen points contain gold or some gold alloy of the equivalent of 14 carats in fineness.

PAR. 5. The respondents, Harry Sachnoff, doing business under the trade name of Park Row Pen Company, one of the respondents herein, and Argo Pen-Pencil Company, Inc., ship and deliver to their retail customers their products so branded and labeled, and said retailers resell said products to the consuming public.

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PAR. 6. There are among the competitors of respondents many persons, firms, and corporations who manufacture fountain pens and pencils and sell same in interstate commerce, and who truthfully hold themselves out as manufacturers; there are also among competitors of respondents many persons, firms, and corporations who assemble fountain pens and pencils and who do not represent themselves as manufacturers. Both of said classes of competitors sell their products in interstate commerce, and the fact that respondents hold themselves out to be manufacturers, and the further fact that respondents have caused their pen points to be marked, branded or labeled "Durigold 14", when said points are not composed of gold or a gold alloy, has unfairly diverted trade from and otherwise injured respondents' competitors in interstate commerce.

PAR. 7. The above alleged acts and things done by the respondents are all to the injury and prejudice of the public and of the competitors of respondents in interstate commerce and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 15th day of March 1935, issued and served its complaint in this proceeding upon respondents, Harry Sachnoff doing business under the trade name of Park Row Pen Company and the Argo Pen-Pencil Company, Inc., charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act.

After the issuance of said complaint, and the failure of respondents to file answer thereto, testimony and evidence, in support of the allegations of said complaint, were introduced by Morton Nesmith, attorney for the Commission, before Charles F. Diggs, an examiner of the Commission theretofore duly designated by it; and said testimony and evidence was duly recorded and filed in the office of the Commission.

Thereafter this proceeding regularly came on for final hearing before the Commission on the said complaint, testimony and evidence and brief in support of the complaint (respondents having waived filing of brief); and the commission having duly considered the

same and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent Harry Sachnoff is an individual doing business under the trade name and style of Park Row Pen Company. The respondent Argo Pen-Pencil Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. The principal place of business of both respondents is located at 206 Broadway, city of New York, State of New York. The respondent Harry Sachnoff, until, to wit, the year of 1931 did business under the trade name of Park Row Pen Company, but since said last named date, has discontinued said trade name with the exception of the use by him of certain guarantees bearing the name of Park Row Pen Company.

The respondent, Argo Pen-Pencil Company, Inc., was incorporated under the laws of the State of New York in 1927 or 1928 and said Harry Sachnoff is the president of said corporation, his wife and son are treasurer and secretary respectively, and all the stock is owned by them. Both of said respondents were and are engaged in the business of assembling and selling fountain pens and pencils at wholesale; the fountain pen parts are and were purchased from various dealers and assembled by respondents and sold and shipped to jobbers in various States of the United States other than the State of New York and are sold in competition with fountain pens and pencils of other dealers, assemblers, and manufacturers.

PAR. 2. The respondents in the course and conduct of their businesses as aforesaid represented and held themselves out to be manufacturers of fountain pens and pencils, and, on the stationery, advertising matter and invoices of the respondent, Argo Pen-Pencil Company, Inc., the words "manufacturers of pens and pencils" and "factory, Passaic, N. J." were and are printed.

PAR. 3. The respondents in the course and conduct of their businesses as aforesaid, caused certain pen points to be stamped or imprinted "DURIGOLD 14" and said pen points were placed in certain of the fountain pens assembled and sold by respondents in interstate commerce.

PAR. 4. In truth and in fact neither of said respondents own, control or operate a plant or factory in which their fountain pens or pencils are manufactured or produced, and the respondent Argo Pen-Pencil Co., Inc., does not own, operate or control a factory at Passaic, N. J.

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PAR. 5. In truth and in fact the pen points which respondents caused to be imprinted or stamped "DURIGOLD 14" are not composed of gold or gold alloy and are not 14-carat fineness but are manufactured from stainless steel and chrome and are thinly gold plated. Said pen points so imprinted cost respondents \$2.10 per gross and if solid 14-carat gold were used therein, said points would cost \$30.00 per gross.

PAR. 6. The acts, practices and methods of competition of respondents as described in paragraphs 2, 3, 4, and 5 hereof have had and have the capacity and tendency to mislead and deceive many among the purchasing public and the trade, that said fountain pen points contain gold or some gold alloy of the equivalent of 14-carat fineness and that when dealing with respondents they are dealing with a manufacturer and thereby gain the advantage by eliminating the middleman's profit.

CONCLUSION

The practices of the said respondents under the conditions and circumstances described in the foregoing findings as to the facts are all to the injury and prejudice of the public and competitors of the respondents and unfair methods of competition in commerce and constitute a violation of Section 5 of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, testimony and evidence taken before Charles F. Diggs, an examiner of the Commission therefore duly designated by it, in support of the charges of said complaint, brief by counsel for the Commission filed herein (respondents having waived filing of brief), and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes":

It is now therefore ordered, That the respondent Harry Sachnoff, doing business under the trade name of Park Row Pen Company, his agents, servants and employees, and the respondent Argo Pen-Pencil Company, Inc., its officers, agents or employees in connection with the sale or offering for sale in interstate commerce of fountain pens and pencils, forthwith cease and desist from:

(1) Directly or indirectly representing that they are manufacturers of fountain pens and pencils until and unless the said Harry Sachnoff, doing business under the trade name of Park Row Pen Company, and Argo Pen-Pencil Company, Inc., a corporation, engage in the manufacturing of pens or pencils, or absolutely own and control a factory wherein said articles are made or manufactured;

(2) Directly or indirectly representing that they or either of them own or control a factory at Passaic, N. J., unless and until they do own or control such a factory;

(3) Directly or indirectly representing, stamping or causing to be stamped fountain pen points or nibs "Durigold 14" unless and until said fountain pen points or nibs are 14 carat gold.

It is further ordered, That the respondents shall within 60 days after the service upon them of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

OLD TRUSTY DOG FOOD COMPANY

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2527. Complaint, Aug. 21, 1935—Decision, Dec. 11, 1935*

Where a corporation engaged in the sale of various brands of dog food, represented through labels and periodical and other advertising and in other ways, that its "Old Trusty Bovex" brand was "62½ percent Government inspected beef and beef products", facts being that, while its ingredients included, among others, meat and meat food products inspected and passed under the provisions of the Meat Inspection Act, and while it was made at an establishment where Federal Meat Inspection is maintained, it contained less than said percentage of Government inspected beef and beef products; with capacity and tendency to mislead and deceive purchasers and prospective purchasers in aforesaid respect:

Held, That such practices, under the conditions described above, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Mr. Joseph C. Fehr for the Commission.

Mr. James M. Cushing, of Boston, Mass., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Old Trusty Dog Food Company, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent is a corporation organized, existing and doing business under and by virtue of the laws of the State of Massachusetts, with its principal place of business located at Needham Heights, in the State of Massachusetts. It is now and for more than one year last past has been engaged in the manufacture of various brands of dog foods, including a brand designated by it as "Old Trusty Bovex", and in the sale and distribution thereof in commerce between and among various States of the United States. It has caused and still causes said products, when sold, to be shipped from its place of business in Needham Heights aforesaid to the

purchasers thereof, some located in the State of Massachusetts and others located in various other States of the United States, and there is now and has been at all times hereinafter mentioned a constant current of trade and commerce by respondent in such products between and among the various States of the United States. In the course and conduct of its business the respondent is now and has been at all times hereinafter mentioned in substantial competition with other corporations, and with persons, firms, and partnerships engaged in the sale and distribution of similar products between and among the various States of the United States.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, respondent, in selling and in soliciting the sale of the aforesaid product "Old Trusty Bovex", has represented and still represents in and by the use of labels affixed to the containers of such product, by advertisements in magazines having an interstate circulation, by hand bills and by folders distributed in interstate circulation, and by various other means, that such "Old Trusty Bovex" has been and is "62½% Government inspected beef and beef products" and that such "Old Trusty Bovex" has been "U. S. inspected and passed by Department of Agriculture", when, in truth and in fact, the aforesaid "Old Trusty Bovex" is not made of government inspected beef or beef products and when, in truth and in fact, the aforesaid "Old Trusty Bovex" has never been U. S. inspected or passed by the Department of Agriculture, and when, in truth and in fact, the aforesaid "Old Trusty Bovex" has never contained 62½% of beef or beef products, but a percentage of beef or beef products substantially less than 62½%.

PAR. 3. The representations made by the respondent as set out in paragraph 2 hereof have had and still have the capacity and tendency to mislead and deceive and have misled and deceived and still mislead and deceive the purchasing public into the beliefs that the aforesaid representations made by the respondent are true and to purchase the aforesaid product, "Old Trusty Bovex", in such erroneous beliefs.

PAR. 4. There are among the competitors of the respondent mentioned in paragraph 1 hereof, and have been for more than one year last past, manufacturers of government inspected beef and beef products for dogs who truthfully advertise and represent their products as being government inspected and passed, and as containing certain percentages of beef and beef products. There are also among such competitors of the respondent, and have been for more than one year last past, manufacturers of beef and beef food products for dogs not inspected or passed by the Department of Agriculture, and who do

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not represent that such products have been or are inspected and passed by the Department of Agriculture, or that they contain more than their correct percentage of beef or beef products.

The use by the respondent of the aforesaid labels, advertisements and circulars has had and still has the capacity and tendency to and has diverted and still diverts trade to respondent from its aforesaid competitors who truthfully represent their products, and thereby substantial injury is being done and has been done by respondent to substantial competition in interstate commerce.

PAR. 5. Said acts and practices of respondent are all to the prejudice and injury of the public and of respondent's competitors and constitute unfair methods of competition in or affecting commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 20th day of August, 1935, issued and thereafter served its complaint against the respondent named in the caption hereof, charging it with the use of unfair methods of competition in commerce in violation of said act. Respondent, after entering its appearance and filing its answer to said complaint, thereafter, to wit, on the 6th day of December, 1935, entered into a stipulation as to the facts with W. T. Kelley, Chief Counsel for the Federal Trade Commission, in which it was stipulated and agreed that the statement of facts in said agreement between respondent and the chief counsel may be taken as the facts in the proceeding and in lieu of testimony in support of the charges stated in the complaint, or in opposition thereto; and that the Commission may proceed upon said statement of facts to make its report, stating its findings as to the facts and its conclusion based thereon and enter its order disposing of the proceeding without the presentation of argument or the filing of briefs.

The Commission being fully advised in the premises, now approves, ratifies and confirms the said stipulation and agreement entered into, as aforesaid, by and between respondent and W. T. Kelley, Chief Counsel of the Federal Trade Commission, and having duly considered the same, makes this its report in writing and states its

findings as to the facts and its conclusion drawn therefrom, as follows, to wit:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent is a corporation organized, existing and doing business under and by virtue of the laws of the State of Massachusetts, with its principal place of business located at Needham Heights, in the State of Massachusetts. It is now and for more than one year last past has been engaged in the sale of various brands of dog foods, including a brand designated by it as "Old Trusty Bovex", in commerce between and among the various States of the United States. It has caused and still causes said products, when sold, to be shipped from its place of business in Needham Heights aforesaid, to the purchasers thereof, some located in the State of Massachusetts and others located in various other States of the United States; and there is now and has been at all times hereafter mentioned, a constant current of trade and commerce by respondent in such products between and among the various States of the United States. In the course and conduct of its business the respondent is now and has been at all times herein mentioned, in substantial competition with other corporations and with persons, firms and partnerships engaged in the sale and distribution of similar products between and among the various States of the United States.

PAR. 2. In the course and conduct of its business as described in paragraph 1 hereof, respondent, in selling and soliciting the sale of the aforesaid product "Old Trusty Bovex", has represented, but in July, 1935, discontinued to represent, in and by the use of labels affixed to the containers of such product, by advertisements in magazines having interstate circulation, by handbills and by folders distributed in interstate circulation, and by various other means, that "Old Trusty Bovex" has been "62½ percent Government inspected beef and beef products", and that such "Old Trusty Bovex" has been "U. S. inspected and passed by the Department of Agriculture." In truth and in fact, the aforesaid "Old Trusty Bovex" has contained and still contains less than 62½ percent Government inspected beef and beef products. The aforesaid "Old Trusty Bovex" has contained and still contains, among other ingredients, meat and meat food products which are inspected and passed under the provisions of the Meat Inspection Act, and such "Old Trusty Bovex" is made at an establishment where Federal Meat Inspection is maintained.

PAR. 3. The foregoing statements and representations made by the respondent in aid of the sale of its product "Old Trusty Bovex",

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are incorrect, exaggerated and misleading, and have the capacity and tendency to mislead and deceive purchasers and prospective purchasers of respondent's said product into the erroneous belief that said product is "62½ percent Government inspected beef and beef products."

CONCLUSION

The practices of the said respondent, under the conditions and circumstances described in the foregoing findings of fact are to the prejudice of the public and of competitors of respondent, and are unfair methods of competition in commerce in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued its complaint against the respondent, Old Trusty Dog Food Company, a corporation, charging it with the use of unfair methods of competition in interstate commerce in violation of the provisions of Section 5 of said act. Thereafter the respondent filed its answer to the charges set forth in the complaint, and on, to wit, the 6th day of December, 1935, a stipulation as to the facts was entered into by and between the Chief Counsel of the Federal Trade Commission and the respondent, wherein it was stipulated and agreed that the statement of facts thus agreed to might be taken as the facts in this proceeding and in lieu of testimony in support of the charges stated in the complaint or in opposition thereto; and the Commission having accepted and approved the said stipulation as to the facts and having made its findings as to the facts and its conclusion that the respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

It is now ordered, That the respondent, Old Trusty Dog Food Company, its officers, agents, servants, and employees, in connection with the sale or offering for sale in interstate commerce, of a brand of dog food designated by it as "Old Trusty Bovex", forthwith cease and desist from using in circulars advertisements or labels, or in any other way, any statement that such "Old Trusty Bovex" is "62½ percent Government inspected beef and beef products," or

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any statement of like purport and effect, unless and until such "Old Trusty Bovex" contains 62½ percent Government inspected beef and beef products.

It is further ordered, That the respondent, Old Trusty Dog Food Company shall, within 60 days after the date of service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied and is complying with the order to cease and desist hereinabove set forth.

Complaint

21 F. T. C.

IN THE MATTER OF

BRENNER PAPER MANUFACTURING, INC.

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2590. Complaint, Oct. 21, 1935—Order, Dec. 11, 1935*

Consent order requiring respondent corporation, its agents, etc., in connection with the printing or converting of paper or the imprinting thereon of forms and panels in preparation for use in printing announcements, or in the sale and distribution of such products in interstate commerce, to cease and desist from using a corporate name containing the word "manufacturing", or representing by any other means that it is a paper manufacturer, or using phrase "paper manufacturing", or publishing in any manner statements conveying impression that it or any of its officers, agents or employees on its behalf is engaged in paper manufacturing business or that its products are manufactured on its premises, unless and until it actually manufactures the paper it sells or offers for sale or owns or absolutely controls a mill, mills, factory or factories in which such paper is manufactured.

Mr. T. H. Kennedy for the Commission.

Mr. Jacob Brenner, of New York City, for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Brenner Paper Manufacturing, Inc., a corporation, hereafter referred to as respondent, has been and now is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. The Brenner Paper Manufacturing, Inc., respondent herein, is a corporation organized in October 1933, then, ever since and now, existing under and by virtue of the laws of the State of New York and now has its principal place of business in the city of New York, State of New York.

PAR. 2. The respondent, Brenner Paper Manufacturing, Inc., is and has been since on and after March 1, 1935, engaged in the business of printing or in the converting of paper or the imprinting thereon on forms and panels in the preparation for use in printing announcements and in the sale and distribution of such products in commerce between and among the various States of the United States.

PAR. 3. The respondent is and has been since on and after March 1, 1935, engaged in the sale or distribution of the above mentioned products in commerce to members of the public residing in States other than New York and the respondent has caused the products when so sold or distributed by it to be transported from the respondent's place of business in New York or from the State of origin of the shipment to, into and through States other than New York, or the State of origin of the shipment to members of the public, the purchasers or consignees of the said products.

PAR. 4. The respondent, since its incorporation, has been and now is in competition with other individuals, firms, partnerships, and corporations located in the United States who have been and are engaged in the sale or distribution in interstate commerce of products like or similar to those sold or distributed by respondent as hereinbefore described.

PAR. 5. In the course and conduct of its business the respondent, in soliciting the sale and distribution of its products, has carried on its business under its corporate name, Brenner Paper Manufacturing, Inc., and has used and featured said name so containing the words and phrase "Paper Manufacturing" and the statements:

Louis Brenner is a producer having 20 years experience in the printing business and 10 years in the manufacturing and converting of announcements,

and

Everything we sell is made on our own premises, and has caused the same to appear on its stationery, bill heads, trade directories, price lists, announcements and other business stationery circulated among its customers and prospective customers. Said solicitation and sale has been and now is in interstate commerce.

Respondent, throughout all its business transactions since March 1, 1935, has represented itself to be a paper manufacturer, when in truth and in fact it has not been a paper manufacturer but a converter and printer.

PAR. 6. The representations made by respondent as alleged in paragraph 5 hereof, are false and misleading and have the tendency and capacity to mislead and deceive the purchasers of respondent's products into the belief that when purchasing from respondent they are dealing with a manufacturer of paper and thereby are gaining an advantage by saving the middleman's profits. The said false representations also have the capacity and tendency unfairly to divert and do divert trade from its competitors.

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PAR. 7. The above alleged acts and practices of respondent are all to the prejudice of respondent's competitors, and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

The respondent herein having filed its answer to the complaint in this proceeding, and having subsequently filed with this Commission its motion that it be permitted to withdraw its said answer and that it be permitted to file in lieu thereof as a substituted answer, the draft of a proposed substituted answer annexed to the said motion; and the Commission having duly considered the said motion:

It is hereby ordered, That the said motion be and the same is hereby granted; that the said answer be and the same is hereby withdrawn; and that the said proposed substituted answer be, and the same is hereby filed in lieu of the said answer so withdrawn.

And the said respondent in and by its said substituted answer having waived hearings on the charges set forth in the complaint in this proceeding, and having stated in its said substituted answer that it does not contest the said proceeding, and having consented in its said substituted answer that the Commission, without a trial, without evidence, and without findings as to the facts or other intervening procedure, might make, enter, issue, and serve upon the said respondent, an order to cease and desist from the methods of competition charged in the complaint; and the Commission being fully advised in the premises;

It is hereby further ordered, That the respondent, Brenner Paper Manufacturing, Inc., a corporation, its officers, agents, representatives or employees, in connection with the printing or the converting of paper or the imprinting thereon, forms and panels in preparation for use in printing announcements or in the sale or offering for sale or distribution of such products in interstate commerce, do cease and desist from:

Using a corporate name containing the word "manufacturing" or from representing by any other means that the respondent is a paper manufacturer, or using the phrase "paper manufacturing", or publishing in any manner statements conveying the impression that respondent or any of its officers, agents or employees on behalf of respondent is engaged in the paper manufacturing business or that products of said respondent are manufactured on the premises of

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respondent, unless and until said respondent actually manufactures the paper it sells or offers for sale or owns or absolutely controls a mill, mills, factory or factories in which such paper is manufactured.

It is further ordered, That the said respondent within 60 days from the date of the service upon it of this order shall file with the Commission a report in writing setting forth in detail the manner and form in which it is complying and has complied with the order to cease and desist hereinabove set forth.

Syllabus

21 F. T. C.

IN THE MATTER OF
THE LINEN SUPPLY ASSOCIATION OF THE DISTRICT
OF COLUMBIA, ET AL.

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

Docket 2256. Complaint, Dec. 10, 1934—Order, Dec. 13, 1935

Where an association, which included a large majority of the concerns engaged in supplying linen coats, towels, table and other linen in the District of Columbia, and which, at the time of its organization, adopted and ratified the previous action of the Linen Supply Stabilization Committee of the Linen Supply Group, composed of various concerns and individuals in said industry and section, directed to increasing charges to customers and taking other steps to limit prior competition among the various members and businesses involved, and which included an arbitration committee with power to penalize members for infraction of its rules and regulations; and the officers of said Association and the individual member concerns belonging thereto; in pursuance of said combination to suppress competition in the business concerned in the District of Columbia and nearby Virginia and Maryland through fixing uniform prices—

- (a) Agreed to and did allocate customers among the members and agreed not to solicit the business or acquire a customer of another member except by and with latter's consent, and to refuse to permit a customer of one member to transfer business to another except with consent of former or approval of the aforesaid committee, and abided by such agreements, and agreed upon and arbitrarily fixed uniform prices, discounts, and terms and conditions of sale, distribution, and delivery of products involved in territory in question, and abided thereby, and otherwise controlled the business of the individual members;
- (b) Agreed to inform and did inform their secretary of contemplated changes in prices, discounts, etc., sufficiently in advance of their effective date to enable him to advise the other members of such contemplated changes in order that they might put the same into effect;
- (c) Took action through correspondence among themselves, association meetings, and their secretary to rearrange prices, discounts, terms and conditions in a manner agreeable to all, and revised their aforesaid uniform prices, etc., from time to time through association meetings and otherwise, but in such a manner that they remained uniform, and supplied a copy of such uniform prices, etc., to each association member through their said secretary, who compiled lists thereof; and
- (d) Agreed to provide and provided for fining, and did fine, association members who disregarded price lists distributed among them, solicited customers of other members, or violated other association rules and regulations agreed upon by such members;

With the result that competition in the business concerned and territory involved was suppressed, free flow of such products in the channels of commerce was hindered and obstructed, and there were denied to dealers

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and users of said products in said territory those advantages in price and otherwise which they would obtain under normal and unobstructed competition:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. John L. Hornor for the Commission.

Colladay, McGarraghy, Colladay & Wallace, of Washington, D. C., and *Mr. Julius H. Wyman* of Baltimore, Md., for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, the Federal Trade Commission, having reason to believe that The Linen Supply Association of the District of Columbia, and William Stanley Taylor, Edward O. Craig, and George N. Walker, its officers; and Frank C. Davis, Stephen J. Demas, Richard E. Vincent, Arthur Zinnamon, Jr., and Angelo Papachrist, its directors; and Capitol Towel Service Company, a corporation; C & C Coat, Towel & Apron Supply Company, a corporation; Atlas Manufacturing & Servicing Corporation, a corporation; Elite Laundry Company of Washington, D. C., Inc., a corporation; Ben E. Singer and Joseph L. Fradkins, partners doing business under the firm name and style of American Linen Supply Company; Eugene Kahn doing business under the name of Kahn Coat & Apron Supply Company; Ellis P. Eilbeck doing business under the name of Keep Clean Coat & Apron Supply; Metropolitan Coat & Apron Supply Company, a corporation; National Laundry Company, Inc., a corporation; Robert L. Cosgriff doing business under the name of Penn Coat & Apron Supply; Angelo Papachrist doing business under the name of Quick Service Laundry Company; New Coat, Apron & Towel Supply Company, a corporation; Standard Linen Supply & Laundry Company, a corporation; and Tolman Laundry, a corporation; hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act; and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, states its charges in that respect as follows:

PARAGRAPH 1. Respondent The Linen Supply Association of the District of Columbia is a voluntary trade association with its place of business within the District of Columbia. Its officers are, and

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for some time past have been, William Stanley Taylor, President, Edward O. Craig, Judge Advocate and Treasurer, and George N. Walker, Secretary. Its directors are, and for some time past have been, Frank C. Davis, Stephen J. Demas, Richard E. Vincent, Arthur Zinnamon, Jr., and Angelo Papachrist. Its membership consists, and for more than a year last past has consisted, of the other individual and corporate respondents hereinbefore named.

PAR. 2. Respondents C & C Coat, Towel & Apron Supply Company and Metropolitan Coat & Apron Supply Company are corporations organized and existing under and by virtue of the laws governing the District of Columbia. Respondent Capitol Towel Service Company is a corporation organized and existing under and by virtue of the laws of the State of Maryland. Respondents Elite Laundry Company of Washington, D. C., doing business also under the trade name Elite Linen Supply, and Standard Linen Supply & Laundry Company are corporations organized and existing under and by virtue of the laws of the State of Virginia. Respondents National Laundry Company, Inc., and New Coat, Apron & Towel Supply Company, doing business also under the trade name Rainbow Coat & Apron Supply, are corporations organized and existing under and by virtue of the laws of the State of Delaware.

PAR. 3. Respondent Eugene Kahn is now, and at all times hereinafter mentioned was, doing business under the trade name Kahn Coat & Apron Supply Company; respondent Ellis P. Eilbeck under the trade name Keep Clean Coat & Apron Supply; respondent Robert L. Cosgriff under the trade name Penn Coat & Apron Supply; and respondent Angelo Papachrist under the trade name Quick Service Laundry Company.

PAR. 4. Respondents Atlas Manufacturing & Servicing Corporation, doing business also under the trade name Atlas Linen Service, and Tolman Lanudary are corporations organized and existing under and by virtue of the laws governing the District of Columbia. Ben E. Singer and Joseph L. Fradkins are partners doing business under the firm name of American Linen Supply Company.

PAR. 5. At all times hereinafter mentioned all of the respondents named in paragraphs 2, 3, and 4 hereof had their respective places of business in the District of Columbia, except Standard Linen Supply & Laundry Company, whose place of business has been at Rosslyn, Va., and all were engaged in the business of supplying, for a consideration, to individuals, firms, and corporations, with places of business within the District of Columbia and in nearby Virginia and Maryland, linen coats, trousers, aprons, frocks, towels, and table and other linens, and at intervals taking up the soiled clothing,

towels and linens and substituting fresh, clean ones. Thereby said respondents created and maintained a constant stream of commerce within the District of Columbia and between the District of Columbia and the States of Maryland and Virginia. Respondents did and do about ninety-eight percent of the linen supply business in the area above outlined.

PAR. 6. At three certain meetings held, respectively, on April 12th, May 13th, and May 18th, of 1933, the respondents named in paragraphs 2 and 3 hereof entered into a combination and conspiracy with the aim and for the purpose of suppressing and preventing all competition among themselves and with and among all persons, firms, and corporations engaged in the linen supply business, described in paragraph 5 hereof, in the District of Columbia and nearby Maryland and Virginia. Thereafter, and, respectively, in June, July, and August, of 1933, the respondents named in paragraph 4 hereof entered into and joined said combination and conspiracy and thereafter cooperated among themselves and with the other respondents to carry on and accomplish the aims and purposes of said combination and conspiracy.

PAR. 7. In entering into and forming said combination and conspiracy, and to accomplish the aims and purposes thereof, the respondents named in paragraphs 2, 3, and 4 hereof, acting with one another and through the instrumentalities of the respondent Association, its officers and directors, did and performed and still do and perform, the following acts and things:

(1) Organized respondent trade association and sought to bring into membership all persons, firms, and corporations engaged in the linen supply business in the District of Columbia and nearby Maryland and Virginia.

(2) Provided for, and elected or otherwise designated, among other officers a president, a judge advocate-treasurer, an arbitration committee and a cost finding committee. It was and is the duty of the president to preside at meetings of the Association and of the directors and to appoint all committees; of the board of directors to act on such matters as may be referred to it by the Association and make recommendations to further the objects of the Association; of the arbitration committee to hear and adjust disputes among the members; and of the judge advocate to entertain and decide appeals from decisions of the arbitration committee. It was and is the duty of the cost finding committee to arrange price schedules and recommend them to the Association for adoption.

(3) Adopted schedules of prices to be charged for their said linen supplies, and disseminated the price list among the members. The

members regularly adhered to and used such price lists in the conduct of their business.

(4) Agreed that no member of the Association would solicit the customers of another member nor quote them prices lower than those at the time being quoted them by the member supplying them. When there was a dispute as to which of two or more contending members was entitled to claim a certain customer, the matter was referred to the arbitration committee and after final decision the unsuccessful contender must refrain from competing for that customer's business.

(5) Agreed upon prices to be bid where competitive bids were called for by a user or prospective user of respondents' linen supplies.

(6) Where a member successfully solicited a customer of another member or otherwise interfered between them, or violated the rules or agreements above set forth, complaint was made to the secretary, who in turn referred the matter to the arbitration committee. The decision of the committee, or of the judge advocate, if on appeal, was enforced by a fine or by judgment of restitution or compensation to the aggrieved member.

(7) Used other and similar methods and means designed to suppress and prevent competition among those engaged in the linen supply business in the area hereinabove outlined.

PAR. 8. The combination and conspiracy so entered into and carried on by said respondents and the acts and things done thereunder and pursuant thereto, as hereinabove alleged, resulted and results in the suppression and prevention of competition between and among them and in the enhancement of prices to the using public; and constitute unfair methods of competition in commerce within the intent and meaning of the Act of Congress above entitled, and is to the prejudice and injury of the public, in that the public is and has been deprived of the benefits of competition that otherwise would have existed and would exist in such industry and trade.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on December 10, 1934, issued and served its complaint in this proceeding upon respondents, The Linen Supply Association of the District of Columbia; William Stanley Taylor, President; Edward O. Craig, Judge Advocate; George N. Walker, Secretary; Frank C. Davis, a Director; Stephen J. Demas, a Director; Richard E. Vincent, a Director; Arthur Zinnamon, Jr., a

Director; Angelo Papachrist, a Director; Capitol Towel Service Company; C. C. Coat, Towel & Apron Supply Company; Atlas Manufacturing & Servicing Corporation; Elite Laundry Company of Washington, D. C., Inc.; Ben E. Singer & Joseph L. Fradkins, partners, doing business under the firm name and style of American Linen Supply Company; Eugene Kahn, an individual, doing business under the firm name and style of Kahn Coat & Apron Supply Company; Ellis P. Eilbeck, an individual, doing business under the firm name and style of Keep Clean Coat & Apron Supply Company; Metropolitan Coat & Apron Supply Company; National Laundry Company, Inc.; Robert L. Cosgriff, an individual, doing business under the firm name and style of Penn Coat & Apron Supply Company; Angelo Papachrist, an individual, doing business under the firm name and style of Quick Service Laundry Company; New Coat, Apron & Towel Supply Company; Standard Linen Supply & Laundry Company, and Tolman Laundry; charging them with the use of unfair methods of competition in commerce in violation of the provisions of said Act. After the issuance of said complaint, and the filing of respondents' answer thereto, testimony and evidence, in support of the allegations of said complaint were introduced by John L. Hornor, attorney for the Commission, before Robert S. Hall, an examiner of the Commission theretofore duly designated by it, and in defense of the allegations of the complaint by Joseph C. McGarraghy and Julius H. Wyman, attorneys for the respondents; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, briefs in support of the complaint and in defense thereto, and the oral arguments of counsel aforesaid; and the Commission having duly considered the same, and being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, The Linen Supply Association of the District of Columbia, is a voluntary, unincorporated association of individuals, partnerships, and corporations, who, for more than two years last past, have been engaged in the business of supplying and furnishing, for a consideration, to individuals, firms, and corporations, with place of business within the District of Columbia and in nearby Virginia and Maryland, linen coats, trousers, aprons, frocks, towels, and table and other linens. The said members are banded

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together in said association to promote and protect their common interests and business affairs. Respondents William Stanley Taylor and George N. Walker are, respectively, president and secretary of said association; Frank C. Davis, Stephen J. Demas, Angelo Papachrist, Richard E. Vincent and Arthur Zinnamon, Jr. are directors of the said association; Frank C. Davis, Angelo Papachrist and Richard E. Vincent are members of the Arbitration Committee of the said association; and Edward O. Craig is the Judge Advocate of the said association; and they are in charge of administering and conducting its activities and affairs. The members of the said association are as follows:

Respondent C. C. Coat, Towel and Apron Supply Company, a corporation organized and existing under and by virtue of the laws governing the District of Columbia;

Respondent Metropolitan Coat and Apron Supply Company, a corporation organized and existing under and by virtue of the laws governing the District of Columbia;

Respondent Capitol Towel Service Company, a corporation organized and existing under and by virtue of the laws of the State of Maryland;

Respondent Elite Laundry Company of Washington, D. C., Inc., a corporation organized and existing under and by virtue of the laws of the State of Virginia, and doing business also under the trade name Elite Linen Supply Company;

Respondent Standard Linen Supply and Laundry Company, a corporation organized and existing under and by virtue of the laws of the State of Virginia,

Respondent National Laundry Company, Inc., a corporation organized and existing under and by virtue of the laws of the State of Delaware;

Respondent New Coat, Apron and Towel Supply Company, a corporation organized and existing under and by virtue of the laws of the State of Delaware, and doing business also under the trade name Rainbow Coat and Apron Supply Company;

Respondent Eugene Kahn, an individual, doing business under the trade name Kahn Coat and Apron Supply Company;

Respondent Ellis P. Eilbeck, an individual, doing business under the trade name Keep Clean Coat and Apron Supply;

Respondent Robert E. Cosgriff, an individual, doing business under the trade name Penn Coat and Apron Supply Company;

Respondent Angelo Papachrist, an individual, doing business under the trade name Quick Service Laundry Company;

Respondent Atlas Manufacturing and Servicing Corporation, a corporation organized and existing under and by virtue of the laws governing the District of Columbia, and doing business also under the trade name Atlas Linen Service;

Respondent Tolman Laundry, a corporation organized and existing under and by virtue of the laws governing the District of Columbia, and doing business also under the trade name Washington Coat Service;

Respondents Ben E. Singer and Joseph L. Fradkins, partners, doing business under the firm name and style of American Linen Supply Company.

Each of said members named above has, and has had, its or his respective place of business in the District of Columbia, except the Standard Linen Supply and Laundry Company, whose place of business is and has been at Rosslyn, Va., and the said members are in competition with each other, or would be were it not for having entered into a combination in restraint of trade, and each of said members is in direct competition with other individuals, partnerships and corporations similarly engaged. The respondent members of said association represent 14 of the 16 linen supply firms engaged in the industry in the District of Columbia.

PAR. 2. Each of said members supply and furnish, for a consideration linen coats, trousers, aprons, frocks, towels, and table and other linens, to users thereof located in the District of Columbia and in nearby Virginia and Maryland, and causes said linen coats, trousers, aprons, frocks, towels, and table and other linens, when so supplied and furnished, to be transported from their respective places of business in and through the District of Columbia, and into and through the nearby States of Virginia and Maryland to such purchasers located in the District of Columbia and in States other than the States from which such shipments are made.

PAR. 3. At a meeting in Washington, D. C., on May 12, 1933, of dealers in the Linen Supply Company designating themselves as the Linen Supply Group and composed of R. E. Vincent, Capitol Towel Service Company; Frank C. Davis, Elite Laundry Company of Washington, D. C., Inc.; W. Stanley Taylor, Earl Zirkle and Mr. Young, National Laundry Company, Inc.; Arthur Zinnamon, Jr., H. G. Saunders, Standard Linen Supply and Laundry Company; John Paul, George Skiados, Metropolitan Coat and Apron Supply Company; A. Papachrist, Quick Service Laundry Company; Robert J. Doyle, Troy Laundry; Robert L. Cosgriff, Penn Coat and Apron Supply; E. O. Craig, C. C. Coat, Towel and Apron Supply Company; Stephen Demas, Rainbow Coat and Apron Supply Com-

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pany; Eugene Kahn, Kahn Coat and Apron Supply Company, and Ellis P. Eilbeck, Keep Clean Coat and Apron Supply, there was adopted a report of the Linen Supply Stabilization Committee of the Linen Supply Group, which report was ratified at the meeting on May 18, 1933, when the Linen Supply Association of the District of Columbia was duly organized and effected as set forth in paragraph 4 hereof. This report, as ratified by the association, provided that it was imperative to close all jobs for a period of ninety (90) days in order to allow each operator—

(a) To increase the rates to customers at his or its discretion, it being optional whether or not prices on jobs which each member now had should be raised thus eliminating the possibility of jobs so raised changing to another member; and

(b) During the ninety days readjustment period each operator must quote a price of 25¢ on coats and 10¢ on aprons on old jobs.

The report further sets forth that—

(a) Before a customer of one member could move his job to a competing member, the member approached must quote a substantially higher price than being charged at that time;

(b) No member shall take the customer of another member except by the consent of the member now serving the customer;

(c) Dissatisfied customers must be allowed to change, but only on condition that there is a meeting of the operators involved, and, if no agreement can be reached between these members, the matter must be referred to the Arbitration Committee of the said association;

(d) No new customer could be solicited at less than the minimum prices agreed upon.

On July 12, 1933, at a regular meeting of the respondent association, it was agreed to extend the closed job agreement for another period of ninety (90) days.

PAR. 4. On May 18, 1933, respondents William Stanley Taylor, Edward O. Craig, Frank C. Davis, Stephen J. Demas, Richard E. Vincent, Arthur Zinnamon, Jr., Angelo Papachrist, Capitol Towel Service Company, C. C. Coat, Towel and Apron Supply Company, Elite Laundry Company of Washington, D. C., Inc., Eugene Kahn, Ellis P. Eilbeck, Metropolitan Coat and Apron Supply Company, National Laundry Company, Robert L. Cosgriff, Standard Linen Supply and Laundry Company, New Coat, Apron and Towel Supply Company, and others, held an organization meeting of the Linen Supply group in Room 314, Chestnut Farms Building, Washington, D. C., and organized the Linen Supply Association of the District of Columbia, adopting at that time a constitution and by-laws for

the governance of said association, and ratifying the previous actions of the Linen Supply group, all agreeing to abide thereby. At this meeting, after the adoption of a constitution and by-laws, and in accordance therewith, William S. Taylor was duly elected president of the said association. Frank C. Davis, Stephen J. Demas, Angelo Papachrist, Richard E. Vincent, and Arthur Zinnamon, Jr., were duly elected to the Board of Directors of the said association, E. O. Craig was duly elected judge advocate of the said association, Frank C. Davis, Angelo Papachrist, and Richard E. Vincent were duly elected as the Arbitration Committee of said association, and George N. Walker was employed as the secretary of the said association, and these officers have continued to serve as said officers of said respondent association.

PAR. 5. On June 14, 1933, at a meeting of the said association, Robert L. Driscoll, representing the Atlas Manufacturing and Servicing Corporation, was duly elected to membership in the association.

At a meeting of the said association on July 26, 1933, F. W. Mackenzie, Walter F. Brauns, and Rex Henderson, representing Tolman Laundry and the Washington Coat Service, were duly elected as members of the association.

On August 8, 1933, at a regular meeting of the said association, Ben E. Singer and Joseph L. Fradkins, partners, doing business under the firm name and style of American Linen Company, were each duly elected as a member of the said association.

PAR. 6. The respondent members, as set forth in paragraphs 4 and 5, hereof, duly became members of said respondent association, have continued actively as members of said respondent association, are now actually engaged as members thereof and derived the benefits of their respective membership in said respondent Linen Supply Association of the District of Columbia.

PAR. 7. On or about May 18, 1933, the aforesaid combination was entered into with the purpose and intention and effect of suppressing competition in the business of supplying and furnishing, for a consideration, linen coats, trousers, aprons, frocks, towels, and table and other linens, in the District of Columbia and the nearby States of Virginia and Maryland, through fixing uniform prices, discounts, and terms and conditions of sale, distribution and delivery of said products in such territory, and the allocation of customers therein. In order to carry out and effectuate said combination and its purposes respondents, for more than two years last past, have done and still do the following acts and things:

(a) The association operated under a constitution and by-laws which authorized members to submit grievances and complaints in

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writing to the secretary to be dealt with by the Arbitration Committee, who assessed penalties for infraction of the rules and regulations, allowing appeals from the decisions of the Arbitration Committee to be submitted to a judge advocate, whose decisions in regard thereto should be final;

(b) Respondent members agreed upon and arbitrarily fixed uniform prices, discounts, and terms and conditions of sale, distribution and delivery of aforesaid products for and in the territory served by such members, and adhered to and abided by said prices, discounts, terms, and conditions;

(c) Respondent members agreed to, and did inform the secretary of the association of contemplated changes in said prices, discounts, terms, and conditions at a time sufficiently in advance of the time said contemplated changes should go into effect, to enable the secretary to, and he did, by letters, bulletins and other means, advise the other members of said contemplated changes, in order that said other members might, and they did, put such changes into effect;

(d) Respondent members took action through correspondence among themselves, through association meetings, and through the secretary of the association, to rearrange said prices, discounts, terms, and conditions, in a manner agreeable to all;

(e) Respondent members, from time to time, through meetings of the association and otherwise, revised said uniform prices, discounts, terms, and conditions, but in such manner that they remained uniform;

(f) The secretary compiled lists of such uniform prices, discounts, terms, and conditions, and supplied a copy thereof to each member of the association;

(g) Respondent members agreed upon, and did allocate customers to the members, and otherwise controlled the business of individual respondents;

(h) Respondent members agreed not to, and in pursuance of such an agreement obligated themselves not to solicit the business or acquire a customer of another member except by and with the consent of the member then serving the customer;

(i) Respondent members agreed upon, and in pursuance to such agreement, refused to permit a customer of one member to transfer business to another member except with the consent of the first member or with the approval of the Committee for Arbitration; and

(j) Respondent members agreed upon and in pursuance to such agreement made provisions for imposing fines and did impose fines upon the members of said respondent association who did cut the respondent association's price list distributed among respondent members, solicited the customers of other members and violated other

rules and regulations of the respondent association which has been agreed upon by the respondent members of the respondent Linen Supply Association of the District of Columbia.

PAR. 8. The effect and result of said combination, and the acts and things done by respondents to carry out and effectuate the same, as hereinbefore set out, has been and now is to suppress competition in the supplying, furnishing, and distribution of linen coats, trousers, aprons, frocks, towels, and table and other linens in the District of Columbia and in the nearby States of Virginia and Maryland; to hinder and obstruct the free flow of said products in the channels of commerce, and to deny to dealers in and consumers of said products in the District of Columbia and the aforesaid States, those advantages in price and otherwise which they would obtain under conditions of normal and unobstructed competition, in the absence of the above alleged acts and practices of respondents.

CONCLUSION

The practices of said respondents, under the conditions and circumstances stated in the foregoing findings, are to the prejudice of the public and of respondents' competitors, and are unfair methods of competition, and constitute a violation of the Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and evidence taken before Robert S. Hall, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, briefs filed herein, and oral arguments by John L. Hornor, counsel for the Commission, and by Joseph C. McGarraghy and Julius H. Wyman, counsel for the respondents, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

It is ordered, That respondents, Linen Supply Association of the District of Columbia, William Stanley Taylor, Edward O. Craig, and George N. Walker, its officers; and Frank C. Davis, Stephen J. Demas, Richard E. Vincent, Arthur Zinnamon, Jr., and Angelo

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Papachrist, its directors; and Capitol Towel Service Company, a corporation; C. C. Coat, Towel & Apron Supply Company, a corporation; Atlas Manufacturing and Servicing Corporation, a corporation; Elite Laundry Company of Washington, D. C., Inc., a corporation; Ben E. Singer and Joseph L. Fradkins, partners, doing business under the firm name and style of American Linen Supply Company; Eugene Kahn, doing business under the firm name and style of Kahn Coat and Apron Supply Company; Ellis P. Eilbeck, doing business under the firm name and style of Keep Clean Coat and Apron Supply; Metropolitan Coat and Apron Supply Company, a corporation; Robert L. Cosgriff, doing business under the firm name and style of Penn Coat and Apron Supply; Angelo Papachrist, doing business under the firm name and style of Quick Service Laundry Company; New Coat Apron and Towel Supply Company, a corporation; Standard Linen Supply and Laundry Company, a corporation, and Tolman Laundry, a corporation, members of said association; their officers, directors, agents, representatives, servants, and employees, in connection with the supplying, furnishing, and distribution of the products which they supply, furnish, and distribute in commerce, in the District of Columbia, and between the District of Columbia and the States of Maryland and Virginia, do cease and desist from:

(1) Combining, agreeing or cooperating among themselves, or among any of them, or others, either through correspondence, association meetings, the secretary of the said association, meeting of two or more of them, or otherwise;

a. To control the solicitation and allocation of customers, and to fix, maintain or control uniform prices, discounts, terms, and conditions of supplying, furnishing, distributing, and delivering;

b. To exchange information among themselves, or with others, regarding contemplated changes in prices, discounts, terms, and conditions of supplying, furnishing, distribution, and delivery;

c. To adopt or distribute among two or more of them, or others, lists containing schedule of uniform prices, discounts, terms, and conditions of supplying, furnishing, distribution and delivery which have been agreed upon;

d. To arrange for or to designate one or more of its members to receive complaints of violations by a respondent member of any agreements, rule or regulation among respondent members or other rule or regulation of respondent association regarding prices, allocation of customers among members, or other control of the customers of members, or to arbitrate or to adjust disputes between respondent members, or to levy penalties upon a member of respondent,

Linen Supply Association of the District of Columbia, for the violation of any agreement, rule or regulation of respondent, Linen Supply Association of the District of Columbia;

e. To utilize any other equivalent cooperative means of accomplishing the controlling, solicitation, and allocation of customers, and the fixing, maintaining or controlling of uniform prices, discounts, terms, and conditions of supplying, furnishing, distributing, and delivering of the products which they supply, furnish and distribute in commerce in the District of Columbia, and between the District of Columbia and the States of Maryland and Virginia.

It is further ordered, That said respondents shall, within 60 days after service upon them of a copy of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist hereinabove set out.

Complaint

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IN THE MATTER OF
THOMASVILLE CHAIR COMPANY

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

Docket 2589. Complaint, Oct. 18, 1935—Order, Dec. 20, 1935

Consent order requiring respondent, its officers, etc., in connection with the advertisement, offer for sale, and sale in interstate commerce of household or other furniture, to cease and desist from—

- (a) Advertising or in any other way representing, directly or by implication, that articles of furniture made or sold by it and not made from wood derived from trees of the genus *Swietenia* of the *Meliaceae* family, otherwise known as Mahogany, are "Mahogany" or "Mah";
- (b) Advertising or in any other way representing, directly or by implication, that articles of furniture made or sold by it and not made from wood derived from the genus *Juglans*, of the tree family known as Walnut or *Juglandaceae*, are "walnut" or "oriental walnut"; or
- (c) Using word "walnut", either independently or in connection or conjunction with word "oriental", or with any other word or words, in its advertising matter of whatever character, so as to represent, import, imply, or have capacity or tendency to confuse, mislead or deceive purchasers into belief that said articles of furniture are made, either in whole or in part, from wood derived from trees of the Walnut or *Juglandaceae* family, when such is not the fact.

Mr. T. H. Kennedy for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Thomasville Chair Company, a corporation, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent is a corporation organized, existing, and doing business under and by virtue of the laws of the State of North Carolina, with its principal place of business at Thomasville in the State of North Carolina. Respondent is now and for a number of years last past has been engaged in the manufacture of a general line of bedroom and dining room furniture and to some extent of other miscellaneous furniture lines and in the sale and distribution of said

products in commerce between and among the various States of the United States. In the course of its said business, respondent has at all times herein referred to, used and does now use the name of Finch Furniture Company along with its own corporate name in consummating its business transactions. Said Finch Furniture Company is a fictitious name applied by respondent to one of the divisions or departments of respondent's business. Respondent causes its said products when so sold to be transported from its said place of business in Thomasville, N. C., or other State of origin into and through other States of the United States to purchasers of said products. Respondent's customers are wholesale furniture dealers, furniture jobbers, and retail furniture dealers. In the course and conduct of its said business, respondent is in competition with other individuals, partnerships, and corporations engaged in the sale and distribution of similar products in commerce between and among various States of the United States.

PAR. 2. In connection with and in the conduct of its said business, respondent caused advertising matter, statements, invoices and other writings to be distributed in interstate commerce among its customers and prospective customers situated in States other than the State of origin of such distribution, in which said writings certain of its products were represented, designated and referred to as "Solid Mahogany" and as "Mahogany" while other products were represented and designated as "Oriental Walnut" and "Walnut." Invoices listed said products as "Mah." or as "Wal." and which products so advertised and invoiced were sold and shipped in interstate commerce; when in truth and in fact (a) said products designated "Mahogany" or "Mah." were made of woods other than Mahogany wood and (b) said products designated "Walnut" or "Wal." were made of woods other than walnut wood.

PAR. 3. By means of said designations and descriptions of its said products as set forth in paragraph 2 hereof, respondent places in the hands of respondent's customers the means whereby said respondent's customers may commit a deception and fraud upon the purchasing public by enabling said respondent's customers to represent that said products are made of mahogany wood or of walnut wood respectively and display respondent's said designations and descriptions as evidence and confirmation of the truth of said representations. The aforesaid representations made by respondent have had the capacity and tendency to cause said respondent's customers to resell said products as and for furniture made of mahogany wood or walnut wood and thus eventually cause the purchasing public to purchase said products made of woods other than mahogany or of woods

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other than walnut in the belief that the articles so purchased are made of mahogany wood or walnut wood respectively.

PAR. 4. There were and are among the competitors of said respondent, Thomasville Chair Company, many who have dealt in and sold and who deal in and sell similar products to those herein referred to made of mahogany or of walnut who have rightfully and truthfully represented and who rightfully and truthfully represent their said products to be made of mahogany or walnut wood respectively and the above alleged acts and practices of the said respondent have tended to and do tend to divert and have diverted and do divert business from and have tended to and do tend otherwise to prejudice and injure said competitors; and there were and are among the competitors of said respondent many who have dealt in and sold and who deal in and sell similar products to those herein referred to not made of mahogany wood or walnut wood respectively and who have rightfully and truthfully represented and who rightfully and truthfully represent said products not to be made of mahogany wood or walnut wood respectively; and the above alleged acts and practices of said respondent have tended to and do tend to divert and have diverted and do divert business from and have tended to and do tend to otherwise prejudice and injure said competitors.

PAR. 5. The above alleged acts and practices of respondent have been and are all to the prejudice of the public and competitors of said respondent and constitute unfair methods of competition in commerce within the intent and meaning of Section 5, of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having come on for final hearing by the Federal Trade Commission upon respondent's answer waiving all further procedure and consenting that the Commission may make, enter and serve upon it an order to cease and desist from the unfair methods of competition charged in the complaint, and the Commission being fully advised in the premises,

It is now ordered, That the respondent, Thomasville Chair Company, a corporation, its officers, agents, representatives, and employees, in connection with the advertising, offering for sale, and sale in interstate commerce of household or other furniture, cease and desist from:

(1) Advertising or in any way otherwise representing, directly or by implication, by advertisements, advertising literature, invoices, stickers attached to the articles of furniture, or in any manner or by any means whatsoever, that articles of furniture manufactured or sold by the respondent and not made from wood derived from trees of the genus *Swietenia* of the *Meliaceae* family, otherwise known as mahogany, are "Mahogany" or "Mah."

(2) Advertising or in any way otherwise representing, directly or by implication, by advertisements, advertising literature, invoices, stickers attached to the articles of furniture, or in any manner or by any means whatsoever that articles of furniture manufactured or sold by the respondent and not made from wood derived from the genus *Juglans*, of the tree family known as walnut or *Juglandaceae*, are "walnut" or "oriental walnut."

(3) Using the word "walnut" either independently or in connection or conjunction with the word "oriental", or with any other word or words, in its advertising matter of whatever character, so as to represent, import, imply, or have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said articles of furniture are manufactured, either in whole or in part, from wood derived from trees of the walnut or *Juglandaceae* family, when such is not the fact.

It is further ordered, That respondent, Thomasville Chair Company, shall, within 60 days from the date of service upon it of this order, file with the Commission a report in writing, setting forth the manner and form in which it has complied with the order herein set forth.

Syllabus

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IN THE MATTER OF

JOSEPH M. GUERRA, TRADING AS BENTON
NOVOGRAPH COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2465. Complaint, June 27, 1935—Order, Dec. 24, 1935*

Where an individual, engaged in printing invitations, announcements, calling cards, and other social and business stationery by a process in which the letters or designs were type printed thereon and thereafter "raised" by embossing—

Used words "engraving" and "engravers" in describing his products in newspaper and periodical advertisements circulated throughout the several States, and in circulars, sample books, etc., through such statements as "plate engraved", "Benton engraving is produced by an exclusive method", etc., "Plate engraved on fine velum", "There is no substitute for plate engraving", "Of course, you will not be content with anything less than genuine plate engraving", etc., and "exclusive engravers", in referring to his business or trade name;

The facts being he neither owned, nor operated an "engraving" company, and was not engaged in the business of engraving, or producing engraved stationery, and letters, etc., upon products in question had not been produced by application of the paper to inked plates upon which the words or designs had been cut or incised by hand, machine, etching, or other means below the surface thereof, as understood by trade and public as involved in the much more costly engraving preferred by many;

With effect of misleading and deceiving a substantial portion of the purchasing public into the erroneous belief that he owned or operated an "engraving" company and was engaged in the business of producing and selling engraved stationery, and that the letters or designs upon his said stationery were genuine engraving as known to trade and public generally, and with capacity and tendency so to do, and with result that a substantial volume of his said products was purchased by the consuming public, and trade, to a substantial extent, was diverted from competitors, including those who truthfully represent themselves as producers of and dealers in genuine engraved stationery, and those who manufacture business and social stationery without in any manner representing themselves as manufacturers of or dealers in "engraved" products, to the substantial injury of competition in commerce, and use of words "engraving", "engraved", or "engravers" in his advertising literature, as above set forth, placed in the hands of unscrupulous agents and representatives the means of misleading and deceiving customers in the aforesaid respects and causing purchase of substantial quantities of such products as a result of said erroneous beliefs:

Held, That such acts and practices were all to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Addison*, trial examiner.

Mr. J. T. Welch for the Commission.

Mr. Carlton A. Fisher, of Buffalo, N. Y., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Joseph M. Guerra, an individual, doing business under the trade name and style of Benton Novograph Company, hereinafter designated as respondent, is now, and has been, using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating the charges in that respect as follows:

PARAGRAPH 1. Respondent, Joseph M. Guerra, is an individual who is now, and has been at all times mentioned herein, doing business under the trade name and style of Benton Novograph Company, at 16 East Tupper Street, Buffalo, State of New York. Respondent is now, and has been, engaged in the business of printing, by a special process, stationery for social and business purposes, including invitations, announcements, calling cards, letterheads, envelopes, and similar products, and in selling said products in commerce, as herein set out.

PAR. 2. Said respondent, being engaged in business as aforesaid, causes said stationery so printed, when sold, to be transported from his principal office and place of business in the State of New York to the purchasers thereof located in other States of the United States and in the District of Columbia, and there is now, and has been at all times mentioned herein, a constant current of trade and commerce in said stationery so printed or produced and sold by respondent, between and among the various States of the United States and the District of Columbia.

PAR. 3. In the course and conduct of his said business, respondent is now, and has been, in substantial competition with other individuals, firms and corporations likewise engaged in the business of printing and selling stationery for social and business purposes as herein set out, in commerce among and between the various States of the United States and in the District of Columbia, and particularly with individuals, firms and corporations engaged in the business of engraving and selling engraved stationery for social and business

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purposes in commerce between the various States of the United States and in the District of Columbia.

PAR. 4. In the course of the operation of said business, and for the purpose of inducing individuals, firms and corporations to purchase said stationery products, respondent has, from time to time, caused advertisements to be inserted in newspapers and magazines of general circulation throughout the United States, and has printed and circulated throughout the several States to customers and prospective customers, through the United States mails, numbers of letters of solicitation, price lists, sample books, pamphlets, folders and other advertising literature, in which respondent has caused his trade name, Benton Novograph Company, to be prominently and conspicuously displayed, together with the statements:

1. Benton wedding invitations. Plate engraved.
2. Benton engraving is produced by an exclusive method which, combined with the volume of business enjoyed, brings the cost of genuine plate engraving down to a price comparable with that of "process", "relief", "thermograph", "raised lettering" or other imitation engraving.
3. Benton invitations and announcements are plate engraved on fine vellum.
4. There is no substitute for plate engraving.
5. The Benton Novograph Company unconditionally guarantees the invitations and announcements produced by them to be plate engraved on first quality vellum paper, exactly as shown. It guarantees that the engraving will be produced without error, strictly according to copy furnished.
6. The Benton Novograph Company, Exclusive Engravers.
7. The Benton Novograph Company, established 1924, makers of fine engraved stationery.
8. Of course you will not be content with anything less than genuine plate engraving.

All of said statements, together with similar statements purport to be descriptive of respondent's business and the products manufactured and sold by him. In the various catalogs, circulars and pamphlets distributed as aforesaid by the respondent, there appear numerous statements wherein the respondent refers to the process by which he prints letters, words and designs on stationery as a process of "engraving." In said catalogs, pamphlets and other circulars, as well as all other advertising literature used by him, respondent refers to the product manufactured by him as being "genuine plate engraving."

PAR. 5. Respondent, in the course of his business, as described in paragraphs 1-4, inclusive, prints invitations, announcements, calling cards, letterheads, envelopes and social and business stationery by a process which is designated by him as "plate engraving", although such process is not the process used in producing genuinely engraved stationery. Respondent does not own or operate an "engraving"

company, and respondent is not engaged in the business of "engraving". The letters, words or designs upon stationery products manufactured, offered for sale and sold by respondent, in the manner aforesaid, are not the result of "engraving" according to the trade and public understanding of the term. The process used by respondent is one whereby the letters, words or designs are type printed onto the stationery, and said letters, words or designs are then "bumped up" or "raised" by application, under pressure, of a specially prepared plate to the surface of the stationery. The letters, words or designs are photographed onto a specially prepared sensitized zinc plate and the plate is then treated with a chemical process. The plate, after said chemical treatment, with the letters, words or designs appearing thereon, is applied, under pressure, to the stationery product upon which the letters, words and designs have been previously type printed in such a way as to "bump up" or "raise" the letters on the stationery above the plane of the paper so as to closely resemble genuine engraved stationery in some of its characteristics.

PAR. 6. The word "engraving", as it is used in the graphic arts, may be applied either to an engraved intaglio plate upon which letters, words, or designs have been incised or cut, or to impressions made from such a plate. Such plates are cut or incised by hand, by machine, by etching with acid, by a transfer from other engravings and by other means, but in all cases the letters, words, or designs so to be produced upon stationery are cut below the surface of the plate. To make impressions from such a plate the ink is applied, then the plate is wiped so that the ink remains only in the lines cut below the surface. The inked plate is then put upon a piece of stationery or article to be engraved and pressure is applied sufficient to force the surface of the stationery into the lines cut in the plate, causing the ink in such lines to adhere to the paper on which the impression is to be made.

PAR. 7. The words "engraving" and "engraved", when used in connection with, or descriptive of, business or social stationery, mean, and the trade and consuming public understand, and for many years have understood, them to mean that the stationery products, so being referred to or described, contain letters, words or designs which are raised from the general plane of the stationery surface, and are in relief, and are the result of the application, under pressure, of metal plates which have been specially engraved, cut or carved for, and are used in, the production of such stationery by the process more particularly detailed herein in paragraph 6.

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PAR. 8. The cost of producing genuine engraved stationery greatly exceeds the cost of producing stationery of like stock, grade or character produced by the process employed by the respondent, as set out herein, and a substantial portion of the purchasing public has indicated, and has, a decided preference for engraved stationery over stationery produced by respondent's process or any similar process.

PAR. 9. The use by respondent of the words "engraving", "plate engraved", "plate engraving", "engraved", or "engravers", as set out in paragraph 4 hereof, either in describing his product or designating his business, in his advertisements in newspapers and magazines, circular letters of solicitation, catalogs, price lists, sample books, pamphlets, folders and other advertising literature, and in his general business correspondence, in offering for sale or selling his stationery products, was and is calculated to, and had and now has the tendency and capacity to, and did and now does mislead and deceive a substantial portion of the purchasing public into the erroneous belief that respondent owns or operates an "engraving" company, and that respondent is in the business of producing and selling "engraved" or "plate engraved" stationery, and that the letters, words or designs contained upon the said stationery offered for sale and sold by the respondent were and are "engraved" or "plate engraved", and are the result of the engraving process described in paragraph 6. Further, the use of the words "engraved", "engraving", "plate engraving", "plate engraved" or "engravers" in said advertising literature hereinabove referred to, especially in the catalogs, sample books, pamphlets, folders and price lists, and the placing of said advertising literature, containing said words, in the hands of agents, representatives and dealers, enables unscrupulous agents, representatives and dealers to mislead and deceive customers into the erroneous belief that respondent owns and operates an "engraving" company; and is engaged in the business of producing and selling "engraved" stationery products and that the stationery products offered for sale and sold by respondent are "engraved" products. As a direct consequence of the mistaken and erroneous beliefs, induced by the acts, advertisements and representations of respondent, as hereinabove detailed, a substantial number of the consuming public has purchased a substantial volume of respondent's stationery products, with the result that substantial injury has been done to substantial competition in commerce among the various States of the United States and in the District of Columbia.

PAR. 10. There are among respondent's competitors, many who produce "engraved" stationery products which are designed and in-

tended for business and social purposes, and who sell such "engraved" stationery products, when so produced, and transport them or cause them to be transported, to, into and through other States of the United States, to the purchasers thereof at their respective points of location; there are others among respondent's competitors who manufacture and sell in commerce as aforesaid, stationery products designed and intended for business and social purposes, but who do not manufacture or sell "engraved" stationery products and who do not, by any means or in any manner, hold themselves out, or represent themselves to be manufacturers of, or dealers in, "engraved" stationery products; and the alleged acts, practices and representations of the respondent divert a substantial volume of trade from, and otherwise prejudice and injure a substantial number of said competitors.

PAR. 11. The above and foregoing acts, practices and representations of the respondent have been, and are, all to the prejudice of the public and respondent's competitors as aforesaid, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on June 27, 1935, issued and served its complaint in this proceeding upon respondent Joseph M. Guerra, trading as Benton Novograph Company, charging him with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint, and the filing of respondent's answer thereto, testimony and evidence, in support of the allegations of said complaint were introduced by J. T. Welch, attorney for the Commission, before John W. Addison, an examiner of the Commission theretofore duly designated by it, and in defense of the allegations of the complaint by Carlton A. Fisher, attorney for the respondent; and said testimony and evidence was duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and evidence, briefs in support of the complaint and in defense thereto; and the Commission having duly considered the same, and

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being fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Joseph M. Guerra, is an individual who is now, and has been for a number of years past, doing business at 16 E. Tupper Street in the city of Buffalo, State of New York, under the trade name and style of Benton Novograph Company. Respondent is now, and has been, engaged in the business of printing stationery for social and business purposes, including invitations, announcements, calling cards, letterheads, envelopes, and similar products.

PAR. 2. Since the date of his commencement in business, the respondent has caused the stationery products printed by him, when sold, to be transported from his principal office and place of business in the State of New York to the purchasers thereof located in other States of the United States and in the District of Columbia. There is now, and has been, a constant current of trade and commerce in said stationery so printed or produced and sold by the respondent between and among the various States of the United States.

PAR. 3. In the course and conduct of his business, respondent is now, and has been, in substantial competition with other individuals, firms, and corporations likewise engaged in the business of printing and selling stationery for social and business purposes in commerce among and between the various States of the United States and is particularly in substantial competition with individuals, firms, and corporations engaged in the business of engraving and selling engraved stationery for social and business purposes in commerce among and between the various States of the United States.

PAR. 4. In the course of the operation of his business, and for the purpose of inducing the purchase of his stationery products, the respondent has caused advertisements to be inserted in newspapers and magazines of general circulation throughout the United States and has printed and circulated throughout the several States, through the United States mails, to customers and prospective customers, numbers of letters of solicitation, price lists, sample books, pamphlets, folders, and other advertising literature. In all of the literature above referred to the respondent has used the following expressions:

1. Benton wedding invitations. Plate engraved.

2. Benton engraving is produced by an exclusive method which, combined with the volume of business enjoyed, brings the cost of genuine plate engraving

down to a price comparable with that of "process", "relief", "thermograph", "raised lettering" or other imitation engraving.

3. Benton invitations and announcements are plate engraved on fine vellum.

4. There is no substitute for plate engraving.

5. The Benton Novograph Company unconditionally guarantees the invitations and announcements produced by them to be plate engraved on first quality vellum paper, exactly as shown. It guarantees that the engraving will be produced without error, strictly according to copy furnished.

6. The Benton Novograph Company, Exclusive Engravers.

7. The Benton Novograph Company, established 1924, makers of fine engraved stationery.

8. Of course you will not be content with anything less than genuine plate engraving.

All of said statements, together with other similar statements purport to be descriptive of respondent's business and products manufactured and sold by him. In the various catalogs and other literature distributed by the respondent, there appear numerous statements wherein the respondent refers to the process by which he prints letters, words, and designs on stationery as a process of engraving and refers to the product manufactured by him as being genuine plate engraving.

PAR 5. The respondent prints invitations, announcements, calling cards, letterheads, envelopes, and other social and business stationery by a process in which the letters, words, or designs are type printed onto the stationery, and said letters, words, or designs are then "bumped up" or "raised" by an embossing process. The respondent does not own or operate an "engraving" company and is not engaged in the business of engraving or producing engraved stationery. The letters, words, or designs appearing upon stationery products manufactured and sold by the respondent are not the result of an engraving process according to the trade and public understanding of the term.

PAR. 6. The word "engraving", as it is used in the graphic arts, may be applied either to an engraved intaglio plate upon which letters, words, or designs have been incised or cut, or to impressions made from such a plate. Such plates are cut or incised by hand, by machine, by etching with acid, by a transfer from other engravings and by other means, but in all cases the letters, words or designs so to be produced upon stationery are cut below the surface of the plate. To make impressions from such a plate the ink is applied, then the plate is wiped so that the ink remains only in the lines cut below the surface. The inked plate is then put upon a piece of stationery or article to be engraved and pressure is applied sufficient to force the surface of the stationery into the lines

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cut in the plate, causing the ink in such lines to adhere to the paper on which the impression is to be made.

PAR. 7. The words "engraving" and "engraved", when used in connection with, or descriptive of, business or social stationery, mean, and the trade and consuming public understand, and for many years have understood, them to mean that the stationery products, so being referred to or described, contain letters, words or designs which are raised from the general plane of the stationery surface, and are in relief, and are the result of the application, under pressure, of metal plates which have been specially engraved, cut or carved for, and are used in, the production of such stationery by the process more particularly detailed herein in paragraph 6.

PAR. 8. The cost of producing genuine engraved stationery greatly exceeds the cost of producing stationery of like stock, grade or character produced by the process employed by the respondent, as set out herein, and a substantial portion of the purchasing public has indicated, and has, a decided preference for engraved stationery over stationery produced by respondent's process or any similar process.

PAR. 9. There are among respondent's competitors, many who produce "engraved" stationery products which are designed and intended for business and social purposes, and who sell such "engraved" stationery products when so produced, and transport them or cause them to be transported to, into, and through other States of the United States, to the purchasers thereof at their respective points of location and who truthfully represent such products to be produced by the engraving process as known to the trade and public generally; there are others among respondent's competitors who manufacture and sell in commerce as aforesaid, stationery products designed and intended for business and social purposes, but who do not manufacture or sell "engraved" stationery products and who do not, by any means or in any manner, hold themselves out, or represent themselves to be manufacturers of, or dealers in, "engraved" stationery products; and the alleged acts, practices and representations of the respondent divert a substantial volume of trade from, and otherwise prejudice and injure a substantial number of said competitors.

PAR. 10. The use by the respondent of the words "engraving", "engraved", and "engravers", or any combination of words containing the aforementioned words, either in describing his product or in designating his business in the various advertisements, catalogs, and other advertising literature, or in his general business correspondence, was calculated to and has the tendency and capacity to, and does, mislead and deceive a substantial portion of the purchas-

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ing public into the erroneous belief that the respondent owns or operates an "engraving" company and that the respondent is in the business of producing and selling engraved stationery and that the letters, words, or designs contained upon said stationery produced and sold by the respondent were, and are, engraved and are the result of the engraving process as known to the trade and public generally. As a direct consequence of the mistaken and erroneous beliefs induced by the acts and representations of the respondent, as hereinabove detailed, a substantial number of the consuming public has purchased a substantial volume of respondent's stationery products with the result that substantial injury has been done to substantial competition in commerce among the various States of the United States.

Further, the use of the words "engraving", "engraved", or "engravers" by the respondent in all of his advertising literature places in the hands of unscrupulous agents and representatives a means whereby they can mislead and deceive their customers into the erroneous beliefs as above indicated and thereby cause the purchase of substantial quantities of the respondent's stationery products as a result of the erroneous beliefs induced by said representations.

CONCLUSION

The acts and practices of the respondent are each and all to the prejudice of the public, and to the competitors of respondent, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and evidence taken before John W. Addison, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, briefs filed herein, and the Commission, having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

Now, therefore, it is hereby ordered, That the respondent Joseph M. Guerra, trading and doing business as Benton Novograph Company, his agents, representatives, and employees, in connection with

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the distribution, offering for sale, and sale of stationery products, in commerce among and between the several States of the United States and the District of Columbia, forthwith cease and desist from:

Using the words "engraved", "engraving", and "engravers", either alone or in conjunction with any other word, or words, in his advertisements and advertising literature, catalogs and general business correspondence distributed or displayed to the public in the several States of the United States, to designate or describe the business conducted by him, or the stationery products manufactured and sold by him, on which the lettering, inscriptions, or designs have been printed from inked typed faces, electrotypes, or similar devices, and which lettering, inscriptions, or designs have been given a raised letter effect by an embossing process wherein the plates used have not been previously inked so as to make an inked impression on the paper stock at the same time the embossing impression is made, or to designate or describe stationery manufactured and sold by him which does not have printed thereon inked impressions from engraved plates or dies.

It is further ordered, That the respondent shall within 60 days after the service of this order file with the Federal Trade Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF

THE GENERAL IMPLEMENT COMPANY OF AMERICA,
INC., AND THE GENERAL IMPLEMENT MANUFACTUR-
ING COMPANY, INC.

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

Docket 2517. Complaint, Aug. 15, 1935—Order, Dec. 24, 1935

Where a corporation organized in February, 1932, and its subsequently incorporated subsidiary, together engaged in the assembling, repairing and repainting of a limited number of farm implements and tools at a plant acquired by it, and in the sale as new of said articles, bought in said year in liquidation proceedings of a concern, the products of which, made thereby for some fifty years, had become well and favorably known under their brand or trade name prior to its bankruptcy, and prior to new company's subsequent continuance of said concern's business under same corporate name, at same location, and under same aforesaid brand or trade name, after purchase, in said year, of its plant, equipment, patents, trade marks, and good will—

- (a) Depicted a factory on the first page of its early 1932 catalog, with the statement that its line of farm implements was made therein, and represented in its catalogs that its "Combined Soil Fitter" line had been made for the past twenty years, that its engineers had been experimenting on depth regulators for rotary hoes, and that it maintained an engineering staff engaged in constantly trying out and testing improvements on fitting tools, facts being no implements, excepting manure spreaders, were made at said plant prior to early 1934, said "Soil Fitter" line, excepting a combined Soil Fitter tool, had not been made for the past twenty years, or at all prior to the aforesaid year, and its representations respecting its engineering staff and their activities were grossly exaggerated and misleading;
- (b) Represented in catalogs, pamphlets, price lists, and other advertising literature that the purchaser would find its "Soil Fitter" line the most complete line of such tools made, and that because of such fact and their rigid inspection in manufacturing, dealers in such tools would be given the finest line thereof obtainable, and that it would further furnish from its Indiana factory all repair parts for use with tools listed on its special price sheet, facts being that its said line was not the most complete line of such products made, it did not give them the most rigid inspection in manufacturing, and it was only in a position to furnish repair parts, prior to early 1934, from its aforesaid factory or plant by taking apart the finished tools;
- (c) Set forth in their advertising literature purported testimonial letters expressing writers' experience and satisfaction with their said products through such statements as "I purchased one of your general spreaders and I am certainly pleased in every respect," etc., and "Spreader is doing fine. I could not ask for any better service," etc., facts being said testimonials were not given in endorsement of tools and implements made by

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said corporation or its subsidiary, but of the implements and tools of the old concern, hereinbefore referred to, which had been purchased in the aforesaid liquidation proceedings, and said testimonial letters, referring to the products of the aforesaid old concern, had been altered and changed without the consent or authorization of the writers, so as to make them appear to be endorsements of the said "Soil Fitter" line; and

- (d) Represented through salesmen and agents employed to interview and solicit the trade and prospective customers in various States, that they had acquired some of the assets of the aforesaid old concern and would continue to manufacture repair parts and replacements for said concern's farm tools and implements, and that said concern had become bankrupt and could not continue in business, facts being they had not acquired its assets, did not own the patents under which its said line of implements and tools were made, and could not continue to manufacture said old concern's full line of such products, together with repair parts and replacements;

With capacity and tendency to mislead and deceive the purchasing public into the belief that such representations were true and to induce purchase from them of their products in such erroneous belief, and with result that trade was thereby unfairly diverted by them from competitors, who truthfully advertise and represent their products, to the substantial injury of substantial competition in interstate commerce:

Held, That such practices, under the conditions and circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John W. Bennett*, trial examiner.

Mr. Joseph C. Fehr for the Commission.

Bloomfield, Orr & Vickery, of Cleveland, Ohio, for respondents.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that The General Implement Company of America, Inc., a corporation, and The General Implement Manufacturing Company, Inc., a subsidiary corporation, hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. The General Implement Company of America, Inc., is a corporation organized in February, 1932, under the laws of the State of Ohio, and has its principal place of business located in the city of Cleveland in the State of Ohio. It has been engaged in the sale and distribution of farm implements and tools in interstate

commerce from its place of business in Ohio, or from the plant located at Liberty, Ind., over which it acquired control in March, 1934. In July, 1933, said The General Implement Company of America, Inc., incorporated, under the laws of the State of Indiana, a subsidiary company, to wit, The General Implement Manufacturing Company, Inc., which said subsidiary company acquired title to a manufacturing plant at Liberty, Ind., and, subject to the ownership and control of the aforementioned The General Implement Company of America, Inc., has been engaged in the manufacture of manure spreaders but more particularly, engaged in the business of assembling, repairing and repainting a limited number of farm implements and tools purchased by The General Implement Company of America, Inc., at the bankrupt sale of the "old" Dunham Company which for a long time past had been engaged in the manufacture, sale and distribution of farm implements and tools, and which products so assembled, repaired and repainted, said corporation sold in interstate commerce. In the course and conduct of said business, the said respondents were and are in competition with other individuals, partnerships, firms and corporations engaged in the sale and distribution in interstate commerce of like and similar products to those sold and distributed in interstate commerce by the respondents.

PAR. 2. The Dunham Company (hereinafter referred to as the "new" Dunham Company) is a corporation with its principal place of business and factory located at Berea, a suburb of the city of Cleveland, State of Ohio. It was organized in January, 1932, to acquire, and it did then acquire, the plant, factory, equipment, good will and all of the patents and trade marks theretofore owned by a corporation of the same name (hereinafter referred to as the "old" Dunham Company), but which was declared bankrupt in July, 1931. The "old" Dunham Company had been engaged in the manufacture of farm implements for a period of approximately 50 years, and for the whole of that period had been located in the city of Berea, in the State of Ohio. The farm tools manufactured by the "old" Dunham Company were sold and shipped in interstate commerce into the various States of the United States and the District of Columbia, under the registered trade mark of "Culti." "Culti" was a prefix used in conjunction with the hyphenated name of the particular farm implements or tools to which it was applied, as for instance, "Culti-Hoe", "Culti-Packer" and "Culti-Spreader." Under this name the products of the "old" Dunham Company became well and favorably known throughout the United States as the products of one of the foremost manufacturers of farm implements and

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tools. The "new" Dunham Company, since its purchase of the plant, equipment, patents, trade marks and good will of the "old" Dunham Company, has continued the said business as a manufacturer of farm tools and implements in the city of Berea, in the State of Ohio, selling the farm implements and tools in interstate commerce under the trade name "Culti."

PAR. 3. In the course and conduct of its business, The General Implement Company of America, Inc., purchased at a bankruptcy sale, in August, 1932, the bankrupt stock of farm implements and tools which had been manufactured by the "old" Dunham Company. On or about the date of its incorporation, to wit, February, 1932, and in anticipation of the said purchase of said bankrupt stock of farm implements and tools manufactured by the "old" Dunham Company, said The General Implement Company of America, Inc., caused advertisements to be inserted in newspapers and magazines of general and wide circulation, and advertising matter in the form of literature, pamphlets, price lists, and other printed literature, to be distributed in interstate commerce. Said The General Implement Company of America, Inc., held itself out in said advertisements, catalogues, pamphlets, price lists, and other literature as the manufacturer of a complete line of farm implements and tools under the trade name "SOIL FITTER", and at the same time, said The General Implement Company of America, Inc., informed the trade that it could service and repair the "old" Dunham implements at its factory located at the city of Liberty, in the State of Indiana. In truth and in fact, the representations made by The General Implement Company of America, Inc., through advertisements, catalogues, price lists, pamphlets, and other literature were false and untrue, in that they were not manufacturers of a complete line of farm implements and tools under the trade name "SOIL FITTER", and further, in that they did not have facilities for servicing and repairing completely the line of farm implements and tools purchased at the bankrupt sale of the "old" Dunham Company.

PAR. 4. Further, in catalogues, pamphlets, price lists and other advertising literature, said The General Implement Company of America, Inc., made the following representations:

(1) We will furnish all repair parts for use with the tools listed on this special price sheet from our Indiana factory.

(2) You will find the "SOIL FITTER" line the most complete line of these tools manufactured.

(3) It will be our policy to manufacture the "SOIL FITTER" line of farm tools under the most favorable conditions.

(4) We shall employ competent labor, thereby insuring the highest quality of products.

(5) These principles, together with the most rigid inspection in the manufacture, will give our dealers the finest line of Soil Fitting tools obtainable.

(6) We are in a position to take care immediately of any of our dealers' requirements.

In truth and in fact, none of the above representations made by said The General Implement Company of America, Inc., are true, but, to the contrary, they are untrue, false and misleading, in that:

(1) They do not furnish all repair parts for use with the tools and implements listed on the special price sheet from their alleged Indiana factory;

(2) The so-called "SOIL FITTER" line is not the most complete line of farm implements and tools manufactured;

(3) It is not their policy to manufacture the "SOIL FITTER" line of farm tools under the most favorable conditions;

(4) They do not employ competent labor, thereby insuring the highest quality of products;

(5) They do not follow the above enumerated principles nor the most rigid inspection in order to give their so-called dealers the finest line of Soil Fitting tools obtainable;

(6) They would not be, nor were they, in a position to take care immediately of any of their so-called dealers' requirements.

PAR. 5. (1) The General Implement Company of America, Inc., on the first page of its catalogue, pictures its factory with the statement:

"General 'SOIL FITTER' farm implements are manufactured in the above factory located at Liberty, Indiana."

In truth and in fact, with the exception of the manure spreaders, no farm implements were or are manufactured in the factory located at Liberty, Ind.

(2) Said The General Implement Company of America, Inc., also represented in its catalogues that the "Combined SOIL FITTER had been made for the past 20 years". In truth and in fact, the SOIL FITTER line of farm implements and tools had not been manufactured for 20 years, but had been manufactured for less than three years.

(3) A further representation by The General Implement Company of America, Inc., is, that, "For some time past, our engineers have been experimenting on depth regulators on rotary hoes. Our engineering staff is constantly trying out and testing improvements on farm tools." In truth and in fact, no experimental work had been conducted with depth regulators on rotary hoes, and further, in truth and in fact, the said respondents do not maintain an engineering staff.

PAR. 6. In the advertising literature of the respondents, The General Implement Company of America, Inc., and The General Implement Manufacturing Company, Inc., appeared what are purported

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to be various and sundry testimonial letters, of which the following are representative, with respect to the products of the respondents:

"NAPPANEE, IND., November 1, 1932.

THE GENERAL IMPLEMENT CO.,

Cleveland, Ohio.

GENTLEMEN: I purchased one of your GENERAL SPREADERS and am certainly pleased in every respect. I have used several different kinds of spreaders, none of which suited me like the one I now own. Your extra wide wheels and large rollers bearings make the lightest draft Spreader I ever put team to. I now can unload the heaviest manure with two horses. Think that, by having roller bearings on both ends of deflector as well as main better has a lot to do with the draft. All in all, I find it a mighty well built Spreader and would recommend it to anyone.

Sincerely yours,

FRANKLIN HOOVER."

"CARLTON, PA.

GENTLEMEN: Spreader is doing fine. I could not ask for any better service. In snow, ice and mud, under all conditions, it works perfectly with a very light draft under full load. I am well pleased.

Yours truly,

WM. SAXON."

In truth and in fact, the above-quoted testimonials were not given in indorsement of the products of The General Implement Company of America, Inc., and its subsidiary, The General Implement Manufacturing Company, Inc., but were given in indorsement of the farm implements and tools manufactured by the "old" Dunham Company. Further, in truth and in fact, the said purported testimonials were taken from documents prepared by the writers thereof in connection with the farm implements and tools manufactured by the "old" Dunham Company, which said statements had been so altered and changed without the knowledge, consent or authorization of the writers of the said testimonial letters, as to make them appear to be indorsements of the "SOIL FITTER" line of farm implements and tools sold and distributed by the respondents.

PAR. 7. In furtherance of its solicitation for sale and selling of its products in interstate commerce, said The General Implement Company of America, Inc., employs and employed salesmen and agents to interview and solicit the trade and prospective customers in various States of the United States and in the District of Columbia, and to which trade and prospective customers the said salesmen and agents make and made statements and representations as follows:

(1) That The General Implement Company, Inc., and its subsidiary, The General Implement Manufacturing Company, Inc., had acquired all of the assets of the "old" Dunham Company, and owned all of the patents under which the "old" Dunham Company line of farm implements and tools were manufactured.

(2) That the said American Implement Company of America, Inc., and its subsidiary, the General Implement Manufacturing Company, Inc., would continue to manufacture the full line of "old" Dunham Company implements and tools, together with repair parts and replacements.

(3) That the "old" Dunham Company and the "new" Dunham Company had failed and could not continue in business.

In truth and in fact, none of the above representations made by the salesmen and agents of The General Implement Company of America, Inc., and its subsidiary, The General Implement Manufacturing Company, Inc., were true, but, to the contrary, they were untrue, false and misleading, in that:

(1) They had not acquired all of the assets of the "old" Dunham Company and did not own all the patents under which the "old" Dunham Company line of farm implements and tools were manufactured;

(2) Would not and could not continue to manufacture the full line of the "old" Dunham Company implements and tools, together with repair parts and replacements;

(3) The "new" Dunham Company had not failed and it could, did and does continue in business.

PAR. 8. There are, among the competitors of respondents, individuals, partnerships, firms, and corporations engaged in the manufacture, sale and distribution of like and similar products to those of the respondents in and among the various States of the United States and in the District of Columbia which said individuals, partnerships, firms, and corporations truthfully and honestly represent their said products. The false and misleading representations made by respondents, as hereinbefore set forth, have the tendency and capacity to and do divert trade to respondents from those individuals, partnerships, firms, and corporations who truthfully and honestly advertise, sell, and distribute like and similar products to those of the respondents, in and among the various States of the United States and in the District of Columbia.

The above alleged acts and things done by respondents are all to the injury and prejudice of the public and the competitors of the respondents in interstate commerce and constitute unfair methods of competition in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

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the Federal Trade Commission, on the 15th day of August, A. D., 1935, issued and served its complaint in this proceeding upon respondents, The General Implement Company of America, Inc., a corporation, and The General Implement Manufacturing Company, Inc., its subsidiary, charging them and each of them with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of said respondents' respective answers a stipulation as to the facts was entered into between the respondents and this Commission, subject to its approval, through its trial attorney in charge of this proceeding, Joseph C. Fehr, which was received into the record at the hearing held in Cleveland, Ohio, on November 5, 1935, presided over by Trial Examiner John W. Bennett (which said stipulation is hereby approved by this Commission), in and by which stipulation it was agreed that the statement of facts contained therein might be taken as the facts in this proceeding and in lieu of testimony in support of the charges stated in the complaint or in opposition thereto; and in which stipulation it was provided that the Commission might proceed upon said statement of facts to make its report stating its findings as to the facts (including inferences which it might draw from the said stipulated facts) and its conclusion based thereon and enter its order disposing of the proceedings without the presentations of arguments or the filing of briefs. Thereafter, by order of the trial examiner, the case was closed and the proceeding regularly came on for final hearing before the Commission on said complaint, the answers thereto, and the said stipulation as to the facts; and the Commission having duly considered the same, and being fully advised in the premises, finds this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The General Implement Company of America, Inc., is a corporation organized in February, 1932, under the laws of the State of Ohio, and has its principal place of business located in the city of Cleveland in the State of Ohio. It has been engaged in the sale and distribution of farm implements and tools in interstate commerce from its place of business in Ohio, and from the plant located at Liberty, Ind., over which it first acquired control in January, 1933. In July, 1933, said The General Implement Manufacturing Company of America, Inc., incorporated under the laws of the State of Indiana, a subsidiary company of the aforesaid The General Implement Company of America, Inc., which said subsid-

iary company, The General Implement Manufacturing Company, Inc., acquired control of a manufacturing plant at Liberty, Ind., and, subject to the ownership and control of the aforementioned The General Implement Company of America, Inc., has been engaged in assembling, repairing, and repainting a limited number of farm implements and tools purchased by The General Implement Company of America, Inc., in the liquidation proceedings of the Standard Trust Bank of Cleveland, Ohio. These tools or implements were manufactured by the old Dunham Company, which for a long time past had been engaged in the manufacture, sale, and distribution of farm implements and tools, and which products respondents so assembled, repaired, and repainted were resold as new in interstate commerce. In the course and conduct of said business the said respondents were, and are, in competition with other individuals, partnerships, firms, and corporations engaged in the sale and distribution in interstate commerce of like and similar products to those sold and distributed in interstate commerce by respondents, to wit:

The International Harvester Company of Chicago, Ill.

John Deere Company of Cleveland, Ohio; Lansing, Mich., and Columbus, Ohio.

The Oliver Plow Company, Chicago, Ill.

The Ohio Cultivator Company, Bellevue, Ohio.

The New Idea Spreader Company, Cold Water, Ohio.

The Dunham Company, Berea, Ohio.

PAR. 2. The Dunham Company (hereinafter referred to as the "new" Dunham Company) is a corporation with its principal place of business and factory located at Berea, a suburb of the city of Cleveland, State of Ohio. The new Dunham Company was organized in January, 1932, to acquire, and it did then acquire, the plant, factory, equipment, good-will and all of the patents and trade marks theretofore owned by a corporation of the same name (hereinafter referred to as the "old" Dunham Company), but which was declared bankrupt in July, 1931. The "old" Dunham Company had been engaged in the manufacture of farm implements for a period of approximately 50 years, and for the whole of that period had been located in the city of Berea, in the State of Ohio. The farm tools manufactured by the "old" Dunham Company were sold and shipped in interstate commerce into the various States of the United States and the District of Columbia, under the registered trade name of "Culti." "Culti" was a prefix used in conjunction with the hyphenated name of the particular farm implements or tools to which it was applied, as for instance, "Culti-Hoe", "Culti-Packer" and "Culti-

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Spreader." Under this name the products of the "old" Dunham Company became well and favorably known throughout the United States as the products of one of the foremost manufacturers of farm implements and tools. The "new" Dunham Company, since its purchase of the plant, equipment, patents, trade marks and good-will of the "old" Dunham Company, has continued the said business as manufacturer of farm tools and implements in the city of Berea, in the State of Ohio, selling the farm implements and tools in interstate commerce under the trade name "Culti."

PAR. 3. Respondent, The General Implement Company of America, Inc., purchased in August, 1932, by court order from the Standard Trust Bank of Cleveland, Ohio, the bankrupt stock of farm implements and tools which had been manufactured by the "old" Dunham Company in the liquidation proceedings of said company. On or about the date of its incorporation, to wit, February 1932, and in anticipation of the said purchase of said stock of farm implements and tools manufactured by the "old" Dunham Company, said The General Implement Company of America, Inc., caused advertisements to be inserted in newspapers and magazines of general and wide circulation, and other printed literature, to be distributed in interstate commerce. Said The General Implement Company of America, Inc., held itself out in said advertisements, catalogues, pamphlets, price lists, and other literature as the manufacturer of a complete line of farm implements and tools under the trade name "SOIL FITTER", and at the same time, said The General Implement Company of America, Inc., informed the trade that it could service and repair the "SOIL FITTER" implements at its factory located at the city of Liberty, in the State of Indiana. In fact, The General Implement Company of America, Inc., was only in a position to furnish repair parts up to January 1934, from the factory of its subsidiary at Liberty, Ind., by taking apart finished farm tools and furnishing such repair parts, and, in truth and in fact did not until January, 1934, begin manufacturing its line of farm implements and tools under the trade name "SOIL FITTER."

PAR. 4. In its catalogues, pamphlets, price lists and other advertising literature, respondent, The General Implement Company of America, Inc., represented that it would furnish from its Indiana factory all repair parts for use with tools listed on a special price sheet; that the purchaser would find the "SOIL FITTER" line the most complete line of such tools manufactured, and that, because of said facts and because of their rigid inspection in manufacturing, dealers in "SOIL FITTER" tools would be given the finest line of such tools obtainable.

Respondent, The General Implement Company of America, Inc., does not furnish from its Indiana factory repair parts for use with the tools and implements listed on its special price sheet. The "SOIL FITTER" line of respondent is not the most complete line of farm implements and tools manufactured, and said respondent does not make the most rigid inspection in manufacturing its implements in order to give its dealers the finest line of such tools obtainable.

PAR. 5. The General Implement Company of America, Inc., on the first page of its catalogue issued on March 1, 1932, pictures a factory with the following accompanying statement:

"General 'SOIL FITTER' farm implements are manufactured in the above factory located at Liberty, Indiana."

No farm implements were manufactured in said factory at Liberty, Ind., prior to January 1934, with the exception of manure spreaders. The General Implement Company of America, Inc., also has represented in its catalogues that the "combined 'SOIL FITTER' " line has been made for the past twenty years; whereas the "SOIL FITTER" line of farm implements and tools had not been manufactured either for twenty years or for any other period of time prior to January, 1934, although a combined soil fitter tool had been manufactured for some twenty years. Respondent, The General Implement Company of America, Inc., further represents that its engineers had been experimenting on depth regulators on rotary hoes and that it is maintaining an engineering staff in constantly trying out and testing improvements on farm tools, which said representations are grossly exaggerated and misleading.

PAR. 6. In the advertising literature of the respondents, The General Implement Company of America, Inc., and The General Implement Manufacturing Company, Inc., appeared what are purported to be various and sundry testimonial letters, of which the following are representative:

"NAPPANEE, IND., November 1, 1932.

THE GENERAL IMPLEMENT CO.,

Cleveland, Ohio.

GENTLEMEN: I purchased one of your GENERAL SPREADERS and am certainly pleased in every respect. I have used several different kinds of spreaders, none of which suited me like the one I now own. Your extra wide wheels and large roller bearings make the lightest draft Spreader I ever put team to. I now can unload the heaviest manure with two horses. Think that, by having roller bearings on both ends of deflector as well as main meter has a lot to do with the draft. All in all, I find it a mighty well built Spreader and would recommend it to anyone.

Sincerely yours,

FRANKLIN HOOVER."

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"CARLTON, PA.

GENTLEMEN: Spreader is doing fine. I could not ask for any better service. In snow, ice and mud, under all conditions it works perfectly with a very light draft under full load. I am well pleased.

Yours truly,

WM. SAXON."

These testimonials were not given in indorsement of tools and implements manufactured by The General Implement Company of America, Inc., and or its subsidiary, The General Implement Manufacturing Company, Inc., but were given in indorsement of farm implements and tools manufactured by the "old" Dunham Company, and the Dunham Spreader Company, Liberty, Ind., which implements and tools had been purchased from the Standard Trust Bank in the liquidation proceedings of said bank by The General Implement Company of America, Inc., as set forth in paragraph 1 hereof.

The above-quoted letters purporting to be testimonials were, along with others, taken from documents prepared by the writers thereof in connection with the farm implements and tools manufactured by the "old" Dunham Company, which said statements had been so altered and changed without the knowledge, consent or authorization of the writers of the said testimonial letters, as to make them appear to be indorsements of the "SOIL FITTER" line of farm implements and tools sold and distributed by the respondents.

PAR 7. In furtherance of its solicitation for sale and selling of its products in interstate commerce, said The General Implement Company of America, Inc., and The General Implement Manufacturing Company, Inc., employ and employed, salesmen and agents to interview and solicit the trade and prospective customers in various States of the United States and in the District of Columbia, and to which trade and prospective customers the said salesmen and agents have made statements and representations to the effect that The General Implement Company of America, Inc., and its subsidiary, The General Implement Manufacturing Company, Inc., had acquired some of the assets of the "old" Dunham Company; that the General Implement Company of America, Inc., and its said subsidiary would continue to manufacture repair parts and replacements for "old" Dunham Company farm tools and implements, and that the "old" Dunham Company became bankrupt and could not continue in business. As a matter of fact, respondent, The General Implement Company of America, Inc., and its subsidiary have not acquired the assets of the "old" Dunham Company, did not own the patents under which the "old" Dunham Company line of farm implements and tools were manufactured, and it did not and could not

continue to manufacture the full line of the "old" Dunham Company implements and tools, together with repair parts and replacements.

PAR. 8. There are among the competitors of respondents certain other corporations, individuals, firms and partnerships likewise engaged in the sale and distribution of farm implements and tools between and among the various States of the United States and in the District of Columbia and who advertise and sell their products in the same competitive areas as do the respondents herein, and who sell to agents and purchasers in the same competitive areas as do respondents. The foregoing untrue deceptive and misleading statements made by respondents as herein stated have had and have the capacity and tendency to mislead and deceive the purchasing public into the belief that such representations were and are true and to induce the purchase from respondents of their products in such erroneous beliefs. Thereby trade has been unfairly diverted by respondents from their competitors who truthfully advertise and represent their products and substantial injury has been done by respondents to substantial competition in interstate commerce.

CONCLUSION

The practices of the said respondents under the conditions and circumstances described in the foregoing findings of fact are to the prejudice of the public and of competitors of respondents, and are unfair methods of competition in commerce in violation of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the respective answers of the respondent and a stipulation as to the facts entered into between the respondents and the trial attorney for the Commission, subject to its approval, which stipulation was received into the record at a hearing held in Cleveland, Ohio, on to wit, November 5, 1935, before an examiner of the Commission theretofore duly designated by it, which said stipulation as to the facts is hereby approved by the Commission, in and by which stipulation it was agreed that the statement of facts contained therein might be taken as the facts in this proceeding and in lieu of testimony in support of the charges stated in the complaint or in opposition thereto; and which said stipulation

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further provided that the Commission might proceed upon said statement of facts to make its report stating its findings as to the facts (including inferences which it might draw from the said stipulated facts) and its conclusion based thereon and enter its order disposing of the proceeding without the presentation of arguments or the filing of briefs. Thereafter, by order of the trial examiner the case was closed and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes":

Now therefore, it is hereby ordered, That the respondents, The General Implement Company of America, Inc., a corporation, and The General Implement Manufacturing Company, Inc., its subsidiary, their respective officers, agents, servants and employees, in connection with the sale or offering for sale in interstate commerce of a brand of farm implements and farm tools under the trade name "SOIL FITTER", forthwith cease and desist from:

(1) Using in their advertisements, catalogues, price lists, pamphlets and other literature, or in any other way, any statement that the "SOIL FITTER" line of farm implements and tools sold and distributed by the respondents is the most complete line of farm implements and farm tools manufactured;

(2) Advertising and otherwise representing that respondents manufactured farm implements and farm tools at their plant in Indiana prior to January, 1934;

(3) Advertising and otherwise representing that respondents furnish all repair parts for use with the tools and implements listed on the special price sheet from their Indiana factory until they do actually furnish all such repair parts.

(4) Advertising and otherwise representing that respondent follow the most rigid inspection in order to give their so-called dealers the finest line of "SOIL FITTER" tools obtainable until such rigid inspection is actually made;

(5) Advertising in their catalogues, and otherwise representing that respondents' "COMBINED SOIL FITTER" had been made for the past twenty years;

(6) Advertising and otherwise representing that for some time past respondents' engineers have been experimenting on the depth regulators on rotary hoes and that their engineering staff is constantly trying out and testing improvements on farm tools until such experiments and tests are actually made;

(7) Using in their advertising literature or otherwise, testimonial letters, until and unless such letters are, in truth and in fact, written and addressed to respondent companies in endorsement of their products;

(8) Advertising, or otherwise representing, to purchasers and prospective purchasers that The General Implement Company of America, Inc., a corporation, and The General Implement Manufacturing Company, Inc., its subsidiary, own the assets, including patents, of the original or "old" Dunham Company;

(9) Advertising, or otherwise representing, that said The General Implement Company of America, Inc., and its subsidiary, The General Implement Manufacturing Company, Inc., will continue to manufacture the full line of the original or "old" Dunham Company implements and tools, together with repair parts and replacements.

It is further ordered, That the respondents, The General Implement Company of America, Inc., a corporation, and The General Implement Manufacturing Company, Inc., its subsidiary, shall, within 60 days after the service upon each of them of this order, each file with the Commission a report in writing setting forth in detail the manner and form in which each has complied and is complying with the order to cease and desist hereinabove set forth.

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IN THE MATTER OF

FRANK LIVINGSTON, DOING BUSINESS AS BERKSHIRE
TEXTILE COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2577. Complaint, Oct. 11, 1935—Order, Dec. 28, 1935*

Consent order requiring respondent, in the advertisement, sale and distribution of dress goods among the different States, to cease and desist from—

- (a) Falsely advertising or representing in any manner that he gives five yards of dress goods free to the customer with every fifteen yards ordered from him, or that customer will receive four yards of goods in each pattern or in one piece;
- (b) Advertising or representing in any manner by use of words "Direct to you", or any other words or phrases which by implication tend to create impression in minds of customers or prospective customers that he ships his products to such customers direct from a factory or mill, or that he is the owner or operator of, or controls, any factory in which his said products are made;
- (c) Advertising, etc., that his said goods, wares and merchandise are suitable for the purpose of making dresses or that they are "new and clean", when in fact soiled, stained, and damaged, or that they consist of the very newest and latest patterns for dresses;
- (d) Advertising, etc., that he guarantees satisfaction to his customers and refunds money to those purchasing his said goods, etc., who are dissatisfied therewith; or
- (e) Advertising, etc., that he sells fifteen yards of dress goods for ninety-seven cents, or that in the sale of his said goods, etc., and in quoting the price thereof, he is offering the customer a special bargain for any particular month or period of time.

Mr. John W. Hilldrop for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Frank Livingston, doing business as Berkshire Textile Company, herein-after referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in 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. Said respondent, Frank Livingston, doing business as Berkshire Textile Company, is an individual and has his principal office and place of business in the city of Brattleboro, in the State of Vermont. Said respondent has been for some time past engaged in the advertising, sale, and distribution of dress goods between and among different States of the United States. Said respondent has advertised, sold and distributed and has caused and still causes the said articles in which he deals to be transported to his place of business into and through other States of the United States other than the State of Vermont to various purchasers located at points in the various States of the United States.

In the course and conduct of his said business, the respondent is in competition with other individuals, partnerships, and corporations engaged in the sale, distribution, and transportation of like and similar goods, wares, and merchandise in commerce between and among the various States of the United States.

PAR. 2. The respondent advertises his business in newspapers and magazines having general circulation in the various States of the United States. The following statements and representations appear in such advertisements:

15 yds. DRESS GOODS Also Bargain! This Month Special Offer 5 Yards EXTRA

Ginghams, Percales, Prints, Voiles, Chambrays, Shirtings, Crepes, etc. New clean goods direct to you at a big saving. Latest assortment colors, 4 yards or more of each. The very newest patterns for dresses. Our finest quality. SEND NO MONEY. Pay Postman when delivered. 15 yards 97¢, plus delivery charges. 20 yards only \$1.29, postage prepaid if money accompanies order. Satisfaction guaranteed or money back. 97¢ Pstg. BERKSHIRE TEXTILE COMPANY Dept. 45 Brattleboro, Vt.

On the margin of the foregoing advertisement there is a pictorial representation of five bolts of alleged dress goods of various patterns between which there appear the following words: "Two bundles \$1.89—five yards given."

PAR. 3. The statements and representations made by respondent in his advertising, as set out above in paragraph 2 hereof, are each and all false and misleading to wit:

1. The respondent does not give five yards extra with each order.
2. Respondent does not own or operate a factory or mill, and the words "direct to you" which by implication states that respondent ships his goods, wares, and merchandise to the customer direct from the factory or mill, is false and untrue.
3. The goods, wares, and merchandise of respondent are wholly unsuited for dress purpose.

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4. Respondent does not guarantee satisfaction to the customers.
5. Respondent does not refund money to dissatisfied customers.
6. The statement "15 yards dress goods—97¢" is not true in that the said respondent does not give 15 yards for 97¢.
7. The 15 yards of goods referred to in the said advertisement set out in paragraph 2 hereof is not a special bargain for "this month" or any other month as advertised by the respondent.
8. The goods, wares, and merchandise of said respondent are not "new and clean" as advertised by him, but are soiled, stained, and damaged. Likewise, the statement "4 yards of each (pattern) or more" is misleading in that purchasers believe they will receive four yards in one piece. In truth and in fact no piece of goods contains four yards of the same pattern.
9. The statement "the very newest, very latest patterns for dresses" is false in that such patterns as delivered are not the latest.

PAR. 4. The above representations made by the respondent are each and all to the prejudice and injury of the public and the respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondent herein, having filed his answer to the complaint in this proceeding in October 16, 1935, in the form of a letter from the respondent directed to the Federal Trade Commission, which answer is not sufficient to constitute a joinder of issue on the allegations contained in the complaint, and respondent having thereafter, on the 6th day of December, 1935, filed his amended and supplemental answer to the complaint wherein he waived hearings on the charges set forth in the complaint in this proceeding, and he having stated in his said amended and supplemental answer that he does not contest this said proceeding, and having consented in his said amended and supplemental answer that the Commission, without trial, without evidence, and without findings as to the facts or other intervening procedure, might make, enter, issue and serve upon him, the said respondent, an order to cease and desist from the methods of competition charged in the complaint; and the Commission being fully advised in the premises,

It is hereby ordered, That the respondent, Frank Livingston, doing business as Berkshire Textile Company, in the advertising, sale and distribution of dress goods between and among the different States of the United States, cease and desist from:

(a) Advertising or representing in any manner that respondent gives five yards of dress goods free to the customer with every 15 yards ordered from him, unless in truth and in fact respondent does

give the purchaser five yards extra with each 15 yards bought by such purchaser.

(b) Representing or advertising in any manner by use of the words "Direct to you", or any other words or phrases which by implication tend to create the impression in the minds of customers or prospective customers that respondent ships his goods, wares, and merchandise to such customers direct from a factory or mill, or that respondent is the owner or operator of, or has control of any factory or factories in which the goods, wares and merchandise sold by him are made.

(c) Advertising or representing in any manner that the goods, wares and merchandise of respondent are suitable for the purpose of making dresses.

(d) Advertising or representing that the respondent guarantees satisfaction to his customers purchasing his goods, wares, and merchandise.

(e) Advertising or representing that respondent refunds money to his customers purchasing his goods, wares, and merchandise, who are dissatisfied therewith.

(f) Advertising or representing that respondent sells 15 yards of dress goods for 97¢.

(g) Advertising or representing that respondent, in the sale of his goods, wares and merchandise, when quoting the price thereof is offering the customer a special bargain for any particular month or period of time.

(h) Advertising or representing that the goods, wares, and merchandise of said respondent, which are soiled, stained, and damaged, as "new and clean."

(i) Advertising or representing that the customer will receive four yards of goods in each pattern or in one piece, unless in truth and in fact respondent does sell and deliver to such customer or customers four yards or more of goods in one and the same piece or pattern.

(j) Advertising or representing that his goods, wares and merchandise consist of the very newest and very latest patterns for dresses.

And it is hereby further ordered, That the said respondent, Frank Livingston, doing business at Berkshire Textile Company, shall within 60 days after the service upon him of this order to cease and desist, file with this Commission a report in writing setting forth in detail the manner and form in which he shall have complied with the order to cease and desist hereinbefore set forth.

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IN THE MATTER OF

REAL PRODUCTS CORPORATION AND REALFLEX
PRODUCTS CORPORATIONCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2261. Complaint, May 9, 1935¹—Order, Dec. 31, 1935*

Where a corporation engaged in the manufacture of automotive and metal specialties, including spark plug cable sets, spark plugs, and porcelains therefor, and in the sale of said products among the various States and territories and in the District of Columbia, had long applied designation "Champion" to its aforesaid products, and through use thereof in its corporate name and on its stationery and cartons, and in its advertising matter, had caused said word to signify and mean to trade and purchasing public that automotive and metal specialties thus designated were its products; and thereafter two companies, engaged under common control in manufacture of similar specialties, including spark plug cable sets, without consent of said corporation, used and continued to use trade designation and name "Champion" for their aforesaid products on their cartons and in their price lists and advertising matter;

With effect of deceiving retail dealers and purchasing public into believing that their aforesaid products were those of said corporation, and with tendency and capacity so to do, and unfairly to divert trade to them from competitors who do not use such deceptive and misleading names for their products:

Held, That such practices, under the conditions and circumstances set forth, were all to the injury and prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Edward M. Averill*, trial examiner.

Mr. John W. Hildrop for the Commission.

COMPLAINT¹

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission having reason to believe that the Real Products Corporation and Realflex Products Corporation, hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest,

¹ Amended and supplemental.

hereby issues its amended and supplemental complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Real Products Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located in the city of Brooklyn in said State. Respondent Realflex Products Corporation is likewise a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located in the city of Brooklyn in the State of New York. The above named corporate respondents are engaged in the same business, and manufacture, sell and distribute in interstate commerce the same and identical commodity, and the treasurer of respondent Real Products Corporation is Martin J. Goldstein, who has complete charge of and controls the business and affairs of respondent Realflex Products Corporation; and Federal Trade Commission charges on information and belief that he owns the assets of respondent Real Products Corporation as well as the assets and the capital stock of respondent Realflex Products Corporation, and that the two corporations are engaged in joint enterprises in the conduct of the business hereinafter described and set out.

PAR. 2. Respondents are now and for some time past have been engaged in the manufacture of automotive and metal specialties including spark plug cable sets, and the sale and distribution of said products between and among the various States of the United States, the territories thereof and in the District of Columbia. They now cause and for some time past have caused such automotive and metal specialties, including spark plug cable sets, when sold by them to be transported from their places of business in the city of Brooklyn aforesaid to the purchasers thereof located in the various States of the United States, the territories thereof, and the District of Columbia; and there is now and for some time past has been a constant current of trade and commerce by said respondents in said automotive and metal specialties including spark plug cable sets between and among the various States and territories of the United States and in the District of Columbia. In the course and conduct of their said business the said respondents are now and for some time past have been in substantial competition in commerce between and among the various States and territories of the United States and the District of Columbia with other corporations and with persons, firms, and partnerships engaged in the manufacture and in the sale of automotive and metal specialties including spark plug cable sets.

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PAR. 3. The Champion Spark Plug Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business in the city of Toledo in the State of Ohio. It is now and for more than 15 years last past has been engaged in the manufacture of automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, and in the sale thereof between and among the various States and territories of the United States and in the District of Columbia, causing such automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, when sold to be shipped to the purchasers thereof located in the various States of the United States and territories thereof and the District of Columbia, and there is now and for more than 15 years last past has been a constant current of trade and commerce by said Champion Spark Plug Company in said automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, between and among the various States and territories of the United States and in the District of Columbia.

PAR. 4. For approximately 15 years last past the aforesaid Champion Spark Plug Company has applied the word and trade designation "Champion" to automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor made and sold by it and by the use by it of the word "Champion" for such products, on its stationery, as a part of its corporate name, on its cartons and on printed and advertising matter distributed by it in interstate commerce, has caused the word "Champion" when used as a name for automotive and metal specialties including spark plug cable sets, spark plugs and porcelains therefor, to signify and mean to the trade and to the purchasing public that such automotive and metal specialties including spark plug cable sets, spark plugs and porcelains therefor, are the products of said Champion Spark Plug Company.

PAR. 5. In the course and conduct of their business described in paragraphs 1 and 2 hereof, respondents Real Products Corporation and Realflex Products Corporation, without the permission or consent of said Champion Spark Plug Company have used and continue to use the trade designation and name "Champion" for the automotive and metal specialties, including spark plug cable sets made and sold by them; and without the consent or permission of said Champion Spark Plug Company have used such name and designation "Champion" on their price lists, cartons and advertising matter of such automotive and metal specialties, including spark plug cable sets. The aforesaid use by the respondents of the word "Champion" in the manner set forth herein is false, deceptive and misleading to the

trade and purchasing public and tends to and does divert trade to respondents from their competitors who do not use such deceptive and misleading names for the products manufactured by them and sold by them in interstate commerce; thereby substantial injury is done by respondents to substantial competition in interstate commerce.

PAR. 6. The above acts and practices of respondents are all to the prejudice of the public and of respondent's said competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, on the 12th day of December, 1934, issued and served its complaint in this proceeding upon the respondent, Real Products Corporation, a corporation, charging it with the use of unfair methods of competition in commerce in violation of the provisions of said act; and thereafter, to wit, on the 9th day of May, 1935, the Federal Trade Commission issued and served upon respondent, Real Products Corporation, a corporation, and respondent, Realflex Products Corporation, a corporation, its amended and supplemental complaint in this proceeding, charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondents' answer thereto, testimony and evidence in support of the allegations of said complaint were introduced by John W. Hilldrop, attorney for the Commission, before Edward M. Averill, a trial examiner of the Commission theretofore duly designated by it, and in defense of the allegations of the complaint by Irving Beck, President of Real Products Corporation, and Martin J. Goldstein, Secretary of Realflex Products Corporation, the respondents herein, neither of which were represented by attorneys; and said testimony and evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, and the testimony, evidence, and briefs in support of the complaint and in defense thereto. No counsel appearing to argue the case, and the Commission having duly considered the same, and being duly advised in the

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premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Real Products Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located in the city of Brooklyn in said State. Respondent, Realflex Products Corporation, is likewise a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located in the city of Brooklyn, in the State of New York. The above named corporate respondents are engaged in the same business, and manufacture, sell and distribute in interstate commerce the same and identical commodity, and the treasurer of respondent, Real Products Corporation, is Martin J. Goldstein, who has complete charge of and controls the business and affairs of respondent Realflex Products Corporation, and the two respondent corporations herein are engaged in joint enterprises in the conduct of the business hereinafter described and set out.

PAR. 2. Respondents are now and for some time past have been engaged in the manufacture of automotive and metal specialties including spark plug cable sets, and in the sale and distribution of said products between and among the various States of the United States, the territories thereof and in the District of Columbia. They now cause and for some time past have caused such automotive and metal specialties, including spark plug cable sets, when sold by them, to be transported from their places of business in the city of Brooklyn aforesaid to the purchasers thereof located in the various States of the United States, the territories thereof, and the District of Columbia; and there is now and for some time past has been a constant current of trade and commerce by said respondents in said automotive and metal specialties including spark plug cable sets between and among the various States and territories of the United States and in the District of Columbia. In the course and conduct of their said business the said respondents are now and for some time past have been in substantial competition in commerce between and among the various States and territories of the United States and in the District of Columbia with other corporations and with persons, firms, and partnerships engaged in the manufacture and in the sale of automotive and metal specialties including spark plug cable sets.

PAR. 3. The Champion Spark Plug Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business in the city of Toledo in the State of Ohio. It is now and for more than 15 years last past has been engaged in the manufacture of automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, and in the sale thereof between and among the various States and territories of the United States and in the District of Columbia, causing such automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, when sold, to be shipped to the purchasers thereof located in the various States of the United States and territories thereof and the District of Columbia, and there is now and for more than 15 years last past has been a constant current of trade and commerce by said Champion Spark Plug Company in said automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor, between and among the various States and territories of the United States and in the District of Columbia.

PAR. 4. For approximately 15 years last past the aforesaid Champion Spark Plug Company has applied the word and trade designation "Champion" to automotive and metal specialties, including spark plug cable sets, spark plugs and porcelains therefor made and sold by it and by the use by it of the word "Champion" for such products, on its stationery, as a part of its corporate name, on its cartons and on printed and advertising matter distributed by it in interstate commerce, has caused the word "Champion" when used as a name for automotive and metal specialties including spark plug cable sets, spark plugs and porcelains therefor, to signify and mean to the trade and to the purchasing public that such automotive and metal specialties including spark plug cable sets, spark plugs and porcelains therefor, are the products of said Champion Spark Plug Company.

PAR. 5. In the course and conduct of their business described in paragraphs 1 and 2 hereof, respondents Real Products Corporation and Realflex Products Corporation, without the permission or consent of said Champion Spark Plug Company, have used and continue to use the trade designation and name "Champion" for the automotive and metal specialties, including spark plug cable sets made and sold by them; and without the consent or permission of said Champion Spark Plug Company have used such name and designation "Champion" on their price lists, cartons, and advertising matter of such automotive and metal specialties, including spark plug cable sets. The aforesaid use by the respondents of the word

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"Champion" in the manner set forth herein is false, deceptive, and misleading to the retail trade and purchasing public, and has a tendency to and does deceive such retail dealers and the purchasing public by creating the impression that the automotive and metal specialties manufactured and sold in interstate commerce by respondents, including spark plug cable sets, are the products of and are made by the Champion Spark Plug Company of Toledo, Ohio, and has a like tendency and capacity to unfairly divert trade to respondents from their competitors who do not use such deceptive and misleading names for the products manufactured by them and sold in interstate commerce.

CONCLUSION

The practices of said respondents under the conditions and circumstances described in the foregoing findings are all to the injury and prejudice of the public and respondents' competitors, and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answers of respondents, testimony and evidence taken before Edward M. Averill, an examiner of the Commission theretofore duly designated by it, in support of the charges of said complaint and in opposition thereto, briefs filed herein, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes",

It is ordered, That respondents, Real Products Corporation, a corporation, and Realflex Products Corporation, a corporation, their officers, agents, servants, employees, and representatives in the manufacture, sale and distribution in interstate commerce of automotive and metal specialties, including spark plug cable sets, do cease and desist from:

(1) Representing in any manner that the automotive and metal specialties, including spark plug cable sets, manufactured and sold by respondents are the products of or are made by the Champion Spark Plug Company, of Toledo, Ohio.

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(2) Using the word "Champion" alone or in connection or conjunction with any other word or words in advertising, labeling, or otherwise, to describe or designate automotive and metal specialties, including spark plug cable sets, made by respondents, and from using any other word or words so as to import or imply that said products are made by the Champion Spark Plug Company, of Toledo, Ohio.

(3) Using and displaying the word "Champion" in the advertising of their said commodities on cartons, boxes, or other containers, or by any other method or means of advertising.

(4) The use, by any method, manner or means of advertising or of any representation on cartons, boxes, cards, letterheads, and posters, and in advertisements in periodicals, newspapers, and circulars, of the device or picture of a spark plug at the bottom of which a simulation of electricity is displayed and containing the word "Champion" therein.

And it is hereby further ordered, That the said respondents, Real Products Corporation, a corporation, and Realflex Products Corporation, a corporation, shall within 60 days after the service upon them of this order to cease and desist, file with this Commission a report in writing setting forth in detail the manner and form in which they shall have complied with the order to cease and desist hereinbefore set forth.

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IN THE MATTER OF

PHILIP WONG

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2545. Complaint, Sept. 7, 1935—Order, Dec. 31, 1935*

Where an individual, engaged in the offer, sale and distribution of a product known as "Soft Corn Valuable"—

- (a) Represented in advertisements, circulars and letters that said preparation would cure corns, callouses, all kinds of skin diseases, goiter, cancer, and a number of other diseases and ailments, and that it constituted an efficacious, safe and proper treatment for said various maladies and was a remedy and specific therefor and had therapeutic value in the treatment thereof;
- (b) Set forth on the label directions for use for throat cancer and "for disease use", together with the assertion that the preparation was good for corns and callouses and all kinds of diseases and would "cure them wonderful. No danger. But you must not eat or drink this medicine. Little poison", etc.; and
- (c) Set forth in a circular distributed to prospective purchasers many of the statements and representations hereinbefore referred to and a further one which asserted or implied that its said claims were sanctioned by the Commission through its Special Board;

The facts being that preparation in question was not an effective, safe or proper treatment for all kinds of skin diseases, goiter, cancer, etc., and all diseases generally, and did not have therapeutic value in the treatment of the aforesaid ailments, was not harmless, but was poisonous and dangerous when taken internally, and advertisement, offer for sale, sale or distribution of said preparation had never been authorized, sanctioned or permitted by the Commission or any administrative agency thereof;

With tendency and capacity to confuse, mislead and deceive members of the public into buying said preparation as a cure or effective, safe and proper treatment for the various diseases and ailments mentioned, and to divert trade to said individual from competitors engaged in the sale of preparations and products designed, adapted and used for the treatment or cure of the aforesaid various diseases and ailments; to the injury and prejudice of the public and competitors:

Held, That such practices, under the circumstances set forth, constituted unfair methods of competition.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. Allen C. Phelps for the Commission.

Avery, Dooley, Post & Carroll, of Boston, Mass., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Com-

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mission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Philip Wong has been or is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said 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. Respondent is an individual trading in his own name with his principal office and place of business at 126 Prospect Street in the city of Cambridge, State of Massachusetts. He is and has been since prior to April 1, 1935, engaged in the conduct and operation of a certain business hereinafter described, of which he is the sole owner and manager, at the above address.

PAR. 2. Said business so owned, maintained, and operated by respondent consists in the offering for sale, sale, and distribution in interstate commerce, of a certain preparation or product known as "Soft Corn Valuable". Said preparation and product is alleged to be useful in the treatment of and a cure for soft corns, callouses, all kinds of skin diseases, goitre, cancer, tumors, mouth and throat cancer, rheumatism, backache, and other diseases and ailments. Respondent in the course and conduct of the said business causes his said preparation and product to be transported in interstate commerce from said place of business in Massachusetts to, into and through States of the United States other than Massachusetts and the District of Columbia to the various members of the consuming public in the several States, to whom they are or have been sold. Respondent usually sells and distributes his said products directly to the purchasing public by and through the use of the United States mails.

PAR. 3. During the time above mentioned, other individuals, firms, and corporations in various States of the United States are and have been engaged in the sale and distribution in interstate commerce of preparations, medicines, and products designed, intended, and used for the same general purpose as respondent's preparation and product and designed and intended as a remedy or cure for the various conditions and diseases for which respondent's said preparations and products are advertised as a remedy, as hereinafter shown; and such other individuals, firms, and corporations have caused and do now cause their said treatments, medicines, and preparations, when sold by them, to be transported from various States of the United States to, into and through States other than the State of the origin of the shipment thereof. Said respondent has been during the aforesaid time in competition in interstate commerce in the sale and distribution of the said preparation and product with such other indi-

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viduals, firms, and corporations. Said competing products are sold in interstate commerce directly to the consumer and also by wholesalers to retail drug stores for resale to the consumer on prescription and otherwise.

PAR. 4. Respondent in advertising his said preparation and product causes advertisements to be inserted in magazines and other publications circulated to the purchasing public in the various States of the United States and also distributes advertising circulars and letters by mail to prospective customers in various States of the United States, which said advertisements, advertising circulars and letters represent or imply:

That said preparation "Soft Corn Valuable", when taken or used as directed, will cure soft corns, callouses, goitre, cancer, piles, tumors, rheumatism, backache, rupture, all kinds of skin diseases, eye, ear, nose and throat diseases, stomach and bowel trouble and old diseases inside and outside; that said preparation and product constitutes an efficacious, safe and proper treatment for the above diseases and maladies; that said preparation and product is a remedy and specific for said diseases and maladies and has a therapeutic value in the treatment thereof, and other representations of like import.

Respondent in advertising said "Soft Corn Valuable", as aforesaid, causes the advertisements thereof to be transmitted to prospective purchasers in various States of the United States, an example of such an advertisement being as follows:

"PHILIP WONG WONDERFUL DEEP SOFT CORN VALUABLE

Guarantee of 20 Years

Soft Corns, Callouses and all kinds of Skin Diseases can be cured. This Valuable will eat up the corns little by little.

1. For deep Soft Corns, Hard Corns and Callouses use. Do not add water. Use three times a day. Put Soft Corns Valuable up and down all over and between your toes, both sides, and put some on the bottom part near the toes, after half inch deep corn. Scrape your corns very clean with dull knife. Scrape the head of soft corns as deep as you can twice a week. Keep putting on for six months or more if necessary. The corns will ache a little the first two or three weeks. After that time your corns will get better and better every day and you will notice how many corns this Valuable has destroyed, large ones and small ones, as many as ten. Use a wire to put on the Valuable—it will last longer. I cured my soft corns good using this same Valuable. Scrape whole corns off very easy.

2. For Cancer, Tumor, Skin disease use. Take one teaspoon of Soft Corns Valuable and add five teaspoons of pure water. Mix well. Put a very little over your affected part. Use only once a week. It will cure them quickly. Good for Rheumatism aches, Skin ache and Back ache.

Wash your hands after using. Be careful of the mouth and eyes. The General Law told me to sign the bottle poison, showing you cannot eat the

Valuable. I cured my skin disease wonderful using the same Valuable. Don't be afraid to use it. I have used this Valuable hundreds and hundreds of times.

PHILIP WONG

126 Prospect Street, Cambridge, Mass."

PAR. 5. In truth and in fact respondent's said preparation and product, known as "Soft Corn Valuable", when taken or used as directed, will not cure any of the diseases, ailments or maladies hereinabove mentioned; said preparation and product does not constitute an efficacious, safe, or proper treatment for any of said diseases or maladies, nor does it have any therapeutic value in the treatment thereof nor is it a remedy or specific for the same; said preparation and product is not harmless, but on the contrary it is poisonous and dangerous to be used for any purpose. All of the statements, representations, and implications set forth in paragraph 4 above are wholly unfounded in fact, or are greatly exaggerated or wholly inaccurate.

PAR. 6. The representations of respondent, as aforesaid, have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that respondent's said preparation and product is a cure, remedy or efficacious, safe and proper treatment for the various disease and ailments hereinabove set forth, when in truth and in fact such are not the facts. Said representations of respondent have had and do have the tendency and capacity to induce members of the public to buy and use said preparation and product because of the erroneous belief engendered as above set forth and to divert trade to respondent from competitors engaged in the sale, in interstate commerce of preparations and products designed, adapted, and used for the treatment or cure of the various diseases, ailments, and maladies hereinabove referred to.

PAR. 7. The above acts and things done by the respondent are all to the injury and prejudice of the public and the competitors of respondent, in interstate commerce, within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission on the 7th day of September 1935 issued

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and thereafter served its complaint against the respondent named in the caption hereof, charging him with the use of unfair methods of competition in commerce in violation of said act. Respondent, after entering his appearance and filing his answer to said complaint thereafter on to wit, the 18th day of October 1935, entered into a stipulation as to the facts with Allen C. Phelps, special counsel, for the Federal Trade Commission, in which it was stipulated and agreed that the statement of facts in said agreement between respondent and said counsel for the Commission may be taken as the facts in this proceeding and in lieu of the testimony in support of the charges stated in the complaint, or in opposition thereto; and that the Commission may proceed upon said statement of facts to make its report stating its findings as to the facts and its conclusion based thereon, and enter herein its order disposing of the proceeding without the presentation of arguments or the filing of briefs.

The Commission being fully advised in the premises, now approves, ratifies and confirms the said stipulation and agreement entered into as aforesaid by and between respondent and Allen C. Phelps, special counsel, of the Federal Trade Commission, and having duly considered the same makes this its report in writing and states its findings as to the facts and its conclusion drawn therefrom, as follows, to wit:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Philip Wong, is an individual trading in his own name with his principal office and place of business at 126 Prospect Street, Cambridge, Mass. He is the sole owner and manager of a business which consists in the offering for sale, sale and distribution in interstate commerce of a certain preparation or product known as "Soft Corn Valuable". Said preparation and product is and has been advertised and represented by the respondent as being a cure and remedy for corns, callouses, all kinds of skin diseases, goiter, appendicitis, cancer, tumors, consumption, mouth and throat cancer, rheumatism, backache, snake and dog bite poisoning, piles, venereal disease, rupture, stomach and bowel ailments, eye diseases, and generally all kinds of diseases.

PAR. 2. In the course and conduct of his said business respondent causes and has caused the said preparation or product to be transported in interstate commerce from his said place of business in Massachusetts to, into and through States of the United States other than Massachusetts, and the District of Columbia, to various members of the consuming public to whom it is or has been sold.

PAR. 3. Since December 1934, when respondent first offered his said preparation for sale there are and have been other individuals, firms, and corporations in various States of the United States engaged in the sale and distribution in interstate commerce of preparations, medicines and products designed, adapted, intended and used for the same general purposes as respondent's preparation and product and designed, adapted, intended and used as a remedy, cure or treatment for corns and for the various ailments and diseases for which respondent's said preparation is advertised as a remedy. Such other individuals, firms and corporations have caused and do cause their said treatments, medicines and preparations, when sold by them to be transported from various States of the United States in which the same are manufactured or sold to, into and through States other than the State of the origin thereof. Respondent has during the aforesaid time been in competition in interstate commerce in the offering for sale, sale and distribution of his said preparation and product with such other individuals, firms, and corporations.

PAR. 4. Respondent has advertised his said preparation and product by advertisements inserted in magazines and other publications circulated to and among the purchasing public in various States of the United States, and also has distributed advertising circulars and letters by mail and otherwise to prospective customers in various States of the United States. Said advertisements, circulars and letters represent and imply that said preparation "Soft Corn Valuable", when taken or used as directed, will cure the following diseases and ailments: Corns, callouses, all kinds of skin diseases, goiter, cancer, appendicitis, tumors, consumption, mouth and throat cancer, rheumatism, backache, snake and dog bite poisoning, piles, venereal disease, rupture, stomach and bowel ailments, eye diseases, and generally all kinds of diseases. Respondent, by such means, represents and has represented that said preparation constitutes an efficacious, safe and proper treatment for all of the above diseases, ailments and maladies, is a remedy and specific therefor, and has a therapeutic value in the treatment thereof. Some of the said advertisements have been published in the following publications:

St. Paul Daily News, St. Paul, Minn.
Worcester Evening Post, Worcester, Mass.
Vancouver Sun, Vancouver, B. C.
Burlington Daily News, Burlington, Vt.
Woman's Home Life, Winona, Minn.
Home Circle, Winona, Minn.

PAR. 5. The label used by respondent on the bottles of his said preparation "Soft Corn Valuable", is as follows:

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Directions.—For corn use do not add water. For disease use, take one teaspoonful of this medicine, add five teaspoonsful of water. For throat cancer, take one teaspoonful and add ten teaspoonsful of water. Valuable soft corn medicine is worth a thousand dollars in gold; good for soft corns, hard corns, callouses and all kinds of diseases. It will cure them wonderful. No danger. But you must not eat or drink this medicine. Little poison, manufactured by Philip Wong, 126 Prospect Street, Cambridge, U. S. A."

Respondent has caused to be printed a certain circular which he distributes to prospective purchasers, advertising said preparation "Soft Corn Valuable", which contains many of the statements and representations hereinabove set forth, and in addition states as follows:

"In 1935, May 2, Federal Trade Commission, Special Board of Investigation, been called sample a bottle of my soft corn valuable medicine and this record, June 5, permitted by Government. Mr. E. J. Adams, Chairman, Washington, D. C."

PAR. 6. In truth and in fact respondent's preparation and product known as "Soft Corn Valuable", when taken and used as directed, will not cure any of the diseases, ailments or maladies hereinabove enumerated. Said preparation and product does not constitute an efficacious, safe, or proper treatment for, nor does it have therapeutic value in the treatment of, nor is it a remedy or a specific for all kinds of skin diseases, goiter, cancer, appendicitis, tumors, consumption, mouth and throat cancer, rheumatism, backache, snake and dog bite poisoning, piles, venereal diseases, rupture, stomach and bowel ailments, eye diseases, and generally all kinds of diseases. Said preparation "Soft Corn Valuable" is not harmless, but on the contrary it is poisonous and dangerous to be taken internally. The advertisement, offering for sale, sale or the distribution of said preparation has never been authorized, sanctioned or permitted by the Federal Trade Commission nor any administrative agency thereof.

PAR. 7. The representations which have been so made by respondent, the same being false and untrue as above stated, have had and do have the tendency and capacity to confuse, mislead and deceive members of the public into the belief that respondent's said preparation is a cure, a remedy or an efficacious, safe and proper treatment for the various diseases, ailments and maladies as above mentioned, when in truth and in fact such are not the facts.

PAR. 8. Said false representations so made by respondent have had and do have the tendency and capacity to induce members of the public to buy and use said preparation and product because of the erroneous beliefs engendered as above set forth, and to divert trade to respondent from competitors engaged in the sale in interstate

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commerce of preparations and products designed, adapted and used for the treatment or cure of the various diseases, ailments and maladies above enumerated.

PAR. 9. All of the said acts and things which have been so done by respondent are to the injury and prejudice of the public and his competitors in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

CONCLUSION

The practices of said respondent under the conditions and circumstances described in the foregoing findings of facts are to the prejudice of the public and of competitors of respondent and are unfair methods of competition in commerce in violation of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST

This proceeding having come on to be heard by the Federal Trade Commission upon complaint of the Commission, the answer of the respondent, and the stipulation as to the facts entered into and made a part of the record between respondent and counsel for the Commission, which stipulation was made in lieu of the testimony in support of the charges stated in the complaint and in opposition thereto and the Commission having made its report in writing in which it stated its findings as to the facts with its conclusion that the respondent, Philip Wong, had violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," and the Commission having been fully advised in the premises,

It is now ordered, That the respondent Philip Wong, in advertising, offering for sale, selling or distributing his preparation and product known as "Soft Corn Valuable" in interstate commerce and in the District of Columbia, cease and desist from representing in any manner, through the circulation or use of printed advertisements, circulars, letters, labels or literature of any description or otherwise;

(1) That said preparation and product, known as "Soft Corn Valuable", when taken or used as directed, will cure any of the following

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diseases, ailments or maladies, to wit: corns, callouses, all kinds of skin diseases, goitre, cancer, appendicitis, tumors, consumption, mouth and throat cancer, rheumatism, backache, snake and dog bite poisoning, piles, venereal diseases, rupture, stomach and bowel ailments, and generally all kinds of diseases.

(2) That said preparation and product, known as "Soft Corn Valuable" constitutes an efficacious, safe or proper treatment for all kinds of skin diseases, goitre, cancer, appendicitis, tumors, consumption, mouth and throat cancer, rheumatism, backache, snake and dog bite poisoning, piles, venereal disease, rupture, stomach and bowel ailments and generally all kinds of diseases.

(3) That said preparation and product known as "Soft Corn Valuable" is a remedy or specific which will relieve any of the diseases or ailments enumerated in the preceding paragraph or that it has any therapeutic value in the treatment thereof.

(4) That said preparation and product known as "Soft Corn Valuable" is harmless or non-poisonous, or that it may be safely taken internally by any person.

(5) That said preparation and product known as "Soft Corn Valuable" has been analyzed or examined by the Federal Trade Commission or any administrative agency thereof, or that the advertising, offering for sale, selling or distribution of the preparation has ever been authorized, sanctioned or permitted by said Commission or any administrative agency thereof.

(6) That said preparation and product known as "Soft Corn Valuable" is worth a thousand dollars in gold or any other sum of money.

It is further ordered, That respondent shall within 60 days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

Syllabus

IN THE MATTER OF
SPEIDEL CORPORATION

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

Docket 2555. Complaint, Sept. 18, 1935—Order, Dec. 31, 1935

Where a corporation, engaged in the manufacture and sale and distribution at wholesale of watch chains made by a special electrolytic method similar to heavy gold electroplating, with gold deposit thereon by weight approximately ten times greater than that produced by light electroplating processes known to the trade as "gold wash" or "gold flashing", but not with the maximum amount obtainable through the electroplating process, or with a substantial deposit as compared with "gold-filled" articles, or of the grade or quality of "rolled gold plate" as understood by the trade—

Represented to the purchasing public that a substantial quantity of gold, both in weight and thickness, had been deposited upon the metal core of said links, through use of words "gold shell" together with its trade name "Oresto", in legend on cardboard mountings on which said chains were sold by it and displayed by jobbers and retailers in windows and show-cases, and which legend was made use of by jobber-purchasers in describing and selling to consuming public, products in question, sold by it in competition with those who do not in any way misrepresent the composition, nature, character, or quality of articles produced through electroplating process, but truthfully represent the same;

With result of placing in the hands of such jobbers and retailers an instrument and means whereby a portion of the consuming public might be led to the mistaken and erroneous belief that the products thus marked or designated were encased in a layer or shell of gold of such substantial thickness that in purchasing said chains, it was buying a product of a quality comparable to that generally known and designated as "gold-filled", and to that produced by electroplating, in which heavier gold deposits are obtained than in the articles herein involved, and to purchase substantial quantities thereof in such mistaken belief, and with tendency to enable such jobbers and retailers to confuse aforesaid articles in the minds of a substantial portion of the public with products designated "rolled gold plate", which exceed in value those herein concerned irrespective of whether or not the gold deposit by weight and thickness is greater, and with result of unfairly diverting trade from and otherwise substantially injuring competitors engaged in the sale of gold-covered articles, properly described and designated as "gold-filled", and as "rolled gold plate":

Held, That such acts and practices were each and all to the prejudice of the public and competitors and constituted unfair methods of competition.

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Before *Mr. John W. Norwood*, trial examiner.

Mr. J. T. Welch for the Commission.

Huddy & Moulton, of Providence, R. I., for respondent.

COMPLAINT

Pursuant to an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that the Speidel Corporation, a corporation, hereinafter designated as respondent, is now, and has been, using unfair methods of competition in commerce as "commerce" is defined in said act and it appearing to said Commission that a proceeding by it in respect thereto would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent is now, and has been since its incorporation in 1932, a corporation organized, existing, and doing business under and by virtue of the laws of the State of Rhode Island, with its office and principal place of business located at 70 Ship Street in the city of Providence in said State, and is now and has been at all times mentioned herein, engaged in the business of manufacturing, selling, and distributing at wholesale to jewelry jobbers and retailers certain novelty jewelry, including watch chains, in commerce as hereinafter set out.

PAR. 2. Said respondent, being engaged in business as aforesaid, causes said novelty jewelry, including said watch chains, as hereinabove described, when sold, to be transported from its principal office and place of business in the State of Rhode Island to the purchasers thereof located in various cities in other States of the United States and in the District of Columbia, and there is now and has been at all times mentioned herein, a constant current of trade and commerce in said jewelry and watch chains so sold and distributed by respondent, between and among the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its said business, respondent is now, and has been, in substantial competition with individuals, firms and corporations engaged in the business of manufacturing, selling and distributing novelty jewelry and watch chains, as herein described, to jobbers and retailers in commerce among and between the various States of the United States and the District of Columbia.

PAR. 4. In the course of the operation of said business, and for the purpose of inducing individuals, firms, and corporations to purchase said novelty jewelry and watch chains hereinafter described,

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to wit: watch chains sold under the name "Oresto", respondent has mounted said watch chains on cardboard mountings attached to each chain, each mounting bearing a legend which states, among other things, that the chain is "gold shell guaranteed."

The entire legend appearing on said cardboard mounting to which the watch chain sold by the respondent under the name of Oresto, is attached, reads as follows:

ORESTO GOLD SHELL GUARANTEED SOLDERED LINKS

Made by

SPEIDEL CORPORATION

The said cardboard mountings above referred to are attached to the watch chains before being sold to or distributed to the jewelry jobbers and retailers buying same, and are displayed to the consuming public by said jobbers and retail jewelers through window or show-case displays.

The legend appearing on said cardboard mountings serves as a representation, both to the jobbers and retailers purchasing said watch chains for resale, and to the purchasing public, that the said watch chains are manufactured by a process of such a character that gold, of substantial weight and thickness, is deposited on the base metal core of each link of said watch chain in such a way as to form a complete shell around said core.

In truth and in fact said watch chains, manufactured, marketed and distributed as aforesaid, are not manufactured by a process whereby a substantial quantity of gold, either in weight or in thickness is deposited as a covering on the base metal core of the links of said watch chain so as to form a complete gold shell surrounding said core.

PAR. 5. The jewelry manufacturing trade has generally adopted the use of certain terms in describing gold covered articles. The names or designations so used are descriptive of the process used in applying gold to the manufactured articles, and also designate the quantity, quality and character of the gold so applied to the article, and serve as representations to the general purchasing public that the articles were manufactured, and the gold applied, in conformity with certain set standards. The designations generally adopted by the trade, with respect to articles that are not of solid gold, are: "gold filled", "rolled gold plate", "gold plate", and "gold electro plate". In the process of manufacturing articles designated as "gold filled", or "rolled gold plate", a substantial quantity of gold, in weight and thickness, is applied to the base metal core and articles truthfully designated as "gold filled", and "rolled gold plate" are generally accepted by the trade and by the purchasing public as being of a

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character and quality superior to articles manufactured by the process designated as "gold plate" and "gold electro plate".

The watch chains heretofore described in paragraph four are manufactured by a process whereby the base metal core is first gold plated by the use of a gold wash, and subsequently gold electro plated.

PAR. 6. Respondent's said customers, being jobbers and retailers, offer for sale and sell the articles of merchandise referred to in paragraph 4 hereof to the consuming public pursuant to the description and representation of said article as appearing on the cardboard mounting attached thereto by the respondent, as set out in paragraph 4.

The false and misleading statements and representations on the part of the respondent, as hereinabove set out, place in the hands of the aforesaid jewelry jobbers and retailers an instrument and a means whereby said jewelry jobbers and retailers may commit a fraud upon a substantial portion of the consuming public by enabling such jewelry jobbers and retailers to falsely represent, offer for sale, and sell the product known as Oresto watch chains as being a product produced by a process superior to the process of producing gold plate and gold electro plate articles, and possessing on its exterior a gold shell of substantial weight and thickness, and as being a product superior in quality to similar products on which the gold on the exterior thereof is placed thereon either by a gold wash process or a gold electro plating process.

PAR. 7. The effect of the foregoing false and misleading representations and acts of the respondent in selling and offering for sale the item of merchandise described in paragraph 4, attached to cardboard mountings, containing the representations hereinabove detailed, is to mislead a substantial portion of the consuming public, as well as jewelry jobbers and retail dealers, in the several States of the United States, by inducing them to believe:

(1) That the item of merchandise attached to said cardboard mounting is a product manufactured by a process of such a character that gold, of substantial weight and thickness, is deposited on the core of each link of said watch chain in such a way as to form a complete shell around said core;

(2) That said item of merchandise, to wit: watch chains sold under the name Oresto, are of a superior quality to similar items of merchandise manufactured under a gold washing or gold electro plating process commonly designated by the trade as "gold plate" or "gold electro plate" process;

and to purchase a substantial quantity of said products in said belief.

PAR. 8. There are among the competitors of respondent many who in no wise misrepresent the composition, nature, character and qual-

ity of the merchandise which they manufacture and sell by attaching said merchandise to cardboard mountings bearing legends containing the same or similar false and misleading representations, or in any manner whatever, and who truthfully represent the composition, character and quality of the products manufactured and sold by them.

The alleged acts, practices, and representations of the respondent are added inducements for a substantial number of jobbers and retail dealers, as well as the consuming purchasers, to buy the products known as "Oresto" watch chains, manufactured and distributed by the respondent, and have a tendency and capacity to, and do, divert a substantial volume of trade from respondent's competitors, with the result that substantial quantities of said Oresto watch chains are sold to said dealers and to the consuming public on account of said beliefs induced as aforesaid. As a consequence thereof, substantial competition in commerce among the several States of the United States and in the District of Columbia has been substantially injured and otherwise prejudiced.

PAR. 9. The above and foregoing acts, practices, and representations of the respondent have been, and are, all to the prejudice of the public and respondent's competitors, as aforesaid, and have been, and are, unfair methods of competition within the meaning and intent of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission issued and served its complaint upon the respondent herein, Speidel Corporation, a corporation, organized, existing, and doing business under and by virtue of the laws of the State of Rhode Island, charging said respondent with the use of unfair methods of competition in commerce in violation of the provisions of said act.

The respondent, having entered its appearance and having filed its answer herein, entered into a stipulation whereby it was stipulated and agreed that a statement of facts signed and executed by the respondent, and its counsel, and J. T. Welch, attorney for the Federal Trade Commission, subject to the approval of the Commission, are the facts in this proceeding and shall be taken by the Federal Trade Commission as such and in lieu of testimony before the Commission

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in support of the charges stated in the complaint, or in opposition thereto, and that said Commission may proceed further upon said statement of facts, stating its findings as to the facts and conclusions thereon and enter its order disposing of the proceeding:

And, thereupon, this proceeding came on for final hearing and the respondent having waived the filing of briefs and the hearing of oral argument herein before the Commission, and said Commission having approved and accepted said stipulation as to the facts and having duly considered the record and being now fully advised in the premises, makes this its findings as to the facts and conclusion:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent corporation was organized in the year 1932 under and by virtue of the laws of the State of Rhode Island. Its principal place of business is located at 70 Ship Street in the city of Providence, in the State of Rhode Island. Since the date of its organization, the respondent has been engaged in the business of manufacturing, selling, and distributing at wholesale to jewelry jobbers, jewelry, novelty jewelry, watch chains, and watch bracelets. The products of the respondent have been, and are now, sold and transported by it, in substantial quantities, in commerce among and between the several States of the United States. The respondent sells substantial quantities of its products in competition with other corporations, firms, and individuals selling like products, to wit: jewelry, novelty jewelry, watch chains, and watch bracelets, in commerce among and between the several States of the United States.

PAR. 2. The respondent, in its said business, has used the trade mark "Oresto" and has, in the prosecution of said business, for the purpose of inducing the purchase of its products, mounted watch chains on cardboard mountings bearing the following legend:

ORESTO
GOLD SHELL
GUARANTEED
SOLDERED LINKS
MADE BY
SPEIDEL CORPORATION

The expression "Guaranteed" applies to the soldering of the links to distinguish these chains from others in the trade having unsoldered links and does not apply to the "gold shell." The legend "guaranteed soldered links" is a usual and well understood legend in the trade.

The cardboard mountings are attached by the respondent to said watch chains before being sold to jobbers and said mountings, with the chains attached, are displayed by the jobbers and retail jewelers to the consuming public through window and show-case displays. Jobbers who purchase the products of respondent sell said products to the consuming public accompanied by the description of said products as appearing on the cardboard mounting attached thereto by the respondent.

PAR. 3. The jewelry manufacturing trade has generally adopted the use of certain terms in describing gold covered articles. The names or designations so used are descriptive of the process used in applying gold to the manufactured article and also designate the quantity, quality, and character of the gold so applied to the article and serve as representations to the general purchasing public that the articles were manufactured and the gold applied in conformity with certain set standards. The designations generally adopted by the trade with respect to articles that are not of solid gold, are "gold colored" or "gold plate", "gold electroplate", "rolled gold plate", and "gold filled."

The term "gold colored" or "gold plate" is used to describe those articles dipped in a gold wash. Some manufacturers obtain the gold effect by a chemical process. If gold is used by the manufacturer, the deposit thereof left on the article after the gold wash, is of the thinnest obtainable.

The term "gold electroplate" is used to describe an electrolytic process whereby gold deposits up to 25 milliemes "Fine Gold" can be obtained. The usual and most common form of electroplating is known as "gold flashing." This process produces a lustre finish or light gold film within 5 to 15 seconds and the gold deposit will vary between $\frac{1}{4}$ and $\frac{3}{4}$ millieme "Fine Gold." "Fine Gold" is 24 kt. gold. The watch chains manufactured by the respondent and marketed under the trade name "Oresto" and described as "gold shell" are manufactured by a process in which 12 kt. gold is deposited upon base metal in the proportion of 5 dwt. 12 kt. gold per 1,000 dwt. of base metal by a special electrolytic method similar to that used in electroplating for heavy gold deposits. The fineness of "Oresto gold shell" watch chains varies from 5 to 6 milliemes 12 kt. gold. By weight, the thickness of the gold deposited on said watch chains is approximately 10 times greater than that produced by "gold wash", "gold flashing", or light electroplating in which from $\frac{1}{4}$ to $\frac{3}{4}$ millieme "Fine Gold" is deposited as a result of the electroplating process. Some electroplated articles, containing more than 5 to 6 milliemes and up to 25 milliemes 12 kt. gold are manufactured and sold

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in commerce among the several States both by the respondent and its competitors. "Oresto gold shell" products, therefore, do not contain the maximum amount of gold deposit that can be obtained by the electroplating process. In order to secure gold deposits of 5 to 6 milliemmes 12 kt. gold such as are obtained on "Oresto gold shell" products and the gold deposits up to 25 milliemmes "Fine Gold" used in producing gold electroplated articles of qualities equal to or superior to "Oresto gold shell" products, it is necessary to give said products an immersion of from 5 to 20 minutes as compared to the short immersion necessary in producing products containing $\frac{1}{4}$ to $\frac{3}{4}$ millieme 12 kt. gold.

A substantial quantity of gold in weight and thickness is in fact deposited on the base metal core in "Oresto gold shell" products as compared with the quantity of gold deposit obtained by the "gold wash", "gold flashing" or light gold electroplating processes.

In the process of manufacturing articles designated as "gold filled" or "rolled gold plate", a substantial quantity of gold, in weight and in thickness is applied to the base metal core, either by an air-tight hydraulic process or by soldering the gold layer onto the base metal by means of suitable solder. The term "gold filled" is properly used to designate articles which are superior to, contain a higher gold content both by weight and thickness and are more expensive than either "rolled gold plate" or "Oresto gold shell" and articles of similar quality. The term "rolled gold plate" is properly used to designate articles which may have a gold content either greater or less than "Oresto gold shell" but which are also, in either case, of a quality superior to and more expensive than "Oresto gold shell." The actual cost of "gold filled" and "rolled gold plate" as compared with "Oresto gold shell" varies from 100 percent to 200 percent more.

A substantial quantity of gold, in weight or in thickness, is not deposited on the base metal core of respondent's "Oresto gold shell" product as compared with the quantity and quality of gold deposit obtained in producing "gold filled" articles or the qualities or grades of "rolled gold plate" articles having a greater gold content than the "Oresto gold shell."

PAR. 4. The legend, "Oresto gold shell" does not serve as a representation of any specific degree of weight or thickness of gold deposited on the base metal core, but does serve as a representation to the purchasing public that a substantial quantity of gold, both in weight and in thickness, is deposited thereon.

The effect of the use of the term "gold shell", and the acts of the respondent in selling and offering for sale the watch chains sold under the trade name "Oresto", attached to cardboard mountings containing

the said legend has been to place in the hands of jewelry jobbers and retailers an instrument and a means whereby a portion of the consuming public might be led to mistakenly and erroneously believe that the products so marked, described or designated were encased in a layer or shell of gold of such substantial thickness that said consuming public would believe they were purchasing a product of a quality comparable to that generally known and designated as "gold filled" and other products produced by that gold electroplating process whereby a heavier gold deposit than that in "Oresto" quality is obtained, and to purchase substantial quantities of said "Oresto" quality gold covered articles in said belief. The marketing of said product so marked and designated also has a tendency to enable said jobbers and retailers to confuse in the minds of a substantial portion of the consuming public the respondent's product with articles designated as "rolled gold plate" which may, or may not, contain more gold deposit by weight and thickness but which are, in either case, of a value greater than "Oresto gold shell" products.

The respondent is not now using the term "gold shell" in marketing or selling its products designated as "Oresto" quality and discontinued the use of the said term prior to the execution of the stipulation as to the facts.

PAR. 5. There are, among the competitors of respondent, many who in no wise misrepresent the composition, nature, character, and quality of the articles produced by an electroplating process which they manufacture and sell by attaching said articles to cardboard mountings bearing legends containing the same or similar false and misleading representations, or in any manner whatever, and who truthfully represent the composition, character, and quality of the products manufactured and sold by them.

PAR. 6. The use of the term "gold shell" by the respondent in marketing and selling its watch chains produced by an electroplating process has served to cause an unfair diversion of trade from, and otherwise substantially injure, competitors of respondent in the sale of gold covered articles properly described and designated as "gold filled" and as "rolled gold plate."

PAR. 7. Any representations that might have been made by said jobbers and retailers in inducing the purchase of respondent's "Oresto" quality products in preference to products manufactured by the gold washing process or the light gold electroplating process, said representations claiming that the respondent's "Oresto" quality watch chains possess on the exterior thereof a gold deposit of substantial weight and thickness as compared to the gold deposit on said products manufactured by the gold washing or light gold electroplating process, are not false and misleading and do not constitute

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a means whereby said jewelry jobbers and retailers may commit fraud upon a substantial portion of the consuming public.

CONCLUSION

The acts and practices of the respondent are each and all to the prejudice of the public, and to the competitors of the respondent and constitute unfair methods of competition in commerce, within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent, and a stipulation entered into between the respondent herein, Speidel Corporation, a corporation, and its counsel, Messrs. Huddy & Moulton, and counsel for this Commission, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes":

Now, therefore, it is hereby ordered, That respondent, Speidel Corporation, a corporation, its officers, agents, representatives, and employees, in connection with the distribution, offering for sale and sale of jewelry, novelty jewelry, watch chains, and watch bracelets, in interstate commerce, forthwith cease and desist from:

(1) Using the term "gold shell", or words of similar import, in any way to describe or designate any of its gold covered products manufactured by any electroplating or electrolytic process.

(2) Representing by words, terms, figures or designations of any kind or character that said jewelry, novelty jewelry, watch chains, and watch bracelets produced by any process other than that by which gold covered articles commonly designated as "gold filled" and "rolled gold plate" articles are produced, possess a "gold shell" or contain a deposit of a substantial quantity of gold on the exterior thereof, unless and until the said gold deposit contained on the exterior of said articles is comparable, by weight and by thickness, with the amount and quality of gold deposit contained on the exterior of articles correctly designated as "gold filled" and "rolled gold plate" articles.

It is further ordered, That the respondent shall within 60 days after the service upon it of this order file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist hereinabove set out.

Complaint

IN THE MATTER OF

SHAPIRO FELT RUG COMPANY, AND WM. SHAPIRO,
MORRIS SHAPIRO, AND SARAH SHAPIRO, TRADING AS
ESTA HAT COMPANY

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

Docket 2647. Complaint, Dec. 6, 1935—Order, Jan. 3, 1936

Consent order requiring respondent, Shapiro Felt Rug Co., and respondent individuals doing business as Esta Hat Co., their agents, etc., in connection with the sale or offer for sale of baseball caps in interstate commerce, to cease and desist from selling or offering for sale, baseball caps, manufactured from felts obtained from second hand, old, used, and discarded men's and women's felt hats, unless and until there is stamped upon, affixed, or attached to said baseball caps in a conspicuous place so as to be easily and readily seen, word or words clearly indicating that said baseball caps are not manufactured from new and unused felts, but are manufactured from felts obtained from second hand, old, and discarded men's and women's felt hats.

Mr. George Foulkes for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Shapiro Felt Rug Company, a corporation, and Wm. Shapiro, Morris Shapiro and Sarah Shapiro, individuals trading as Esta Hat Company, hereinafter referred to as respondents, have been or are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said 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. Respondent Shapiro Felt Rug Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey, with its principal office and place of business in the city of Newark in said State. The officers of said corporation are respondents Wm. Shapiro, President; Morris Shapiro, Vice President and Treasurer, and Sarah Shapiro, Secretary. Respondents Shapiro Felt Rug Company, Wm. Shapiro, Morris Shapiro, and Sarah Shapiro, are now and for more than one

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• year last past have been engaged in the business of manufacturing baseball caps from felts obtained from old, used, discarded and secondhand hats, and of selling the same under the trade name "Esta Hat Company", to retailers, jobbers and wholesale dealers located in the various States of the United States. Respondents cause, and for more than one year last past have caused such caps to be transported from their place of business in Newark to the aforesaid purchasers thereof located in the State of New Jersey and to other of the aforesaid purchasers located in various other States of the United States. In the course and conduct of their business, respondents are now and for more than one year last past have been engaged in substantial competition in commerce between and among the various States of the United States, with other corporations, individuals, firms and partnerships engaged in the sale of baseball caps manufactured from new felt bodies, and in the transportation of said products from their respective places of business to the purchasers thereof located in various other States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of their business described in paragraph 1 hereof, respondents for more than one year last past have bought and still buy secondhand, old, used and discarded men's and women's felt hats, which are and have been renovated by respondents and made into baseball caps and which are sold by respondents to retailers, jobbers, and wholesalers, as set forth in paragraph 1 hereof. The said secondhand, old, used, and discarded men's and women's felt hats are cleaned, steamed, ironed, and shaped by respondents, and then fitted with new trimmings, sweat bands, size labels, and with a peak or visor by the respondents, and are then sold by respondents to retailers, who resell same to the purchasing public, and to jobbers and wholesale dealers who resell them to retail dealers, who in turn resell said products to the purchasing public.

PAR. 3. The aforesaid old, used, discarded and secondhand hats, after being made over by respondents into baseball caps and fitted with new trimmings as described in paragraph 2 herein, have the appearance of new baseball caps manufactured from felts which have never been worn, and said caps are sold by respondents to retailers and to jobbers and wholesale dealers without any label, marking or designation on or about said caps to indicate that said caps are in fact manufactured from secondhand hats which have been renovated and made over into baseball caps by respondents. Said caps, sold to jobbers and wholesale dealers, are resold by said jobbers and wholesale dealers to retail dealers who resell them to the public without disclosing the fact that said caps are manufactured from felts pre-

viously worn and then renovated and made over, and under such circumstances as to indicate falsely that they are new baseball caps. Said caps sold by respondents to retailers are resold by such retailers to the public without disclosing the fact that such caps have been manufactured from hats previously worn, and then renovated and made over, and under such circumstances as to indicate that they are new baseball caps.

The cost to respondents of obtaining, renovating, and making over said old hats into baseball caps as aforesaid, is much less than the cost to manufacturers of manufacturing new baseball caps of similar quality, and respondents are thereby able to sell said baseball caps to retailers, jobbers, and wholesalers, and through them to the using public, at substantially lower prices than manufacturers of new baseball caps can sell caps of same or similar goods to retailers, jobbers, and wholesale dealers, and through said dealers to the using public.

PAR. 4. The acts and practices of respondents as hereinbefore set forth, are calculated to and do have the capacity and tendency to induce many wholesale and retail dealers, and many of the purchasing public, to purchase the said baseball caps manufactured from old, used, and discarded hats which have been renovated and made over by respondents into baseball caps, in the mistaken belief that they are purchasing new and unused baseball caps manufactured from new and unused materials, and tend to and do unfairly divert trade to respondents from concerns engaged in the manufacture and sale of new baseball caps in interstate commerce throughout the various States of the United States and the District of Columbia.

There are also among the competitors of respondents corporations, individuals, firms and partnerships engaged in the manufacture of baseball caps from felt material obtained from used, old, discarded, and secondhand hats, which said corporations, individuals, firms and partnerships label, tag, and otherwise indicate on the said baseball caps sold by them that such caps are not manufactured from new and unused material but are manufactured from felt material obtained from used, old, discarded and secondhand hats. There are also among the competitors of respondents, corporations, individuals, firms and partnerships who are engaged in the manufacture and sale of baseball caps manufactured from new and unused felt material. The acts and practices of respondents as hereinbefore set forth are calculated to and tend to and do unfairly divert trade to respondents from said competitors, and by the acts and practices of the respondents hereinbefore described, substantial injury is done by respondents to substantial competition in interstate commerce.

PAR. 5. The above alleged acts and practices of respondents are each and all of them to the prejudice of the public and respondents'

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competitors, and constitute unfair methods of competition in interstate commerce within the meaning of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes".

ORDER TO CEASE AND DESIST

This matter coming on to be heard by the Commission upon the complaint filed herein on December 6, 1935, and the answer to said complaint filed December 23, 1935, by Shapiro Felt Rug Company, a corporation, and Wm. Shapiro, Morris Shapiro, and Sarah Shapiro, individuals trading as Esta Hat Company, respondents herein, in which answer the said respondents state that they waive hearing on the charges set forth in the complaint herein; that they refrain from contesting the proceeding and that they consent that the Commission without a trial, without evidence, and without findings as to the facts or other intervening procedure, may make, enter, issue, and serve upon the said respondents, an order to cease and desist from the methods of competition charged in the complaint; and the Commission now being fully advised in the premises,

It is now ordered, That the respondents, Shapiro Felt Rug Company, a corporation, and Wm. Shapiro, Morris Shapiro, and Sarah Shapiro, individuals trading as Esta Hat Company, their agents, representatives, servants, and employees, in connection with the sale or offering for sale of baseball caps in interstate commerce, cease and desist from:

Selling or offering for sale, baseball caps, manufactured from felts obtained from secondhand, old, used, and discarded men's and women's felt hats, unless and until there is stamped upon, affixed, or attached to said baseball caps in a conspicuous place so as to be easily and readily seen, word or words clearly indicating that said baseball caps are not manufactured from new and unused felts, but are manufactured from felts obtained from secondhand, old, used, and discarded men's and women's felt hats.

It is further ordered, That respondents shall within 60 days from the date of the service upon it of the order herein, file with the Commission, a report in writing setting forth in detail the manner and form in which this order has been complied with and conformed to.

ORDERS OF DISMISSAL, OR CLOSING CASE¹

DAVID JACOBY AND MORRIS GOTTSHAGEN, co-partners trading as the MILLS SALES Co. Complaint, February 26, 1935. Order, July 6, 1935. (Docket 2305.)

Charge: Misbranding or mislabeling as to quality of product; in connection with the sale of shoe laces.

Dismissed, after answer and trial, by the following order:

This matter coming on for consideration by the Commission, upon the pleadings, the evidence and the brief of counsel for the Commission, and the Commission having duly considered the same and being now fully advised in the premises:

It is ordered, That the complaint be and the same hereby is dismissed.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. Astor Hogg for the Commission.

HENRY EMMERICH, trading as MARIE DUNNE. Complaint, April 30, 1934. Order, July 25, 1935. (Docket 2175.)

Charge: Using misleading trade name and advertising falsely or misleadingly as to business status, and qualities, properties and price of product; in connection with the sale of cosmetics, including a massage cream designated "Creamo".

Record closed, after answer, by the following order:

This matter coming on for consideration by the Commission upon the record and it appearing that the respondent is no longer engaged in business, that his present whereabouts and address are unknown, that a fraud order has been issued by the Post Office Department against Marie Dunne under which name this respondent was engaged in business, and that the respondent did not actually own the business in question but has been an employee of and dummy for the business operated by the Titus family under the trade names Nancy Lee, Doris Kent, Marie Dunne and Betty Drew, and the

¹ During the period covered by this volume, i. e., June 25, 1935 to January 13, 1936, orders were issued in four cases rescinding or vacating cease and desist orders theretofore entered and reopening the cases for the purpose of further proceedings, the names of said cases, the first three of which involved use of lottery schemes in merchandising of candy and the last of which involved use of misleading brand names in connection with the manufacture and sale of cigars (together with their docket numbers, rescinding and reopening dates and prior citations, excepting the last, not published), being *American Candy Co.*, Docket 1807, September 14, 1935, 18 F. T. C. 282; *Vonelf-Drayer Co.*, Docket 1724, October 16, 1935, 18 F. T. C. 280; *Paul F. Beich Co.*, Docket 2237, December 30, 1935. 19 F. T. C. 442; and *John F. Bolon Cigar Co.*, Docket 2293, December 30, 1935.

Commission having duly considered the matter and being now fully advised in the premises—

It is ordered, That further proceedings in this case be and the same are hereby closed.

Mr. Marshall Morgan for the Commission.

Mr. Harry Scheer, of New York City, for respondent.

FOOD DISTRIBUTORS ASSOCIATION OF ILLINOIS, ET AL.² Complaint, April 5, 1933, Order, July 30, 1935. (Docket 2099.)

Charge: Combining or conspiring with intent and effect of unreasonably hindering, hampering, lessening, restricting, restraining, controlling and regulating competition in sale and distribution of food products.

Case closed, after answer and trial, by the following order:

This matter coming on for determination by the Commission and the Commission having duly considered the same and being fully advised in the premises—

Now, therefore, it is hereby ordered, That this proceeding be, and the same is, hereby closed, without prejudice to the reopening thereof or the issuance of a new complaint in the event the public interest requires such action.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. Edward L. Smith for the Commission.

Butler, Ballard, Pope & Elting, of Chicago, Ill., for respondents.

SINCLAIR G. STANLEY, doing business as Z. G. Herbs Co. Complaint, March 15, 1935. Order, August 8, 1935. (Docket 2331.)

Charge: Advertising falsely or misleadingly as to qualities, properties or results of product; in connection with the preparation and sale of various herb medicines.

Record closed, after answer, by the following order:

This matter coming before the Commission upon memorandum of the chief trial examiner submitting stipulation signed by the respondent to cease and desist from the practices charged in the complaint and the Commission having accepted said stipulation and being fully advised in the premises.

It is ordered, That said case be and the same is hereby closed.

Mr. Harry D. Michael for the Commission.

Mr. Joshua R. H. Potts, *Mr. Eugene Vincent Clarke*, and *Mr. Basil H. Brune*, of Chicago, Ill., and *Mr. Clarence C. Dill* and *Mr. J. W. Gum*, of Washington, D. C., for respondent.

² Respondents not named include C. B. Keehner, Ed. L. Thompson, Frank Dilts, Walter J. Nichols and P. G. Rapp, President, First Vice President, Second Vice President, Secretary-Manager, and Treasurer, respectively, and active members of said corporation, individually; and Clarence H. Olson, Louis Reichmann, R. G. Gruenwald, John P. Marx, O. W. Johnson, Carl Ochsenschlager, and R. W. Ohl, directors and active members of said corporation, individually; and Paul Russo, E. Weinsheimer, and H. P. Kelder, associate members of respondent corporation, individually.

NORTHEASTERN MAINE WHOLESALE CONFECTIONERS' ASS'N, ITS OFFICERS, EXECUTIVE COMMITTEE MEMBERS, AND MEMBERS GENERALLY.*
Complaint, May 9, 1935. Order, August 20, 1935. (Docket 2385.)

Charge: Combining and conspiring to suppress competition in business involved, in territory concerned, through preventing non-members from purchasing directly from manufacturers, fixing uniform prices at which products involved should be sold by respondent members and preventing the sale thereof by others at lower prices, and creating respondent members as an exclusive class of brokers, jobbers and wholesalers through whom there should be distributed to said territory; in connection with the jobbing, distributing and wholesaling of confectionery, candy and kindred products.

Record closed, after answers, by the following order:

This matter coming on to be heard on the record, and it appearing that respondent Association was dissolved prior to the issuance of complaint herein and that its activities have ceased, and the Commission having considered said matter and being fully advised in the premises;

It is ordered, That said case be and the same is hereby closed without prejudice as to reopening the matters involved if the public interest should warrant.

Mr. Edward L. Smith and *Mr. Harry D. Michael* for the Commission.

Mr. Lawrence V. Jones, of Bangor, Me., for George L. Higgins, joined individually and as president and member of the executive committee of said association, and for other respondents.

* Respondents not specified follow:

George L. Higgins, individually and as president and member of the executive committee of said association; George St. Clair, individually and as vice president and member of the executive committee of said association; Orman H. Rowell, individually and as secretary and member of the executive committee of said association; Myer Minsky, individually and as treasurer and member of the executive committee of said association; Clarence Beckett, individually and as member of the executive committee of said association; L. J. Hedrich, individually and as member of the executive committee of said association; Edwin Morin, individually and as member of the executive committee of said association; H. J. Beckett, individually and as member of the executive committee of said association; H. W. Hatch, individually and as member of the executive committee and member of said association; and the following members of said association individually and as such members; St. Clair & Allen, a corporation; Rockland Produce Company, Inc., a corporation; O. G. Morin, Merle C. Rideout, William A. Anderson and Alice Witherly, co-partners, doing business under the name and style of G. P. Hussey & Co.; U. J. Hedrich Company, a corporation; Harry Bush, A. W. Beckett, Frank N. Beckett, Frank N. Beckett, Jr., Clarence B. Beckett, Percy G. Beckett, and Phillip N. Beckett, co-partners, doing business under the name and style of Beckett & Co.; E. P. Kaprow and J. P. Zitaner, co-partners, doing business under the name and style of Bangor Wholesale Confectionery Company; National Confectionery Company, Inc., a corporation; T. R. Savage Company, a corporation; A. P. Landers, R. B. Chaples, R. M. Witham, James Dondis, Thurston & Kingsbury Company, a corporation; Rex E. King, John A. Bailey, Joseph T. Morin, Lawrence Morin, Jr., and Lawrence Morin, Sr., co-partners, doing business under the name and style of Morin Brothers, and Wilfred C. Doescher, doing business under the name and style of Aroostook Confectionery Company.

ROYAL DISTILLERS' PRODUCTS, LTD. Complaint, July 9, 1935. Order, August 22, 1935. (Docket 2495.)

Charge: Using misleading corporate name as to business status and misbranding or mislabeling and advertising falsely or misleadingly in said respect; in connection with the wholesaling of liquors, purchasing and reselling whiskies, gins and other spirituous beverages.

Record closed by the following order:

This matter coming on for consideration by the Commission upon supplemental investigation, and it appearing that the respondent, Royal Distillers' Products, Ltd., was adjudicated a bankrupt on the 2nd day of March, 1935, by the United States District Court for the Southern District of New York, that its physical assets have been sold, that it is not now engaged in business and that it is unlikely that it will ever again engage in business, and the Commission being fully advised in the premises:

It is, therefore, now ordered, That the complaint herein issued on the 9th day of July 1935 against said respondent be, and the same is, hereby closed.

Mr. PGad B. Morehouse for the Commission.

Mr. Francis E. Rivers, of New York City, for Henry E. Mills, trustee in bankruptcy.

HOTT & WORTHEN TANNING CORP. Complaint, March 4, 1935. Order, August 26, 1935. (Docket 2310.)

Charge: Misbranding or mislabeling and advertising falsely or misleadingly as to source or origin of product; in connection with the tanning, manufacture and sale of chamois skins.

Dismissed, after answer and trial, by the following order:

This matter coming on to be heard by the Commission upon the testimony introduced in support of and in opposition to the allegations of the complaint, and the Commission having duly considered the record and being now fully advised in the premises:

It is ordered, That the complaint herein be, and the same hereby is, dismissed.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. James M. Brinson for the Commission.

Thompson & Twomey of Boston, Mass., and *Mr. Willard G. Cogswell*, of Haverhill, Mass., for respondent.

CHARLES S. RODGERS AND FRANCIS C. KLEINER, TRADING AS RODGERS DISTILLERIES Co. Complaint, May 22, 1935. Order, August 31, 1935. (Docket 2405.)

Charge: Using misleading corporate name as to business status, misbranding or mislabeling and advertising falsely or misleadingly in said respect; in violation of Section 5, and of Section 1 of Article

V of the Code of Fair Competition for the Distilled Spirits Rectifying Industry, and as such in violation of Section 3 of Title 1 of the National Industrial Recovery Act and Section 5 of the Federal Trade Commission Act; in connection with the purchase and sale of whiskeys, gins and other spirituous beverages.

Dismissed by the following order:

This matter having come on for consideration by the Commission upon supplemental investigation from which it has been ascertained that Charles S. Rodgers and Francis Kleiner trading under the firm name and style of Rodgers Distilleries Company are not now and have not for the past three or four months been engaged in the sale of any distilled spirits and it appearing that no use in interstate commerce is now being made of the name "Rodgers Distilleries Company" and the Commission being fully advised in the premises;

It is now ordered, That the complaint herein issued on May 22, 1935, be and the same is hereby dismissed.

Mr. PGad B. Morehouse for the Commission.

TIMES SALES CO. AND SIMON P. MAGEE. Complaint, April 3, 1935. Order, September 4, 1935. (Docket 2351.)

Charge: Misrepresenting character and nature of product and offering deceptive inducements to purchase; in connection with the sale of an encyclopedia, together with a loose-leaf supplement, membership in a bureau of research, and various premiums, together with magazine subscriptions and other articles.

Dismissed, after answer and trial, by the following order:

This matter coming on to be heard by the Commission upon the testimony taken in support of the allegations of the complaint and in opposition thereto, and the Commission having duly considered the record and being now fully advised in the premises;

It is ordered, That the complaint herein be, and the same hereby is, dismissed.

Before *Mr. Charles F. Diggs*, trial examiner.

Mr. James M. Brinson for the Commission.

Campbell, Clithero & Fischer, of Chicago, Ill., for respondent.

G. A. GOEBEL Co., INC. Complaint, December 3, 1934. Order, September 19, 1935. (Docket 2253.)

Charge: Advertising falsely or misleadingly in connection with the sale of uniforms and military clothing, military devices and insignia, etc.

Dismissed, after answer and trial, without assignment of reasons and without prejudice.

Before *Mr. John W. Addison*, trial examiner.

Mr. Astor Hogg for the Commission.

Harris & Jaffe of Chicago, Ill., for respondent.

IMPERIAL DISTILLING CORP. Complaint, June 18, 1935. Order, October 10, 1935. (Docket 2441.)

Charge: Using misleading corporate name as to business status, misbranding or mislabeling and advertising falsely or misleadingly; in connection with the purchasing, rectifying, blending, bottling and sale of whiskies, gins, and other alcoholic beverages.

Dismissed by the following order:

This matter having come on for consideration by the Commission upon complaint, answer and supplemental investigation, from which it is ascertained that the respondent has sold its equipment, surrendered its revenue stamps, allowed its rectifier's permits to expire, and discontinued all operations in which it was engaged at the time of the issuance of the complaint herein, and the Commission being now fully advised in the premises—

It is ordered, That the complaint herein issued on June 18, 1935, be, and the same is, hereby closed.

Mr. PGad B. Morehouse for the Commission.

DISTILLERS DISTRIBUTING Co. Complaint, August 31, 1935* Order, October 10, 1935. (Docket 2541.)

Charge: Using misleading trade or corporate name, misbranding or mislabeling and advertising falsely or misleadingly; in connection with the purchase and sale at wholesale of whiskies, gins and other alcoholic beverages.

Dismissed by the following order:

This matter having come on for consideration by the Commission upon a complaint issued herein on August 31, 1935, and answer of respondent filed herein on September 19, 1935, and it appearing that on September 14, 1935, respondent filed an amendment with the secretary of state of the State of Colorado, changing its corporate name to "Reuler-Lewin, Inc.", and completely discontinuing the use of the name "Distillers Distributing Company", and that further proceeding herein is not necessary in the public interest, and the Commission being now fully advised in the premises—

It is ordered, That the complaint herein issued on August 31, 1935, be, and the same is, hereby closed.

Mr. PGad B. Morehouse for the Commission.

Rothgerber & Appel, of Denver, Colo., for respondent.

SHERWOOD DISTILLING & DISTRIBUTING Co. Complaint, April 23, 1935. Order, November 11, 1935. (Docket 2374.)

Charge: Using misleading corporate name as to business status, misbranding or mislabeling and advertising falsely or misleadingly in said respect, in violation of Section 5, and of Section 1 of Article

V of the Code of Fair Competition for the Distilled Spirits Rectifying Industry, and as such in violation of Section 3 of Title 1 of the National Industrial Recovery Act and Section 5 of the Federal Trade Commission Act.

Dismissed, after answer, by the following order:

This matter having come on to be considered by the Commission upon the complaint hereinbefore issued and the answer of the respondent herein filed on May 10, 1935, and it appearing to the Commission that respondent, under and by virtue of a lease of an entire distillery for certain days through permit from the United States Internal Revenue, operates and controls a distillery producing spirits by the process of distillation from mash, wort or wash, and the Commission being fully advised in the premises—

It is now ordered That the complaint herein issued against said respondent on the 23rd day of April, A. D., 1935, be and the same is hereby dismissed.

Mr. PGad B. Morehouse for the Commission.

Mr. Melvin D. Hildreth, of Washington, D. C., for respondent.

WOLVERINE DISTILLERIES. Complaint, June 11, 1935. Order, November 18, 1935. (Docket 2434.)

Charge: Using misleading corporate name as to business status, misbranding or mislabeling and advertising falsely or misleadingly in said respect; in connection with rectifying, blending and bottling whiskies, gins and other alcoholic beverages.

Record closed by the following order:

This matter having come on for consideration by the Commission upon supplemental investigation, from which it has been ascertained that respondent, Wolverine Distilleries, a corporation, abandoned all its business as described in the complaint herein issued on June 11, 1935, and the physical assets of its said business of rectifier and wholesaler of liquors having been dismantled and sold, and that there is no prospect of said business being resumed by respondent, and the Commission being fully advised in the premises—

It is now ordered, That the record in the above entitled case be, and the same is hereby closed.

Mr. PGad B. Morehouse for the Commission.

RAY-X WATER CORPORATION. Complaint, January 11, 1934. Order, December 5, 1935. (Docket 2147.)

Charge: Using registered trade mark and trade name misleadingly, misrepresenting business status or advantages, misbranding or mislabeling and advertising falsely or misleadingly as to qualities or properties of product, and testimonial endorsements; in connection with the sale of distilled water.

Record closed by the following order:

The above entitled matter coming on for consideration upon the complaint of the Commission and the answer of the respondent filed herein to the complaint, and upon the request of the attorneys for the respondent for dismissal of the complaint; and it appearing to the Commission that the respondent's charter has been cancelled and that the respondent no longer exists; and the Commission being fully advised in the premises,

It is ordered, That this case be, and the same hereby is, closed, for the reason that the respondent corporation, Ray-X Water Corporation, is no longer in existence.

Mr. Edward E. Reardon for the Commission.

Mr. George E. Kirk and Rowe, Williams & Dillon, of Toledo, Ohio, for respondent.

ASSOCIATED LOBSTER DEALERS OF MASSACHUSETTS, ITS OFFICERS AND MEMBERS, ET AL.⁴ Complaint, October 17, 1935. Order, January 3, 1936. (Docket 2587.)

Charge: Combining or conspiring to fix prices; in connection with the buying and selling of lobsters.

Record closed, after answers, by the following order:

This matter coming on for consideration upon the record and upon the memorandum from the Chief Counsel, dated December 13, 1935, and the Commission having considered the same and being fully advised in the premises;

It is ordered, That this proceeding be, and the same hereby is, closed as to each and every one of the respondents named in the complaint herewith without prejudice, however, to the right of the Commission to reopen this case should conditions hereafter arising require such action in the public interest.

Mr. Allen C. Phelps for the Commission.

Mr. E. H. Cooley, of Boston, Mass., for respondents.

⁴ Respondents as named in the complaint follow:

Associated Lobster Dealers of Massachusetts, a voluntary association, its Officers and Members; Allen Newton, individually and as President of the Associated Lobster Dealers of Massachusetts; Orris E. Gerrish, individually and as Secretary thereof; and Elmer A. Price, individually and as Treasurer thereof;

Harry A. Porter, doing business under the trade name H. O. Atwood & Company; Paul Surette, doing business under the trade name Paul's Lobster Company; Shattuck & Jones, Inc.; Lorenzo C. Creamer, doing business under the trade name L. C. Creamer Company; George R. Smith, doing business under the trade name Jay C. Smith & Son; Brooks & Sprague, Inc., Cox & Hodge, Wright & Willis Company, Thorndike & Hix Lobster Co., R. Higgins Company;

Johnson & Young, Inc., J. H. Young & Co., Inc., Batchelder & Snyder, Inc.; John W. Rich, doing business under the trade name J. W. Rich & Company; Nelson W. Atwood, doing business under the trade name Crocker & Winsor; and

R. M. Kelly Co.; Lincoln-Willey & Co.; Atwood & Co.; Dench & Hardy Co.; John Nagle & Co.; and R. S. Hamilton & Co.

STIPULATIONS¹

DIGEST OF GENERAL STIPULATIONS OF THE FACTS AND AGREEMENTS TO CEASE AND DESIST²

1417. **False and Misleading Advertising—Correspondence Courses.**—The National Electrical and Automotive School, Inc., engaged in giving correspondence or home study courses in radio engineering, including instruction in radio, television, talking pictures, and general electricity, and distributing said course of instruction by mail in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The National Electrical and Automotive School, Inc., in soliciting the sale of and selling its correspondence courses in interstate commerce, agreed to cease and desist from stating or representing directly or indirectly that its salesmen do not sell correspondence courses; implying or representing that such salesmen represent directly or indirectly such firm or firms in selecting and securing men for definite positions; stating or representing directly or indirectly that students who enroll are not required to pay for their instruction but are merely required to assume the burdens of only a part thereof; stating and representing that the school, directly or indirectly, pays part or all of the students' transportation to and from Los Angeles when such is not the fact; making of any material misrepresentations directly or indirectly in reference to terms and conditions of its enrollments and the payment for its said courses of instruction. (June 25, 1935.)

¹ For false and misleading advertising stipulations effected through the Commission's special board. See p. 868, *et seq.*

The digests published herewith cover those accepted by the Commission during the period covered by this volume, namely, June 25, 1935, to January 13, 1936, inclusive. Digests of all previous stipulations of this character accepted by the Commission—that is, numbers 1 to 1416, inclusive—may be found in vols. 10 to 20 of the Commission's decisions.

² In the interest of brevity there is omitted from the published digest of the stipulation the agreement under which the stipulating respondent or respondents, as the case may be, agree that should such stipulating respondent or respondents "ever resume or indulge in any of the practices in question, this said stipulation of the facts may be used in evidence" against such respondent or respondents, as the case may be, "in the trial of the complaint which the Commission may issue."

1418. **False and Misleading Advertising and Misrepresentation of Business Connection—Box-Makers' Machinery.**—James H. Jones, an individual, and James H. Jones Corporation, engaged in the sale of box-makers' machinery and in the distribution of same in interstate commerce, and in competition with other individuals, corporations, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

James H. Jones and James H. Jones Corporation, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from holding out or representing themselves or either of themselves as sales agent of the Ideal Stitcher and Manufacturing Co.; and/or from the use of the words "Sales Agent" or "Exclusive Sales Agent" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said individual or said corporation represents the Ideal Stitcher and Manufacturing Co. in the sale of its products, when such is not the fact. (June 25, 1935.)

1419. **Using Lottery Scheme in Merchandising—Confectionery.**—McCraw, Inc., a corporation, engaged in the manufacture of confectionery and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

McCraw, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in interstate commerce of any scheme, plan, or method of sale, or of promoting the sale, of its candy products which involves the use of any gift enterprise, lottery, or any scheme of chance whereby an article is given as a prize or premium for or in consideration of the purchase of any other article. (June 25, 1935.)

1420. **False and Misleading Trade Name and Advertising—Wood Products.**—Roddis Lumber & Veneer Co., a corporation, and Roddis Co., a corporation, engaged in the sale and distribution of veneers, veneer panels, doors, and other built-up wood products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Roddis Lumber & Veneer Co. and Roddis Co., in soliciting the sale of and selling said products in interstate commerce, agreed, individually and collectively, to cease and desist from the use of the word "Walnut" either alone or in connection or conjunction with the word "Canadian" or with any other word or words in advertisements and

advertising matter or as a trade designation for said products so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are those products which are derived from the walnut or "Juglandaceae" family, when such is not the fact. (June 28, 1935.)

1421. **False and Misleading Advertising—Hygienic Devices and Preparations.**—Jessie Rogers, an individual trading under the names and styles of Rogers Remedy Co. and Osan Products Co., engaged in the sale, chiefly by mail orders, of hygienic devices and preparations for use by women, and in the distribution of same in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Jessie Rogers, in soliciting the sale of and selling her said products in interstate commerce, agreed to cease and desist from stating or representing in advertisements or advertising matter circulated in interstate commerce: that said products, or any thereof, are harmless or are safe for self-administration. (July 1, 1935.)

1422. **False and Misleading Trade Name, Brands or Labels, and Advertising—Wines and Spirituous Liquors.**—Vernon Distributing Co., a corporation trading as Escondido Vintage Co., engaged in the sale of wines and spirituous liquors in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Vernon Distributing Co., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from: the use of the word "Escondido" as part of or in connection with its trade name, in branding, advertising, selling, or distributing wines not produced in the Escondido district; and the use of the word "Escondido" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the products in connection with which such word is used are products of the Escondido district, when such is not the fact. (July 1, 1935.)

1423. **False and Misleading Advertising—Metal Seals.**—International Seal & Knot Protector Co., engaged in the manufacture of metal seals and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

International Seal & Knot Protector Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words, or slogan "U. S. Government Approved" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products have been officially sanctioned or approved by the United States Government or that the said United States Government has authorized the use of the said words or slogan as applicable to or in connection with said products. (July 1, 1935.)

1424. **False and Misleading Advertising and Misrepresenting Products—Radios and Radio Equipment.**—Hugo Gernsback, an individual doing business as Radio Trading Co., engaged in the sale and distribution of radios and radio equipment, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

For domestic radio transmission, the so-called "long-wave" or "broadcast" band is used, while foreign transmission is based almost entirely on the use of the so-called "short-wave" band. The object to be achieved in an "all-wave" receiving set is to make it possible for the operator to receive through a single instrument either the domestic or broadcast bands, or the foreign short-wave bands, at his pleasure. In the present state of the art, the reception of foreign short-wave bands is difficult and uncertain. Operators in certain localities obtain foreign stations at certain times of the year and during certain parts of the day, without difficulty and in satisfactory volume while in other localities, such stations are sometimes obtained and sometimes not, for no apparent reason. The "tuning in" or "logging" of a short-wave foreign station is usually slow and difficult. The loud-speaker volume varies from nothing to occasional satisfactory reception, and much attempted short-wave reception is rendered more difficult by noise interferences or "static." These conditions are known to experts, but not to the purchasing public who are not aware that there are no receiving instruments which will give easily tuned, continuous, and satisfactory reception of short-waves from foreign countries under all conditions.

Hugo Gernsback, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the words "All-Wave" to describe products which are not capable of reception over the entire meter range covering all broadcast and commercial transmissions; stating and representing in substance and effect that by the use of his radio receiving sets, the owners thereof can have world-wide, continuous reception of short-wave transmis-

sions, with loud-speaker volume, as dependably and as easily tuned in, or "logged" as with long-wave or broadcast transmissions; stating, representing, or presenting the advantages of his products in such a way as to cover up or conceal the difficulties and deficiencies of the same, inherent in the present state of the art, but unknown to the purchasing public; the use of the words "Manufactured by Radio Trading Company, New York", in advertising any products not manufactured by him; and from the use of the word "Manufactured", or any other word of similar import, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products so designated and referred to were manufactured by said Hugo Gernsback, when such is not the fact; stating or representing, directly or indirectly, that his products, or any thereof, are complete as advertised and that there is nothing else to purchase, when such is not the fact. (July 3, 1935.)

1425. False and Misleading Brands or Labels—Ladies' Undergarments.—Triangle Underwear Corporation, engaged in the business of manufacturing ladies' undergarments and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Triangle Underwear Corporation, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from branding or labeling said products as "Pure Silk" or as "100% Pure Silk." If the said products are weighted to an amount exceeding 15% in black goods, or to an amount exceeding 10% in goods other than black, the word "silk" is used to designate such products, then in that event the word "silk" shall be accompanied by the word "Weighted", or some other word or words, printed in type equally as conspicuous as that in which the word "silk" is printed, so as to indicate clearly that said products are weighted with mineral salts or other weighting substance. (July 3, 1935.)

1426. False and Misleading Trade Name and Brands or Labels—Facial Cream Product.—W. G. Earnhardt, an individual trading as Earnhardt Laboratories, engaged in the sale and distribution of a facial cream product designated "Earnhardt's Turtle Oil Cream" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

W. G. Earnhardt, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use of the words "Turtle Oil" either alone or in connection or con-

junction with any other word or words on the labels affixed to the containers of said product, or in any other way, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product is a cream, the oil content of which is composed of turtle oil; unless when the oil content of said product is substantial and includes turtle oil in substantial quantity, and the words "Turtle Oil" are used to describe or represent the turtle oil content of the same, then in that case the said words "Turtle Oil" shall be accompanied by some other word or words printed in type equally as conspicuous as that in which the words "Turtle Oil" are printed so as to indicate clearly the fact that the oil content of said product is not composed wholly of turtle oil and that will otherwise indicate clearly that the oil content of said product is composed in part of an oil or oils other than turtle oil. The said individual also agreed to cease and desist from the use of the word "Laboratories" as part of or in connection or conjunction with his trade name or otherwise which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said individual makes or manufactures said product, or that he owns and operates or directly and absolutely controls the laboratory in which said product is made or manufactured. (July 3, 1935.)

1427. False and Misleading Trade Name and Advertising—Twine, Cordage, and Cable Cord.—David White and Charles G. Ranney, co-partners trading as State Yarn and Twine Mills Co., engaged in the sale of twine, cordage, and cable cord, and in the distribution of same in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

David White and Charles G. Ranney, in soliciting the sale of and selling their products in interstate commerce agreed to cease and desist from the use of the word "Mills" as part of their trade name, and/or in advertisements or advertising matter, letterheads, bill heads or other stationery circulated in interstate commerce; and from the use of the word "Mills" in any way which may have the tendency or capacity to confuse, mislead or deceive purchasers into the belief that said partners own, control and operate a mill or mills in which their products are manufactured or fabricated, when such is not the fact. (July 3, 1935.)

1428. False and Misleading Trade Name, Brands or Labels, and Advertising—Wines.—Beaulieu Vineyard, a corporation, engaged in the growing of grapes and the manufacture therefrom of wines, and in the sale and distribution of such wines, in interstate commerce, and

in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Chateau d'Yquem is the name of an estate belonging to the Marquis de Lur-Saluces, located in the territory of Sauternes of the province of Bordeaux, France. On this estate is produced a sweet wine which is sold and distributed in various countries, including the United States of America, under the name or brand of "Chateau d'Yquem." By reason of the excellence of this wine, the producers thereof have acquired a valuable good will in the words "Chateau d'Yquem" as applied to a sweet wine.

Beaulieu Vineyard, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Chateau Yquem" in advertisements and advertising matter, or as a trade name or brand for any of its products, or on labels attached to the containers in which the same are sold and distributed in interstate commerce; and from the use of the words "Chateau Yquem" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that its products are the products of the Chateau d'Yquem of France. (July 5, 1935.)

1429. False and Misleading Advertising—Transporting Merchandise by Automobile Trucks.—Lowell Trucking Corporation, a corporation, engaged in the business of transporting merchandise by automobile trucks, for hire, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Lowell Trucking Corporation, in advertising its services as a common carrier, agreed to cease and desist from displaying on the sides of its trucks used to move merchandise across State lines, of the words "Bonded Carrier", while in truth and in fact it is not a bonded carrier within the meaning of that term or as generally understood by the trade or the public; and from the use of the words "Bonded Carrier" in any way which may have the tendency or capacity to confuse, mislead, or deceive the public into the belief that said corporation is a bonded carrier, when such is not the fact. (July 6, 1935.)

1430. False and Misleading Brands or Labels and Advertising—Garments and Interlinings.—J. E. Brenner and Co., Inc., a corporation, engaged in the sale, to manufacturers of garments, of interlinings and in the distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships

likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. E. Brenner and Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from furnishing to its customers labels or "hang-tickets" having printed thereon the statement or representation, in substance and effect, that said interlinings are made of lambs' wool, when such is not the fact; and from the use of any other statements or representations, directly or indirectly, which may have the capacity or tendency to confuse, mislead, or deceive purchasers of the garments made and sold by its manufacturer customers into the belief that the interlinings of such garments are composed in whole or in substantial part of lambs' wool, when such is not the fact. (July 6, 1935.)

1431. **False and Misleading Advertising—Radios.**—Leiba Sharn (also known as Leo Sharon), an individual trading as Leotone Radio Co., engaged in the sale of radio receiving sets and radio accessories, under the trade name of "Leotone Short-Wave Sets", in interstate commerce, and in competition with other individuals, corporations, partnerships, and firms likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

For domestic radio transmission, the so-called "long-wave" or "Broadcast" band is used, while foreign transmission is based almost entirely on the use of the so-called "short-wave" band. The object to be achieved in an "all-wave" receiving set is to make it possible for the operator to receive through a single instrument either the domestic or broadcast bands, or the foreign short-wave bands, at his pleasure. In the present state of the art, the reception of foreign short-wave bands is difficult and uncertain. Operators in certain localities obtain foreign stations at certain times of the year and during certain parts of the day, without difficulty and in satisfactory volume; while in other localities, such stations are sometimes obtained and sometimes not, for no apparent reason. The "tuning in" or "logging" of a short-wave foreign station is usually slow and difficult. The loud-speaker volume varies from nothing to occasional satisfactory reception, and much attempted short-wave reception is rendered more difficult by noise interferences or "static." These conditions are known to experts, but not to the purchasing public, who are not aware that there are no receiving instruments which will give easily tuned, continuous, and satisfactory reception of short-waves from foreign countries under all conditions.

Leiba Sharn, in soliciting the sale of and selling his radio receiving sets in interstate commerce, agreed to cease and desist from the

use of statements and representations importing or implying that his products are capable of reception over the entire meter range covering all broadcasts and commercial transactions; stating and representing, in substance and effect, that by the use of his radio receiving sets the owners can have world-wide, continuous reception of short-wave transmissions, with loud-speaker volume, as dependably and as easily "tuned in" or "logged", as with long-wave or broadcast transmissions; stating, representing, or presenting the advantages of his products in such a way as to cover up or conceal the difficulties and deficiencies of the same, inherent in the present state of the art, but unknown to the purchasing public. (July 6, 1935.)

1432. False and Misleading Trade Name and Misrepresenting Product—Limes.—W. N. Hull and A. B. Chapman, copartners, trading as "Florida Key Lime Association", engaged in the business of growing and packing limes and in the sale and distribution of such limes in interstate commerce, and in competition with other partnerships, corporations, individuals, and firms likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

W. N. Hull and A. B. Chapman, in soliciting the sale of and selling their product in interstate commerce, jointly and severally agreed to cease and desist from the use of the words "Florida Key Lime Association" either alone or in connection or conjunction with the statement "Composed of 80 per cent of the Florida Key Lime Growers" as a trade name or otherwise so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that such an association or organization actually exists and is conducting business, when such is not the fact. The said copartners also agreed, in soliciting the sale of and selling limes in interstate commerce to cease and desist from the use of the words "Key Limes" or "Green Key Limes" as descriptive of limes which are grown elsewhere than on the Florida Keys. (July 8, 1935.)

1433. False and Misleading Advertising—Food Products, Toiletries, and Household Cleansers.—American Products Co., a corporation, engaged in the manufacture of food products, toiletries, and household cleansers and in the sale and distribution of said products, under the trade name of "Zanol", through its subsidiary, Zanol Products Co., a corporation, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

American Products Co., and Zanol Products Co., in soliciting the sale of and selling their products in interstate commerce, agreed to

cease and desist from the use in advertisements or advertising matter circulated in interstate commerce of statements and representations that they pay their agents up to \$52.50 a week, or any other sum, and from over-estimating and exaggerating the probable profits of the business; that they furnish a free Ford Sedan, when the furnishing of such a car is conditional and not free; that the regular deposit required for display outfits is \$5.00; and from the use of "personal credit" checks or other similar device whereby the amount required is apparently but not actually decreased; that there is a time limit of 10 days on such "personal credit checks", when such is not the fact; that said corporations do a five million dollar a year business, when such is not the fact. (July 16, 1935.)

1434. Disparaging Competitors and False and Misleading Advertising—Correspondence Code Course for Radio Operators.—Walter H. Candler, an individual trading as The Candler System Co., engaged in selling courses of instruction in the Continental Code for use by Radio operators, under the trade name of "Scientific Code Course" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Walter H. Candler, in soliciting the sale of and selling his courses of instruction in interstate commerce, agreed to cease and desist from the use in advertisements or advertising matter distributed in interstate commerce of any false, misleading, disparaging, or derogatory statements or representations concerning any competitor, which may have the capacity or tendency to disparage, restrain, or embarrass such competitor in his business, or with the tendency or effect of hindering or dissuading customers or prospective customers from dealing with said competitor; the use in any advertisements and advertising matter of letters from officials of the United States Army or Navy, the U. S. Marine Corps, U. S. Coast Guard, or any other branch or bureau of the United States Government or of any foreign government, or of any corporation for the purpose of discrediting, hindering, or embarrassing a competitor in his business; stating and representing in his advertisements and advertising matter circulated in interstate commerce that he has trained over 45,000 telegraph and radio operators, or any other exaggerated number thereof. (July 16, 1935.)

1435. False and Misleading Brands or Labels and Advertising—Cigars.—A. Vallina and Gerardo Vallina, copartners trading as A. Vallina & Son and Tampa-Havana Ind. Co., engaged in the business of manufacturing cigars and in the sale and distribution of same in interstate commerce, and in competition with other partnerships, indi-

viduals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Island of Cuba, and especially the Province of Vuelta, Abajo thereof, has long enjoyed a reputation for the superior quality of the tobacco grown therein, and cigars made of tobacco grown on the Island of Cuba and especially the Province of Vuelta, Abajo thereof, are preferred by a substantial number of smokers who regard them as superior to similar products manufactured from domestic tobacco.

There are now and have been for more than fifty years last past cigars manufactured and sold between and among various states of the United States and which cigars have been and are now being manufactured by individuals, firms, partnerships, and corporations, the owners or officers of which were or are of Cuban nationality or origin, having the surname "Garcia", and under which name they have established throughout the trade and purchasing public a reputation for manufacturing cigars of superior quality from tobacco grown on the Island of Cuba.

A. Vallina and Gerardo Vallina, in soliciting the sale of and selling their said products in interstate commerce, agreed to cease and desist from the use of the words "Havana" or "Habana", "Vuelta Abajo", "Cuba", or of any of them either independently or in connection or conjunction each with the other or with any other word or words or in any other way on their brands, labels, containers, or otherwise so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed, made, or manufactured from tobacco grown on the Island of Cuba or in the Vuelta Abajo district thereof, when such is not the fact. The said copartners also agreed to cease and desist from the use of Spanish words or writing or of pictorial representations of the map of Cuba or Cuban or tropical scenes on their aforesaid advertising matter which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the tobacco of which said product is made was grown on the Island of Cuba. Said copartners further agreed to cease and desist from the use of the word "Garcia" either independently or in connection or conjunction with any other word or words as a brand for their products which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products so branded are in truth and in fact Garcia cigars and made from Cuban or Havana tobacco. (July 16, 1935.)

1436. False and Misleading Brands or Labels—Interlinings for Women's Coats.—J. P. Levy and A. L. Baumann, copartners trading under the firm name and style of Levy & Baumann, engaged in the sale to gar-

ment manufacturers, of interlinings for use in the making of women's coats, and in the distribution of same in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. P. Levy and A. L. Baumann, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from furnishing to their customers labels or tags having printed thereon statements which directly assert that said products are made of lamb's wool, when such is not the fact; and from the use of the words "lamb's wool" in connection or conjunction with any word or words or in any way on their labels or tags so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers of the goods made and sold by their manufacturer customers into the belief that the interlinings of such garments are composed in whole or in substantial part of lamb's wool, when such is not the fact. (July 17, 1935.)

1437. False and Misleading Trade or Corporate Name and Advertising—Household Remedies.—Mineral Science Laboratories, Inc., a corporation engaged in the compounding of household remedies and in the sale and distribution of same, under the trade name of "Mineral Science Formula", in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Mineral Science Laboratories, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Laboratories" as part of or in connection with its corporate or trade name under which to carry on its said business; and from the use of the word "Laboratories" in any way which may confuse, mislead, or deceive purchasers into the belief that said corporation owns or controls a laboratory, when such is not the fact; stating and representing in advertisements or advertising matter circulated in interstate commerce, that its products are the "Chief needs" for the various human ailments listed by it; stating or representing, directly or indirectly, that its said products alone are a specific or remedy for any human ailment; saving and reserving its right to state and represent that said products are beneficial to the general health in cases where they may supply a deficiency of any mineral salt which may be lacking and which has produced, or is tending to produce a diseased condition. (July 17, 1935.)

1438. False and Misleading Brands or Labels—Women's Slips and Undergarments.—Louis Herman, an individual trading under the

name of Louis Herman & Co., engaged in the business of manufacturing women's slips and undergarments and in the sale and distribution thereof in interstate commerce, and in competition with other individuals, partnerships, corporations and firms likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Louis Herman, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from branding or labeling said products as "Pure Silk" or as "100% Pure Silk." If the said products are in fact composed of silk, the product of the cocoon of the silk worm, but which are weighted to an amount exceeding 15% in black goods or to an amount exceeding 10% in goods other than black, and the word "Silk" is used to designate such products, then in that event the word "Silk" shall be accompanied by the word "weighted" or some other word or words printed in type equally as conspicuous as that in which the word "Silk" is printed so as to indicate clearly that said products are weighted with mineral salts or other weighting substance. (July 17, 1935.)

1439. **False and Misleading Advertising—Visiting and Business Cards, Invitations, etc.**—M. Wittens, an individual trading under the name and style of The Printwell Co., engaged in the printing of visiting and business cards, Christmas cards, invitations, and other similar products of the printer's art, and in the sale and distribution thereof in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

M. Wittens, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use in his advertisements and advertising matter distributed in interstate commerce, of the words, "Process Engraved" and/or "Engraving", either independently or in connection or conjunction with any other word or words as descriptive of his products, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products referred to are made from inked engraved plates by a process commonly known to the trade and the purchasing public as "engraving" or "embossing", when such is not the fact. (July 18, 1935.)

1440. **False and Misleading Advertising—Coffees.**—General Foods Corporation, a corporation, owning all the capital stock of several subsidiaries, including General Food Sales Co., Inc. and Maxwell House Products Co., Inc.; General Food Sales Co., Inc., a corporation, engaged in buying the output of General Foods Corporation and of practically all of its domestic subsidiaries, including Maxwell

House Products Co., Inc., for sale and final distribution; and Maxwell House Products Co., Inc., a corporation, engaged in buying and roasting coffees which it sells to General Foods Sales Co., Inc. for sale and distribution, in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

General Foods Corporation, General Foods Sales Co., Inc., and Maxwell House Products Co., Inc., in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from stating or representing in advertisements and advertising matter that bean coffee when exposed to the air loses 45% of the flavor in nine days; that the loss in flavor of bean coffee when exposed to the air is only slightly less than ground coffee; that tests of the comparative flavor of Maxwell House coffee and other coffees have been made by a great eastern university, when in fact the tests in question actually were [not] made by scientists in such great eastern university. (July 18, 1935.)

1441. False and Misleading Trade Name and Brands or Labels—Perfumes.—Samuel Diamond and Samuel A. Blitz, copartners trading under the name and style of "Perfumes of Paris", engaged in the sale and distribution of perfumes in interstate commerce, and in competition with other partnerships, firms, individuals, and corporations likewise engaged in the sale and distribution of similar products, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Samuel Diamond and Samuel A. Blitz, in soliciting the sale of and selling their perfumes in interstate commerce, agreed to cease and desist from the use of the word "Paris" as part of or in connection with their copartnership or trade name, or on labels affixed to the containers in which their products are packed, sold, and distributed; and from the use of the word "Paris" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products, or any of them, are produced or compounded in Paris, when such is not the fact. (July 22, 1935.)

1442. False and Misleading Trade Names and Advertising—Correspondence Courses.—G. F. Pergande and M. F. Pergande, copartners trading under the names and styles of Pergande Publishing Co., Civil Service Institute, Pergande Civil Service Publishing Co., and Pergande Institute, engaged in the compiling and publication, under the title of "Civil Service Library" of manuals of instruction containing courses of study, examinations with answers, solutions of

problems, directions for preparing papers, and advice alleged to prepare applicants to pass the examinations leading to employment under the United States Civil Service, and also in the sale of courses of instruction and correspondence courses in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

G. F. Pergande and M. F. Pergande, in soliciting the sale of and selling their courses of instruction in interstate commerce, agreed to cease and desist from the use of the words "Civil Service" as a part of or in connection with the trade name under which they carry on their business, either independently or in connection or conjunction with such words as "Institute" or "Publishing Company" or of any other word or words or in connection with any pictorial representation of the Capitol of the United States, or in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said individuals are a branch of or have some official connection with the United States Civil Service Commission; the use in advertisements and advertising matter or in enrollment agreements of inconsistent and contradictory "Money Back Agreements", and/or of any such purported agreements which are misleading or have the tendency or capacity to confuse, mislead, and deceive students into the belief that they will be able to secure employment immediately after their first examination, or that their money will be unconditionally refunded; making exaggerated and misleading statements and representations in reference to the times and places for civil service examinations, the probability of examinations being held, or that any department or bureau of the United States Government is in need of civil service employees. (July 23, 1935.)

1443. Disparaging Competitors and False and Misleading Advertising—**Courses of Instructions for Radio Operators.**—R. G. Miller, an individual trading under the name and style of Teleplex Co., engaged in selling courses of instruction in the Continental Code for use by radio operators under the trade name of "Scientific Code Course", and in the sale and/or leasing of a machine for use by students in practicing radio sending and receiving, under the trade name of the "Teleplex", and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

R. G. Miller, in soliciting the sale of and selling his courses of instruction and Teleplex machines in interstate commerce, agreed to

cease and desist from the use in advertisements and advertising matter circulated in interstate commerce of any statements and representations which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the Teleplex machine has been officially adopted by and is standard equipment for the United States Government, including the Army and the Navy, the Signal Corps, and foreign governments, including the Canadian National Defense, and such organizations as the American Telephone and Telegraph Co., when such is not the fact; the use in advertisements and advertising matter distributed in interstate commerce of any false, misleading, disparaging or derogatory statements or representations concerning a competitor, which may have the capacity or tendency to disparage, restrain, or embarrass such competitor in his business, or with the tendency or effect of hindering or dissuading customers or prospective customers from dealing with said competitor. (July 23, 1935.)

1444. Disparaging Competitors and False and Misleading Trade Name, Brands or Labels, and Advertising—Peanut Oil.—Planters Edible Oil Co., a corporation, engaged in the manufacture on a large scale of peanut oil and in the sale and distribution of said product under the trade names or brands of "High Hat" and "Ali D'Italia", in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever the alleged unfair methods of competition as set forth therein.

Planters Edible Oil Co. agreed, in soliciting the sale of and selling its peanut oil in interstate commerce, to cease and desist from the use on labels and/or in advertisements and advertising matter: of the words "Ali D'Italia Olio" as a trade or brand for its product, unless it is the same time explained in plain and conspicuous type that the word "Olio" as used on such labels or in such advertisements means peanut oil ("Arachis" in Italian): from the use on labels or in advertisements or advertising matter of outline maps of Italy and the United States, with a sketch of the course of the flight of General Balbo's hydroplane fleet across the Atlantic from Rome to New York, and/or with stripings of the national colors of Italy, without at the same time disclosing, in plain and legible type, the place of origin and kind of oil in the container; and from the use of any such or similar combination with representations in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the product so advertised, labeled, or represented, is an Italian product; from stating or representing that United States Department of Agriculture Bulletin No. 505 states that the "Hi-Hat", or any other specific brand of peanut oil is easier

to digest than any other oil or fat; stating or representing that the British Pharmacopeia recommends peanut oil in preference to others; stating or representing that peanut oil has been officially classified with olive oil, and from citing as authority for such statement the work of Prof. G. S. Jamieson, entitled "Vegetable Fats and Oils"; stating and representing that peanut oil can be heated to 450° Fahrenheit without causing it to smoke; stating and representing that the United States Department of Agriculture, the United States Dispensary, Professor Jamieson or Professor Sherman have recommended or classified Ali D'Itali peanut oil as the superior alimentary oil of America; stating or representing that the caloric value of peanut oil is greater than that of cottonseed oil or corn oil; directly or through any individual in its employ making inaccurate, misleading, or disparaging statements or representations over the radio, disparaging its competitors." (July 23, 1935.)

1445. False and Misleading Brands or Labels and Prices—Rubbing Alcohol Compound.—Harry J. Gottsegen, Alfred Gottsegen, Martin Gottsegen, Max Gottsegen, and Alexander Gottsegen, copartners trading under the name and style of Universal Merchandise Co., engaged in the sale of drugs, cosmetics, and notions, and in the distribution of same at wholesale, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Harry J. Gottsegen, Alfred Gottsegen, Martin Gottsegen, Max Gottsegen, and Alexander Gottsegen, in soliciting the sale of and selling their rubbing alcohol compound in interstate commerce, agreed to cease and desist from the use on labels of the words and figures "Alcohol I. P. No. 70" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the product referred to contains 70% of ethyl alcohol, or that its base is ethyl alcohol, when such is not the fact; causing its said product to be marked with any fictitious or exaggerated price, in excess of the price for which the said product is sold, or intended to be sold, in the usual course of trade. (July 24, 1935.)

1446. False and Misleading Brands or Labels and Prices—Rubbing Alcohol Compound.—Carson, Pirie, Scott and Co., engaged as wholesaler in the sale of a general line of merchandise, and in the distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Carson, Pirie, Scott and Co., in soliciting the sale of and selling its rubbing alcohol compound in interstate commerce, agreed to cease and desist from the use on labels of the words and figures "Alcohol I. P. No. 70", in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the product referred to contains 70% of ethyl alcohol, or that its base is ethyl alcohol, when such is not the fact; causing its said product to be marked with any fictitious or exaggerated price, in excess of the sum for which said product is sold, or intended to be sold, in the usual course of trade. (July 24, 1935.)

1447. False and Misleading Brands or Labels and Prices—Rubbing Alcohol Compound.—Russell Grant Frankish, an individual trading as Frankish Bros. Chemical Works of Indiana, engaged in the compounding of rubbing alcohol and other products made from isopropyl alcohol, and in the sale and distribution of the same in interstate commerce, and in competition with other individuals, partnerships, firms, and corporations likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Russell Grant Frankish, in soliciting the sale of and selling his rubbing alcohol compound in interstate commerce, agreed to cease and desist from the use on labels of the words and figures "Alcohol I. P. No. 70", in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the product referred to contains 70% of ethyl alcohol or that its base is ethyl alcohol, when such is not the fact; marking or labeling his said product with any fictitious or exaggerated price, in excess of the price for which said product is sold, or intended to be sold, in the usual course of trade. (July 24, 1935.)

1448. False and Misleading Brands or Labels—Rubbing Alcohol Compounds.—Anna Wilson, an individual trading under the name and style of Wilson Drug Co., engaged in the compounding, bottling, labeling, and in the sale and distribution in interstate commerce of cod liver oil, mineral oil, rubbing alcohol compound, and other similar products, and in competition with other individuals, partnerships, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Anna Wilson, in soliciting the sale of and selling her rubbing alcohol compounds in commerce, agreed to cease and desist from the use on labels of the words and figures "70% (I. P.)", and/or "Alcohol 70P (I. P.)", in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products referred to contain 70% of ethyl alcohol, or that their base

is ethyl alcohol, when such is not the fact; and compounding, packaging, labeling, selling, and distributing in commerce rubbing compounds the basis of which is isopropyl alcohol, without causing information to the effect that said products were harmful and dangerous if taken internally in sufficient quantities, to appear on the labels thereof. (July 24, 1935.)

1449. **False and Misleading Brands or Labels—Men's Shirts.**—Willow Shirt and Underwear Corporation, a corporation, engaged in the manufacture of men's shirts and underwear and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Willow Shirt and Underwear Corporation, in soliciting the sale of and selling its shirts in interstate commerce, agreed to cease and desist from the use of labels attached to or accompanying its said products sold and distributed in interstate commerce, bearing the statement or representation, or so worded as to have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said products have all been tested and certified to by said testing company, when such is not the fact. (July 26, 1935.)

1450. **False and Misleading Trade or Corporate Name—Paper.**—Kraft Paper Mills, Inc., a corporation, engaged in the sale and distribution of paper, in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Kraft Paper Mills, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Mills" as a part of or in connection with its corporate or trade name under which to carry on its said business; and from the use of the word "Mills" either independently or in connection or conjunction with any other word or words in any way which may have the capacity and tendency to confuse, mislead, or deceive purchasers into the belief that said corporation owns, operates, and controls any mill or factory wherein the products which it sells and distributes in interstate commerce are made or fabricated, when such is not the fact. (July 26, 1935.)

1451. **False and Misleading Trade Name, Brands or Labels, and Advertising—Perfumes, Toilet Soaps, Powders, and Cosmetics.**—Worthall, Limited, a corporation, engaged in the sale and distribution at wholesale, of a line of perfumes, toilet soaps, powders, and cosmetics, manufactured by B. H. Krueger, Inc., and Lightfoot Schultz Co.

under the trade name of "Drury Lane" labeled English Lavender, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Worthall, Limited, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from: the use on labels and/or in advertisements or advertising matter circulated in interstate commerce of the words "Drury Lane" and/or "English Lavender", as part of a trade name, or in any other way, so as to import or imply that the said product is manufactured in or imported from London or England, when such is not the fact; the use on labels and/or in advertisements and advertising matter circulated in interstate commerce of the names "London" and/or "Montreal", in connection with the sale and distribution of products not produced in or imported from London or from England or Montreal; the use of the word "Limited", or of the abbreviation "Ltd." in connection with the words "Drury Lane", "English Lavender", "London", "Montreal", or any or all thereof, in any way which may tend to confuse, mislead, or deceive purchasers into the belief that said corporation is an English corporation, or engaged in the importation and sale of English manufactured and compounded products, when such is not the fact. (July 30, 1935.)

1452. False and Misleading Brands or Marks and Advertising—Electric Light Bulbs.—William Gordon, an individual, trading as Masterlite Manufacturing Co. (also known as the Masterlite Co.), engaged in the sale of electric light bulbs or lamps in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

William Gordon, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from causing electric light bulbs to be marked or branded with a "cold" or "dry" etching and/or by the use of ink in any way which is not permanent but which is liable to disappear or to be rendered illegible by heat, smudging, erasure, or use, or in any way which will make it difficult or impossible for purchasers to determine the wattage with which such bulbs are marked or branded; and from the sale and distribution in interstate commerce of electric light bulbs so marked or branded; causing electric light bulbs to be marked or branded with statements of the wattage thereof by figures which are less by substantially more than the permissible tolerances, than the actual wattages thereof; and from the sale and distribution in interstate commerce of electric light bulbs misbranded in the manner described; the use in adver-

tisements and advertising matter circulated in interstate commerce of statements and representations to the effect that the use of his electric light bulbs will cut down electric light bills by 36%, or will cut them in half, or that such bulbs will give twice as much illumination, or 36% more illumination than other lamps of corresponding wattages; and/or that by the use of such bulbs purchasers will obtain more light and save money, and will also obtain a lamp of longer life than the ordinary lamp; or that the life of the ordinary electric light lamp is from 400 to 600 hours; or that special scientific tests or researches were employed in the making of his said lamps; and/or the use in such advertisements and advertising matter of any other inaccurate, exaggerated, or misleading statements, claims, and representations which may have the capacity or tendency to confuse, mislead, or deceive purchasers in any material aspect. (July 30, 1935.)

1453. **False and Misleading Prices—Fruit Plants, Shrubbery, etc.**—J. C. Welch, an individual trading as "Welch Nursery", engaged in raising certain small fruit plants, shrubbery, and perennials, and in the sale and distribution of said products in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. C. Welch, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the word "wholesale", either independently or in connection or conjunction with any other word or words or in any way as descriptive of his catalog so as to import or imply, or which may have the capacity or tendency to mislead or deceive purchasers into the belief that the prices listed or quoted in said catalogs and/or at which said products are offered for sale and sold in interstate commerce are in fact wholesale prices when such is not the case. (July 31, 1935.)

1454. **False and Misleading Advertising—Animal Traps.**—Animal Trap Co. of America, a corporation, engaged in manufacturing animal traps, including mouse traps, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

In the trapping of fur bearing animals such as muskrat, mink, skunk, racoon, and the like, a great many of such animals escaped after being caught in the trap by self-amputation of the leg gripped by the trap, either by chewing, twisting, or pulling the leg off which is commonly known among trappers as "wringing-off."

Animal Trap Co. of America, in soliciting the sale of and selling its product, agreed to cease and desist from the use in its advertisements

and advertising matter distributed in interstate commerce of statements and representations to the effect that the said product eliminated the possibility of wring-offs, or that wring-offs would end by the use of such product or that it would get every muskrat that springs the trap or that it would hold them all, or that it would prevent wring-offs or absolutely eliminate 99% of wring-offs, or of any other statements or representations of equivalent meaning or import, when such are not the facts. (Aug. 1, 1935.)

1455. False and Misleading Advertising—Drugs.—Leading Drug Corporation, a corporation, engaged in the sale of drugs and in the distribution of same in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Leading Drug Corporation, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in advertisements and advertising matter, including letterheads and other stationery circulated in interstate commerce, of statements and representations having the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that it manufactures or compounds all of the products which it sells, or any except those which it does so actually manufacture or compound. (Aug. 1, 1935.)

1456. False and Misleading Advertising—Herb Preparation.—Sinclair G. Stanley, an individual, doing business under the name and style of Z. G. Herbs Co., engaged in the preparation of a product compounded from herbs, and in the sale and distribution of same under the trade designation "Z. G. Herbs Tea No. 17" or "Z. G. Herbs Tea No. 17, Extra Strong" in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Sinclair G. Stanley, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use in his advertisements and advertising matter of whatsoever nature, or in any other way, of any and all statements or representations which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said product is a remedy or cure or possesses such therapeutic properties or value so as to be properly represented or referred to as a competent and adequate treatment for stomach troubles, nervousness, gallstones, rheumatism or ailments, generally, of the human body, when such is not the fact; and from the use in such advertisements and advertising matter of any misleading, inaccurate or exaggerated statements or representations which may tend to confuse or deceive purchasers into the belief that

said product contains value or possesses remedial, curative, or therapeutic effects in excess of what is probable of accomplishment from the use of said product. (Aug. 2, 1935.)

1457. **False and Misleading Advertising—Silk, Chiffon, and Rayon Hosiery and Lingerie Treatment.**—Herman L. Gold, an individual, trading as Kantrun Manufacturing Co., engaged in the manufacture of a chemical compound for the treatment of silk, chiffon, and rayon hosiery, and lingerie, under the trade name of "Kantrun", and in the sale and distribution of the same, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Herman L. Gold, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of statements and representations, in advertisements or advertising matter or in any other way, that by the use of said product, runs, snags, and breaks in silk, chiffon or rayon hosiery and lingerie could or would be prevented. (Aug. 7, 1935.)

1458. **False and Misleading Brands or Labels—Cigars.**—Pamies and Sons, Inc., a corporation, for some time prior to 1932 maintained a factory at Tampa, Fla., where it manufactured cigars. At or about said time it ceased to manufacture cigars at Tampa, Fla., and moved to St. Augustine in said state, where it continued to and now manufactures cigars. Ricardo & Co., Inc., is a corporation, engaged in the manufacture of cigars. It is owned by the aforesaid Pamies and Sons, Inc., the officers and directors of the two corporations being the same. Each of the said corporations caused the products of its manufacture to be sold and distributed in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Pamies and Sons, Inc., and Ricardo & Co., Inc., individually agreed, in soliciting the sale of and selling said cigars in interstate commerce, to cease and desist from the use of the word "Tampa" or the words "Tampa, Florida" or "Tampa, Fla." on brands or labels affixed to said products or the containers of said products or in any other way so as to import or imply or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said products are made or manufactured at Tampa, Fla., or in the territory immediately surrounding said city and known as the "Tampa District" when such is not the fact. (Aug. 7, 1935.)

1459. **False and Misleading Advertising and Trade Name—Furniture.**—Hibriten Furniture Co., a corporation, engaged in the manufacture of furniture and in the sale and distribution of same,

and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The wood known as "Walnut" is the product of the genus "Juglans" of the tree family scientifically called "Juglandaceae", of which there are several known species.

Hibriten Furniture Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Walnut", either independently or in connection or conjunction with any other word or words, in its advertisements and advertising matter, in invoices circulated in interstate commerce, or in any other way as a trade designation for such products, as to import or imply that the products so described and referred to are derived from trees of the "Walnut" or "Juglandaceae" family, when such is not the fact; and from the use of the word "Walnut" as descriptive of its said products, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are derived from trees of the Walnut or Juglandaceae family, when such is not the fact. (Aug. 7, 1935.)

1460. False and Misleading Advertising—Pencils and Erasers.—A. W. Faber, Inc., a corporation, engaged in the manufacture of rubber erasers, and in the sale and distribution thereof and of various pencils, including its "Columbus" pencil, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

A. W. Faber, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in its advertisements or advertising matter or in any other way of statements or representations which directly assert, import, or imply or have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said A. W. Faber, Inc., makes or manufactures its said products, or that the said corporation owns and operates or directly and absolutely controls the plant or factory wherein the said products are made or manufactured. (Aug. 7, 1935.)

1461. False and Misleading Price Tags—Watches.—Henry R. Simmons and Rutledge Simmons, Jr., copartners trading as Henry Ginnel & Co., engaged as wholesale dealers in watches, and in the sale and distribution of the same in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Henry R. Simmons and Rutledge Simmons, Jr., agreed to cease and desist from selling and distributing, in interstate commerce or placing in the hands of others for sale, products to which are affixed tags bearing what purport to be retail selling prices, but which are exaggerated and fictitious and/or much in excess of the price or prices at which said products are sold or intended to be sold in the ordinary course of trade. (Aug. 7, 1935.)

1462. **False and Misleading Advertising—Calling Cards.**—E. J. Pritchett, an individual trading as Diamond Specialty Co., engaged in the printing business and specializing in the product of calling cards for use by high school students and the like, and in the sale and distribution of the same in interstate commerce, and in competition with other individuals, firms, corporations, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

E. J. Pritchett, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use in his printed or advertising matter of whatever kind distributed in interstate commerce, of the word "Engraved" either alone or in connection or conjunction with the word "Process" or with any other word or words or in any way so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product is engraved or embossed or is the result of impressions made from inked engraved plates, commonly known to the trade and purchasing public as "Engraving" or "Embossing." (Aug. 9, 1935.)

1463. **False and Misleading Advertising—Wines, Liquors and Cordials.**—Michael J. Friedman, an individual, trading under the name and style of Crown Spirits Co., engaged in the business of bottling, blending, and rectifying wines, liquors and cordials, and in the sale and distribution of same in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Michael J. Friedman, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the word "Manufacturers" on letterheads, invoices, and/or advertising matter distributed in interstate commerce; and from the use of the word "Manufacturers" in any way which may confuse, mislead, and deceive purchasers into the belief that he owns, controls, and operates a factory wherein the products which he sells and distributes in interstate commerce are manufactured, when such is not the fact. (Aug. 13, 1935.)

1464. False and Misleading Business Status and Advertising—Shoes.—Harry G. Kuechle, an individual trading under the name of the Double-Wear Shoe Co., engaged in the sale and distribution of shoes in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Harry G. Kuechle, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use in his catalogs, order blanks and other literature of the phrase "From Factory to Wearer" or of any other similar phrase, statement or representation which directly asserts or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the said Harry G. Kuechle makes or manufactures the products which he sells or that he owns and operates or directly and absolutely controls the plant or factory in which said products are made or manufactured. The said Harry G. Kuechle also agreed to cease and desist from the use in his aforesaid printed matter of the pictorial representation of a factory building or buildings so as to import or imply or which may tend to mislead or deceive purchasers into the belief that the products sold by said individual are made or manufactured in such building or buildings and/or that such building or buildings are owned and operated or controlled by the said individual. The said Harry G. Kuechle further agreed to cease and desist from the use of any statement to the effect that the selling method employed by him eliminates jobbers and wholesalers profits when such is not the fact. (Aug. 13, 1935.)

1465. False and Misleading Trade or Corporate Name and Advertising—Workingmen's Clothing and Supplies.—S and M Cut Rate Stores, Inc., a corporation, engaged in the sale and distribution of workingmen's clothing and supplies in interstate commerce, and in competition with other corporations, firms, partnerships and individuals likewise engaged, entered into the following agreement to cease and desist from the alleged unfair methods of competition as set forth therein.

Immediately after the World War, the United States Army and Navy began to dispose of their products to corporations, firms, partnerships and individuals engaged in merchandising at retail, some of whom described and advertised their business under such names as "Army and Navy Stores" and other similar designations. The stocks of such surplus products held by the Army and Navy have for some time past been practically exhausted, and the only classes of surplus military goods now procurable by said dealers consist of goods which have become obsolete, worn out, or damaged in storage,

and of a few salvage or surplus items such as canteens, mess kits, pup tents, leggings, etc.

S and M Cut Rate Stores, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from causing its corporate and trade name to be listed in the Washington, D. C. telephone directory under the classified heading of "Army and Navy Goods Business"; and from the use of the words "Army and Navy Goods" in its advertisements and advertising matter, or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products which it sells and deals in consist in substantial part of Army and Navy surplus products, when such is not the fact. (Aug. 13, 1935.)

1466. False and Misleading Advertising—Carbon Paper.—Imperial Manufacturing Co., a corporation, engaged in manufacturing carbon paper and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein..

Imperial Manufacturing Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "triple coated" either independently or in connection or conjunction with any other word or words, in its advertisements or advertising matter, or in any way as descriptive of its said product so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product has been coated with carbon ink three times in the process of manufacture thereof, when such is not the fact. (Aug. 13, 1935.)

1467. False and Misleading Advertising—"Air Conditioner."—George Landon and Michael Mason Warner, copartners trading as Landon and Warner, engaged in the sale and distribution in interstate commerce of a variety of merchandise, including a so-called Air Conditioner under the trade name of "Caplair"; and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

In the building trades, the words "Air Conditioning" signify the conditioning of the air in rooms, buildings, and trains by means of a mechanical device capable of simultaneously producing controlled temperature, humidity, air purity, and air motion; and the absence of one or more of these functions takes a device out of the class of air conditioners, according to the understanding of the trade and the purchasing public.

George Landon and Michael Mason Warner agreed, and each for himself agreed, in soliciting the sale of and selling their "Caplair" humidifier in interstate commerce, to cease and desist from the use in advertisements and advertising matter of the words "Air Conditioner" to describe and designate a device which is not an air conditioner as those words are generally understood by the trade and the purchasing public; and from the use of the words "Air Conditioner" in any way which may have the tendency and capacity to confuse, mislead, or deceive purchasers into the belief that the product so described and designated is an air conditioner, when such is not the fact. (Aug. 13, 1935.)

1468. False and Misleading Advertising—Gymnastic Equipment and Physical Culture Courses.—Charles MacMahon, an individual, engaged in the sale and distribution, by mail orders, in interstate commerce of gymnastic equipment and physical culture courses; and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Charles MacMahon, in soliciting the sale of and selling his commodities in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter that equipment will be included in the price paid for outfits which he does not intend to include, and does not include in the prices asked and collected for his cable sets; unduly or unreasonably delaying the correction of mistakes in filling orders and/or failing or neglecting to make adjustments thereof. (Aug. 15, 1935.)

1469. Misrepresenting Origin of Product—Syringes.—Clay-Adams Co., Inc., a corporation, engaged in the sale and distribution, in interstate commerce, of surgical instruments and supplies, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Clay-Adams Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from obliterating the marks showing the country of origin on the individual boxes and cartons in which its syringes come packed, and substituting therefor small and indistinct rubber-stamp markings; from offering for sale and selling in interstate commerce imported products not clearly and distinctly marked to show the country of origin. (Aug. 19, 1935.)

1470. Misrepresenting Product and False and Misleading Advertising—Metallic Grave Vaults.—The Wyandot Vault Co., a corporation, engaged in the manufacture of metallic grave vaults, and in the sale and distribution of said products in interstate commerce, and in

competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Wyandot Vault Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from making exaggerated statements and representations, not warranted by the facts, respecting the durability under ground of its products; and from the use of statements and representations which have the capacity and effect to confuse, mislead, and deceive purchasers into the belief that said products will endure "for countless years" underground, when such is not the fact; the use in advertisements and advertising matter of statements and representations that its products are guaranteed for an indeterminate period of time against the admission of water, when such statements and representations are not warranted by the facts. (Aug. 19, 1935.)

1471. **Misrepresenting Product—Cleaning Fluid.**—The Grady Manufacturing Co., Inc., a corporation engaged in the manufacture of a number of articles, including a cleaning fluid designated "Grady's Fabric Cleaner", and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Grady Manufacturing Co., Inc., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from the use of the words "will remove stains from all fabrics", either independently or in connection or conjunction with any other word or words so as to import or imply, or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said product will remove stains of whatever kind or character from fabrics to which it is applied, when such is not the fact. The said corporation also agreed to cease and desist from the use of the statement "Will remove without injury, stains from all fabrics", or of any other statement of equivalent meaning which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the colors of fabrics or materials dyed with nonfast or fugitive dyes will not be impaired, harmed or injured by the application or use of said product to or on said fabrics or materials. Said corporation also agreed to cease and desist from the use of the statement or representation that "rings can be avoided", either alone or in connection with any other word or words so as to import or imply or which may tend to convey the belief on the part of purchasers that said product will not leave a ring when applied to a spot or spots on certain fabrics or materials. (Aug. 19, 1935.)

1472. **False and Misleading Trade or Corporate Name, Brands or Labels and Advertising—Carbonated Apple Juice.**—California Vineyards Co., a corporation, engaged in the sale and distribution, in interstate commerce, of a product consisting of carbonated apple-juice, which it sold first under the trade name of "Carlene's Semy-Dry Imperial" and afterwards as "Carlenes' Carbonated Fermented Juice of the Apple Imperial"; and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

California Vineyards Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "California Vineyards" as a part of or in connection with its corporate or trade name; and from the use of said words "California" and "Vineyards", or either or both of them, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said corporation owns, operates, and controls a vineyard or vineyards in the State of California or elsewhere, or that it deals in vineyard products; the use of the word "New York" in such a way as to import or imply that said corporation has a branch or office in the City of New York, when such is not the fact; the use of the word "Champagne" in advertisements or on labels for products not made from grapes and not made effervescent by a process of natural fermentation in the bottle. (Aug. 21, 1935.)

1473. **False and Misleading Advertising—Household Remedies and Medicinal Appliances.**—The Vimedia Co., a corporation, engaged in the sale and distribution in interstate commerce of household remedies and medicinal appliances, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Vimedia Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce, that the "Vimedia" remedies are useful in relieving or preventing the recurrence of congestions; the use in advertisements and advertising matter circulated in interstate commerce of any false, exaggerated, or misleading statements or claims which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products will produce curative or therapeutic effects in excess of what is probable of accomplishment. (Aug. 22, 1935.)

1474. **Misrepresenting Product and False and Misleading Brands or Labels—Cleaning Fluid.**—Wonder-Mist Polish Co., engaged in the manufacture of a cleaning fluid and in the sale and distribution thereof

under the trade designation "Wonder-Mist Fabric Cleaner and Spot Remover", in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Wonder-Mist Polish Co., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from the use on its labels or otherwise of statements to the effect that said product "can be used on any kind of cloth or fabric as it neither injures the fabric or cloth" or that said product "Will not harm the finest fabric" or of any other statements or representations of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the colors of fabrics or materials dyed with nonfast or fugitive dyes will not be impaired, harmed, or injured by the application or use of said product to or on said fabrics or materials. Said corporation also agreed to cease and desist from the use of the statement that "any kind of stains can be removed" by the application of said product to the stained portion or portions of a fabric or cloth, when such is not the fact, and from the use of such statements or other similar statements which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product will remove stains of all kinds from fabrics or materials to which said product is applied. Said corporation further agreed to cease and desist from the use of the statement that said product "disappears from the fabric without leaving a trace" so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product will not leave a mark or ring, when it has been applied to a spot or spots on certain fabrics or materials. (Aug. 22, 1935.)

1475. **Misrepresenting Product and False and Misleading Brands or Labels—Cleaning Fluid.**—Harry Rattner and Benjamin Rattner, copartners trading under the firm names and styles of "A-One Products Company" and "Messer Chemical Company"; and R. W. Chemical Corporation, a corporation, whose officers, directors, and stockholders are Harry Rattner and Benjamin Rattner, engaged in the manufacture of a cleaning fluid, and in competition with other partnerships, individuals, corporations, and firms likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Harry Rattner and Benjamin Rattner and R. W. Chemical Corporation, in soliciting the sale of and selling their product in interstate commerce, agreed to cease and desist from the use on the labels affixed to their said product of the words "Stain Remover", either independently or in connection or conjunction with any other word

or words so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product will remove stains of all kinds from fabrics or materials on which it is used, when such is not the fact. The said copartners and corporation also agreed to cease and desist from the use of the statements "Will positively not affect color in any way", "Absolutely safe even on most delicate materials", and "Has no injurious effect on the most delicate material", or of any of them so as to import or imply, or which may tend to convey the belief on the part of purchasers that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be affected, impaired, or injured by the application or use of said product to or on said fabrics or materials. The said copartners and the said corporation also agreed to cease and desist from the use of the words "Leaves no ring" or "Leaves no mark", or of any other words of equivalent meaning which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product will not leave a ring or mark when applied to a spot or spots on certain fabrics or materials, when such is not the fact. (Aug. 22, 1935.)

1476. **Using Government Report Unfairly—Mortar Cement.**—Hy-Test Cement Co., a corporation, engaged in the manufacture of mortar cement and in the sale and distribution of the same, under the trade name of "Hy-Test" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The National Bureau of Standards in the Department of Commerce of the United States has as one of its chief functions the discovery and evaluation of material standards and the solution of basic technical problems by the use of its unique research and testing facilities. Its establishment of more precise values for the standard constantly furnishes an exact basis for scientific experiment and design and makes possible the efficient technical control of industrial processes. Its work on standards of quality sets up attainable standards to assure high utility in the products of industry and furnishes a scientific basis for fair dealing by promoting truthful branding and advertising. In the course of its work in the fields involving the standards above described, it makes researches and tests for the determination of the properties of stone, clays, cement, and other structural materials. The Bureau's functions are exercised for the National Government, State governments, and the general public. In the latter case, researches are made by persons designated as "Research Associates", assigned to the Bureau by an Association representing an industry, or by a group of associations. Researches made by Research Asso-

ciates have for their object the solution of problems considered important to the entire industry concerned. In such cases, the facts found are made public in order that the industry as a whole and the public dealing with it may benefit. But in order to assure that one manufacturer may not profit at the expense of others, it is customary to omit from the report the names of the manufacturers whose products are utilized, as well as the names or other identification of their brands. Each such manufacturer is given a key which will enable him to identify in such report his own product, but not the products of other participants. In transmitting this key number, it is the practice of the Bureau to inform each manufacturer receiving the same that he may not utilize the information so disclosed for advertising or sales promotion purposes.

Hy-Test Cement Co. agreed to cease and desist from the circulation in interstate commerce of the Bureau of Standards' report No. 683 on tests of mortar cement, bearing any mark, stamp, or designation whereby the identity of any participant can be ascertained; and the violation of any of the rules or regulations laid down by said Bureau in conducting tests, either for associations of manufacturers or otherwise, whereby any unfair advantage over competitors is sought or gained. (Aug. 22, 1935.)

1477. **False and Misleading Brands or Labels and Advertising—Refrigerators.**—Success Manufacturing Co., a corporation, engaged in the business of manufacturing refrigerators and in the sale and distribution of same in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Success Manufacturing Co. agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use of the words "All Steel" and "Built throughout with non-rustible steel" to represent or describe its said products, and from the use of the words "All Steel" or the words "Built throughout with non-rustible steel" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed, built, or constructed wholly of steel, when such is not the fact. (Aug. 22, 1935.)

1478. **False and Misleading Advertising—Trusses.**—Seeley's (Rupture) Establishment, Ltd., engaged in the business of distributing trusses or appliances for hernia or rupture in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Seeley's (Rupture) Establishment, Ltd., agreed to cease and desist from the use, in its advertisements and advertising matter of whatever character distributed in interstate commerce, of statements or representations which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the Federal Trade Commission has issued or is proceeding toward the issuance of its "cease and desist" order against a named individual or concern for the purpose of restraining such individual or concern from alleged unfair trade practices in violation of the organic Act or Acts of said Federal Trade Commission, when such is not the fact. The said Seeley's (Rupture) Establishment, Ltd., also agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from printing or causing to be printed, circulating, or causing to be circulated, Findings, Orders, or other public records of the said Federal Trade Commission unless the whole of such Findings, Order, or other public record of the said Commission be printed in full and in the exact wording of the said Commission without any interpretation of, addition to, or subtraction from such Findings, Orders, or public record, as made and entered by the said Commission; but in no case shall such Findings, Orders, or other public record be used or published by the said Seeley's (Rupture) Establishment, Ltd., for the purpose or with the effect of disparaging or injuring the business of a competitor who has complied with the orders, stipulations, and/or directions of the said Federal Trade Commission. (Aug. 23, 1935.)

1479. False and Misleading Advertising—Depilatory.—Hall and Ruckel, Inc., a corporation, engaged in the manufacture of depilatory creams and powders, deodorants, and tooth powders; and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Hall and Ruckel, Inc., in soliciting the sale of and selling its said products in interstate commerce, agreed to cease and desist from stating and representing in advertisements or advertising matter circulated in interstate commerce: that X-Bazin will permanently remove surplus hair; that X-Bazin will discourage, devitalize, or lessen the future growth of surplus hair; that X-Bazin is safe, harmless, non-irritating, or mild; or that said product is endorsed by scientists or physicians, when such is not the fact. (Aug. 23, 1935.)

1480. False and Misleading Advertising and Simulating—Chemicals.—The Enequist Chemical Co., Inc., a corporation, organized in or about August 1930 and engaged in the sale and distribution in interstate commerce of chemicals, including such chemicals as are used in the photo engraving, electro typing, textile, electro plating,

and fur industries, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Seldner & Enequist, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal place of business located at Brooklyn, in the State of New York. It was incorporated in 1917 to carry on, and since that date it has carried on the business, theretofore conducted under the trade name "Seldner & Enequist" from the date of its origin in or about 1902. The said corporation and its said predecessor in business were, and the said corporation now is, engaged in the manufacture of chemicals and more particularly such chemicals as are used by engravers, fur dyers, newspapers, and persons engaged in the metal industry. It has advertised at divers times in various chemical and drug journals having interstate circulation and it now has and for a number of years last past has had a widespread and favorable reputation in the industry.

The Enequist Chemical Co., Inc., agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use of the slogan "Enequist Chemicals Since 1904" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said The Enequist Chemical Co., Inc., is a concern which has been engaged in the business of selling and distributing Enequist chemicals since 1904, or that it is associated or in any way connected with Seldner & Enequist, Inc., so as to justify the use on its letterheads, price lists, invoices, or other printed or advertising matter of the slogan "Enequist Chemical, Since 1904", or that it has been engaged in such business for a period of time in excess of what is actually the fact. The said The Enequist Chemical Co., Inc., also agreed to cease and desist from the use of the phrase "Enequist Chemicals Since 1904" in any way which may have the capacity or tendency to mislead or deceive purchasers into the belief that the products offered for sale and sold by it are products manufactured by its competitor, Seldner & Enequist, Inc. (Aug. 23, 1935.)

1481. **False and Misleading Brands or Labels—Underwear.**—Morris Senderowitz, Morris H. Senderowitz, and A. M. Senderowitz, copartners trading under the firm name and style of Royal Manufacturing Co., engaged in the manufacture of men's underwear and in the sale and distribution thereof in interstate commerce, and in competition with other partnerships, firms, individuals, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Morris Senderowitz, Morris H. Senderowitz, and A. M. Senderowitz agreed, in soliciting the sale of and selling their products in interstate commerce to cease and desist from the use on the brands or labels affixed to said products (a) of the words "Vat-dyed" so as to import or imply that said products are vat-dyed, when such is not the fact; (b) "Fast colors" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are made from cloth dyed with "Fast" dyes so as not to fade by exposure to the air or by washing, when such is not the fact. The said copartners also agreed to cease and desist from the use of the word "Broadcloth" either independently or in connection or conjunction with the word "Genuine" or with any other word or words so as to import or imply or which may tend to mislead or deceive purchasers into the belief that the cloth of which said products are made has or fills the requirements of thread count of which broadcloth is generally understood to be constructed by the trade. (Aug. 26, 1935.)

1482. False and Misleading Brands or Labels and Advertising—Dresses.—Buddy Manufacturing, Inc., a corporation, engaged in the manufacture of women's dresses and in the sale and distribution of same to retailers in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Buddy Manufacturing, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Linene" so as to confuse or mislead the purchaser of said product into the belief that the same is made of the fiber of the flax plant; and from the use of the word "Linene" in any way which may have the tendency and capacity to confuse, mislead, or deceive purchasers into the belief that the products so designated and described are made of the fiber of the flax plant, when such is not the fact. (Aug. 26, 1935.)

1483. Simulating Competitor's Product—Vacuum Cleaner Bags.—Bears Manufacturing Co., a corporation, engaged in the manufacture of cloth bags, including those used with vacuum cleaners, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Hoover Co. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its factory and principal place of business located at North Canton,

in the State of Ohio. It is now, and, for several years last past, has been engaged in the manufacture of vacuum cleaners and in the sale and distribution of said products, in commerce, between and among various states of the United States. By reason of its large expenditures for advertising, said products have become widely and favorably known to the trade and the purchasing public, and it has acquired a valuable good will in the same and in the name of "Hoover" as applied to vacuum cleaners.

Bearse Manufacturing Co., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from simulating the size, shape, color, and appearance of sweeper bags manufactured by The Hoover Co., and from displaying or placing thereon the word "Hoover" without at the same time adding in plain and legible type the explanation that said product is not manufactured by The Hoover Co.; and from the use of any word or words in connection or combination with such simulation as may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product is the product of The Hoover Co., when such is not the fact. (Aug. 26, 1935.)

1484. False and Misleading Brands or Labels and Advertising—Soft Drink Concentrates or Flavors.—Vess Dry Co., a corporation engaged in the manufacture of flavors and concentrates for use in the preparation of soft drinks, and in the sale and distribution of same, to licensed bottlers thereof, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Vess Dry Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Strawberry", "Raspberry", "Grape", and "Cherry", or any of them, either independently or in connection or conjunction each with the other or with any other word or words or in any way in its advertisements and advertising matter or on labels to designate, represent, or refer to its said products, in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said products are composed of the juice or the fruit of the strawberry, the raspberry, the grape, or the cherry, or any of them, when such is not the fact; provided, however, that if the words "Strawberry", "Grape", or "Cherry" or any of them are used to describe a synthetic flavor, then the word or words so used shall be immediately preceded by the word "Imitation", or some other appropriate word or words, printed in type equally as conspicuous as those in which the said words "strawberry", "raspberry", "grape", or "cherry" are printed, and which will clearly indicate that said

flavors are not composed of the juice or the fruit of the strawberry, raspberry, grape, or cherry. (Aug. 27, 1935.)

1485. Using Lottery Scheme in Merchandising—Hosiery, Lingerie, and Men's Shirts.—Henry O. Victor, an individual, trading under the name and style of Raven Silk Co., engaged in the sale and distribution, in interstate commerce, of women's hosiery and lingerie, also men's shirts and hosiery, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Henry O. Victor, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from furnishing to customers the means of conducting any gift enterprise, lottery, or any scheme of chance whereby any article is given as a premium in consideration of the purchase of any other article, or whereby the price to be paid for any article is determined by lot or chance; and from furnishing to any individual, club or other organization customer products at varying prices and which prices have to his knowledge been fixed and determined by any lottery or scheme of chance. (Aug. 27, 1935.)

1486. False and Misleading Trade Name and Advertising—Correspondence Courses.—R. D. Dodge, an individual trading under the name and style of Federal Service Training Bureau, engaged in conducting a correspondence school and selling courses of study and instruction intended to prepare students for examination for various civil service positions under the United States Government, selling and distributing said courses of instruction, consisting of pamphlets, study and question sheets, and other printed matter and literature, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

R. D. Dodge, in soliciting the sale of and selling his courses of lessons in interstate commerce, agreed to cease and desist from the use of the words "federal service" and/or "bureau" as part of or in connection with his trade name under which to carry on his said business, either independently or in connection with any other word or words or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers or prospective purchasers into the belief that he represents or has some official connection with the United States Civil Service Commission, or that his organization is a bureau or agency of the United States Government; making exaggerated and misleading statements and representations in reference to the number of civil service employes of the United States Government, such as the number of such employes given employment an-

nually, the times and places of examination for civil service examinations, the probability of examinations being held, the finding of new positions by the United States Government, or that any department or bureau of the United States Government is in need of civil service employees. (Aug. 27, 1935.)

1487. **False and Misleading Brands or Labels and Advertising and Simulating—Revolving Date Stamps.**—A. Johnson Smith, an individual doing business as Johnson-Smith & Co., engaged in a mail order business consisting of the sale and distribution of various articles of merchandise, including a revolving date stamp, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Hill-Independent Manufacturing Co., a corporation whose principal place of business is located at Germantown, in Pennsylvania. In or about October 1921, it purchased the business of Advance Manufacturing and Supply Co. of Chicago, Ill., which for a number of years previous to said date had manufactured revolving date stamps and which products it had sold extensively in interstate commerce under the trade designation "Quality." Since the purchase of said business, Hill-Independent Manufacturing Co. has continued to manufacture said devices and has sold the same throughout the United States under the trade designation "Quality" so that said products bearing the trade designation "Quality" have attained a high reputation for good material and construction and ability to stand up under long usage, with the result that they have become well and favorably known to the trade and to a considerable portion of the purchasing public. The said Hill-Independent Manufacturing Co. for a number of years last past has manufactured certain other revolving date stamps and which products have been sold under the brand name "Crown" through exclusive sales agencies and otherwise in commerce between and among various states of the United States. The said products branded "Crown" have been extensively advertised and circularized by the said manufacturer and/or sales agencies in interstate commerce with the result that said products branded "Crown" have acquired and now have a high reputation among the stationery trade and purchasing public.

A. Johnson Smith, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from pictorially or otherwise representing in his catalogs or other advertisements or advertising matter distributed in interstate commerce, that he has in stock the "Crown" and "Quality" revolving date stamps and is prepared to fill orders for the same, when such is not the fact. The said A. Johnson Smith also agreed to cease and desist from the use

in his said advertising matter of the word "Crown" and of the word "Quality" or of either of them, independently or in connection or conjunction with any other word or words or in any way as a brand or label for his products so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said products are those products manufactured by Hill-Independent Manufacturing Co. referred to in Paragraph Two hereof and sold under such trade brands, when such is not the fact. (Aug. 30, 1935.)

1488. False and Misleading Advertising—Hair Restorer.—Murray L. Linday, an individual trading under the name and style of Linday Laboratory, engaged in the manufacture of an alleged hair restorer and in the sale and distribution of said product, under the name and style of "Linday's New Hair Compound" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Murray L. Linday, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce that by the use of his said product, "Linday's New Hair Compound", (a) most forms of scalp trouble would be eliminated, (b) lost hair would be regrown, (c) itch and other forms of scalp troubles would be eliminated; and/or (d) the follicles would be penetrated and the roots of the hair nourished. (Aug. 30, 1935.)

1489. False and Misleading Advertising and Passing Off—Tobacco Seed.—Cecil O'Banion, an individual, engaged in the growing and production of tobacco seed and in the sale and distribution of said product in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The late Dr. Samuel H. Halley was engaged in the growing of tobacco seed and in experiments for the improvement of the various strains. As a result of such experiments and of his skill in selecting and propagating the best varieties, he originated a type of burley tobacco which was root-rot resisting, certain of germination, and had other desirable qualities. He placed the same on the market under the name of "Halley's Special" and which product, because of its desirable qualities, was in demand; and said Dr. Halley by reason of these facts and by his expenditures in advertising said product, acquired a valuable good will in the words "Halley's Special" as applied to tobacco seed.

Cecil O'Banion, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use in advertisements and advertising matter distributed in interstate commerce of the words "Halley's Special" as applied to tobacco seed, in any way which may have the tendency or capacity to confuse, mislead or deceive purchasers into the belief that the products so described and designated are seeds produced by Dr. Samuel H. Halley or his successors, when such is not the fact; the use in advertisements and advertising matter of statements and representations to the effect that the seeds which he advertises, sells, and distributes in interstate commerce are grown or produced by him, when such is not the fact; and from any such statements or representations which may have the tendency or capacity to confuse, mislead, or deceive purchasers respecting the origin of such products. (Aug. 30, 1935.)

1490. **False and Misleading Advertising—Men's Shirts.**—Ferdinand Jacobson, Joseph C. Jacobson, Walter Jacobson, Samuel Jacobson, Harry Jacobson, and Jerome Jacobson, copartners trading under the firm name and style of F. Jacobson and Sons, engaged in the manufacture of men's shirts and in the sale and distribution of same in interstate commerce, and in competition with other partnerships, firms, individuals and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Ferdinand Jacobson, Joseph C. Jacobson, Walter Jacobson, Samuel Jacobson, Harry Jacobson, and Jerome Jacobson, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from stating and representing in advertisements or advertising matter circulated in interstate commerce that they are custom shirt makers; and from the use of the words "custom shirt makers" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that they are makers of custom made or tailored shirts, when such is not the fact. (Sept. 4, 1935.)

1491. **False and Misleading Brands or Labels—Cleaning Fluid.**—Clean Home Products, Inc., a corporation, engaged in the manufacture of a cleaning fluid and in the sale and distribution of same under the designation "Paris Dry Cleaner" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Clean Home Products, Inc., in soliciting the sale of and selling its product designated "Paris Dry Cleaner" in interstate commerce, agreed to cease and desist from the use on the labels affixed to its said product of the words "No stain" either independently or in connec-

tion or conjunction with any other word or words or in any way so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the application or use of said product to or on certain fabrics or materials will not result in the appearance of a stain, mark or ring on such fabrics or materials. The corporation also agreed to cease and desist from the use on said labels of any and all statements or representations to the effect that a spot or spots of whatever kind or character can be removed from fabrics or materials to which said product is applied, when such is not the fact. (Sept. 5, 1935.)

1492. False and Misleading Brands or Labels, Trade Name and Advertising—Hair Dye.—W. J. B. Mayor, trading as Walnut-Oil Co., engaged in the manufacture of a hair dye and in the sale and distribution of said product under the trade name of "Mayor's Walnut-Oil Dye", and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

W. J. B. Mayor, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use of the words "Walnut-Oil" as part of his trade name under which to carry on his said business; the use of the words "Walnut-Oil" as a brand name for his product, or in advertisements and advertising matter circulated in interstate commerce; the use of exaggerated statements and representations, improbable of accomplishment, in advertisements and advertising matter circulated in interstate commerce; stating and representing that his said product contains walnut oil; stating and representing that his said product is made from vegetables and oils; stating and representing that said product does not conflict with the Pure Food and Drug Act of June 30, 1906, when such is not the fact. (Sept. 10, 1935.)

1493. False and Misleading Advertising—Citrus Fruits.—Todd Fruit Co., Inc., a corporation engaged in the sale and distribution in interstate commerce of citrus and other fruits, including boxed and candied fruits, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The term "Indian River", when used to describe the origin of citrus fruits, refers to a territory on the East Coast of Florida along the Indian River and in the Counties of Brevard, Indian River, St. Lucie, and Martin. The citrus fruits grown in the Indian River section of Florida have long enjoyed a reputation for superior quality, and the growers of and dealers in such fruits have acquired a valuable good will in the term "Indian River" as applied to such fruits.

Todd Fruit Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from advertising, representing, or stating that its products are Indian River products, or are produced or grown in the Indian River region, when such is not the fact; and from the use of the words "Indian River", either independently or in connection or conjunction with any other word or words, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that its products are grown or produced in the Indian River region of Florida, when such is not the fact; the use in advertisements or advertising matter or pictorial or other representations to the effect that any of the boxes or cartons in which said products are packed, sold and shipped in interstate commerce contain more fruit than is actually packed and shipped therein; stating or representing, in advertisements or otherwise, that its baskets of crystallized fruits contain a quantity of fruit substantially more than the actual contents thereof. (Sept. 11, 1935.)

1494. **Simulating Trade Name of Competitor—Fire Hose Mending Device.**—The Larkin Manufacturing Co., a corporation engaged in the sale and distribution in interstate commerce of fire protection equipment; and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

In the year 1894 one James Cooper invented a device for use by fire departments in mending breaks in fire hose, and entered upon the business of manufacturing, selling, and distributing said appliance under the trade name of the "Cooper Hose Jacket." After the death of said James Cooper the business was continued by his successor, Cooper Hose Jacket Co., and the hose jacket invented and formerly manufactured by said James Cooper is still made and sold in competition with other similar devices. The said Cooper Hose Jacket was a successful invention which sold and still sells largely, and said James Cooper and his successor, Cooper Hose Jacket Co., had and have a valuable good will in the word "Cooper" as applied to a device for mending fire hose.

The Larkin Manufacturing Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Cooper" in catalogues, on billheads or otherwise, to designate and describe any fire hose mending device not manufactured by James Cooper or his successor, Cooper Hose Jacket Co.; and from the use of the word "Cooper" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the products so designated and described are

products made by James Cooper or by his successor, Cooper Hose Jacket Co., when such is not the fact. (Sept. 11, 1935.)

1495. **False and Misleading Advertising—Cleaning Fluid.**—Edward A. Zibell, an individual trading as Koooper Chemical Co., engaged in the manufacture of a cleaning fluid and in the sale and distribution of same under the designation "Must-Kleen", and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Edward A. Zibell, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use of statement or representation that said product "is invaluable for the removal of stains from" fabrics, or that said product "has no injurious effect on the most delicate material", or of any other statements or representations of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product will remove stains of whatever kind or character from fabrics or materials to which the product is applied, or that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be impaired, harmed, or injured by the application or use of said product to or on said fabrics or materials, when such are not the facts. The said corporation also agreed to cease and desist from the use of the words "there will never be a ring" either independently or in connection or conjunction with any other word or words so as to import or imply or which may tend to confuse, mislead, or deceive purchasers into the belief that said product will not leave a ring when applied to a spot or spots on certain fabrics or materials. (Sept. 12, 1935.)

1496. **False and Misleading Brands or Labels and Advertising—Toilet Soaps.**—Nassour Brothers, Inc., Ltd., a corporation, engaged in the manufacture, sale, and distribution in interstate commerce of toilet soaps, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Nassour Brothers, Inc., Ltd., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Imported" on labels or other advertisements or advertising matter, to describe or designate products not imported from any foreign country, and from the use of the word "Imported" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products so designated have been imported into the United States from a foreign country, when such is not the fact; the use of the words "Olive Oil"

on brands, labels, or other advertisements and advertising matter, to describe or designate products the fatty content of which is not composed wholly of olive oil; and from the use of the word "Olive" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the fatty content of the products so described and designated is composed wholly of olive oil, when such is not the fact. (Sept. 13, 1935.)

1497. False and Misleading Brands or Labels and Advertising—Women's Clothing Accessories.—The Warren Featherbone Co., a corporation, engaged in the manufacture of a stiffening material called "Featherbone" for use in the construction of women's dresses, and also of neckwear, frilling ribbons, binding, and other accessories used in the women's clothing industry, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Warren Featherbone Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Silk", "Silk Taffeta", "Satin", "Taffeta", and/or "Pure Dye" on labels, display cards, spool, or other forms of advertisements or advertising matter distributed in interstate commerce, to designate and describe products not made wholly of silk, the product of the cocoon of the silk worm; *provided*, that if any of its products are made in substantial part of silk, and the words "Silk", "Silk Taffeta", "Satin", "Taffeta", or "Pure Dye" are used to describe the same, that then such word or words shall be accompanied by some other word or words, in equally conspicuous type and which will correctly describe said product, or represent that the same contains a product other than silk. (Sept. 13, 1935.)

1498. False and Misleading Advertising—Correspondence Courses on Occultism.—Stephen Gargilis, an individual trading under the name and style of S. Kandhi, engaged in the sale by mail orders and distribution in interstate commerce, of so-called astrological charts, readings, and calculations, financial services based on astrological calculations, and lessons on occultism; and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Stephen Gargilis, in soliciting the sale of and selling his commodities in interstate commerce, agreed to cease and desist from stating and representing in advertisements or advertising matter circulated in interstate commerce that the study of the occult sciences, as set forth in his prepared lessons or otherwise, can or does bring to the students thereof worldly riches or material prosperity; and that he

has only a few lessons to send away, when such is not the fact. (Sept. 13, 1935.)

1499. Exclusive Dealing Contracts—Advertising Space in Newspapers.—The Oklahoma Publishing Co., a corporation, engaged in the publication, at Oklahoma City, of three newspapers having a wide circulation in Oklahoma and adjacent states, to-wit: The Daily Oklahoman, a morning paper; the Oklahoma City Times, an evening paper; and the Sunday Oklahoman, the three papers being conducted under a single business management, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Oklahoma Publishing Co., in soliciting the sale of and selling its advertising patronage in or affecting interstate commerce, agreed to cease and desist from entering into contracts, agreements, or understandings for the sale of its advertising space, or fix a price therefor, or discount from or rebate upon such price, on the condition, agreement, or understanding that the advertiser shall not purchase, contract for, or use the advertising facilities of a competitor or competitors of said Company; giving or paying any discounts or rebates to advertisers as a reward for refusal to use or purchase the advertising space of a competitor or competitors. (Sept. 13, 1935.)

1500. False and Misleading Brands or Labels—Mufflers, Cravats, and Men's Wear.—Kramer-Brandeis, Inc., a corporation, engaged in the sale and distribution, in interstate commerce, of mufflers, cravats, and other articles of men's wear, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Kramer-Brandeis, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from marking, branding, labeling, or representing its products, or any thereof, as "silk" or "all silk" when in fact the same are not composed wholly of silk. If said products are weighted to an amount exceeding 15% in black goods or to an amount exceeding 10% in goods other than black, and the word "silk" is used to describe said product, then there shall also be used in connection therewith the word "weighted" or some other word or words printed in type equally as conspicuous as that in which the word "silk" is printed, and which will indicate clearly that the products are not composed wholly of silk but are weighted with mineral salts or some other weighting substance. (Sept. 13, 1935.)

1501. False and Misleading Trade Name or Brand and Simulation—Paints and Enamels.—Nathan Schmukler, an individual trading under the name and style of Duo-Enamel Co., engaged in the sale

and distribution, in interstate commerce, of paints and enamels; and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Nu-Enamel Corporation, a corporation, engaged in the business of manufacturing paints and enamels and in the sale and distribution of said products, in interstate commerce, under the trade name of "Nu-Enamel." In advertising its said products it has made extensive use in its advertising and in store windows of the slogans: "One coat Covers", and "No brush marks" and said slogans have acquired a secondary meaning as applied to "Nu-Enamel." Because of its large expenditures in advertising its products under the trade name of "Nu-Enamel", and said slogans, it has acquired a valuable goodwill in such words as applied to its products.

Nathan Schmukler, in soliciting the sale of and selling his said products in interstate commerce, agreed to cease and desist from the use of the word "Duo" as part of his trade name under which to carry on his said business, or as part of a brand for his said products, either independently or in connection with any other word or words, or of any other colorable imitation of the word "Nu", in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers respecting the identity of his products and those of the Nu-Enamel Corporation; the use of such slogans as "One coat covers", or "Covers with one coat", and "No brush marks" or "Does not leave brush marks" on color cards or store fronts; the use of such colors and such arrangements of products and of colors in store front as to simulate the arrangement characteristically used by the Nu-Enamel Corporation. (Sept. 13, 1935.)

1502. **False and Misleading Trade Name and Advertising—Workingmen's Clothing.**—Samuel Aaron, an individual trading as District Working Men's Store, engaged in the sale and distribution, in commerce, of workingmen's clothing, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Immediately after the World War, the United States Army and Navy began to dispose of their surplus products to corporations, firms, partnerships, and individuals engaged in merchandising at retail, some of whom described and advertised their business under such names as "Army and Navy Stores", and other similar designations. The stocks of such surplus products held by the Army and Navy have for some time past been practically exhausted, and the only classes of surplus military goods procurable by said dealers consist of goods which have become obsolete, worn out, or damaged in

storage, and of a few salvage or surplus items such as canteens, mess kits, pup tents, leggings, etc.

Samuel Aaron, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from causing his trade name to be listed in the Washington, D. C., Telephone directory under the classified heading of "Army and Navy Goods Business"; and from the use of the words "Army and Navy Goods" in his advertisements or advertising matter, or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products which he sells and deals in consist in substantial part of Army and Navy Surplus products, when such is not the fact. (Sept. 13, 1935.)

1503. False and Misleading Trade Name and Selling Short Measure—Liquors.—Charles Eickle, Jr., an individual, trading under the name and style of Valley Distilleries, engaged in the business of bottling liquors and in the sale and distribution of the same in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Charles Eickle, Jr., in soliciting the sale of and selling his liquor in interstate commerce, agreed to cease and desist from the use of the word "Distilleries" as part of or in connection or conjunction with his trade name or otherwise so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said Charles Eickle, Jr., distills the liquors which he sells or offers for sale or that he owns and operates or directly and absolutely controls the plant or factory in which are distilled the liquors sold or offered for sale by him. The said individual also agreed to cease and desist from, in soliciting the sale of and selling his liquors in interstate commerce, the use of bottles or other containers of one full quart capacity or measure or other standard size so as to confuse, mislead, or deceive purchasers into the belief that each of said bottles or containers actually contains one full quart or other amount of liquor such as is indicated by the standard size bottle or container used, which such is not the fact. (Sept. 13, 1935.)

1504. False and Misleading Advertising—Cleaning Fluid.—Furbish Process, Inc., a corporation, engaged in the manufacture of a cleaning fluid and in the sale and distribution of same under the trade designation "X-L Magic Cleaning Fluid" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Furbish Process, Inc., in soliciting the sale of and selling its product in interstate commerce agreed to cease and desist from the use in its advertising or printed matter or otherwise of the words "Excellent stain remover" either independently or in connection or conjunction with any other word or words so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product will remove stains of whatever kind of character from fabrics or materials to which the product is applied, when such is not the fact. Said corporation also agreed, to cease and desist from statements and representations to the effect that the said product will remove stains from fabrics "without injury to any regardless of how delicate the fabric" which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the colors of fabrics dyed with non-fast or fugitive dyes will not be impaired, harmed, or injured by the application or use of said product to or on said fabric, or that the use of said product on certain fabrics will not result in injury thereto through formation of a spot or ring thereon, when such are not the facts. (Sept. 13, 1935.)

1505. False and Misleading Trade or Corporate Name and Brands or Labels—Fly Ribbons.—U. S. Manufacturing Corporation, engaged in the manufacture of fly swatters, camping equipment, and other articles of merchandise, added to its said line of merchandise in 1934 an adhesive-coated paper strip or ribbon used for catching flies, which products it sold and distributed in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

U. S. Manufacturing Corporation, in soliciting the sale of and selling its fly ribbons in interstate commerce, agreed to cease and desist from the use of the letters and words "U. S. Fly Ribbon" either independently or in connection or conjunction with the corporate or trade name "U. S. Manufacturing Corporation" or with the words "The U. S. Line" or with any other word or words as a trade name, brand, or designation for its said products, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are made or manufactured in the United States of America, when such is not the fact, unless when the words "U. S. Fly Ribbon" are used as a trade name or designation for said products, then in that case said words shall be immediately accompanied in each instance of their use with some other suitable word or words printed in type equally as conspicuous as that in which the words "U. S. Fly Ribbon" are printed so as to indicate clearly that said products are not made or manu-

factured in the United States of America, and that will otherwise clearly indicate that said products are made or manufactured elsewhere than in the United States of America. (Sept. 13, 1935.)

1506. False and Misleading Advertising—Cleaning Fluid.—Nostane Products Corporation, a corporation, engaged in the business of manufacturing a cleaning fluid and in the sale and distribution of the same under the designation "Nostane" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Nostane Products Corporation, in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from the use of statements such as "Positively removes stains without injury to fabrics" or of any other statements or representations of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product will remove stains of whatever kind or character from fabrics or materials to which the product is applied, or that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be impaired, harmed, or injured by the application or use of said product to or on said fabrics or materials, when such are not the facts. The said corporation also agreed to cease and desist from the use of the words "Leaves no ring" either independently or in connection or conjunction with any other word or words or in any way so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product will not leave a ring when applied to a spot or spots on certain fabrics or materials, when such is not the fact. (Sept. 14, 1935.)

1507. False and Misleading Brands or Labels and Advertising—Furniture.—Hickory Chair Manufacturing Co., a corporation, engaged in the manufacture of a line of furniture, including bed room and dining room suites, and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Mahogany is the product of the genus "Swietenia" tribe "Swieteniceidae" of the tree family scientifically called "Meliaceae." The genus "Swietenia", of which there are several known species, is the only one of which produces the wood properly and accurately designated as Mahogany.

Hickory Chair Manufacturing Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Mahogany" as descriptive of said products

so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are derived from trees of the Mahogany family, that is to say trees of the family botanically known as "Meliaceae", when such is not the fact. (Sept. 18, 1935.)

1508. False and Misleading Advertising—Mushroom Spawn.—C. L. Rowe, an individual trading under the name and style of Interstate Mushroom Industries, engaged in the sale of mushroom spawn, of manuals of instruction for the growing of mushrooms, and of services in the nature of advice and instruction in connection with that industry, in interstate commerce, and in competition with other individuals, firms, partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

C. L. Rowe, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce; that mushrooms can be successfully grown anywhere about the home or on its premises; that the cultivation of mushrooms is easy and simple and requires comparatively little time; that large crops of mushrooms, bringing in substantial sums of money, can be grown in the home; that crops of mushrooms grow rapidly, mature in a brief period of time, or grow over night; that as much as 540%, or any other exaggerated or improbable profit can be realized in the business of growing mushrooms; that from forty to ninety cents per pound can be realized for the crops of mushrooms; that he sells his spawn at a very nominal cost; that his manual of instruction is given free; from the use of exaggerated statements and representations respecting the value of his manual of instruction for the use of mushroom growers; from the use in advertisements and advertising matter of statements and representations which unduly exaggerate the alleged ease with which mushrooms can be grown, their profitableness, and which suppress and remain silent upon the difficulties of successfully growing the same; with the tendency and capacity to confuse, mislead, and deceive purchasers respecting the true nature of such undertakings. (Sept. 18, 1935).

1509. False and Misleading Brands or Labels and Advertising—Cleaning Fluid.—L. E. Scott Co., Inc., a corporation, engaged in the manufacture of various cleaning fluids and in the sale and distribution thereof in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

L. E. Scott Co., Inc., in soliciting the sale of and selling its product designated "Lesco" in interstate commerce, agreed to cease and desist from the use in its advertising matter or on its labels affixed to said product of statements or representations to the effect that said product will remove spots or stains of whatever kind or character from fabrics or materials to which said product is applied, when such is not the fact. Said corporation also agreed to cease and desist from the use of such statements as "Removes spots, stains from all wearing apparel or other material, any color without injury, no matter how delicate in color or texture", or "Will not harm any color" or of any other statement or representation of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be harmed, injured, impaired, or affected by the application or use of said product to or on said fabrics or materials. The said corporation further agreed to cease and desist from the use of the words "Leaves no ring" or of any other words of equivalent meaning so as to import or imply or which may tend to convey the belief on the part of the purchasers that said product will not leave a ring or mark, when it has been applied to a spot or spots on certain fabrics or materials. (Sept. 18, 1935.)

1510. False and Misleading Brands or Labels and Advertising—Cleaning Fluid.—Andrew F. Wineburgh, an individual trading under the name "Exo Products Co.", engaged in the sale and distribution of a solvent under the trade designation "Exo Cleaning Fluid", in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Andrew F. Wineburgh, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use on the labels affixed to his said product of the statement "You can easily remove Grease Spots without injuring color or material", either independently or in connection or in conjunction with the words "Removes Grease spots, oil, tar, and chewing gum", or with any other word or words so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the colors of fabrics dyed with non-fast or fugitive dyes will not be injured, harmed, or impaired by the application or use of said product to or on such fabrics or materials and/or that said product will not leave a stain, mark, or ring when applied to a spot or spots on certain fabrics or materials. The said Andrew F. Wineburgh also agreed to cease and desist from the use on his letterheads or other printed matter of the words "manufacturers of", or

of any other words of equivalent meaning so as to import or imply, or which may convey or tend to convey the belief by purchasers that the said Andrew F. Wineburgh makes or compounds the product sold by him, or that the said individual owns, operates, or directly and absolutely controls the plant or factory in which the product sold by him is made or compounded. (Sept. 18, 1935.)

1511. Misrepresenting Product and False and Misleading Advertising—Suits.—L. H. Davidson, an individual doing business as "Service Garment Co.", engaged in the sale and distribution of suits for spring and summer wear in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

L. H. Davidson, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from representing through salesmen or by means of printed or advertising matter distributed in interstate commerce, or by any other means, that suits offered for sale and/or sold by the said L. H. Davidson are tailored or fashioned or made to the measure or order of the individual customer, when such is not the fact, from the use of any and all means or methods of soliciting and accepting orders for suits which may have the capacity or tendency to confuse, mislead, or deceive customers into the belief that the suits ordered by said customers will be tailored or fashioned or made to their individual measurements or order, when such is not the fact; from the use of statements such as "From Factory to you", "We keep our factory running to capacity", "We save in manufacturing costs", "As soon as your order arrives it goes into our shops", and of any and all other statements, pictorial, or other representations so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said L. H. Davidson owns and operates or directly and absolutely controls the factory wherein are made or manufactured the suits sold by him. (Sept. 18, 1935.)

1512. False and Misleading Brands or Labels and Advertising—Flavoring Extracts.—Anna R. Barletta, an individual, trading under the name and style of Barletta Manufacturing and Packing Co., and Hercules A. Barletta, an individual, holding a power of attorney from said Anna R. Barletta, engaged in the manufacture of flavoring extracts and in the sale and distribution of the same in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Anna R. Barletta and Hercules A. Barletta agreed, and each of them respectively agreed, in soliciting the sale of and selling their said products in interstate commerce, to cease and desist from stating and representing on labels attached to the containers in which their products are packed or on the cartons in which the same are sold and distributed, or in any other form of advertisements or advertising matter, that their said products are imported from Italy or elsewhere, or that they have offices or branches at Naples and Milan, or that they are agents and distributors in the United States of America for any foreign producers, when such is not the fact. (Sept. 20, 1935.)

1513. False and Misleading Brands or Labels—Suit Cases, Trunks, etc.—Rountree Trunk and Bag Co., a corporation, engaged in the manufacture of suit cases, traveling bags, Gladstone bags, trunks, and the like, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

As a rule all hides intended for leathers other than sole, belting, and harness, and some specialties, are split or skived. The outer or "top" cut or layer of a split hide may be, and generally is, distinguished as a grain, but any piece of leather ordinarily made from split hide and not described as a split, is accepted and understood by the trade and purchasing public to be top or grain cut.

Rountree Trunk and Bag Co. agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use, as a stamp or brand, or otherwise, to designate its said products of the word "Leather" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed of leather made from the top or grain cut or layer of the hide; unless when said products are composed of leather made from the inner or flesh cut of the hide and the word "Leather" is printed so as to indicate clearly that said products are not composed of leather made from the top or grain cut or layer of the hide. (Sept. 23, 1935.)

1514. False and Misleading Brands or Labels and Simulating Trade Name of Competitor—Radio Sets.—John P. Winnecour, an individual, engaged in the sale of radio receiving instruments and electrical appliances and in the distribution of said products in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Victor Radio Corporation of Chicago, a corporation organized under the laws of the State of Illinois in the year 1924, was engaged

in the manufacture and sale of so-called "Midget" radios, under the trade name of "Victor Midget Operettas." It caused its corporate name to be registered in the United States Patent Office on July 20, 1926, under the name of "Operetta, Victor Radio Corporation of Chicago, Trade Mark No. 215448." Among the distributors of its "Midget" radios was John P. Winnecour, trading as Economy Tire and Radio Company, to whom it furnished such products marked and branded with the words: "Victor Radio Corporation—The Operetta—Chicago, U. S. A." In the year 1930, the Victor Radio Corporation of Chicago discontinued the manufacture of midget radios, but it continued to supply said John P. Winnecour with midget radios, which it had manufactured by other manufacturers to fill his orders, and caused its name plate, as above described, to be placed on such products, and billed said Winnecour and collected from him at an agreed rate for the plates so supplied.

On February 8, 1935, a suit was begun by the RCA Manufacturing Company of Camden, New Jersey, as plaintiff, against the Victor Radio Corporation of Chicago and others, defendants, in the United States District Court for the Northern District of Illinois, Eastern Division in Equity case No. 14314 wherein after certain proceedings, a decree was entered requiring the defendants permanently to cease from the use of the word "Victor", or of any symbol representing the word "Victor", and of any name plate, label or other device which by colorable imitation might be calculated to represent that the product of the defendants was a product of the plaintiff, which said decree is still in force and effect.

John P. Winnecour agreed to cease and desist from the sale and distribution in interstate commerce of radio sets marked, branded, or labeled with the words "Victor Radio Corporation"; and from the use of the word "Victor" in any way which may have the capacity and tendency to confuse, mislead, or deceive purchasers into the belief that the products so marked, branded, or labeled are the products of RCA Manufacturing Company, Inc., when such is not the fact; the use of such expressions as "direct from factory to you", "No Middlemen—One profit only", or of any other similar words which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that he owns, operates, and controls a factory wherein his products are manufactured, when such is not the fact. (Sept. 27, 1935.)

1515. False and Misleading Brands or Labels and Advertising—Paints.—Theodore Shapiro and Nat Pashman, co-partners trading under the name and style of Varnish Products Co., engaged in the manufacture of paints and in the sale and distribution of the same in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into

the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Theodore Shapiro and Nat Pashman, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use of the words "Lead Zinc" or "Lead and Zinc", either independently or in connection or conjunction with any other word or words of like import, with which to advertise, brand, label, represent or describe any of its products which are not in fact composed wholly of zinc in combination with lead carbonate or lead sulphate;

Provided, however, that if any of said products contain in their pigments zinc in combination with lead carbonate or lead sulphate in substantial quantities, and the words "Lead Zinc" or "Lead and Zinc" are used in describing the same on labels and in advertisements, then such words shall be accompanied by some other word or words, printed in type equally as conspicuous, and which will accurately describe and designate such ingredients or disclose that the said product contains other ingredients. (Sept. 27, 1935.)

1516. Misrepresenting Products and False and Misleading Advertising—Hardware and Tools.—Walter E. Spiegel and Kurt J. Spiegel, co-partners trading under the firm name and style of Spiegel Brothers, engaged in the sale and distribution in interstate and foreign commerce of hardware and tools, part of which products are manufactured in the United States and others thereof are imported from a number of foreign countries, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Walter E. Spiegel and Kurt J. Spiegel agreed to cease and desist from the use of statements and representations such as "Makers of Steelcraft Tools" and "f. o. b. our Pennsylvania factory" on their letterheads, catalogues and other advertisements or advertising matter circulated in interstate or foreign commerce, when in fact they do not own, control, or operate any mill or factory wherein the products which they sell and distribute are manufactured; the use in soliciting its export trade of catalogues or other advertisements and advertising matter which give incomplete or misleading information respecting which of their products are manufactured in the United States and which are imported from other countries; and the making of inaccurate and misleading statements and representations respecting the country of origin of the products which they export, in declarations of export for such shipments. (Sept. 27, 1935.)

1517. False and Misleading Trade Name, Brand or Label and Misrepresenting Product—Cigars.—Jose Diaz, an individual doing business as "Jose Diaz & Co.", engaged in the manufacture of cigars

and in the sale and distribution of same in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Among the manufacturers of and dealers in cigars, as well as among the smokers thereof, the words "throwouts" and "factory throwouts" have a definite and well understood meaning and are applied to cigars which, because of some imperfection do not pass inspection at the factories and are therefore thrown out or discarded in packing such products for sale.

Jose Diaz, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the words "Throwouts" or "Factory Throwouts" either independently or in connection or conjunction with any other word or words as a trade name or brand for said products or on labels or boxes in which said products are placed and shipped in interstate commerce or otherwise to represent or designate such of his products as are not actually throwouts, and from stating or representing directly or indirectly that his said products are throwouts, when such is not the fact. (Oct. 2, 1935.)

1518. **False and Misleading Advertising—Furniture.**—Atlas Furniture Co., a corporation, engaged in the business of manufacturing furniture, principally bed room suits, and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Mahogany is the product of the genus "Swietenia", tribe "Swietenioideae" of the tree family scientifically called "Meliaceae." The genus "Swietenia", of which there are several known species, is the only one which produces the wood properly and accurately designated as Mahogany.

The wood known as Walnut is the product of the genus "Juglans", of the tree family scientifically called "Juglandaceae" of which there are several known species.

Atlas Furniture Co. also agreed to cease and desist from the use of the word "Mahogany" in its advertisements and advertising matter or otherwise in soliciting the sale of and selling its products in interstate commerce so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are derived from trees of the Mahogany or "Meliaceae" family, when such is not the fact. The said Atlas Furniture Co. also agreed to cease and desist from the use of the word "Walnut" either independently or in connection or conjunction with

any other word or words in its advertisements or otherwise as descriptive of its products so as to import or imply or which may tend to mislead or deceive purchasers into an erroneous belief that said products are those products derived from the trees of the Walnut or "Juglandaceae" family; when such is not the fact. (Oct. 2, 1935.)

1519. False and Misleading Brands or Labels and Advertising—Men's Shirts.—David Roun and Jack Roun are copartners trading under the names and styles of D. Roun and Son and Brookdale Shirt Co., engaged in the manufacture of men's shirts and in the sale and distribution thereof in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

David Roun and Jack Roun, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use of the hyphenated word "Pre-Shrunk" or of any other word or words of equivalent meaning, to describe or designate products which have not been pre-shrunk as that term is understood by the trade and the purchasing public. (Oct. 2, 1935.)

1520. False and Misleading Advertising—Hay Fever Salve.—W. C. Kalash, Inc., a corporation, engaged as a distributing agent, in the sale and distribution in interstate commerce of a salve, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

W. C. Kalash, Inc., in soliciting the sale of and selling its "WTC Ani-Pol Salve" in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter or by radio broadcasts—that its "Ani-Pol Salve" is an anti-pollen agent, or that it will immunize the nasal passages against hay fever; that it will cure hay fever, and/or that hay fever has been conquered; from the use of any other exaggerated or misleading claims, for said product, improbable of accomplishment. (Oct. 4, 1935.)

1521. False and Misleading Advertising—Hay Fever Preparation.—Corn Chemical Co., Inc., a corporation, engaged in the manufacture of a preparation for the treatment of hay fever and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Corn Chemical Co., Inc., in soliciting the sale of and selling its said product in interstate commerce, agreed to cease and desist from

stating and representing in advertisements and advertising matter circulated in interstate commerce that its "Ani-Pol Salve" is an anti-pollen agent, or that it will immunize the nasal passages against hay fever; that it will cure hay fever, and/or that hay fever has been conquered; from the use of any other exaggerated or misleading claims, for said product, improbable of accomplishment. (Oct. 4, 1935.)

1522. **False and Misleading Brands or Labels and Advertising—Cleaning Fluid.**—Harry Kantrowitz, Aaron Gershon and Benjamin Schreiber, copartners trading under the firm name and style of Gershon & Schreiber, engaged in the sale and distribution in interstate commerce, of a cleaning fluid designated "Zep", and in competition with other partnerships, individuals, firms and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Harry Kantrowitz, Aaron Gershon and Benjamin Schreiber, in soliciting the sale of and selling their cleaning fluid in interstate commerce, agreed to cease and desist from the use on the labels affixed to said product of the hyphenated word "non-injurious" either independently or in connection or conjunction with any other word or words so as to import or imply or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be injured, harmed, or impaired by the application or use of said product to or on such fabrics or materials. Said copartners also agreed to cease and desist from the use of the statement that the said product "will not form rings" so as to import or imply or which may tend to convey the belief to purchasers that said product will not leave a ring or mark, when applied to a spot or spots on said fabrics or materials. The said copartners also agreed to cease and desist from the use on said labels of the phrase "Safe—non-explosive" as descriptive of said product, when in fact said product is composed of an inflammable mixture, and which the user is cautioned not to use near fire or flame. (Oct. 4, 1935.)

1523. **Using Lottery Scheme in Merchandising—Candy.**—Christ L. Temo, an individual trading under the names and styles of "Temo's" and "C. L. Temo Co.," engaged in the manufacture of confectionery and in the sale and distribution of the same in interstate commerce, and in competition with other individuals, firms, corporations and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Christ L. Temo, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of any

scheme, plan, or method of sale or of promoting the sale of his candy products which involves the use of any gift enterprise, lottery, or any scheme of chance whereby an article is given as a prize or premium for or in consideration of the purchase of any other article. (Oct. 4, 1935.)

1524. False and Misleading Advertising—Cleaning Fluid.—Klink Products Corporation, engaged in the manufacture of two cleaning fluids, one of which is designated “Klink” and the other “Clean-Tex”, and in the sale of said products in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Klink Products Corporation, in soliciting the sale of and selling its cleaning fluids in interstate commerce, agreed to cease and desist from the use of the words “Removes spots without injury to color or fabric” or “Will positively not affect the cloths or colors in any way”, or of any other words or phrases of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the colors of fabrics or materials dyed with non-fast or fugitive dyes will not be impaired, harmed, or injured by the application or use of said products, or either of them, to or on such fabrics or materials. Said corporation also agreed to cease and desist from the use of statements “Will not leave a ring” and “leaves no mark or ring”, or of any other statement of equivalent meaning so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said products, or either of them, will not leave a ring or mark, when applied to a spot or spots on certain fabrics or materials. (Oct. 7, 1935.)

1525. False and Misleading Advertising—Burial Vaults.—Norwalk Vault Co., a corporation, engaged in the sale and distribution in interstate commerce of cement burial vaults, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Norwalk Vault Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce that its vaults give permanent and positive protection to bodies encased therein, that said vaults are waterproof or airtight, and/or that the same will last through the ages; stating and representing in advertisements and advertising matter that its products are guaranteed to last through the ages; the use of any other or sim-

ilar statements and representations respecting the durability or other qualities of said products, not warranted by the facts, and having the capacity and tendency to confuse, mislead, and deceive purchasers respecting the same. (Oct. 8, 1935.)

1526. Tying and Restrictive Contracts—Men's Wear Jewelry.—The Baer and Wilde Co., a corporation, engaged in the manufacture of men's wear jewelry, including cuff links, collar buttons, tie fasteners, and collar clasps, under such trade names "Swank" and "Cum-a-Parts", and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Baer and Wilde Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from seeking or obtaining contracts, agreements, promises, or assurances from its distributors by the terms of which an undue or unreasonable restraint is placed upon alienation or which unduly and unreasonably restricts the freedom of trade. (Oct. 9, 1935.)

1527. False and Misleading Advertising—Boats.—Horace E. Dodge Boat and Plane Corporation, a corporation, engaged in the business of building or constructing boats and which it sells and delivers through means of independent agencies throughout the United States in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist from the alleged unfair methods of competition as set forth therein.

Mahogany is the product of the genus "Swietenia", tribe "Swietenioideae" of the tree family scientifically called "Meliaceae." The genus "Swietenia", of which there are several known species, is the only one which produces the wood which is properly and accurately designated and referred to as "Mahogany".

Horace E. Dodge Boat and Plane Corporation, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use, in its advertisements and advertising matter or otherwise, of the word "Mahogany" either independently or in connection or conjunction with any other word or words so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products or the trim or other parts thereof are derived from trees of the Mahogany or "Meliaceae" family, when such is not the fact. (Oct. 11, 1935.)

1528. False and Misleading Brands or Labels—Paints.—Apex Color Works, Inc., a corporation, engaged in the manufacture of paints and in the sale and distribution of the same in interstate com-

merce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Apex Color Works, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use, on labels affixed to said product, of the words "White Lead" as descriptive of a product, the pigment content of which is not composed of white lead. The said corporation also agreed to cease and desist from the use of the word "Lead" in connection or conjunction with the word "White" or with any other word or words so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that the pigment content of said product is composed of white lead, when such is not the fact. (Oct. 12, 1935.)

1529. False and Misleading Brands or Labels—Dog Food Product.—Walgreen Co., a corporation, engaged in selling and distributing a dog-food product designated "Po-Do" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Walgreen Co., in soliciting the sale of and selling its product designated "Po-Do" in interstate commerce, agreed to cease and desist from the use on labels affixed to the containers of said product of the statement or representation to the effect that said product has been "Prepared from a formula developed by specialists in animal nutrition", when in fact said product has not been so prepared. Said corporation also agreed to cease and desist from the use on said label or in any way of said statement or representation so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the formula under which said product is prepared was developed or compiled by any veterinarians or persons professed in animal nutrition, or that the said product has been endorsed by such specialists as suitable for dogs from a nutrition standpoint, when such is not the fact. (Oct. 12, 1935.)

1530. False and Misleading Advertising—Chenille Rugs.—Karl W. Neu, an individual trading as "Industrial Rug Co.", engaged in the sale and distribution of chenille rugs in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the following methods of competition as set forth therein.

Karl W. Neu, in soliciting the sale of and selling or causing to be sold his products in interstate commerce, agreed to cease and desist from the use in his circulars or other printed or advertising matter or in any other way of such statements as "Direct to you from the mill", "By dealing direct with our representative, you eliminate profits of wholesalers, retailers, and other middlemen", "our mill", or any of them and of any other statement or statements of equivalent meaning, either independently or in connection or conjunction with any pictorial or other representation so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said Karl W. Neu makes or manufactures the products which he sells, or that he owns and operates or directly and absolutely controls the mill or factory in which said products are made, when such is not the fact. The said Karl W. Neu also agreed to cease and desist from using or authorizing others to use any and all statements or representations so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that his products are made in their entirety by blind people and/or by blind people in local institutions, when such is not the fact. The said individual also agreed to cease and desist from permitting or authorizing his salesmen or any of them to make collections of money or other consideration in connection with the sale of his said products, unless he, the said Karl W. Neu, shall in all instances truthfully and fully account therefor to customers from whom such collections are made. (Oct. 12, 1935.)

1531. **False and Misleading Brands or Labels—Shirts.**—Max Axelrod and Jacob Mendelson, co-partners trading under the name and style of King Shirt Co., engaged in the sale and distribution, in interstate commerce, of shirts, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Max Axelrod and Jacob Mendelson, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use of the words "Genuine Imported English Broadcloth" and/or "Finest Broadcloth Finish" as a stamp, brand, or label affixed to or otherwise to describe products not imported from England or not made in England, or having a fine broadcloth finish; and from the use of the words "Genuine Imported English Broadcloth" and/or "Finest Broadcloth Finish" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the products so designated and described were made in or imported from England, or that the same have a fine broadcloth finish, when such is not the fact; the use of any brand or label affixed to or otherwise to describe its said products of the word "Pre-shrunk",

or of any other word or words of equivalent meaning to designate or describe products which have not been pre-shrunk as that term is generally understood by the trade and the purchasing public. (Oct. 12, 1935.)

1532. False and Misleading Brands or Labels—Shirts.—Aarons Manufacturing Co., Inc., a corporation, engaged in the cutting of men's shirts according to pattern, which it causes to be sewed together and finished by contractors, and then sells and distributes the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Aarons Manufacturing Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use on any brand or label affixed to or otherwise used to describe its said products of the word "Full-Shrunk" or of any other word or words of equivalent meaning to designate or describe products which have not been full-shrunk as that term is generally understood by the trade and the purchasing public. (Oct. 12, 1935.)

1533. False and Misleading Brands or Labels—Shirts.—Somerset Shirt Co., Inc., a corporation, engaged in the sale and distribution, in interstate commerce, of men's shirts, which it causes to be cut, sewed, and packed for it by contractors; and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Somerset Shirt Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Broadcloth" and/or "English Broadcloth" as a stamp, brand, or label affixed to or otherwise used to describe its said products; and from the use of the word "Broadcloth" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the products so designated or described are made of broadcloth, when such is not the fact. (Oct. 12, 1935.)

1534. Simulating Products of Competitor—Toys and Novelties.—New York Merchandise Co., Inc., a corporation, engaged in the importation of toys, novelties, and other similar products, including rubber toys, and in the sale and distribution thereof in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Sun Rubber Co., a corporation, engaged in the manufacture of rubber sundries, including rubber toys and novelties, the designs for

which it originates, and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, in the sale and distribution, in interstate commerce, of similar products.

In 1933, The Sun Rubber Co. originated and placed upon the market a teething ring under the trade name of "Toofer Toy", which it designated as item number 40 in its catalogue of toy exhibits and advertisements, and for which product it had a substantial sale at the retail price of ten cents each. In 1934, there appeared upon the market a toy simulating The Sun Rubber Company's product, indistinguishable from it in every respect, except that it was marked with the words "Made in Japan", instead of with the name of The Sun Rubber Co.; which imported product was placed upon the American market at the retail price of five cents each, and The Sun Rubber Co. was forced to sell its product at a loss in order to meet this competition.

In 1932, The Sun Rubber Co. offered for sale a product which it designated as "Dolly's Bath Set No. 60", and which it advertised and of which it had a substantial sale at the retail price of ten cents each. In the year 1933 an imported toy appeared upon the market, in competition with "Dolly's Bath Set No. 60", which was an exact duplicate thereof in every respect except that the words "Made in Japan" were substituted for the name and address of The Sun Rubber Co., and it included two additional items, but was retailed for the same price. In order to meet this competition, The Sun Rubber Co. was obliged to discard its old plates and devise a new product with a different design, at considerable expense.

New York Merchandise Co. agreed to cease and desist from offering for sale, selling, or distributing in interstate commerce products simulating the products of The Sun Rubber Co., of Barberton, Ohio; and from offering for sale, selling, or distributing in interstate commerce any products so made or dressed as to have the tendency or capacity to confuse, mislead, or deceive purchasers in reference to the origin thereof. (Oct. 15, 1935.)

1535. False and Misleading Advertising—Cosmetics.—Allcock Manufacturing Co., a corporation engaged in the manufacture of cosmetics, including a product designated "Manicare", and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Allcock Manufacturing Co., in soliciting the sale of and selling its product designated "Manicare" in interstate commerce, agreed to cease and desist from the use in its advertisements and adver-

tising matter of the statement, "It removes cuticle without acids" or of any other statement or representation of equivalent meaning so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that competitors' products for the removal of cuticle contain acids, when such is not the fact. The said corporation also agreed to cease and desist from the use in its said advertising matter of the statement, "It feeds the nails with the oils which they need to make them healthy" or of any other similar statement or representation which directly asserts or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product feeds the nails with the oil, or supplies them with nourishment, such as they need to make them healthy, when such is not the fact (Oct. 15, 1935.)

1536. False and Misleading Brands or Labels and Advertising—Flavoring Extracts.—Henry Barletta and Mary F. Barletta, co-partners, trading as Barletta and Co., engaged in the manufacture of flavoring extracts and in the sale and distribution of the same, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Henry Barletta and Mary F. Barletta, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use on labels attached to the products which they sell and distribute in interstate commerce of the words "Milano", "Importati", "Importato", and/or "Importers", either independently or in connection or conjunction with any other word or words or in any way which may import or imply that the products referred to are imported from Milan in Italy, or that said copartners are importers, when such is not the fact; and from the use on such labels of any other similar words or phrases which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are imported from Italy, when such is not the fact; the use on letterheads, billheads, or other stationery and advertising matter circulated in interstate commerce of the words "Importers and Exporters"; and from the use of the words "Importers and Exporters", or of any other words of similar meaning, which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that they are importers or exporters, when such is not the fact. (Oct. 15, 1935.)

1537. False and Misleading Brands or Labels—Watch Findings.—Jacob Podel and Nathan Podel, co-partners trading under the name and style of Podel Brothers, engaged in the manufacture of watch findings, including wrist watchstrap buckles, and in the sale and

distribution of the same in interstate commerce, and in competition with other partnerships, firms, individuals and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Jacob Podel and Nathan Podel agreed, and each for himself agreed, in soliciting the sale of and selling their products in interstate commerce, to cease and desist from the use of the words and symbols "P. B. Gold Shell" as a stamp or brand on any of their products, unless such products contain a layer or shell of gold of substantial thickness on the outside, and unless said words are preceded by the designation of the alloy of the gold used in the shell, which is preceded by a fraction designating the correct proportion of the weight of the layer or shell of gold to the weight of the entire article. (Oct. 15, 1935.)

1538. False and Misleading Brands or Labels—Toothpicks.—New York Merchandise Co., Inc., a corporation, engaged for a number of years in the importation of toothpicks manufactured in Japan, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

New York Merchandise Co., Inc., in soliciting the sale of and selling its toothpicks in interstate commerce, agreed to cease and desist from the use on the brands or labels affixed to said products of the words and phrases "Sanitary", "Packed by Machinery", "Automatically Packed", or any of them, to describe or designate products which are not, respectively, manufactured under sanitary conditions, packed by machinery, or automatically packed. The said corporation also agreed to cease and desist from the use of such words and phrases as descriptive of its said products which are in fact packed by hand and under conditions other than sanitary ones. (Oct. 16, 1935.)

1539. Misrepresenting Product—Cleaning Fluid.—Monroe Chemical Co., a corporation, engaged in the manufacture of a cleaning fluid, and in the sale and distribution of the same under the designation "Put" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Monroe Chemical Co., in soliciting the sale of and selling its cleaning fluid in interstate commerce, agreed to cease and desist from the use of the words "will not harm the most delicate fabrics", or of any other word or words of equivalent meaning so as to import

or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the colors of fabrics dyed with non-fast or fugitive dyes will not be harmed, impaired, or injured by the application or use of said product to or on such fabrics or materials. The said corporation also agreed to cease and desist from the use of the statements "cleans all fabrics perfectly" and "leaves no odor, stain, or spots", or of either of them or of any other statement of equivalent meaning so as to import or imply, or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product will not leave a stain, mark, or ring when applied to a spot or spots on certain fabrics or materials. (Oct. 17, 1935.)

1540. False and Misleading Brands or Labels and Advertising—Rat Exterminator.—Walter E. Perry, an individual trading as Bestyet Products Co., engaged in the manufacture of an alleged rat and roach exterminator in the form of a powder, and which product he has sold and distributed under the trade designation "Bestyet" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Walter E. Perry, in soliciting the sale of and selling his product designated "Bestyet" in interstate commerce, agreed to cease and desist from the use in his advertising matter or on his labels affixed to his said product of the statement that said product kills rats or mice and leaves no smell or odor from the dead carcasses, or of any other statements or representations of similar import or meaning, when such is not the fact. Said individual also agreed to cease and desist from the use of any and all statements or representations which have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product will kill rats and mice and will mummify or dry up the bodies or carcasses thereof without smell or odor, when such is not the fact. The said individual also agreed to cease and desist from the use on his labels or otherwise of the self-contradictory statement that said product is a "mild poison compound of 14 different rat foods, not poisonous" and which may have the capacity or tendency to mislead and deceive purchasers with respect to the true character of said product. (Oct. 18, 1935.)

1541. False and Misleading Brands or Labels and Advertising—Flavoring Extracts, Gelatin Dessert, etc.—Elmer E. Wade, an individual trading under the name of Anna Elizabeth Wade, engaged in the manufacture of flavoring extracts, gelatin desserts, pudding preparations, cocoa and malt beverages, shaving creams, tooth pastes, and greeting cards, and in the sale and distribution of the same in interstate commerce, and in competition with other individ-

uals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Elmer E. Wade, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from putting up and distributing samples of his gelatin dessert preparations so composed that the same are not truly representative of the products sold and distributed by him, and/or making statements and representations concerning the same having the tendency and capacity to confuse, mislead, or deceive purchasers into the belief that such samples are truly representative of his products, when such is not the fact; stating and representing in advertisements and advertising matter circulated in interstate commerce that his products are prepared in accordance with an old-time family recipe, or that said products are triple flavored, and/or that the same are more highly flavored than those of his competitors, when such is not the fact; stating and representing that his products are sold at lower prices than those of his competitors, exaggerating or materially overstating the prices of his competitors' products, and/or stating and representing that two of his "double-size" packages contain more and cost less than two of the products of his competitors; marking, branding, labeling, and representing his products by such words as "strawberry", "apricot-almond", "raspberry", "peach and pit", "loganberry", "pineapple-orange", "pineapple-almond", or with the name of any other fruits, without at the same time disclosing that said products are flavored, in whole or in part, with synthetic flavors; and from the use of the names of any fruit or fruits on labels or other advertisements or advertising matter in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that the products so labeled or represented are flavored wholly with the fruit or the juice named, when such is not the fact; stating and representing in advertisements and advertising matter circulated in interstate commerce that his products are flavored with fruits or fruit juices, when in truth and in fact such products derived their flavor from either fruit extracts or imitation fruit flavors; stating and representing in advertisements and advertising matter circulated in interstate commerce that the extra commodities which are furnished customers with certain purchases and under certain conditions are free, when such is not the fact. (Oct. 22, 1935.)

1542. False and Misleading Advertising and Misrepresenting Product—Religious and Educational Books.—F. D. Brelsford, an individual trading under the name and style of Portola Distributing Co., engaged in the purchase and resale, through representatives, by house-to-house canvass, of religious and educational books in interstate commerce, and in competition with other individuals, firms,

partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

F. D. Brelsford, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from making the following statements and representations, either directly or through field secretaries or other employees: that the Portola Distributing Co. is a nationally known organization; that the Portola Distributing Co., the Portola Eugenic Bureau, and/or the Bible Readers' Club were organized for the purpose of, or are engaged in social welfare work or service; that his representatives are not sales women or solicitors; that the work of the Portola Distributing Co. is endorsed by the National Parent-Teachers' Association, or by Better Business Bureaus; and/or that Ministers of the Gospel will gladly give their endorsement of its work, when such is not the fact; that there is a great demand for such service; that representatives are given exclusive territory, unless and until they are in fact given such territory; and said F. D. Brelsford further agreed to cease and desist from holding out and representing that representatives are guaranteed a salary of \$91 per month for 130 days, or any other period of time, coupled with conditions which are difficult or impossible of fulfillment. (Oct. 22, 1936.)

1543. False and Misleading Advertising—Stock Remedies.—Standard Chemical Manufacturing Co., a corporation, engaged in the manufacture of certain alleged stock remedies, one of said remedies being in the form of tablets designated "Sulpho-Carb", and another of said remedies bearing the designation "P-O", and which products the said company now sells and has sold in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Standard Chemical Manufacturing Co., in soliciting the sale of and selling its tablet product designated "Sulpho-Carb" in interstate commerce, agreed to cease and desist from the use in its advertising matter of whatever character, or in any way, of statements and representations so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the use of said product will prevent chicks from becoming infected by germs taken in food or gotten from sources other than possibly the drinking water, or that the said product will kill coccidiosis and white diarrhea germs, or keep disease away, avoid sickness, or keep chicks healthy, when such are not the facts. The said corporation also agreed, in soliciting the sale of and selling its products designated "P-O" in interstate commerce to cease and desist from

the use of the statements or representations to the effect that said product, when administered to hogs or poultry will rid or cure them of or drive out worms, flu, colds, roup, necro, and any disease except cholera, when such are not the facts. The said corporation further agreed to cease and desist from stating in its advertisements or advertising matter or otherwise that the formula for Sulpho-carb tablets was originally taken from the United States Farmer's Bulletin No. 1337, unless such statement is immediately and conspicuously accompanied by some other statements aptly explaining that the said formula for the preparation stated in said bulletin is a treatment for coccidiosis in poultry, having been found by subsequent experience to be of little value in the control of said disease, was supplanted in 1931 by United States Farmer's Bulletin No. 1652, revised in 1933. (Oct. 22, 1935.)

1544. False and Misleading Trade Name and Advertising—Bridge Tables.—Consider H. Willett, Inc., a corporation engaged in the sale and distribution, in interstate commerce of bridge tables made from various woods, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The wood known as Walnut is the product of the genus "Juglans" of the tree family scientifically called "Juglandaceae", of which there are several known species.

Consider H. Willett, Inc., agreed in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use of the words "African Walnut" in its advertisements and advertising matter or as a trade designation for parts of its products so as to import or imply that said parts are made of wood derived from trees of African origin and of the botanical walnut or "Juglandaceae" family, when such is not the fact. The said corporation further agreed to cease and desist from the use of the word "walnut" either alone or in any way, as descriptive of parts of its products, which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said parts are made of wood derived from trees of the walnut or "Juglandaceae" family, when such is not the fact. (Oct. 22, 1935.)

1545. False and Misleading Trade Name and Advertising—Plywood, Panels, and Veneers for Furniture.—Hoosier Panel Co., a corporation, engaged in the sale and distribution of plywood, panels, and veneers for radios, tables, and various kinds of furniture in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The wood known as Walnut is the product of the genus "juglans" of the tree family scientifically called "Juglandaceae", of which there are several known species

Hoosier Panel Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "African Walnut" or of the abbreviated words "Afr. Wal." in its printed matter or as a trade designation for its products, so as to import or imply that said products are those products derived from trees of African origin and of the botanical walnut or "Juglandaceae" family, when such is not the fact. Said corporation also agreed to cease and desist from the use of the word "Walnut", either independently or in connection or conjunction with any other word or words which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are those products which are derived from trees of the walnut or "Juglandaceae" family, when such is not the fact. (Oct. 22, 1935.)

1546. False and Misleading Trade Name and Advertising—Lumber Veneer, Veneer Plywood Panels, etc.—The Mengel Co., a corporation engaged in the manufacture of lumber, veneer, veneer plywood panels, and other lumber products and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The wood known as Walnut is the product of the genus "Juglans" of the tree family scientifically called "Juglandaceae", of which there are several known species.

The Mengel Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "African Walnut" in its printed matter or as a trade designation for its products, so as to import or imply that said products are those products derived from trees of African origin and of the botanical walnut or "Juglandaceae" family, when such is not the fact. The said corporation also agreed to cease and desist from the use of the word "walnut", either independently or in connection or conjunction with any other word or words which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said products are those products which are derived from trees of the walnut or "Juglandaceae" family, when such is not the fact. (Oct. 22, 1935.)

1547. False and Misleading Brands or Labels and Advertising—Whiskeys.—Alliance Distributors, Inc., a corporation, engaged in the importation, sale, and distribution in interstate commerce of whiskeys and distilled spirits, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into

the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Alliance Distributors, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in advertisements or advertising matter circulated in interstate commerce of statements and representations that its said product is "Bottled in Bond" and that the same is "Made from the Finest American Grains", or of either of such statements or representations, or of any other similar words or phrases which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that its said product is bottled in bond in the United States of America, when such is not the fact, and from stating and representing on labels attached to the containers in which its said product is sold and distributed in interstate commerce that said product is bottled in bond under the supervision of the Cuban Government, when such is not the fact. (Oct. 22, 1935.)

1548. False and Misleading Trade or Corporate Name—Silks, Rayons and Cottons.—Arista Silk Mills, Inc., a corporation, engaged as a jobber in dealing in silks, rayons, and cottons and in the sale of said products in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Arista Silk Mills, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Mills" as a part of its corporate or trade name under which to carry on its said business; and from the use of the word "Mills" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said corporation owns, controls, and operates a mill or mills wherein the products which it sells and distributes in interstate commerce are made or fabricated, when such is not the fact. (Oct. 22, 1935).

1549. False and Misleading Trade Name—Pharmaceutical Preparations.—Morris Gottsegen and David Jacoby, co-partners trading under the firm name and style of Mills Sales Co. and as Honor Research Laboratories, engaged as jobbers in the sale and distribution of pharmaceutical preparations, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Morris Gottsegen and David Jacoby agreed, and each for himself agreed, in soliciting the sale of and selling their products in interstate commerce, to cease and desist from the use of the words "Research Laboratories" as part of or in connection with their trade name

under which to carry on their said business; and from the use of the words "Research Laboratories" in any way which may have the tendency or capacity to confuse, mislead or deceive purchasers into the belief that they own, control or operate a laboratory or laboratories, when such is not the fact. (Oct. 22, 1935.)

1550. False and Misleading Brands or Labels and Advertising—Ladies' Pocket Books.—R. and K. Leather Goods Co., Inc., a corporation, engaged in the manufacture of ladies' pocket books and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

R. and K. Leather Goods Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from labeling, stamping, or otherwise advertising products manufactured in whole or in part from split leather as being manufactured from genuine leather, and from in any manner indicating or implying that the material used in the manufacture of such products is other than split leather, when such is not the fact. (Oct. 22, 1935.)

1551. False and Misleading Advertising—Dresses.—Forest City Manufacturing Co., a corporation, engaged in the manufacture of cotton dresses for women and girls, and in the sale and distribution of the same, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Forest City Manufacturing Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Lion" in advertisements or advertising matter, and/or in its billing, to represent, designate, or refer to products not made of the fiber of the flax plant; and from the use of the word "Lion" in any way which may have the tendency or capacity to confuse, mislead, or deceive the purchasing public into the belief that the products so described and designated are made of the fiber of flax plant, when such is not the fact. (Oct. 22, 1935.)

1552. False and Misleading Brands or Labels and Advertising—Toothpicks.—Manhattan Import Co., Inc., a corporation, engaged in the importation and sale of various novelties, including toothpicks, purchasing its supplies of toothpicks from local importers and jobbers and selling and distributing the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Manhattan Import Co., Inc., in soliciting the sale of and selling its toothpicks in interstate commerce, agreed to cease and desist from the use on labels and/or in its advertisements and advertising matter of such words and phrases as "Sanitary", "Packed by Machinery", "Automatically Packed", or any of them, to describe or designate such products which are not, respectively, manufactured under sanitary conditions, packed by machinery, or automatically packed. Said Manhattan Import Co., Inc. also agreed to cease and desist from advertising and otherwise soliciting the sale of and selling in interstate commerce, toothpicks of foreign make or manufacture, unless and until the country wherein said toothpicks are made or manufactured is clearly and conspicuously indicated in such advertising matter and on the containers of said products. (Oct. 22, 1935.)

1553. **False and Misleading Trade Name—Hair Tonic.**—F. J. Kirk, an individual trading as "Franklin Sales Co." and at times as "Franklin Laboratories", engaged in the sale and distribution of a product designated "Lucky Tiger Hair Tonic" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

F. J. Kirk, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use of the word "Laboratories" as part of the trade name under which he carries on his said business; and from the use of the word "Laboratories" in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that he owns and operates or directly and absolutely controls a laboratory, plant, or factory in which his product is made, manufactured, or compounded, when such is not the fact. (Oct. 22, 1935.)

1554. **False and Misleading Brands or Labels and Advertising—Plywoods or Wood Veneers.**—United States Plywood Co., Inc., a corporation, engaged in the sale and distribution of plywoods or wood veneers in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

United States Plywood Co., Inc., in soliciting the sale of and selling its said product in interstate commerce, agreed to cease and desist forever from the use of the word "Walnut", either independently or in connection or conjunction with the word "Oriental", or with any other word or words so as to import or imply or which may have the capacity or tendency to mislead or deceive purchasers into the belief that said product is made of wood derived from trees of the walnut or "Juglandaceae" family, when such is not the fact. (Oct. 23, 1935.)

1555. Misrepresenting Products—Knitted Top-Coats.—Linder Brothers, Inc., a corporation, engaged in the manufacture of knitted top-coats and in the sale and distribution of the same under the trade name of "Shagmoor", in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Linder Brothers, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "loomed" to designate or describe products not woven on a loom; and from the use of the word "loomed" in any way which may have the tendency and capacity to confuse, mislead or deceive purchasers into the belief that its products so described and referred to are woven on a loom, when such is not the fact. (Oct. 23, 1935.)

1556. False and Misleading Advertising—Correspondence Courses.—Western Coaching Bureau, Inc., a corporation, engaged in conducting correspondence schools and in selling courses of study and instruction intended to prepare students for examination for various civil service positions under the United States Government, selling and distributing said courses of instruction in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Western Coaching Bureau, Inc., in soliciting the sale of and selling its courses of instruction in interstate commerce, agreed to cease and desist from the use of the words "Civil Service" in its advertisements and advertising matter distributed in interstate commerce, either independently or in connection with any other word or words, and especially in connection with a seal simulating the official seal of the United States Civil Service Commission in any way which may have the tendency or capacity to confuse, mislead, or deceive the public into the belief that said corporation represents, or has some official connection with, the United States Civil Service Commission, or is a bureau or agency of the United States Government; making exaggerated and misleading statements and representations in reference to the number of civil service employees of the United States Government, the probability of examinations being held, the finding of new positions, that the United States Government is in need of civil service employees, in reference to the ages within which men and women are eligible for appointments, the salaries paid, that such positions are permanent, that a government worker never loses his job, or any other similarly inaccurate or misleading statements having the tendency or capacity to confuse, mislead, or deceive prospective stu-

dents respecting the true conditions; stating and representing that students lacking a high school, or even a grade school education often pass civil service examinations in which others with a high school or even a university education fail; and from any other similar statements minimizing and depreciating the value of a good education as a prerequisite to passing a civil service examination; stating and representing that the Western Coaching Bureau, Inc., is "operated in strict compliance with the laws and regulations of the Federal Trade Commission." (Oct. 25, 1935.)

1557. False and Misleading Advertising and Disparaging Competitive Products—Roofing Composition.—Koppers Products Co., a corporation, engaged in the manufacture, among other things, of coal-tar products and other materials used in the manufacture of built-up roofing composed of alternate layers of rag felt and coal-tar pitch, and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Koppers Products Co., in soliciting the sale of and selling its pitch-and-felt roofs in interstate commerce, agreed to cease and desist from the use, in its advertisements and advertising matter distributed in interstate commerce, of statements to the effect that the so-called "smooth top" roofings sold by competitors "fail in a few years" or "fail in four to six years" or that such roofings "are usually failures" or "fail by permanent cracking" or that such roofings "become cheesy", when such statements are not warranted in truth and in fact. Said corporation further agreed to cease and desist from making or using in its advertising matter or otherwise any misleading or exaggerated statements or representations concerning the efficiency, durability, quality, or effectiveness of the said products of competitors and the effect of which statements or representations amounts to unwarranted disparagement of the said competitive products. (Oct. 28, 1935.)

1558. False and Misleading Brand or Trade Name and Advertising—Wood Veneers.—The Williamson Co., a corporation, engaged in the business of manufacturing wood veneers of various kinds and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The wood known as Walnut is the product of the genus "Juglans" of the tree family scientifically called "Juglandaceae", of which there are several known species.

The Williamson Co., in soliciting the sale of and selling its said products in interstate commerce, agreed to cease and desist from the use of the words "African Walnut" in its printed matter, or as a trade designation for said products, so as to import or imply that said products are made of wood derived from trees of African origin and of the botanical walnut or "Juglandaceae" family when such is not the fact. The said corporation also agreed to cease and desist from the use of the word "Walnut" either alone or in connection or conjunction with the word "African", or with any other word or words, or in any way as descriptive of said products which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are made of wood derived from trees of the walnut or "Juglandaceae" family when such is not the fact. (Oct. 29, 1935.)

1559. False and Misleading Brands or Labels and Advertising—Syrup Product.—Five Star Products, Inc., a corporation, engaged in the manufacture of a syrup product and in the sale and distribution of the same under the name "May-Pell" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Five Star Products, Inc., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from the use on its brands or labels or printed matter, of the coined word "May Pell" or of any other phonetic spelling of the word "Maple" so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said product is composed of Maple syrup; unless, when said product is composed in substantial part of Maple syrup, and the coined word "May Pell" is used as descriptive of said "Maple" content, then in that case the coined word "May Pell" shall be immediately accompanied by some word or words printed in type equally as conspicuous as that in which the coined word "May Pell" is printed so as to indicate clearly that said product is not composed wholly of Maple syrup and which will otherwise indicate clearly that said product is composed in part of an ingredient or ingredients other than Maple Syrup. (Oct. 29, 1935.)

1560. Misrepresenting Product and False and Misleading Advertising—Antiseptic Tablet.—Lester A. Stern, an individual trading under the name and style of Progressive Medical Co., engaged in the sale and distribution, in interstate commerce, of an antiseptic tablet for women's use, under the trade name of "H. Y. G. Tablets", the active principle of which is "Pantosept" or "Speton", a drug made in Germany and imported into the United States, and in com-

petition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Lester A. Stern, in soliciting the sale of his products in interstate commerce, agreed to cease and desist from stating or representing, directly or indirectly, in advertisements or advertising matter circulated in interstate commerce, that his product is a contraceptive and can be used and relied upon as such, and from all representations equivalent thereto in form or substance. (Oct. 31, 1935.)

1561. Misrepresenting Products and False and Misleading Advertising—Antiseptic Tablets.—Peter S. Banff, an individual trading under the name and style of American Pantosept Co., engaged in the sale and distribution of an antiseptic tablet for women's use, under the trade name of "Pantosept Tablets", the active principle of which is "Pantosept" or "Speton", a drug made in Germany, and imported into the United States, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Peter S. Banff, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the word "Manufacturers" on his letterheads, circulars, and other printed or advertising matter; and from the use of the word "Manufacturers" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that said Peter S. Banff owns, controls, and operates any factory or laboratory wherein the products which he sells and distributes in interstate commerce are manufactured or compounded, when such is not the fact; the use of advertisements or advertising matter circulated in interstate commerce of statements disparaging to any competitor, or having the capacity or tendency to confuse, mislead, or deceive purchasers in reference to the respective merits of his productions and those of any competitor; misrepresenting the purposes or the results of the tests of feminine hygienic products made by Prof. Dr. Baker at Oxford University; stating or representing directly or indirectly, in advertisements and advertising matter circulated in interstate commerce, that his product is a contraceptive and can be used and relied upon as such, and from all representations equivalent thereto in form or substance. (Oct. 31, 1935.)

1562. False and Misleading Brands or Labels and Simulation—Twine, Cordage, and Yarns.—Frank W. Winne & Son, Inc., a corporation, engaged as a wholesaler in the sale and distribution of twine, cordage, and yarns in interstate commerce, and in competi-

tion with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Farm Bureau Milling Co., a corporation established by The Ohio Farm Bureau Service Co. of Columbus, Ohio; Indiana Farm Bureau Cooperative Association, Inc., of Indianapolis, Ind.; Farm Bureau Services, Inc., of Lansing, Mich.; and other "Farm Bureaus" of different states, each of the said "Farm Bureaus" being engaged in a similar plan of purchasing and distributing farm supplies, including binder twine, and interested in and a member of Farm Bureau Milling Co., organized primarily for the purpose of facilitating contract negotiations for seed and other farm supplies on behalf of the individual Farm Bureaus; and further to protect the identity and distribution of the merchandise of said Farm Bureaus from infringement by competitors. To this latter end, a label of substantial uniformity was adopted and thereafter used by each of the said Farm Bureaus in soliciting the sale of and selling its products, said label, as used by the various Farm Bureaus aforesaid, featuring the words "Farm Bureaus", sometimes followed by the name of the commodity to which the said label was attached or by the words "Quality Products", and which words were arranged within a circular background whose color scheme was, for the most part, red, white, and blue. Such labels, of the general color scheme suggesting and featuring the words "Farm Bureau", were affixed to the supplies sold by the various organizations aforesaid. Letters and other printed matter, on which were displayed the words "Farm Bureau", were distributed among the trade and consuming public by the said organizations, with the result that products so identified became well and favorably known to purchasers, who accepted such products so labeled as and to be products offered for sale and sold by a particular Farm Bureau or Bureaus.

Frank W. Winne & Son, Inc., agreed in soliciting the sale of and selling its binder twine in interstate commerce, to cease and desist from the use of the words "Farm Bureau" on labels affixed to its said product, so as to import or imply that said product so labeled is a product offered for sale and sold by any one or more of the Farm Bureaus referred to in Paragraph Two hereof. The said Frank W. Winne also agreed to cease and desist from the use of labels which, because of the simulation of the color scheme used on the labels employed by said Farm Bureaus referred to in Paragraph Two hereof and the inclusion thereon of the words "Farm Bureau", have or may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products so labeled are commodities of such Farm Bureaus, or any of them, when such is not the fact. (Oct. 31, 1935.)

1563. **False and Misleading Trade or Corporate Name and Advertising—Correspondence Courses of Instruction.**—Lima Business College, a de facto corporation, engaged in imparting the instruction usually given by business schools, and The Civil Service Institute, Inc., engaged in the sale and distribution, in interstate commerce, of courses of study and instruction designed and intended for the purpose of preparing students thereof for examinations for various Civil Service positions under the United States Government, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Lima Business College, Hugh W. Henry, its president, and Iva B. Henry, its secretary; and Civil Service Institute, Inc., Harry J. Strasburg, its president, and Hugh W. Henry, its secretary and treasurer, agreed to cease and desist from the use of the words "Civil Service" as a part of or in connection with a corporate or trade name under which to carry on their business, either independently or in connection or conjunction with the word "Institute", or with any other word or words or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers or prospective purchasers into the belief that the corporation now known as Civil Service Institute, Inc., is a branch of or has some official connection with the United States Government, or of the Civil Service Commission; making exaggerated and misleading statements in reference to the number of persons given employment under the civil service annually, or the salaries that are paid; inaccurately stating or representing the ages within which men and women are eligible for civil service appointments; and stating and representing that civil service employees have no lay-offs; from the use of any statement or representation having the capacity or tendency to confuse, mislead, or deceive purchasers in respect of the terms and conditions, or prospects of obtaining employment under the United States Civil Service. (Oct. 31, 1935.)

1564. **False and Misleading Trade Name and Advertising—Silk Goods.**—Moses Kranish and Jack Kranish, co-partners trading under the firm name and style of Clinton Silk Mills, engaged in the business of purchasing grieger silk goods which they convert into finished products and in the sale and distribution of such finished products in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Moses Kranish and Jack Kranish, in soliciting the sale of and selling their products in interstate commerce, agreed and each for

himself agreed to cease and desist from the use of the word "Mills" as a part of or in connection with their trade name; and from the use of the word "Mills" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that they own, control, and operate any mill or mills when such is not the fact. (Oct. 31, 1935.)

1565. **Simulating Competitor's Products and False and Misleading Brands or Labels and Advertising—Toothpicks.**—Rainbow Trading Co., Inc., a corporation, engaged in the importation of merchandise and in the sale and distribution of both imported and domestic merchandise, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Estate of Charles Forster, a corporation, engaged in the manufacture of wood toothpicks and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged in the sale and distribution, in interstate commerce, of similar products.

In selling and distributing its products in interstate commerce, said Estate of Charles Forster packed its "Ideal" brand of toothpicks, 750 count, in a container of special design, substantially as follows:

	(Top)	
A Capital Pick	(Picture of the Capitol at Washington)	Our Country's Pride
I D E A L		
—		
Perfected		
—		
TOOTH PICKS		
Once Tried, Always Used		
	(Bottom)	
A Capital Pick	(Picture of the Capitol at Washington)	Our Country's Pride
—		
Made in Perfected U. S. A.		
—		
TOOTH PICKS		
Hygienically Packed by Machinery		

(Ends)

Trade I D E A L Mark

Wood

TOOTH PICKS

Perfected

(Sliverless Polished)

(Once Tried, Always Used)

(Interwoven with a
pictorial represen-
tation of two crossed
toothpicks)

(Sides)

A Capital Pick

I D E A L

(Pictorial
representation of
the Capitol)

Trade Marks on this Package Registered

The background of the wrapper was white, and the lettering was in black, gold, blue, and green.

Rainbow Trading Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from selling or offering for sale toothpicks in boxes, cartons, or other packages whose dress or appearance is contrived or formed, with or without the use of attached labels, by means of pictorial or other designs or printed words or statements in type of the same or approximately the same size, form, and arrangement, in white and black or in colors, so that the dress or appearance simulates the dress or appearance of boxes, cartons, or other packages in which similar merchandise is sold or offered for sale by a competitor, with the tendency or capacity to confuse, mislead, or deceive members of the trade or the purchasing public into the belief that its merchandise is the merchandise of a competitor; the use on labels, or on cartons or other advertisements, of the word "Sanitary" to describe or designate products not manufactured under hygienic or sanitary conditions. (Nov. 4, 1935.)

1566. **False and Misleading Brands or Labels—Luggage.**—Nathan Bernstein, an individual doing business as Excel Luggage Co., engaged in the sale and distribution of luggage in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

As a rule, all hides intended for leathers other than sole, belting, and harness, and some specialties are split or skived. The outer of "top" cut, or layer, of a split hide is generally distinguished as a grain, and any piece of leather ordinarily made from split hide and not described as a split is accepted and understood by the trade and purchasing public to be the top or grain cut.

Nathan Bernstein agreed, in soliciting the sale of and selling his products in interstate commerce, to cease and desist from the use, as a brand or label for his said products, of the words "cowhide" and "leather", or of either of them alone or in connection or conjunction each with the other or with any other word or words, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed of leather made from the top or grain cut or layer of the hide; unless, when said products are composed of leather made from the inner or flesh cut of the hide, and the word "leather" or "cowhide" is used as descriptive thereof, then, in that case, such descriptive word shall be accompanied by the word "split" or by some other suitable word or words printed in type equally as conspicuous as that in which the said descriptive word is printed, so as to indicate clearly that said products are not composed of leather made from the top or grain cut or layer of the hide. (Nov. 5, 1935.)

1567. False and Misleading Brands or Labels—Luggage.—Louis Kaplin and Isadore Kaplin, copartners trading as Metropolitan Bag and Suitcase Co., engaged in the manufacture of luggage, including gladstone bags and suit-cases, and in the sale and distribution of same in interstate commerce, and in competition with other partnerships, individuals, firms and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

As a rule, all hides intended for leathers other than sole, belting, harness, and some specialties, are split or skived. The outer or "top" cut or layer of a split hide is generally designated as a grain, and any piece of leather ordinarily made from split hide and not described as a split is accepted and understood by the trade and purchasing public to be the top or grain cut.

Louis Kaplin and Isadore Kaplin, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use of the word "Leather" either alone or in connection or conjunction with the words "Warranted Genuine" or either of them, or with any other word or words as a brand or label for said products so as to import or imply or which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that said products are composed of leather made from the top or grain cut or layer of the hide; unless when said products are composed of

leather made from the inner or flesh cut of the hide, and the word "Leather" is used to designate the same; then in that case the word "Leather" shall be accompanied by the word "Split" or by some other suitable word or words printed in type equally as conspicuous as that in which the word "Leather" is printed so as to indicate clearly that said products are not composed of leather made from the top or grain cut or layer of the hide. (Nov. 5, 1935.)

1568. False and Misleading Brands or Labels—Luggage.—Standard Traveling Goods Co., a corporation engaged in the manufacture of men's and women's hand luggage and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

As a rule, all hides intended for leathers other than sole, belting, and harness, and some specialties, are split or skived. The outer or "top" cut or layer of a split hide is generally distinguished as a grain, and any piece of leather ordinarily made from split hide and not described as a split is accepted and understood by the trade and purchasing public to be the top or grain cut.

Standard Traveling Goods Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Leather", either alone or in connection or conjunction with the words "Guaranteed Genuine" or with other words, as a brand or label for said products, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed of leather made from the top or grain cut or layer of the hide; unless, when said products are composed of leather made from the inner or flesh cut of the hide, and the word "Leather" is used as descriptive thereof, then, in that case, the word "Leather" is printed, so as to indicate clearly that said products are not composed of leather made from the top or grain cut or layer of the hide. (Nov. 5, 1935.)

1569. Disparaging Competitors' Products and False and Misleading Advertising—Alcoholic Beverages.—The Wilson-El-Bart Corporation, engaged in distilling American-made alcoholic beverages, including gin and whiskey, and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Wilson-El-Bart Corporation agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use in its advertising matter or otherwise of statements or representations to the effect that Canadian or "over-the-border" whiskies

are impractical or are not suitable for use in blending of distilled spirits or that 'blended whiskey prepared with imported Canadian whiskey is a product inferior to a mixture composed solely of American straight whiskey, or of any other statements or representations of equivalent meaning, when such are not the facts and/or amount to disparagement of imported Canadian whiskies of competitors. (Nov. 5, 1935.)

1570. False and Misleading Advertising—Paint Spray Guns.—Binks Manufacturing Co., a corporation engaged in the manufacture of painting and finishing equipment, including a spray gun designated "Thor Model 2" and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Binks Manufacturing Co. agreed, in soliciting the sale of and selling its product designated "Thor Model 2" in interstate commerce, to cease and desist from the use in its advertisements and advertising matter of the statement and representation that the said manufacturers or concerns have ordered or purchased a total of 11,750 or more of its said products, when such is not the fact. The said corporation also agreed to cease and desist from the use of any other similar exaggerated statement or representation with reference to the total or number of sales made by it of its said product. (Nov. 5, 1935.)

1571. False and Misleading Advertising—U. S. Air Corps Data or Information.—Jennings B. Monsen, an individual trading under the name and style of Temple Airway Bureau, engaged in the sale of alleged data and information relating to the United States Air Corps, by direct mail orders received from individuals interested therein; causing said data and information to be shipped in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Jennings B. Monsen, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from advertising his business in periodicals circulated in interstate commerce under the classified heading of "Help Wanted", or "Male Help Wanted"; stating and representing in such advertisements and/or in circular letters or other forms of advertisements circulated in interstate commerce, that men are wanted for the United States Air Corps; that the alleged information concerning the United States Air Corps which he promises to send to applicants and does send them in return

for a fee, has any monetary value, or that the same is information which could not readily be secured by such applicants from official sources, without cost; that men are needed for training in the Air Service; that the Temple Airway Bureau is a flying school, and/or that it is in a position to assist applicant applying for admission and training in the Air Corps. (Nov. 5, 1935.)

1572. **Simulating Competitor's Products—Toothpicks.**—Adolph Hauptman, an individual trading under the name and style of A. Hauptman, engaged in business as an importer and factory representative and in the sale and distribution of a variety of products at wholesale, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Estate of Charles Forster, a corporation, engaged in the manufacture of wood toothpicks and in the sale and distribution of the same in interstate commerce and in competition with other corporations, individuals, firms, and partnerships likewise engaged in the sale and distribution, in interstate commerce, of similar products.

In selling and distributing its products in interstate commerce, said Estate of Charles Forster packed its "Ideal" brand of toothpicks, 750 count, in a container of special design, substantially as follows:

(Top)

A
Capital
Pick

(Picture of the Capitol
At Washington)

Our
Country's
Pride

IDEAL

Perfected

TOOTH PICKS

Once Tried Always Used

(Bottom)

A
Capital
Pick

(Picture of the Capitol
At Washington)

Our
Country's
Pride

Made in Perfected U. S. A.

TOOTH PICKS

Hygienically Packed by Machinery

(Ends)

Trade IDEAL Mark

Wood

TOOTH PICKS

Perfected

(Sliverless Polished)

Once Tried, Always Used

(Interwoven with a pictorial representation of two crossed toothpicks)

(Sides)

A Capital Pick

IDEAL

(Pictorial representation of the Capitol)

Trade Marks on this Package Registered

The background of the wrapper was white, and the lettering was in black, gold, blue, and green.

Adolph Hauptman, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from selling or offering for sale toothpicks in boxes, cartons, or other packages whose dress or appearance is contrived or formed, with or without the use of attached labels, by means of pictorial or other designs or printed words or statements in type of the same or approximately the same size, form, and arrangement, in white or black or in colors, so that the dress or appearance simulates the dress or appearance of boxes, cartons, or other packages in which similar merchandise is sold or offered for sale by a competitor, with the tendency or capacity to confuse, mislead, or deceive members of the trade or the purchasing public into the belief that his merchandise is the merchandise of a competitor. (Nov. 5, 1935.)

1573. **False and Misleading Brands or Labels and Misrepresenting Prices—Men's Underwear.**—Morris Senderowitz and Morris H. Senderowitz, co-partners trading under the name and style of Royal Manufacturing Co., engaged in the manufacture of men's underwear and in the sale and distribution of the same in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Morris Senderowitz and Morris H. Senderowitz, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from marking, branding, tagging, labeling, or in any way designating the same with price markings in excess of the usual and customary selling value thereof. (Nov. 7, 1935.)

1574. **False and Misleading Brands or Labels and Misrepresenting Prices—Cigars.**—J. C. Winter & Co., Inc., a corporation, engaged in the manufacture of cigars and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, individuals, firms and partnerships, likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. C. Winter & Co., Inc., in soliciting the sale of and selling its said products in interstate commerce, agreed to cease and desist from the use on the containers of said products of the words "Hand Made", either alone or in connection or conjunction with any other word or words or in any way so as to import or imply that said products are made wholly by hand, when such is not the fact. Said corporation also agreed, in soliciting the sale of and selling its said products, to cease and desist from the use of the word "Havana", as descriptive of the filler of said products, and the word "Sumatra", as descriptive of the wrapper of said products, that directly assert or clearly import or imply that the said products are composed of a filler grown on the island of Cuba, which filler is wrapped with tobacco leaf raised in Sumatra, when such is not the fact. Said corporation further agreed to cease and desist from the use on the brands or labels affixed to the containers of said products of the words and figures "5¢ Cigar Now 2 For 5¢" or "Now 2 For 5¢" so as to import or imply or which may tend to confuse, mislead, or deceive purchasers into the belief that said products were manufactured for the purpose and with the intent of being sold at five cents each, or at a price in excess of what is actually asked for them, but that the price of said products has been recently reduced, when such is not the fact. (Nov. 7, 1935).

1575. **False and Misleading Trade or Corporate Name and Advertising—Silk.**—Duplex Silk Mills, Inc., a corporation, engaged in the purchase of raw silk which it causes to be "thrown" or spun, and in the purchase of rayon yarn, which silk and rayon yarns it causes to be woven into fabrics according to its specifications; and in the sale and distribution of the finished products in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Duplex Silk Mills, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Mills" as a part of or in connection with its corporate or trade name in advertisements or advertising matter circulated in interstate commerce; and from the use of the word "Mills" in any way which may have the tendency or capacity to confuse, mislead,

or deceive purchasers into the belief that it owns, controls, and operates a mill or mills wherein the products which it sells and distributes in interstate commerce are made or fabricated, when such is not the fact. (Nov. 7, 1935.)

1576. Passing Off and Misrepresenting Business Connections—Coupons and Advertising Matter.—B. R. Stone, trading under the name and style of Rogers Publicity Department, engaged in the sale and distribution, in interstate commerce of coupons and advertising matter for use by retailers in connection with the sale of his merchandise, and in the redemption of such coupons by exchanging therefor various articles of silverware, and in competition with other partnerships, corporations, individuals, firms likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

William A. Rogers, Limited, a corporation is engaged in the manufacture of silver-plated ware and in the sale and distribution of its products in interstate commerce. Said William A. Rogers, Limited, now has and for many years has had a large patronage, an established reputation, and a valuable good will throughout the United States in the word "Rogers" as a trade name or designation for its products.

B. R. Stone agreed to cease and desist from: the use of the words "Rogers Publicity Department" as a firm or trade name under which to carry on his business, or of any other word or words having the capacity or tendency to confuse, mislead, or deceive customers into the belief that he is a department of, or connected with, William A. Rogers, Limited, when such is not the fact; stating or representing, directly or through agents or solicitors, that he deals in the William A. Rogers silverware or that his products are the William A. Rogers Company, when such is not the fact; stating and representing, directly or indirectly that an award or prize will be given for the best suggestion of a name by which to describe the silverware which he distributes, when such is not the fact; stating or representing that the silverware which he distributes to retailers' customers is free, or cost such customers nothing; and/or concealing from retailers the fact that such silverware is not distributed free, but that a charge therefor is exacted from the customers; stating or representing that, with each order for 15,000 or more coupons with advertising, a set of display silverware would be given retailer, unless said promise and representation is carried out. (Nov. 8, 1935.)

1577. False and Misleading Trade or Corporate Name—Remnants.—New England Woolen Mills Co., a corporation, engaged in the sale of mill remnants and seconds, at wholesale and retail, in interstate commerce, and in competition with other corporations, individuals, firms and individuals likewise engaged, entered into the following

agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

New England Woolen Mills Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the word "Mills" as part of or in connection or conjunction with its corporate or trade name; and from the use of the word "Mills" in any way which may have the tendency or capacity to confuse, mislead or deceive purchasers into the belief that it owns, operates and controls a mill or mills wherein the products which it sells and distributes in interstate commerce are made or fabricated, when such is not the fact. (Nov. 8, 1935.)

1578. False and Misleading Brands or Labels—Cigars.—M. L. Fernandez and Marsell Fernandez, co-partners trading under the firm name and style of M. L. Fernandez & Brother, engaged in the manufacture of cigars and in the sale and distribution of said products in interstate commerce and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

M. L. Fernandez and Marsell Fernandez, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist forever from the use, on brands or labels affixed to said products or to the containers of said products, of the words "Vuelta Abajo", either independently or in connection or conjunction with any other word or words, or in any way so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are composed wholly of tobacco grown on the island of Cuba or in the province of Vuelta Abajo thereof, when such is not the fact. (Nov. 8, 1935.)

1579. False and Misleading Advertising—Granite.—J. A. Begin and A. C. Herbert, copartners trading under the firm name and style of J. A. Begin and Co., engaged in the quarrying of granite from quarries located at Beebe, Province of Quebec, Canada, and in the sale and distribution of said product, so quarried, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The Barre district, within which alone Barre granite is produced or quarried, begins at the southerly part of the city of Barre, in Washington County, State of Vermont, and extends westerly about two and one-half miles and southerly about four miles to and including Williamstown, in Orange County, Vermont. The granite produced in the quarries located within this district possesses qualities of texture,

color, and durability which give it peculiar fitness for use in the manufacture of monuments and memorials and for building construction and because of such qualities said products have acquired a widespread reputation and popularity and the producers thereof have a valuable good will in the word "Barre" as applied thereto.

J. A. Begin and A. C. Herbert, in soliciting the sale of and selling their products in interstate commerce, have agreed to cease and desist from the use in advertisements or advertising matter or otherwise, of the words "Near Barre" as descriptive of or to designate products which are not in truth and in fact made of granite produced or quarried near Barre, Vermont, and within the Barre district; and from the use of the word "Barre" either alone or in connection or in conjunction with the word "Near" or with any other word or words or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said products are made of granite produced or quarried in the Barre district, when such is not the fact. (Nov. 8, 1935.)

1580. False and Misleading Brands or Labels and Trade Name—Shoes.—Bridgewater Workers Co-operative Association, Inc., a corporation engaged in the manufacture of shoes and in the sale and distribution of the same in interstate commerce, and Family Shoe Corporation, a corporation, engaged in the purchase of shoes in interstate commerce and in the sale thereof at wholesale and retail, and in the distribution thereof in commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Bridgewater Workers Co-operative Association, Inc., and Family Shoe Corporation, agreed, and each for itself agreed, to cease and desist from co-operating with each other in the production of shoes stamped, branded, or marked with the word "Doctor", or the abbreviation "Dr." in connection or conjunction with a name or with any other word or words as a trade name, brand, or designation for products not made in accordance with the design and/or under the supervision of a doctor and not containing special, scientific, orthopedic features which are the result of medical advice and services; And said Bridgewater Workers Co-operative Association, Inc., further agreed to cease and desist from marking, stamping, or branding any of its products with the word "Doctor" or the abbreviation "Dr." in connection or conjunction with a name or with any other word or words as a trade name, brand, or designation for products not made in accordance with the design and/or under the supervision of a doctor and not containing special, scientific, orthopedic features which are the result of medical advice and services. (Nov. 8, 1935.)

1581. False and Misleading Brands or Labels and Trade Name—Shoes.—International Shoe Co., a corporation, is engaged in the manufacture of shoes and in the sale and distribution of the same in interstate commerce. The Great Northern Shoe Co. and the Interstate Shoe Co. are subsidiaries of said International Shoe Co., engaged in the manufacture of shoes and in the sale and distribution of the same in interstate commerce. Family Shoe Corporation, a corporation, is engaged in the purchase of shoes in interstate commerce and in the sale thereof, at wholesale and retail, and in the distribution thereof in commerce. The aforesaid corporations, in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

International Shoe Co. and Family Shoe Corporation, in soliciting the sale of and selling their products in interstate commerce, agreed, and each for itself agreed, to cease and desist from co-operating with each other directly or through its subsidiaries in the production of shoes stamped, branded, marked, or labeled with the word "Doctor", or the abbreviation "Dr." in connection or conjunction with a name or with any other word or words as a trade name, brand, or designation for products not made in accordance with the design and/or under the supervision of a doctor and not containing special, scientific, orthopedic features which are the result of medical advice or services.

And said International Shoe Co. further agreed to cease and desist from marking, stamping, branding, or labeling, directly or through its subsidiaries, any of its products with the word "Doctor" or the abbreviation "Dr." in connection or conjunction with a name or with any other word or words as a trade name, brand, or designation for products not made in accordance with the design and/or under the supervision of a doctor and not containing special, scientific, orthopedic features which are the result of medical advice and services. (Nov. 8, 1935.)

1582. False and Misleading Advertising—China Bathroom Fixtures.—Bay Ridge Specialty Co., Inc., a corporation, engaged in the manufacture of vitreous, high fired china bathroom fixtures and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Bay Ridge Specialty Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce that extremes of temperature in

firing cause the glaze on decorative fixtures to craze or crack when climatic conditions change. (Nov. 11, 1935.)

1583. False and Misleading Advertising—Atomizers.—T. J. Holmes Co., Inc., a corporation, engaged in the manufacture of atomizers and in the sale and distribution of the same in interstate commerce, and in competition with other corporations, firms, individuals, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

T. J. Holmes Co., Inc., in soliciting the sale of and selling its said product in interstate commerce, agreed to cease and desist from the use in its advertising matter or otherwise of the statement or representation that its said product "is the only atomizer on the market which will successfully handle silver preparations", when such is not the fact; and from the use of the said statement or representation or of any other statement or representation of equivalent meaning so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that its said product is the only atomizer on the market which is capable of use successfully or with safety in the spraying of silver preparations, when such is not the fact (Nov. 11, 1935.)

1584. Misrepresenting Products—Caskets.—R. J. Evans and Al Thornton, co-partners trading as Rex Art Casket Co., engaged in the manufacture of burial caskets and in the sale and distribution of said products, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

R. J. Evans and Al Thornton, in soliciting the sale and selling their products in interstate commerce, agreed to cease and desist from stating or representing in guarantees furnished to purchasers of their products that redwood is unsurpassed by any wood from the standpoint of durability or resistance to decay; that redwood is immune to the destructive work of white ants; from publishing in guarantees furnished to purchasers any table or tables purporting to show the comparative resistance to decay of different varieties of woods, based upon estimates of the United States Forest Service, wherein such estimates are distorted, misrepresented, and falsified. (Nov. 11, 1935.)

1585. Misrepresenting Products—Caskets.—Owen McCarty, W. J. McCarty, George Chinnery, and W. A. Hufnagle, copartners trading under the name and style of Midland Valley Casket Co., engaged in the manufacture of burial caskets and in the sale and distribution of said products in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise en-

gaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition a set forth therein.

Owen McCarty, W. J. McCarty, George Chinnery, and W. A. Hufnagle, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from stating or representing, in guarantees furnished to purchasers of their products, that redwood is unsurpassed by any wood from the standpoint of durability or resistance to decay; that redwood is immune to the destructive work of white ants; from publishing in guarantees furnished to purchasers any table or tables purporting to show the comparative resistance to decay of different varieties of woods, based upon estimates of the United States Forest Service, wherein such estimates are distorted, misrepresented, and falsified. (Nov. 11, 1935.)

1586. **Misrepresenting Products—Lumber.**—Hammond Lumber Co., Inc., a corporation, engaged in the sale of lumber including redwood used for the manufacture of burial caskets, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Hammond Lumber Co., Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from stating or representing in guarantees furnished to purchasers of its products, that redwood is unsurpassed by any wood from the standpoint of durability or resistance to decay; that redwood is immune to the destructive work of the white ants; from publishing in guarantees furnished to purchasers any table or tables purporting to show the comparative resistance to decay of different varieties of woods, based upon estimates of the United States Forest Service, wherein such estimates are distorted, misrepresented, and falsified. (Nov. 11, 1935.)

1587. **Simulating Container of Competitor—Scissor Sharpener.**—Frank Herschel McCullough, Frances McCullough, and Harry T. Weaver, copartners trading under the firm name and style of Herschel Novelty Works, engaged in the business of inventing, manufacturing, and selling in interstate commerce, novelties in wood, paper, and metal; and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

John Clark Brown, an individual, engaged in the invention of metal novelties, which he causes to be manufactured, and in the sale and

distribution of said products in interstate commerce. Among his products is a scissors sharpener which he puts up and sells in a rectangular paper container having a red background and imprinted thereon a pictorial representation of his said device in connection with a pair of scissors, and with the following words:

SCISSORS Kenberry SHARPENER

Warranted Quality Product (In black letters)

Makes Sharp—Lasts a Lifetime—Smooth (Picture) (White letters)

Cutting Edges (White letters)

Use as if cutting the Bar, with slow firm but not too heavy stroke.

Repeat 5 or 6 times. (Black letters)

Said John Clark Brown has advertised his "Kenberry" scissor sharpener extensively and sold the same to many dealers in novelties and jobbers in various States of the United States, and as a result of such advertising has built up a large business in the sale of said product and acquired a good will in the design, colors, and wording of the packages in which said product is packed, sold, and distributed.

Frank Herschel McCullough, Frances McCullough, and Harry T. Weaver, agreed, and each for himself or herself agreed, in soliciting the sale of or selling their scissor sharpener in interstate commerce, to cease and desist from offering for sale or selling the same in interstate commerce in a container simulating in color, design, arrangement, or lettering the container used by said John Clark Brown. (Nov. 13, 1935.)

1588. False and Misleading Trade or Corporate Name and Advertising—Woolen Garments.—Lee Knitting Mills Corporation, engaged in the sale and distribution, in interstate commerce of bathing suits, slacks, jerseys, and other woolen garments, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Lee Knitting Mills Corporation in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use as part of its corporate or trade name the words "Knitting Mills", and from the use of the words "Knitting" and/or "Mills", or either of them, in any way which may have the tendency or capacity to confuse, mislead or deceive purchasers into the belief that said corporation actually owns and operates, or directly and absolutely controls, a mill or factory wherein any or all of its said products are made or fabricated. (Nov. 15, 1935.)

1589. False and Misleading Trade Name, Brands or Labels and Advertising—Wines.—Almaden Vineyards Corporation, a corporation, engaged in the growing of grapes and in the manufacture there-

from of wines, and in the sale and distribution of same in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Chateau d'Yquem is the name of an estate belonging to the Marquis de Lur-Saluces, located in the territory of Sauternes of the Province of Bordeaux, France. On this estate is produced a sweet wine which is sold and distributed in various countries, including the United States of America, under the name or brand of "Chateau d'Yquem". By reason of the excellence of this wine, the producers thereof have acquired a valuable good will in the words "Chateau d'Yquem" as applied to a sweet wine.

Almaden Vineyards Corporation, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Chateau Yquem" in advertisements or advertising matter, or as a trade name or brand for any of its products, or on labels attached to the containers in which the same are sold and distributed in interstate commerce; and from the use of the words "Chateau Yquem" in any way which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that its products are the products of the Chateau d'Yquem in France. (Nov. 15, 1935.)

1590. False and Misleading Brands or Labels and Advertising—Steel Wool.—Goodman Products Corporation, a corporation, engaged in the repacking of steel wool and steel wool cleaning pads obtained by it from primary steel wool manufacturers, and in the sale and distribution of said products in interstate commerce, under the trade names "Paradise Packing Company" and "Easyway Products Corporation", and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Goodman Products Corporation agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from the use on its labels, printed or advertising matter of whatever character, of the words "Manufacturers of" or "manufactured by", or of any other word or words of equivalent meaning, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief, that the said corporation makes or manufactures the products which it sells or that it owns and operates or directly and absolutely controls the mill or factory in which its said products are made or manufactured, when such is not the fact. (Nov. 15, 1935.)

1591. False and Misleading Mark, Stamp or Brand—Door Guard Lock.—J. M. Rurka, an individual, doing business as the Secure Lock Co., engaged in the manufacture of a door guard lock and in the sale and distribution thereof, under the trade designation "Secure Adjustable Door Guard", in interstate commerce, and in competition with other individuals, firms and partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. M. Rurka, in soliciting the sale of and selling his product in interstate commerce, agreed to cease and desist from the use of the phrase "Pat. Pend." as a mark, stamp, or brand for the said product, when in fact, no application for United States patent relating to said product has been actually filed with the United States Patent Office at Washington, D. C. The said J. M. Rurka also agreed to cease and desist from the use of the words "Patent Pending" or the abbreviations "Pat. Pend.", or of any other word or words of similar meaning, as a mark or brand for the said product so as to import or imply, or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief, that an application for United States patent relating to said product has been actually filed with the United States Patent Office at Washington, D. C., when such is not the fact. (Nov. 21, 1935.)

1592. False and Misleading Prices—Watches.—Jacob J. Schmukler and Bernard Schmukler, co-partners trading under the firm name and style of J. J. Schmukler & Son, engaged in business as wholesale dealers in watches, and in the sale and distribution of said products in interstate commerce, and in competition with other partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Jacob J. Schmukler and Bernard Schmukler agreed to cease and desist from selling and distributing in interstate commerce, or from distributing in interstate commerce to others for sale, products to which are affixed tags bearing what purport to be retail selling prices but which prices are exaggerated and fictitious and/or much in excess of the price or prices at which said products are sold or intended to be sold in the ordinary course of trade. (Nov. 22, 1935.)

1593. False and Misleading Advertising—Hosiery and Wearing Apparel.—Real Silk Hosiery Mills, Inc., a corporation, engaged in the manufacture of silk hosiery and other wearing apparel, and in the sale and distribution of said products, in interstate commerce, and in competition with other corporations, individuals, firms and partnerships likewise engaged, entered into the following agreement to cease

and desist forever from the alleged unfair methods of competition as set forth therein.

Real Silk Hosiery Mills, Inc., agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from: the use of the words "Custom made" in advertisements and advertising matter to describe and designate products not made to order or to the customer's measure; the use in advertisements or advertising matter of any statements or representations having the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that its ladies' hosiery is made to order or to the customer's measure, when such is not the fact. (Nov. 29, 1935.)

1594. **False and Misleading Trade Name and Advertising—Knitted Outerwear.**—Joseph Beitler, Frank Beitler, and Joseph Shapiro, co-partners trading under the firm name and style of Goodwear Knitting Mills, engaged in the sale and distribution of knitted outerwear for men and boys, in interstate commerce and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Joseph Beitler, Frank Beitler, and Joseph Shapiro, in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use of the words "Knitting Mills", or of either of the said words, in connection or conjunction with their trade name. The said copartners also agreed to cease and desist from the use of the words "Knitting", "Mills", and "Manufacturers", or any of them, alone or in connection or conjunction with any other word or words, on their invoices, letterheads, or other printed matter, distributed in interstate commerce, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said copartners knit or manufacture the products sold by them or that they actually own and operate or directly and absolutely control the mill or factory in which said products are knit or manufactured, when such is not the fact. (Nov. 29, 1935.)

1595. **False and Misleading Advertising—Finger Rings.**—American Foto Products Co., a corporation, engaged in the manufacture of finger rings allegedly made of a specially prepared casein in which is embedded a miniature of any photograph submitted by a customer, and which rings the said corporation sells and distributes in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

American Foto Products Co. agreed, in soliciting the sale of and selling its products in interstate commerce, to cease and desist from

the use in its advertisements and advertising matter having interstate circulation, or in any other way, of statements and representations to the effect that salesmen engaged in marketing its finger rings "make up to \$40.00 a day just wearing one of these money-making rings" or that said salesmen "can work full time or part time and make up to \$20.00 to \$40.00 every day—day in and day out", when such are not the facts. The said corporation also agreed to cease and desist from the use in its said advertising matter or otherwise of any and all erroneous and exaggerated statements and claims respecting the profits realized by salesmen in the sale of said products. (Nov. 29, 1935.)

1596. False and Misleading Price Tags—Watches.—A. Hirsch Co., a corporation, engaged in business as a wholesale dealer in watches and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

A. Hirsch Co. agreed to cease and desist from selling and distributing in interstate commerce, or from distributing in interstate commerce to others for sale, products to which are affixed tags bearing what purport to be retail selling prices but which are exaggerated and fictitious and/or much in excess of the price or prices at which said products are sold or intended to be sold in the ordinary course of trade. (Dec. 3, 1935.)

1597. False and Misleading Advertising—Mushroom Spawn.—J. Harold Booth, an individual trading under the name and style of United Mushroom Co., engaged in the sale of mushroom spawn, instructions for the growing of mushrooms, and other adjuncts to the mushroom growing business, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

J. Harold Booth, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter circulated in interstate commerce that mushrooms can be successfully grown anywhere about the purchaser's house or on his premises; that the cultivation of mushrooms is easy and simple and requires comparatively little time; that large crops of mushrooms, bringing in substantial sums of money, can be grown in the home; that crops of mushrooms grow rapidly, mature in a brief period of time, or grow over night; that the United Mushroom Co. is engaged in the production of mushroom spawn; that the so-called "Super-Spawn" was

produced by said company; that by his system of growing mushrooms, the work can be made practically odorless; that his "Super-Spawn" can be grown or made to produce profitable crops in locations or under conditions unfavorable to mushroom growth; that crops of from two to two and one-half pounds per square foot, or any other exaggerated and improbable amount, can be produced in beds placed about the grower's premises; from stating or implying directly or indirectly, that brands of mushroom spawn other than his so-called "Super-Spawn" require a dressing of fertile top soil; from the use in advertisements and advertising matter of statements and representations which unduly exaggerate the alleged ease with which mushrooms can be grown, or their profitableness, and which suppress and remain silent upon the difficulties of successfully growing the same; with a tendency and capacity to confuse, mislead and deceive purchasers respecting the true nature of such undertakings. (Dec. 5, 1935.)

1598. False and Misleading Testimonials and Advertising—Canaries and Supplies Therefor.—Lawrence C. (Max) Kraft and Rose Kraft, copartners trading under the names and styles of Kraft Bird Co. and Kraft Pet Shops, engaged in the operation of a pet shop and in the sale of canaries and of supplies therefor, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Lawrence C. (Max) Kraft and Rose Kraft, in soliciting the sale of and selling their canaries and supplies in interstate commerce, agreed to cease and desist from stating and representing in advertisements and advertising matter distributed in interstate commerce, that they have been breeders of canaries for sixteen years, or since 1918, or that their proposition is backed by sixteen years of continuous service; that they have handled as many as 300,000 canaries in a single year, and/or that their shipments have averaged over one thousand birds per day for the past several years; that they are the largest breeders and distributors of canaries in America; from publishing letters, or extracts from letters, purporting to be letters received from their customers in 1932, or at any date prior to the date when they engaged in their present business. (Dec. 5, 1935.)

1599. False and Misleading Trade Name and Advertising and Misrepresenting Product—Metal Statuary.—E. M. Viquesney, an individual trading under the name and style of World War Memorial Association, and as American Doughboy Studios, engaged in the sale of statuary and other objects d'art made of metal, in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agree-

ment to cease and desist forever from the alleged unfair methods of competition as set forth therein.

E. M. Viquesney agreed, in soliciting the sale of and selling his products in interstate commerce, to cease and desist from the use of the word "Association" as part of or in connection or conjunction with any trade name under which to carry on his said business; and from the use of the word "Association" in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers into the belief that they are dealing with an association of persons officially connected with the American Legion, or with an association of World War veterans, when such is not the fact; that the material used in the base of his monuments is composed of "Indiana Carrarra Marble"; and from the use of the words "Indiana Carrarra Marble" or any thereof, in any way which may have the tendency or capacity to confuse, mislead, or deceive purchasers respecting the material of which such bases are composed; that he has the endorsement of the American Legion; that his "Spirit of the American Doughboy" Memorial is composed of "Cast Metal Bronze (French Process)", and/or that the same is composed of bronze; and from the use of the word "Bronze" in any way which may have the capacity or tendency to confuse, mislead or deceive purchasers respecting the actual composition thereof; that said monument weighs seven hundred pounds, or that it weighs any other number of pounds substantially other than the actual weight thereof; that he has studios in New York, Chicago, and Carrarra, Italy. (Dec. 6, 1955.)

1600. False and Misleading Brands or Labels and Advertising—Silverware.—Diamond Silver Co., a corporation, engaged primarily in the manufacture of flat and hollow-ware for table use and in the sale and distribution of said merchandise in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Diamond Silver Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in its printed matter or in any other way of the coined words "Diamond-gold" and "Goldcraft", or either of them, as descriptive of its products which are not composed of gold in whole or in part; and from the use of the word "gold", either alone or in connection or conjunction with the prefix "diamond" or with the suffix "craft" or with any other word or words, or in any other way, to designate, represent, or refer to its said products so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said products are composed of gold, either in whole or in part, when such is not the fact. (Dec. 10, 1935.)

1601. **False and Misleading Advertising—Burial Vaults.**—John C. Koch, an individual doing business as St. Louis Wilbert Vault Co., engaged in the manufacture of a burial vault designated "Wilbert Asphalt Burial Vault" and in the sale and distribution of such products in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

John C. Koch, in soliciting the sale of and selling his vaults in interstate commerce, agreed to cease and desist from the use in his advertisements and advertising matter circulated in interstate commerce of the word "eternal", either alone or in connection or conjunction with any other word or words, as descriptive of his said vaults, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said vaults are of infinite duration or are everlasting or that they will give permanent and positive protection to bodies encased therein. The said John C. Koch also agreed to cease and desist from the use in his said advertising matter of the statement "The Only Dual Vault in the World", as descriptive of his said product, when such is not the fact. The said individual further agreed to cease and desist from the use of any other or similar words, statements, or representations respecting the durability or other qualities of his said product, not warranted by the facts and having the capacity and tendency to confuse, mislead, or deceive purchasers respecting the same. (Dec. 10, 1935.)

1602. **False and Misleading Trade or Corporate Name, Brands or Labels, and Advertising—Soap and Brush Kit.**—London House, Ltd., a corporation, engaged in the sale and distribution, in interstate commerce, of numerous articles of merchandise, including a package consisting of a soap and brush kit and designated "Devon Milk Pre-Facial By Kent of London", and in competition with other corporations, individuals, partnerships, and firms likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

London House, Ltd., in soliciting the sale of and selling its packaged products in interstate commerce, agreed to cease and desist from the use of the words "by Kent of London", either independently or in connection or conjunction with the words "Devon Milk Pre-Facial" or with its corporate and trade name "London House, Ltd.", or with any other word or words, as a brand or label for its said packaged products or in its advertising matter distributed in interstate commerce, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said packaged products are of English origin and

imported into the United States of America, or that each and all of the parts of which said packages are composed is and are made or manufactured in England or by Kent of London, England, when such is not the fact. (Dec. 10, 1935.)

1603. False and Misleading Advertising—Mineral Water.—Samuel Hansen and Thomas Kjorsvik, copartners, trading under the firm name and style "Nu-Jo-Wa Institute", engaged in the sale and distribution, in interstate commerce, of a mineral water, made from tap-water supplied by the city of Los Angeles and subjected to an alleged oxidation and aging process, purchasing their supplies of mineral water from one Anna E. McGrew, of Los Angeles, the manufacturer of the same, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Samuel Hansen and Thomas Kjorsvik, in soliciting the sale of and selling said product in interstate commerce, agreed to cease and desist from the use of statements or representations in their advertisements and advertising matter or otherwise to the effect that said product will give satisfactory relief from conditions such as gas, hyper-acidity, heartburn, indigestion, and the like, or that the said product is a positive neutralizer of stomach acids, or that it will tend to produce sleep, or that it has any demonstrable action on peristalsis, or that it will relieve a run-down, nervous condition, or that it has any practical value in the treatment of cuts, abrasions, or skin diseases, and the like, when such are not the facts. The said Samuel Hansen and Thomas Kjorsvik also agreed to cease and desist from the use in their advertising matter or otherwise of the aforesaid statements or representations, or of any other similar statements or representations, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said product has therapeutic value or properties in excess of those which it, a lime water, mildly alkaline, actually possesses. (Dec. 16, 1935.)

1604. False and Misleading Advertising—Mineral Water.—Anna E. McGrew, an individual trading as Nu-Jo-Wa Process Water Co., engaged in the manufacture of a mineral water, made from tap-water supplied by the city of Los Angeles and subjected to an alleged oxidation and aging process, and in the sale and distribution of said water under the trade designation "Nu-Jo-Wa" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

. Anna E. McGrew, in soliciting the sale of and selling said product in interstate commerce, agreed to cease and desist from the use of statements or representations in advertisements and advertising matter or otherwise to the effect that said product will give satisfactory relief from conditions such as gas, hyperacidity, heartburn, indigestion, and the like, or that the said product is a positive neutralizer of stomach acids, or that it will tend to produce sleep, or that it has any demonstrable action on peristalsis, or that it will relieve a run-down, nervous condition, or that it has any practical value in the treatment of cuts, abrasions, or skin diseases, and the like, when such are not the facts. The said Anna E. McGrew also agreed to cease and desist from the use in advertising matter or otherwise of the aforesaid statements or representations, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said product has therapeutic value or properties in excess of those which it, a lime water, mildly alkaline, actually possesses. (Dec. 16, 1935.)

1605. False and Misleading Trade Name and Misrepresenting Product—Barber and Beauty Shop Supplies.—Goldey Brothers, Inc., a corporation, also trading as Goldey Brothers Co., engaged in the sale at wholesale of barber and beauty shop supplies, and also in the manufacture of a line of products which it sells and distributes under the trade name of "Goldey Lox Preparations" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Goldey Brothers, Inc., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from: the use of the words "Hair Color Restorer" as a part of the trade name for any of its products which do not have the property of restoring gray hair to its natural color; stating or representing that the formula of its so-called Goldey Lox Hair Color Restorer is new; stating or representing that said product is a food or tonic to the hair; stating or representing that by the use of said product gray hair can be restored to its natural color or lustre; and/or stating or representing that said preparation is not a dye or stain, or that the same is other than a dye or stain. (Dec. 17, 1935.)

1606. False and Misleading Brands or Labels—Table Tennis Nets.—Table Tennis Corporation of America, a corporation, engaged in the business of manufacturing bats, bat presses, posts, and nets used in the game of ping pong or table tennis. It has applied some special features to its nets consisting of a rigid metal frame so made that the tension is the same the entire length of the ends of the net. It sells

and has sold and distributed its said products in interstate commerce, and in competition with other corporations, firms, partnerships, and individuals likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Table Tennis Corporation of America, in soliciting the sale of and selling its nets in interstate commerce, agreed to cease and desist from labeling or otherwise marking, branding, or designating said nets with the word "patented", when in fact no patent has been obtained thereon; and from the use of the word "patented", or of any other word of equivalent meaning, on the labels affixed to said products or in any other way, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said Table Tennis Corporation of America has a United States or other patent on said products or on the method of construction of the same or on any part thereof, when such is not the fact. (Dec. 16, 1935.)

1607. **False and Misleading Advertising—Pianos.**—Pearson Co., Inc., a corporation, engaged in the sale and distribution of pianos, radios, and other merchandise in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Pearson Co., Inc., in offering for sale and selling its products in interstate commerce, agreed to cease and desist from stating or representing in its advertising matter or otherwise that it has a piano or pianos of a given type, make and/or description in any designated community or communities, when in fact it has no such piano or pianos in such community or communities. (Dec. 19, 1935.)

1608. **False and Misleading Prices and Advertising—Granite and Marble Monuments.**—Newell Massey, an individual trading as Reliable Monument Co. and as Burton Gray Co., engaged in the sale and distribution of granite and marble monuments in interstate commerce, and in competition with other individuals, firms, corporations, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Newell Massey, in soliciting the sale of and selling his granite in interstate commerce, agreed to cease and desist from the use of the words "Highest Quality Gray Granite" as descriptive of his said product, when such is not the fact. The said individual also agreed to cease and desist from the use in its advertisements or in any other way, of the words "highest quality" or of any other word or words

of similar meaning as descriptive of his granite, so as to import or imply or which may tend to confuse, mislead, or deceive purchasers into the belief that the quality of the said product exceeds that of all other granites offered for sale and sold, when such is not the fact. The said individual also agreed to cease and desist from the use in his circular matter or otherwise of the phrase "Special for 30 days only" either independently or in connection or conjunction with the statement "This marker only \$27.50" or with any other statement, word, or words or in any way, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the price of \$27.50 is a special price and/or that it is a special offer for 30 days only, when such is not the fact. (Dec. 19, 1935.)

1609. **False and Misleading Price Tags—Watches.**—A. Cohen & Sons Corporation, a corporation, engaged in business as a wholesale dealer in watches and in the sale and distribution of said products in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

A. Cohen & Sons Corporation, in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from selling and distributing in interstate commerce, or from distributing in interstate commerce to others for sale, products to which are affixed tags bearing what purport to be retail selling prices but which prices are exaggerated and fictitious and/or much in excess of the price or prices at which said products are sold or intended to be sold in the ordinary course of trade. (Dec. 23, 1935.)

1610. **False and Misleading Trade Name and Brands or Labels—Shoes.**—Brown Shoe Co., a corporation, engaged in the manufacture of shoes and in the sale and distribution of the same under the trade name "Naturalizer Shoes" in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Brown Shoe Co., in soliciting the sale of and selling its said shoes in interstate commerce, agreed to cease and desist from the use of the word "Doctor" or the abbreviation "Dr." or any simulation thereof, in connection or conjunction with a name or with any other word or words as a trade name, brand, or designation for said shoes, or in any other way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said shoes were made in accordance with the design and/or under the supervision

of a doctor and contain special, scientific, orthopedic features which are the result of medical advice and services, when such is not the fact. (Dec. 24, 1935.)

1611. False and Misleading Prices and Advertising—Depilatory.—Evelyn Beveridge, an individual doing business as LaBelle Laboratories, engaged in the business of manufacturing a compound for use as a depilatory, and in the sale and distribution of the same under the trade designation "LaBelle" in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Evelyn Beveridge, in soliciting the sale of and selling her product in interstate commerce, agreed to cease and desist from the use in advertisements and advertising matter, or in any other way, of statements or representations to the effect that the use of said product on the person will destroy the hair root so as to prevent regrowth of hair, or that such use of the said product will permanently remove hair, as it acts directly on the hair root, making it dormant and stopping the growth, or that such use of the said product will never irritate or inflame the most delicate or tender skin, when such are not the facts. The said individual also agreed to cease and desist from the use, in said advertising matter or otherwise, of the statement "Special Offer. Send \$1.00 for \$1.50 size", so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the regular price at which said product has been sold in the ordinary course of trade is \$1.50 and that the offer of said product for \$1.00 is a "special" offer, when such is not the fact. (Dec. 26, 1935.)

1612. False and Misleading Trade or Corporate Name, Brands, or Labels and Advertising—Distilled Products.—Royal Distilling Co., a corporation, engaged in business as a rectifier of distilled products, and the sale and distribution of the same in interstate commerce, and in competition with other corporations, firms, individuals, partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Royal Distilling Co., in soliciting the sale of and selling its products in interstate commerce agreed to cease and desist from the use of the word "Distilling" as part of or in connection or conjunction with its corporate or trade name and from the use of the word "Distilling" or its derivatives, or of any other word or words of similar meaning on its labels or in its advertising or printed matter or in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said Royal Distilling Co. is a distiller

or that it actually owns and operates or directly and absolutely controls a distillery in which its products are distilled, when such is not the fact. (Dec. 30, 1935.)

1613. False and Misleading Trade Name and Advertising—Automobile Stop-light and Tail-light Lenses.—Peter P. Stone, an individual doing business as the Merit Manufacturing Co., engaged in the sale and distribution of automobile stop-light and tail-light lenses in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Peter P. Stone, in soliciting the sale of and selling his lenses in interstate commerce, agreed to cease and desist from the use, in his advertisements and advertising matter of whatsoever character, of illustrations of lenses which do not accurately, correctly, and truthfully portray the lenses offered for sale and sold by him; and from the use in such advertising matter of illustrations of lenses which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the lenses offered for sale and sold by the said Peter P. Stone are of the same design and reflecting properties as those illustrated in said advertising matter, when such is not the fact. The said Peter P. Stone also agreed to cease and desist from the use of the word "manufacturers" as part of or in connection or conjunction with his trade name, and from the use of the word "manufacturers", either alone or in connection or conjunction with any other word or words, or in any way, so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief, that the said Peter P. Stone makes or manufactures the products which he sells and/or that he actually owns and operates or directly and absolutely controls a plant or factory in which his products are made or manufactured. (Dec. 30, 1935.)

1614. False and Misleading Prices and Advertising—Baby Chicks.—Irving L. Bush, an individual doing business as Bush Hatchery, engaged in the business of hatching various types and breeds of baby chicks and in the sale and distribution thereof in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Irving L. Bush, in soliciting the sale of and selling his baby chicks in interstate commerce, agreed to cease and desist from the use in his advertising matter, or in any way of the statement "We even pay the postage on your order", or of any other similar statement, in connection with price-lists for chicks, or in any other way which may have the capacity or tendency to confuse, mislead, or deceive cus-

tomers or prospective customers into the belief that said price-lists constitute or represent the prepaid or delivered prices for the chicks, when such is not the fact; of price-lists for chicks together with the statement, "Add $\frac{1}{2}\text{¢}$ per chick on orders for less than 50", so as to import or imply or which may tend to mislead or deceive customers or prospective customers into the belief that the said prices represent "delivered" prices in all instances other than those in which fewer than fifty chicks are ordered, when such is not the fact; of price-lists for chicks in any way which may have the capacity or tendency to confuse, mislead, or deceive customers or prospective customers into the belief that the said prices are "delivered" prices; unless, when such price-lists are used in said advertising matter, but which price-lists do not represent "delivered" prices, then, in that case, said price-lists shall be conspicuously accompanied by some statement or suitable explanation which shall indicate clearly that said price-lists do not represent "delivered" prices and that will indicate clearly that additional charges are to be added to the published prices, as for packing, handling, shipping, or other service or cause.

The said Irving L. Bush also agreed to cease and desist from the use in his advertising matter of the statement "We ship C. O. D. (plus postage)", so as to import or imply that in those cases where cash accompanies the order there will be no charge made for postage, when such is not the fact. The said Irving L. Bush further agreed to cease and desist from stating or representing in his advertising matter that he has cockerels for sale, when in fact shipment of ordered cockerels is not to be made until the pullets are sold; unless, when an offer to sell cockerels is made in said advertising matter but shipment thereof is not to be made until the pullets are sold, then, in that case, such advertised offer to sell cockerels shall be conspicuously accompanied by a statement which indicates clearly that shipment of the cockerels ordered will not be made until the pullets are sold. The said individual also agreed to cease and desist from the use in his advertising matter of different prices for separate, distinct grades of chicks so as to import or imply or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said chicks have been separated into the indicated distinct grades in accordance with a set or definite standard for so grading the chicks or from special-grade eggs, when such is not the fact. The said individual also agreed to cease and desist from the use in his said advertising matter of statements such as "Expert culling and inspection by trained experts to definitely eradicate disease in the parent flock and by scientific selection of breeders to build up uniform high egg production for customers. Inspectors who can tell everything physically wrong with a live fowl internally. Post-mortems prove they are right", or of any similar statement which may have the capacity or tendency to mis-

lead or deceive customers or prospective customers into the belief that all diseases of chickens are possible of diagnosis by casual inspection, when such is not the fact. (Dec. 31, 1935.)

1615. False and Misleading Advertising—Cosmetics.—Virginia Sheridan, Inc., a corporation, engaged in the manufacture of a line of cosmetic preparations, including an item which is chiefly designed and used as a means of concealing birthmarks or skin blemishes, and in the sale and distribution of said preparations in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Virginia Sheridan, Inc., in soliciting the sale of and selling its product in interstate commerce, agreed to cease and desist from the use of advertising matter and from financially or otherwise assuming liability for advertising matter used by stores purchasing its product, and which advertising matter contains statements to the effect that the use of said product will remove skin blemishes, or will cause birthmarks, blemishes, scars, and the like, to vanish or disappear, so as to import or which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the use of said product will cause such skin disfigurements to cease to be or exist, when such is not the fact; unless, when such statements are used as descriptive of the capability of said product to conceal such disfigurements, then in that case, the said statements shall be immediately accompanied by some other statement or statements which shall indicate clearly that the effect of the use of said product is merely to conceal such disfigurements and that will otherwise indicate clearly that the use of said product will not cause such disfigurements to be removed or to cease to be or exist. The said Virginia Sheridan, Inc. also agreed to cease and desist from the use of advertising matter and from financially or otherwise assuming liability for advertising matter used by stores purchasing its product, and which advertising matter contains statements or representations to the effect that said product is the only product on the market offered for sale and sold for the purpose of concealing skin disfigurements, such as birthmarks, blemishes, scars, and the like; and from the use in such advertising matter of statements such as "There is not and never has been anything in cosmetics that works the miracle of Creme Neutra" and "Here is something never before heard of in facial make-up", or of any other statements or representations of similar meaning which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that they, such purchasers, are restricted to the use of the said product, Creme Neutra, as a means to conceal such skin disfigurements, when such is not the fact. (Dec. 31, 1935.)

1616. False and Misleading Advertising—Cream or Butterfat.—Frank Gue, an individual, doing business as Star Seed Co., engaged in the business of buying, among other articles of merchandise, cream or butterfat in interstate commerce, and selling same in interstate commerce, and in competition with other individuals, firms, and partnerships and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Frank Gue, in soliciting the purchase of and purchasing cream or dairy products in interstate commerce, agreed to cease and desist from the use, in connection with his advertisements and advertising matter, of the statement "Cream Producers' Own Organization" or of any other words of equivalent meaning, either alone or in connection or conjunction with the words "Star Seed Cream Club", or with any other words, so as to import or imply, or which may have the capacity or tendency to confuse, mislead, or deceive patrons or prospective patrons having cream or dairy products for sale into the belief, that the said Frank Gue is operating or conducting a cooperative creamery or organization, when such is not the fact. (Dec. 31, 1935.)

1617. False and Misleading Brands or Labels, Prices and Advertising—Blankets.—Russell L. Post and Herman Ricker, copartners trading under the firm name and style of National Mailing Service and also as Reliable Products Co., engaged in the sale, by mail orders, of advertising specialties, including blankets, and in the distribution of said products in interstate commerce, and in competition with other partnerships, firms, individuals, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Russell L. Post and Herman Ricker, in soliciting the sale of and selling their products in interstate commerce, agreed to cease and desist from the use of the words "Indian" and/or "Wyandotte 6", either independently or in connection with the use of Indian heads and of conventional Indian patterns in the weave of blankets, in any way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the products so referred to are made by American Indians, when such is not the fact; the use of the words "Indian", "Indian Blankets" and/or "Wyandotte 6", in advertisements or advertising matter circulated in interstate commerce, unless accompanied by appropriate and conspicuous words or phrases clearly indicating that the blankets are not made by American Indians; the use of such statements and representations as "You pay no profit to the Jobber and Traveling Salesmen", alone or in connection or conjunction with any other words or phrases, or in any way which may have the capacity and tendency to confuse, mislead, or

deceive purchasers into the belief that they or either of them are the manufacturers of the products referred to, when such is not the fact; the use of such statements as "Formerly sold for \$2.98 and worth more. NOW" and/or "My low \$1.67½ price is good only while the present stock lasts", and/or of any other similar statements or representations which may have the capacity or tendency to confuse, mislead or deceive purchasers into the belief that the price of \$1.67½ is a reduced price offered for a short time only, when such is not the fact. (Dec. 30, 1935.)

1618. False and Misleading Trade Name—Men's Suits and Overcoats.—Harry Cohen, an individual, trading as British Woolen Mills, engaged in the sale and distribution of men's suits and overcoats in interstate commerce, and in competition with other individuals, firms, partnerships, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Harry Cohen, in soliciting the sale of and selling his products in interstate commerce, agreed to cease and desist from the use of the word "British" as part of or in connection or conjunction with his trade name, or in any other way which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that the said products are of British or English origin and imported into the United States of America. The said Harry Cohen also agreed to cease and desist from the use of the word "Mills" either independently or in connection with the word "British", as part of his trade name, or in any other way, in soliciting the sale of and selling his products in interstate commerce, so as to import or imply or which may tend to mislead or deceive purchasers into the belief that the said Harry Cohen makes or manufactures his said products or that he actually owns and operates or directly and absolutely controls a mill located in Great Britain or elsewhere wherein are made or manufactured the products offered for sale and sold by him in interstate commerce. (Jan. 9, 1936.)

1619. False and Misleading Brands or Labels and Advertising—Hair Preparation.—Isadore N. Levy, Eva Levy, and Louis Davidson, copartners trading under the firm name and style of Perfection Products, engaged in the sale and distribution of a preparation designated "Vigair" for use on the hair, in interstate commerce, and in competition with other partnerships, individuals, firms, and corporations likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

Isadore N. Levy, Eva Levy, and Louis Davidson, in soliciting the sale of and selling their product in interstate commerce, agreed to cease and desist from the use in their advertising matter or on the

labels affixed to their product of any and all statements and representations to the effect that their said product will restore the original or natural color and vitality of or lustrous youth to hair, or that it will restore original color to gray hair naturally and gradually, or that it will effectively rid the scalp of dandruff or effectively relieve dandruff conditions, stop falling hair and itching scalp, or that it stimulates the glands to normal activity. The said co-partners also agreed to cease and desist from the use of any and all statements, in soliciting the sale of and selling their product, which may have the capacity or tendency to confuse, mislead, or deceive purchasers into an erroneous belief that the use of said product on the hair will color or restore original color to gray hair or will otherwise alter the color thereof. (Jan. 10, 1936.)

1620. False and Misleading Advertising—Cabinets and Mirrors.—The F. H. Lawson Co., a corporation, engaged in the manufacture, among other things, of cabinets suitable for bathroom and medical use, which cabinets are equipped with mirrors purchased from the manufacturer thereof, and in the sale and distribution of said products, equipped with such mirrors, in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The terms, "copper-back", "copper-backed", and "backed with copper", as applied to mirrors, have acquired through long usage a secondary meaning among the trade and purchasing public as indicating a mirror having a protective coating or a continuous sheath or layer of solid copper applied by use of electrolysis to the silver nitrate reflecting surface of the mirror.

F. H. Lawson Co., in soliciting the sale of and selling its products in interstate commerce, agreed to cease and desist from the use in its advertising matter or otherwise of the words "copper-backed" as descriptive of the mirrors with which its said products are equipped, so as to import or imply that said mirrors are made by electrolytically applying a protective coating or a continuous sheath or layer of solid copper to the silver nitrate reflecting surfaces of said mirrors. The said corporation also agreed to cease and desist from the use of the words "copper-backed", or of any other word or words of similar meaning, as descriptive of said mirrors, which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said mirrors are backed with copper applied by the use of electrolysis, when such is not the fact. (Jan. 13, 1936.)

1621. False and Misleading Brands or Labels—Mirrors.—The Mid-West Glass Co., a corporation, engaged in the manufacture of a

certain type of mirror under license of Peacock Laboratories, Inc., by a process developed and patented by the latter organization, which product respondent sells and has sold in interstate commerce, and in competition with other corporations, individuals, firms, and partnerships likewise engaged, entered into the following agreement to cease and desist forever from the alleged unfair methods of competition as set forth therein.

The terms, "copper-back", "copper-backed", and "backed with copper" as applied to mirrors, have acquired through long usage a secondary meaning among the trade and purchasing public as indicating a mirror having a protective coating or a continuous sheath or layer of solid copper applied by use of electrolysis to the silver nitrate reflecting surface of the mirror.

Mid-West Glass Co., in soliciting the sale of and selling its mirrors in interstate commerce, agreed to cease and desist from the use, as a brand or label for the said mirrors, of the words "copper back" so as to import or imply that said mirrors are made by electrolytically applying a protective coating or a continuous sheath or layer of solid copper to the silver nitrate reflecting surfaces of said mirrors. The said corporation further agreed to cease and desist from the use of the said words "copper back" or of any other word or words of similar meaning, as descriptive of its said mirrors, which may have the capacity or tendency to confuse, mislead, or deceive purchasers into the belief that said mirrors are backed with copper applied by the use of electrolysis, when such is not the fact. (Jan. 13, 1936.)

DIGEST OF FALSE, MISLEADING, AND FRAUDULENT ADVERTISING STIPULATIONS¹

0877. Vendor-Advertiser—Hair Tonic.—R. B. Semler, Inc., New York, N. Y., vendor-advertiser, is engaged in selling a preparation for the hair designated “Kreml”, and in advertising represented:

Use Kreml—There's nothing like it for stopping falling hair and dandruff * * * de-salts the hair after a shower or swim!

Kreml—Stops Falling Hair and Dandruff. Polices the hair.

Prevents falling hair and dandruff.

Checks falling hair.

* * * gets rid of dandruff * * * if your hair is coming out in the comb, beat it to your Navy store for Kreml. It absolutely stops moulting.

Now recognized as the quick method of stopping dandruff and falling hair. Stimulates New Growth of Hair.

Kreml will retard grayness.

Don't let baldness blight your life. You can stop hair from falling quickly by using Kreml * * *.

Kreml removes old hair roots from your scalp.

A single bottle of Kreml * * * will convince you that Kreml does stop falling hair.

Stubborn, unruly hair, brittle hair, itching scalp, dandruff, and falling hair are all checked immediately * * *.

How to restore beauty and health to scalp and hair with Kreml.

Men like it as a tonic * * * a hair restorative that stops falling hair and dandruff.

Kreml—is the fastest selling hair tonic in * * * Chicago * * * and other northern * * * cities.

It actually prevents dandruff.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation will stop falling hair, or stop falling hair from coming out, unless limited to the stopping of excessive loss of hair;

(b) That said preparation will de-salt the hair after a shower;

¹Of the special board of investigation, with publishers, advertising agencies, broadcasters, and vendor-advertisers. Period covered is that of this volume, namely, June 25, 1935, to January 13, 1936, inclusive. For digests of previous stipulations, see vols. 14 to 20 of Commission's Decisions.

For description of the creation and work of the special board, see vol. 14, p. 602, et seq.

- (c) That said preparation will stop moulting;
- (d) That said preparation will stimulate a new growth of hair.
- (e) That said preparation will retard grayness;
- (f) That said preparation is a hair restorative;
- (g) That said preparation will stop or prevent dandruff;
- (h) That said preparation will remove old hair roots from the scalp;
- (i) That said preparation is the fastest selling hair tonic in Chicago or other northern cities, unless and until such a representation is justified by reliable information;
- (j) That said preparation will prevent baldness, unless qualified to indicate that it will not be effective where baldness or loss of hair is due to Alopecia.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (June 25, 1935.)

0878. Vendor-Advertiser—Medicinal Preparation.—PX Products Co., Detroit, Mich., vendor-advertiser, is engaged in selling a medicinal preparation, designated "PX Solution" and in advertising represented:

Smart women who use PX, never get caught with embarrassing body odors. Also kills germs, promotes healing, * * *.

THE PERFECT SOLUTION WOMEN'S HYGIENE PROBLEMS

PX * * * heals delicate feminine membranes and protects. PX is guaranteed to completely relieve Leucorrhea (whites) or money refunded. Non-Poisonous and has no odor.

Of Vital Importance to a Happy Marriage.

AFTER BABY'S BIRTH

Since the birth of my baby, in 1929, I've been tormented by leucorrhea (whites). Had to wear a sanitary pad all the time. I used literally everything—without success. In November, my doctor gave me PX, to use as a douche twice daily. At once the foul odor disappeared. The discharge rapidly lessened and has now ceased. Where I had formerly an unpleasant sense of laxness, openness, I now feel close, firm tightness, and support.

* * * We want to tell you of a discovery that makes these things possible. A new, yet old, discovery, that effectively safeguards health and charm—on every point.

Most of the diseases common to women come from bacterial infections. Statistics show that seven women out of ten, past age 25, suffer from the distressing discharges and odors of "Whites"—or leucorrhea—which is a catarrhal condition of the uterine tract. The odor and discharge drive women to distraction!

At first the discharge is somewhat increased, as PX begins clearing up the cause, bringing membrane back to clean, normal health. Then suddenly, this ceases, and the distress is ended. It is often completed in two or three days—cases which have dragged for years.

Many, many women, have already discovered the benefits brought by PX. This is what they say about it: First of all, praises for the relief that poisons need no longer be kept about the house; bichloride of mercury, carbolic acid preparations, iodine preparations. Because with these there was always the possibility of a hideous mistake.

When you think that in the past most preparations used in connection with the douche were deadly poisons and would, over a period of time, deaden and sear the tissues of the vaginal tracts, you will begin to appreciate the new possibilities of PX which is a combination of an astringent, an instant deodorant, and a protection against bacterial infections.

And so, in using PX as a cleansing douche, you are at the time guarding against any bacterial infections with the added feature of stimulating the natural and healthy secretions of the body. PX will also relieve immediately—by virtue of its wonderful healing qualities—any lacerated or inflamed tissue.

PX is advertised and purchased for scores of uses in general antiseptics—the home treatment of wounds, cuts, burns, eczema, rashes, athlete's foot, and other skin troubles. In these uses its combined antiseptic and healing powers are priceless. But at any rate, do go and get your first bottle of PX right away.

Feminine Hygiene, Infections, Cuts, Sores, Wounds, Abrasions, Athlete's foot, Eczema, Pimples, Acne, Other Skin Affections * * * Plant poisoning. Waste poisons are excreted.

For Boils and Sores.

It sterilizes the tract—kills germ life quickly and safely.

Truly a household necessity for boils; sunburn; surgical dressing; athlete's foot; hot, tired feet; cuts and sores; insect bites, etc.

* * * It will positively control and overcome the odor of cancer, gangrene, foul wounds, and of decomposition.

PX is preferable to bichloride of mercury for the reason PX is non-poisonous; * * *.

Efficient in the presence of organic matter.

Stimulates local circulation and relieves blood stasis.

Bactericidal in aqueous dilution, inhibiting germ growth without cell destruction.

As a cleansing deodorizing spray or douche on any diseased or offensive surface.

As an irrigation, dressing, or compress-treatment in wounds, burns, ulcers, or skin diseases.

As a true deodorant and healing agent, generally applicable to the needs of the physician or patient.

PX Solution has been given exacting clinical tests by discriminating physicians with uniformly good results.

Besides its use in personal hygiene, PX has rendered excellent results in the treatment of athlete's foot, stubborn eczema cases, burns, cuts, scratches, ringworm, insect bites, and kindred disorders.

In the practical routine treatment of infected and foul wounds, PX is superior and dependable.

In the restoration to normal, where circulation is impeded and no progress toward healing is apparent, PX will be found unequalled.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) By inference or direct statement that said preparation is a contraceptive;

(b) That said preparation is a germicide or bactericide;

(c) That said preparation is a competent treatment or remedy for either—

(1) Wounds; or

(2) Infections; or

(3) Skin troubles; or

(4) Eczema; or

(5) Rashes; or

(6) Athlete's foot; or

(7) Sores; or

(8) Boils; or

(9) Acne; or

(10) Pimples; or

(11) Ulcers; or

(12) Ringworm; or

(13) Leucorrhea; or

(14) Bacterial infections.

(d) That said preparation is the perfect solution for women's hygiene problems;

(e) That said preparation will heal delicate feminine membranes or protect;

(f) That said preparation is of vital importance to a happy marriage;

(g) That said preparation will effectively safeguard health;

(h) That said preparation will guard against or afford protection against bacterial infection;

(i) That said preparation will relieve any lacerated or inflamed tissue;

(j) That said preparation possesses healing powers;

(k) That said preparation will restore membranes to normal condition;

(l) That said preparation will sterilize;

(m) That said preparation will control or overcome the odor of cancer, gangrene, foul wounds, or decomposition;

(n) That said preparation has been given exacting chemical tests by discriminating physicians with uniformly good results;

(o) That said preparation will restore normal conditions in cases where circulation is impeded or where no progress toward healing has been made;

(p) That said preparation is an effective spray or douche for every diseased or offensive surface;

(q) That said preparation is efficient in the presence of organic matter;

(r) That said preparation will stimulate circulation or relieve blood stasis;

(s) That said preparation is an adequate substitute for or superior to bichloride of mercury, carbolic acid preparations, or iodine preparations;

(t) That any definite proportion of women suffer from leucorrhea, unless proportion is substantiated by reliable and comprehensive medical reports;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 3, 1935.)

0879. **Vendor-Advertiser—Medicinal Preparation.**—Bureau of Feminine Hygiene, New York, N. Y., vendor-advertiser, is engaged in selling various medicinal preparations and appliance for Feminine Hygiene use, and in advertising represented:

Leucorrhea ("Whites"). This common trouble can be controlled by a number of antiseptics used in the douche solution. At the same time it is important that the woman build up her general health.

Inflamed Membrane (Endometritis). An inflammation of the lining (mucous membrane) of the womb. Use douche as prescribed by physician.

Vaginal Inflammation (Vaginitis). Use hot distending douches containing mild antiseptics. Keep body warm. Local applications as prescribed by the physician.

Pelvic Inflammation. Usually a very hot douche will relieve the pain and congestion caused by pelvic inflammation.

Nervous conditions. (Neurosis.) Often due to, or aggravated by, irritating vaginal conditions which may be remedied by the practice of Feminine Hygiene.

An especially important function of the Bureau of Feminine Hygiene is to select and test apparatus and medicaments suitable for the correct practice of Feminine Hygiene. The Bureau of Feminine Hygiene is pledged to sponsor only those products which have passed the most rigid tests. If the best available is not considered good enough, the product becomes the subject of further research and improvement.

The Bureau's Seal of Approval on any product for Feminine Hygiene is your assurance and guarantee of its purity, its quality, and its reliability.

Gyn-O-Sol

Its consistency is such that it spreads evenly over all internal parts and deposits a film that remains effective throughout the night, making douching unnecessary until morning.

One Gynette is used upon retiring, or when desired. In a few minutes its cocoa butter base melts, spreading an antiseptic film over the interior of the vagina, affording protection, and security of mind. Since the antiseptic qualities of Gynettes remain effective throughout the night—douching may be postponed until morning. Gynettes are also beneficial in soothing minor irritation and are excellent deodorants. Gynettes may be used with utmost confidence—are noninjurious—dependable, and are compounded from a formula that has the professional endorsements of Gynecologists as well as the Bureau of Feminine Hygiene.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise—

(a) That leucorrhea can be controlled by the use of any of said preparations or appliances;

(b) That any of said preparations or appliances is a competent treatment for—

(1) Leucorrhea.

(2) Endometritis (inflammation of the lining of the womb).

(3) Vaginitis.

(4) Pelvic inflammation.

(5) Nervous conditions.

(6) Building health.

(c) By direct statement or by reasonable implication, that either of the preparations "Gynettes" or "Gyn-O-Sol" is a contraceptive;

(d) That respondent makes tests of feminine hygiene products for customers, competitors, or other persons, unless and until the respondent actually owns, operates, or controls an adequate laboratory where such tests may be made;

(e) That respondent operates as a bureau for the purpose of making tests of products sold generally and informing the public or customers of the results of such tests until the respondent operates in such a manner;

(f) That respondent endorses only those products that pass rigid tests, unless and until such endorsements are not limited to products sold by respondent;

(g) That the use of any of said preparations or appliances will afford security of mind;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates

and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing statement.

Respondent further stipulates and agrees in soliciting the sale of said commodities in interstate commerce to cease and desist from using the word "Bureau" as a part of its trade name. (July 3, 1935.)

0880. **Vendor-Advertiser—Herb Tea.**—Marvel Products Co., Pittsburgh, Pa., vendor-advertiser, is engaged in selling Bulgarian Herb Tea and in advertising represented:

Weight control is an important issue! We hear talk of Reducing every day, and all know that fat is a drawback to health, beauty, and general enjoyment of life. Women have discovered the safe way to reduce their weight and keep that trim girlish figure. You have been told of many ways to reduce, but you can't beat the way nature has provided. You can lose two or three pounds of fat a week with absolute safety and still not deny yourself the pleasure of eating. Bulgarian Herb Tea, that old reliable family remedy which has been on the market for over a quarter of a century, will assist nature in helping you reduce your weight in a safe and sure way. Bulgarian Herb Tea is composed of healthful and medicinal roots, herbs, bark, and leaves provided by mother earth. Positively no harmful drugs. Get a box of Bulgarian Herb Tea from your druggists and every night before retiring brew a cupful of this healthful herb tea.

Bulgarian Herb Tea is put up in tablet form called Bulgarian Herb Tablets, both are sold by druggists everywhere—the cost is small and your druggist can honestly recommend Bulgarian Herb Tea. Send your name and address to Bulgarian Herb Tea Company, 821 Locust Street, Pittsburgh, or to Station KQV, you will receive a generous sample of Bulgarian Herb Tea and a booklet giving details concerning special diets and information on "How to Acquire and Retain That Girlish Figure." Write today and don't let fat worry you any more.

HOW TO ACQUIRE AND RETAIN THAT GIRLISH FIGURE

* * * Diabetes is generally associated with overweight after middle age, while in the younger years under twenty-five, under-weight may lead to various serious illness, one of which is tuberculosis.

* * * Newspapers * * * No lotion, bath salts, soaps, or any other compounds can be effective when used externally, for the skin is a very efficient waterproof covering and we cannot lose weight without losing a proportional amount of fat which cannot be dissolved by magic. * * *

* * * Bulgarian Herb Tea, * * * containing just healthful tonic herbs, is the best preparation one can find for use in connection with any weight reducing diet and should be taken once each day, * * * it is mother nature's own gentle touch upon the entire system in a perfectly easy and healthy way. * * *

* * * "VonSchlick's Marvel" Bulgarian Herb Tea is prepared from a formula which dates back for many centuries, and was secured by H. H. VonSchlick in 1899 from Boris Marokeff, a native of Bulgaria. * * *

KILL COLDS

The common cold is dangerous and should be treated with respect. For over a quarter of a century Bulgarian Herb Tea has been used by millions in fighting colds. * * *

* * * Bulgarian Tea has been the friend of man for over a quarter of a century. It is compounded from Nature's own laboratories, is pleasant to take, and is highly recommended by all druggists. * * *

* * * These wintry days it is imperative that you keep your system clear and your blood pure to safeguard you against common colds. * * * it keeps the system toned up and able to resist the onslaughts of common cold germ diseases. * * *

* * * Bulgarian Tea Time—and time to heed the warning to guard against common colds. Common colds are germ diseases that if neglected often result seriously. Offset the dangers of common colds by keeping the system clear and the blood pure by using Bulgarian Herb Tea, * * *.

* * * A cold is a germ disease and is highly infectious. * * *

* * * Improve the blood and purge dangerous germs out of the system. * * *

* * * Is the family physically fit to offset colds, influenza, and grippe?

* * * Colds are dangerous because they are treated as trivial annoyances, but in fact are germ diseases, highly infectious, and many serious and fatal diseases can be traced back to neglected colds.

* * * Thousands of women have discovered the safe way to reduce their weight and keep that trim girlish figure. You have been told of many ways to reduce, but you can't beat the way nature has provided. You can lose two or three pounds of fat a week with absolute safety and still not deny yourself one pleasure of eating. * * *

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, to the injury of the public and of competitors, having the capacity and tendency to mislead and deceive prospective purchasers, in that Bulgarian Herb Tea is merely a mild laxative and diuretic; is not an old family remedy for assisting nature to reduce weight or flesh; is not nature's own remedy; will not reduce flesh or weight surely, safely, or at all; will not keep the "system" clean; will not maintain germ resistance; will not keep the system toned up and able to resist the onslaughts of common cold germ diseases; will not improve the blood and purge dangerous germs out of the system; has not been used by millions for over a quarter of a century in fighting colds; is not a competent prevention, remedy or treatment for colds, influenza or grippe; the formula for it does not date back many centuries and it is not recommended by all druggists.

Diabetes is not associated with overweight after middle age; underweight in younger years does not lead to various illnesses, one of which is tuberculosis; science has not found colds are due to germs; common colds are not highly infectious nor do they lead to more serious diseases except as they may, if prolonged, reduce bodily resistance.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

1. That Bulgarian Herb Tea—

(a) Is anything but a mild laxative and diuretic;

(b) Is competent to reduce or assist in reducing flesh or weight safely, surely or otherwise;

(c) Is an old family remedy for assisting nature to reduce weight or flesh;

(d) Will keep the system clean;

(e) Will maintain germ resistance;

(f) Is highly recommended by all druggists;

(g) Will keep the blood pure;

(h) Is nature's own remedy for any disease, ailment or condition;

(i) Will keep the system toned up to resist cold germ diseases or otherwise;

(j) Will improve the blood or purge dangerous germs out of the system;

(k) Is a competent preventive, treatment, or remedy for colds, influenza, or grippe;

(l) Has been or is used by millions in fighting colds; or

(m) That the formula for Bulgarian Herb Tea dates back many centuries.

2. That common colds are due to germs or highly infectious;

3. That common colds lead to more serious diseases;

4. That diabetes is generally or otherwise associated with overweight after middle age;

5. That underweight in younger years leads to various illnesses or tuberculosis;

and from making any other claims or assertions of like import. (July 6, 1935.)

0881. Vendor-Advertiser—Facial Cream.—Frank R. Jelleff, Inc., vendor-advertiser, is engaged in selling a facial cream designated "Delv", and in advertising represented:

Let This Beauty Miracle take place in your skin * * * Once in a blue moon comes a truly revolutionary advance in beauty science. Primrose House has spent many years searching for some ingredient to duplicate the natural oil of the skin and its rejuvenating effect.

Delv is the result of that research. Delv is a delightful new cream that literally creates a new skin texture * * *.

Smart women who have used it are enthusiastic about its * * * stimulating effect. Its regular daily use keeps the skin * * * young and vital * * *.

PRIMROSE HOUSE

Here Dwells Youth

It * * * nourishes, clarifies, and tends to rejuvenate. * * * It penetrates * * * leaving the skin vitally refreshed and youthful looking.

Delv—rejuvenates.

Delv * * * was created by Primrose House after long research to find an ingredient that duplicates the natural oil of the skin.

Delv is based upon a new cosmetic principle for its contains a precious new beauty ingredient. This ingredient, called "Truactin" has the same action on the skin as the skin's own gland fluids that keep it young and vital.

* * * Delv is the only cream on the market that combines fresh lemon juice with rich nourishing oils.

It brings a new life * * * to the skin.

The unhealthy functioning of an oily skin will be corrected through the daily use of Primrose House Delv.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise—

(a) That said face cream is the result of years spent in searching for an ingredient to duplicate the natural oils of the skin;

(b) That said face cream contains any ingredient which duplicates the natural oil of the skin or which has the same action on the skin as the gland fluids of the skin;

(c) That the unhealthy functioning of an oily skin will be corrected through the daily use of said face cream or that it will correct the cause of any ailment of the skin;

(d) That said face cream will nourish the skin;

(e) That said face cream will make or keep the skin young or vital;

(f) That said face cream tends to or will bring new life to the skin;

(g) That the use of said face cream will create a new skin texture;

(h) That said face cream will penetrate the skin; and from making any other claims or assertions of like import. (July 17, 1935.)

0882. Vendor-Advertiser—Antiseptic Cream.—Pharma Craft Corporation, vendor-advertiser, is engaged in selling an antiseptic cream, designated "Fresh", and in advertising represented:

There's an amazing, cooling, soothing, antiseptic cream called Fresh that will relieve your trouble.

It dries into the skin immediately.

It vanishes into the skin immediately.

Here's how to relieve foot irritation and fatigue. Each morning apply a tiny bit of this cooling, soothing, germicidal cream.

It banishes redness and pain.

You know the symptoms, tired, aching, swollen feet that literally scream at you every time you take a step. Fresh will actually put you back on your feet again.

Fresh is absolutely harmless—and always effective. Keeps the "burn" out of sunburn too.

Fresh stays on the job all day long—it constantly soothes and refreshes—constantly fights annoying infections.

Doctors recommend Fresh for Athlete's foot—nothing beats it, they say * * *.

Fresh has been enthusiastically endorsed by over two thousand doctors.

It absorbs excess moisture.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation "will relieve your trouble";

(b) That it either dries into the skin or vanishes into the skin immediately;

(c) That it relieves foot irritations unless limited to such irritations as are caused by excessive perspiration attended by abrasions of the skin or infections of the skin surfaces;

(d) That it relieves foot fatigue unless limited to the conditions of foot fatigue for which it may be effective;

(e) That Fresh will actually put you back on your feet again, regardless of the cause of your tired, aching, or swollen feet;

(f) That it banishes redness and pain, without regard to the cause thereof, or that it keeps the burn out of sunburn;

(g) That it constantly fights annoying infections, or absorbs excess moisture;

(h) That in the opinion of doctors nothing beats Fresh for athlete's foot;

(i) That Fresh has been "enthusiastically and voluntarily" endorsed by over two thousand doctors, or by any other number not substantiated by proof;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates

and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 17, 1935.)

0883. Vendor-Advertiser—Rheumatism Treatment.—Tablet Sixty-Six Co., vendor-advertiser, is engaged in selling a treatment for muscular and inflammatory rheumatism designated "Tablet Number Sixty-Six", and in advertising represented:

If you are suffering from Muscular Rheumatism, Inflammatory Rheumatism, or pains of a like nature, sooner or later you will come to try Tablet Sixty-Six, and when you do, you will know more about this product than I could tell you in an hour of conversation.

Tablet Sixty-Six does not contain Narcotics, Chlorals, Bromides, or Opiates.

Tablet 66 is compounded from materials recognized by medical authorities the world over, as a competent and specific in the treatment of muscular Rheumatism.

If you are suffering muscular aches and pains and really want relief may we urge you to heed this message and try Tablet 66.

Tablet 66 is known to thousands upon thousands of people who have suffered from muscular Rheumatic conditions, as a safe, sane, and positive relief for all forms of muscular Rheumatism.

In ninety nine cases out of a hundred Tablet 66 brings almost immediate relief * * * regardless of how long you have suffered.

Tablet 66 never fails.

Tablet 66 is harmless and requires no dieting.

* * * reputation of Tablet 66 in treating all forms of muscular Rheumatism is so well established among medical men that it leaves little to say regarding this product. Tablet 66 contains ingredients that are recognized by medical authorities the world over as a competent treatment for all forms of muscular Rheumatic conditions.

Tablet 66 has over a period of years established itself as a safe and sane remedy in all cases of muscular Rheumatism and so-called inflammatory Rheumatism.

Tablet 66 has over a period of years proven its merit in thousands upon thousands of cases of so-called incurable muscular rheumatic conditions.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the advice received by the Commission, reliable medical opinion does not consider a preparation of this type as a competent remedy in all forms of rheumatism. The article contains several analgesics and would tend to relieve milder types of pain. Such a product, however, should not be used indiscriminately or for any extended period as the ingredients, acetphenetidin and cinchophen, are dangerous drugs and capable of great harm.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and

selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Inferentially or by direct statement, that this preparation is a competent treatment or an effective remedy for either

1. Muscular rheumatism, or
2. Inflammatory rheumatism, or
3. Muscular rheumatic conditions, or
4. "Incurable" rheumatic conditions, or

That medical authorities so recognize its ingredients.

(b) That said compound is a "specific" in the treatment of muscular rheumatism, or that its components are recognized as such by medical authorities the world over, or by any medical authorities whatsoever;

(c) Inferentially, that Tablet Sixty-Six contains no dangerous drugs, by the use of such statements as "does not contain narcotics, chlorals, bromides, or opiates," unless in direct connection therewith disclosure is made of the presence in said tablet of acetphenetidin and cincofen;

(d) That Tablet Sixty-Six is either a safe or a sane or a positive relief from all forms of muscular rheumatism, or that "thousands upon thousands of people" have so found it;

(e) That said preparation brings almost immediate relief in 99 cases out of a hundred, or in any other proportion not substantiated by competent proof;

(f) That Tablet Sixty-Six never fails;

(g) That Tablet Sixty-Six is harmless;

(h) That the reputation of this tablet for all forms of muscular rheumatism is well established among medical men; nor make any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees not to publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 17, 1935.)

0884. Vendor-Advertiser—Rheumatism Treatment.—R. Robert Reveno, operating as R. Robert Reveno and Co., vendor-advertiser, is engaged in selling a treatment for rheumatic afflictions designated "Aralgia Capsules", and in advertising represented:

Aralgia Capsules are not sold at Drug Stores and can only be obtained direct from our Laboratories.

Aralgia Capsules for the Relief of Rheumatic Pains, Neuritis, Gout, Lumbago, and Neuralgia.

* * * we know that Aralgia Capsules have given wonderful relief to thousands of persons, and we confidently believe that you have every reason

to expect the same results obtained by others who have come under our observation.

Our 25 years experience in manufacturing and compounding of medicines, has enabled us to perfect this wonderful Rheumatic Remedy. * * *

END EXCRUCIATING PAINS OF RHEUMATISM AND NEURITIS

The treatment for rheumatism depends upon its severity and duration: Aralgia Capsules will work wonders with even the most stubborn cases. Sufferers of long standing may require more than one box while milder cases will be relieved by only one box. The treatment varies only in the quantity required to bring about complete relief from the dreadful pains of rheumatism. It is recommended that the treatment be continued for a reasonable length of time until all indications of rheumatism are gone.

Free. No matter how crippled and helpless you are with Rheumatism; no matter how great your suffering, you can ease that pain in a day, and rheumatism's terrible grip on your system in less than a week.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion received by the Commission this product is of no value as a corrective agent for rheumatism and neuritis; it would not lessen the severity of the infection, nor would it alter the course of the disease; the preparation contains several powerful sedatives which will relieve surface pains, but in view of its amidopyrin content, is a most dangerous product if used indiscriminately, the continued use of this drug in many cases giving rise to agranulocytosis; furthermore, the respondent does not operate laboratories for the manufacture of this product.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Aralgia Capsules are either a competent treatment or an effective remedy for rheumatic pains, or

Neuritis, or

Gout, or

Lumbago, or

Neuralgia;

(b) That respondent has "perfected" a rheumatic remedy;

(c) That Aralgia Capsules will "end" the excruciating pains of rheumatism and neuritis;

(d) That these capsules will bring about "complete relief" from the dreadful pains of rheumatism;

(e) That said capsules can ease your pain in a day "no matter how crippled and helpless you are with rheumatism", or "no matter how great your suffering";

(f) That Aralgia Capsules will break "rheumatism's terrible grip on your system in less than a week" or in any other period of time;

(g) That these capsules are produced by "laboratories" until such be the fact;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 17, 1935.)

0885. **Vendor-Advertiser—Stove Device.**—Breckenridge Manufacturing Co., vendor-advertiser, is engaged in selling a device for gas stoves designated "Scientific Gas Saver", and in advertising represented:

COOKING GAS BILLS CUT 50%

Everyone hates to pay large gas bills. We give money-back guarantee to cut their bills 25% or more. That makes Scientific easy to sell. Over 125,000 already sold. Gustin's bill was cut from \$10.32 to \$4.62. Sells for 25% each burner.

Users are wild about them.

Here is Proof-Scientific Gas Burners Put Money in Your Pocket. (Caption for published testimonials.)

Our Gas Savers Put Money in Your Pocket Every Month.

No one can say they can't afford them, for they actually put money in their pocket, not only once, but every month of the year. If they save 50¢ per month, that is \$6.00 per year; if they save \$1.00 per month, that is \$12.00 per year. Mr. Miller says they are saving him over \$2.00 per month or more than \$24.00 per year. Everyone can afford to buy our gas savers, for they have to pay their gas bills and our gas savers are guaranteed to reduce their gas bills. Isn't it good economy to invest \$1.00 in four gas savers and save from \$5.00 to \$25.00 per year?

MONEY BACK GUARANTEE

To save 25% or More on Your Cooking Gas Bills Cut \$\$\$ Off Your Gas Bills. The Scientific Gas Savers Will do the Trick and You can Bank the Difference.

Burn More Air and Less Gas. Air is Free.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the technical report received by the Commission all such purported gas saving devices produce carbon monoxide; that in this case the alleged hotter flame is not real, but is a delusion produced by shortening of the flames without changing

the gas rate; that the demonstration burner is hotter because consuming gas at a higher rate; that air does not burn, but oxygen in air supports combustion, whereas this ring excludes some of the required air and the gas is not completely burned, so that carbon monoxide results; that many burners used on domestic appliances are not properly adjusted, burning more gas than can be economically used, but that free adjustments are made by the gas company if requested; that the tests show no increased efficiency by the use of such gas savers, but the generation of dangerous carbon monoxide; that there is no justification for any claim of 30% reduction in gas bill, some of the devices tested actually increasing the amount of gas required; moreover, that a saving of one-third of all gas burned would effect a saving of no more than one cent a day for the average family.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That by the use of said device—

1. Cooking gas bills are cut 59%, or 25%, or any other percentage not established by scientifically conducted tests; or
2. Gas bills are cut from \$10.32 to \$4.62, or by any other amount not actually demonstrated under accurate test conditions; or
3. Savings are effected of \$2.00 per month, or \$1 per month, or \$25.00 per year, or \$5.00 per year, or in any other amount not scientifically demonstrated.

(b) That this device is a "scientific" gas saver, or in fact a gas "saver" at all, until competent scientific proof thereof be duly furnished;

(c) That said device either burns more air or less gas, or that it burns any air whatsoever;

(d) That said device is "guaranteed" to reduce gas bills, or that it will "put money in your pockets" or "keep money in your pockets";

(e) That users are "wild" about this device;

(f) That testimonial statements constitute "proof" of the advertising claim made;

and from making any other claims or assertions of like import.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 17, 1935.)

0886. Vendor-Advertiser—Medicinal Preparations.—Kent Laboratories, vendor-advertiser, is engaged in selling the following com-

modities: "Broncotone" for catarrh, lung and bronchial troubles, and "Gastritone" for stomach troubles, blood and nerve stimulant, and constipation; and in advertising represented:

Gastritone is the invention of Dr. Gryez who has for a long time worked to find the proper remedy which would relieve constipation and assist in the treatment of all other stomach ailments in a gentle manner.

Stimulate your nervous system and blood, and what is of the greatest importance will regulate your stomach.

Stomach disease * * * nervous exhaustion.

Broncotone * * * is very beneficial for coughs, asthma, whooping cough, and in general all diseases attached to a cold.

Dr. Gryez is in fact the inventor of a special medicine for the treatment of lung and bronchial disturbances which he prepared, after protracted experiments and researches.

Broncotone * * * very helpful to relieve all ailments of the chest.

Asthma, short breath, bronchitis, cough, catarrh.

Will relieve all stomach ailments.

Helps to strengthen the whole system.

Indigestion, gases, and obnoxious smell from your mouth will quickly disappear.

Remedy for colds * * * cold, a cough, asthma, short breath, catarrh, or a sore throat * * * relief at once.

If you have a cough, catarrh, cold in chest, or asthma and short breath, or if your children have whooping cough * * * Broncotone will relieve them. May be prescribed for little children.

Stomach diseases are a plague for the whole of mankind, and it is hard to get rid of them, but Gastritone relieves stomach ailments without fail.

Gastritone is a known remedy * * * for stomach disturbances and has all the qualities of a tonic and stimulant for the blood and nerves.

All disturbances of the stomach such as indigestion, acids, gases, and constipation.

Recommend Gastritone to persons of a weak constitution to strengthen their nerves and blood, and stimulate their appetite.

Gastritone is the only one of the advertised medicines which is recommended and prescribed by many physicians.

Relieves constipation and other stomach ailment in a new and gentle manner.

Gastritone * * * not irritating the intestines, but on the contrary healing them and improving them.

Really effective in all stomach disturbances.

Broncotone contains no narcotics, and is very beneficial for the treatment of chest ailments of adults and children.

Instant relief by using Broncotone.

Broncotone will do the work, and give you a quick and certain relief.

If your complaints are due to stomach disturbances such as indigestion, gas, sour and bitter eruptions, Gastritone will give you prompt relief.

Stomach disorders, indigestion, or any other kind of disorders, use Gastritone.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, Bronco-

tone, while it has some merit as an expectorant and antispasmodic, is not a competent treatment for diseases of the chest, lungs, bronchial tubes, or for catarrh, sore throat, whooping cough, colds, or coughs, except that it may give some relief in coughs due to colds; and Gastritone, with laxative, slightly stomachic, and some sedative properties, nevertheless is not a competent remedy for indigestion, gases, constipation, or all stomach ailments; nor will it stimulate the blood, nerves, or the entire system. Moreover, respondent does not own or operate a laboratory.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise—

(a) That Broncotone is a competent treatment or an effective remedy for any of the following ailments:

Asthma, Whooping Cough, Lung or bronchial disturbances, Short breath, Bronchitis, Catarrh, Sore throat, Chest troubles, Colds.

(b) That said preparation is a competent treatment for coughs unless limited to coughs due to colds;

(c) That it is a special medicine for the treatment of lung or bronchial disturbances;

(d) That it is very beneficial for all diseases attached to a cold; or very helpful to relieve all ailments of the chest;

(e) That Broncotone will either—

1. Give quick or instant relief; or
2. Do the work; or
3. Give certain relief; or
4. Give relief at once.

(f) That Gastritone is a competent treatment or an effective remedy for constipation, gases, acids, indigestion, or all other stomach ailments unless limited to such disorders as a laxative or mild sedative would relieve;

(g) That by the use of said product, indigestion, gases, or obnoxious smell from the mouth will quickly disappear;

(h) That its use will benefit persons of a weak constitution, or strengthen their nerves or blood, or stimulate their appetite;

(i) That it is not irritating to the intestines, or that it will heal or improve them;

(j) That said preparation will either—

1. Stimulate or strengthen the nervous system or the blood, or
2. Regulate the stomach, or
3. Relieve all stomach ailments.

(k) That it either—

1. Helps to strengthen the whole system, or
2. Relieves stomach ailments without fail, or
3. Has all the qualities of a tonic for the blood or nerves, or
4. Relieves nervous exhaustion;

(l) That it is either—

1. The only advertised medicine prescribed or recommended by many physicians, or
2. A known remedy for stomach disturbances, or
3. Really effective in all stomach disturbances, or
4. An excellent stomach tonic;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees in all future advertising in interstate commerce to cease and desist from the use of the word "Laboratories" in and as a part of its corporate name, until such time as it shall actually operate a laboratory as said word is commonly understood and accepted.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 22, 1935.)

0887. Vendor-Advertiser—Foot Powder.—Century Laboratory, Inc., vendor-advertiser, is engaged in selling a treatment for foot troubles, designated "Perfect Feet Foot Bath Powder", and in advertising represented:

Use Perfect-Feet Foot Bath Powder at least once a week to keep feet in normal perfect condition.

Perfect-Feet Foot Bath Powder is a new scientifically compounded formula—designed to correct practically every known kind of foot trouble.

It is positively guaranteed to relieve the most distressing cases of tired aching * * * feet and bunions.

Government statistics prove that 98% of the people have something wrong with their feet * * * Something must be done to keep the feet healthy and free from trouble. Perfect Feet Foot Bath Powder has for two years stood the test of time in every way.

A preparation that is antiseptic * * * prevents many foot ailments * * * eliminates 90% of foot troubles.

Corns and callouses will disappear.

Since joining your organization have never failed to make less than \$75 a week. Raymond Singer, Chicago, Ill.

My first week netted me slightly over \$40 profit.

A new day is born * * * for salesmen and salesladies to build a permanent repeat business that will pay from \$5 to \$15 in a day.

Do you want one of these jobs?

1. Local Agent Earnings should be from \$30 to \$90 per week.

2. Sales Organizer Overwriting profits should average \$250 to \$400 a month.
3. County and Large City Distributor Estimated profits \$5,000 to \$10,000 a year.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, the said preparation would have no value in the treatment of bunions or tired, aching feet resulting from ill-fitting shoes or flat feet; nor will it bring about a normal, healthy condition of the feet regardless of the cause of their discomfiture. Furthermore, the representations of possible earnings to be made in the sale of this product are exaggerated and without foundation of fact.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of Perfect Feet Foot Bath Powder at least once a week will keep one's feet in normal condition, regardless of circumstances;

(b) That said product is a new scientifically compounded formula, or that it will correct practically every known kind of foot trouble;

(c) That it is positively guaranteed to remove the most distressing cases of tired or aching or burning feet or bunions;

(d) That by the use of said product corns or callouses will disappear;

(e) That it has for two years proved the test of time in every way;

(f) That it prevents foot ailments generally or eliminates 90 per cent of foot troubles;

(g) That 98% of the people have something wrong with their feet;

and from making any other claims or assertions of like import.

Respondent in soliciting salespersons or dealers in aid of the sales of such merchandise, furthermore stipulates and agrees:

(h) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time salespersons or dealers achieved under normal conditions in the due course of business;

(i) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(j) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as", or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 23, 1935.)

0888. **Vendor-Advertiser—Skin Cream.**—Noxzema Chemical Co., Baltimore, Md., vendor-advertiser, is engaged in selling a medicated skin cream, designated as "Noxzema", and in advertising represented:

We tried just about every known remedy for sunburn at Coney Island first aid stations; and we found that the only sure way to relieve sunburn is to use Noxzema Cream.

Don't take chances with a painful sunburn—get an inexpensive jar of Noxzema * * *. Notice how soft, cool, and soothing it feels on your hot aching shoulders—how it takes out the fire—ends all pain instantly. * * *

TO PREVENT BED SORES

I recently had an abdominal operation and I had my nurse use Noxzema on my back and hips and it (Noxzema) kept my skin in excellent condition. After an extensive operation the skin dries and something is needed. Have used for chaps, eczema, and as a post-operative.

BABY RASH

I have been using Noxzema exclusively for the past year. I have gotten excellent results for chapped skin and skin irritation in babies which so easily occur and which are so hard to get rid of.

"I am prescribing your Noxzema in the treatment for general skin diseases and injuries with wonderful results."

Noxzema surpasses anything I have ever used for burns or any irritations of the skin. "Feel it heal" is no catch phrase, it's the truth.

There's no razor pull—Noxzema melts the beard.

There's only one thoroughly tested sunburn remedy—that's Noxzema.

Brings New Beauty by Correcting Skin Faults.

How to end the 5 Common Faults That Rob you of Skin Loveliness.

Scientists, beauty experts, dermatologists, all agree that these common everyday flaws; large pores, pimples, blackheads, oiliness, or flaking, cannot be eliminated by ordinary creams or lotions. They agree, too, that the only way to restore clear, flawless loveliness to the skin is to use a cream, especially designed to correct these faults.

Noxzema is such a preparation. Scientific, medicated, vanishing, Noxzema sinks deep into the pores, frees them of clogged powder and dirt—permits them to breathe again. Pores are thoroughly cleansed—fresh and pure. They are no longer enlarged, irritated, filled with blackheads. The skin loses its sallow sluggishness. Its natural, beauty-bringing moisture is restored.

Irritating, stubborn blemishes will soon vanish and your skin will have the soft, clear loveliness everyone admires.

Noxzema is recognized today as the one sure remedy for sunburn.

Sunburn often develops into sunburn poisoning, if not treated correctly. Be safe, Use Noxzema.

Cools and Soothes—Ends pain instantly.

Play safe! Sunburn is dangerous. Don't take chances on sunburn poisoning by using ineffective remedies.

Don't suffer needlessly, and don't risk sunburn poisoning.

We've found Noxzema The Only Sure Remedy for Sunburn.

Noxzema Cream is the only sure remedy we've found for severe cases of sunburn—and we've tried them all, reports Mr. Newberry who is in charge of First-Aid Stations at Asbury Park. That's what other beaches have found, too—at Atlantic City, Coney Island, Long Beach, Miami, San Diego—all over the country Noxzema is recognized as the surest and quickest way to relieve sunburn.

There's only one thoroughly tested sunburn remedy—that's Noxzema.

Noxzema to face, arms, back, and legs. It forms a protective layer that screens out the harmful ultra-violet rays of the sun allowing your child to tan without burning.

Millions Now Use Medicated Cream to End Skin Faults: Pimples, Blackheads, Large Pores.

Ends Large Pores, Blackheads, Pimples, Oiliness, Flaky Skin.

Refines coarse pores. Helps stimulate lagging skin glands.

Noxzema is pure white, greaseless, vanishing—containing medicines that *sink* into the skin, help to keep pores germ-free and *restore* the skin to normal health and beauty.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said cream will melt the beard;

(b) That said cream is a remedy for any disease of the skin, unless limited to the effect of a palliative to relieve burning, itching, or irritation;

(c) That said cream is the "only" thoroughly tested sunburn remedy or the "only" sure way to relieve sunburn is by the said cream;

(d) That said cream is an effective treatment for bed sores, unless limited to "relief", an "aid to healing", or an "aid in preventing" bed sores;

(e) That said cream is an effective treatment for baby rash, or any other ailment of the skin peculiar to babies, or that it will rid the skin of any irritation peculiar to babies unless limited to external causes;

(f) That sunburn "often" develops into sunburn poisoning, or from otherwise representing that the probability of sunburn developing into sunburn poisoning is greater than is justified by actual results;

(g) That said cream will bring the scorched, dry, sunburned skin back to normal, unless limited to an "aid to healing" sunburned skin;

(h) That said cream is a treatment for general diseases of the skin, unless limited to "relief from itching", "an aid to healing" or as "relief from pain" from skin irritations caused by external conditions;

(i) That said cream is an effective treatment for blemishes, unless limited or explained as blemishes caused by external conditions such as pimples, blackheads, and similar skin flaws;

(j) That said cream affords a "screen" against ultra violet sun rays;

(k) That said cream sinks into the skin, unless limited to skin pores;

(l) That said cream will restore the skin to normal health and beauty, unless limited to an aid to healing or help in restoring normal health and beauty;

(m) That said cream is a competent treatment for eczema, unless limited to relief from itching caused by eczema;

(n) That said cream will end pain, unless limited to relief from sunburn pain, chafing, and similar skin irritations caused by external conditions;

(o) That said cream will correct and/or eliminate large pores, unless limited to reducing large pores;

(p) That said cream will correct and/or eliminate pimples, unless limited to an aid to healing pimples caused by external conditions;

(q) That said cream will correct and/or eliminate oiliness, unless limited to its cleansing or drying effect or as an aid thereto;

(r) That said cream will restore loveliness, unless limited to aid to healing skin irritations or pimples arising from external causes or the reducing of large pores;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representations contrary to the foregoing statement. (July 31, 1935.)

0889. **Vendor Advertiser—Medicinal Preparation.**—The Fox Medicine Co., Cleveland, Ohio, vendor-advertiser, is engaged in selling a

medicinal preparation designated "Fox Tabs", and in advertising represented:

A consistent medication with FOX-TABS should improve your condition in general as well as eliminate your rheumatic pains. * * * It is a mistake to stop with the 8-day treatment if your ailment is of long standing.

Rheumatism, even severest cases, subacute and muscular, relieved quick with Dr. Fox's Rheumatism Tablets, 25 years record of relief to thousands.

Fox-Tabs relieves the painful ailments and muscular cramps by removing the poison and acid from the system that cause muscular rheumatic pains.

Rheumatism.—Dr. Fox's Rheumatism Tablets are known the world over—send name and address—no money—pay after benefitted.

Known and sold for twenty-five years as Dr. Fox RHEUMATISM TABLETS. They are also recommended for lumbago and painful acid irritation in the body.

FOX-TABS are also recommended for medication after having tonsils removed, or teeth extracted; for removing poisons from the blood stream.

FOX-TABS (Dr. Fox's Prescription for Rheumatism).

While it is true that the first 8-day treatment gives relief in most cases, there are many cases where a more consistent treatment is required to show the value of the medicine to remedy a condition which has existed for a longer period.

FOX-TABS break up the cause of your ailment.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is a competent or effective treatment for rheumatism or lumbago, or acid irritation of the body;

(b) That said preparation will afford relief in the severest cases;

(c) That said preparation will break up or remove the cause of any ailment;

(d) That said preparation will remove poison or acid from the system or blood stream;

(e) That said preparation is a competent medication for use after having tonsils removed or teeth extracted;

(f) That said preparation is known the world over;

(g) That said preparation will do more than afford temporary relief from rheumatic aches and pains;

and from making any other claims and assertions of like import.

Respondents further stipulate and agree in soliciting the sale of said preparation in interstate commerce, to cease and desist from designating or describing it as "Rheumatic Tablets" or "Prescription for Rheumatism."

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (July 31, 1935.)

0890. Vendor-Advertiser—Rheumatism Treatment.—Kuhn Remedy Co., Chicago, Ill., vendor-advertiser, is engaged in selling a treatment for rheumatic conditions designated "Kuhn's Rheumatic Fever Remedy", and in advertising represented:

Kuhn's Rheumatic Remedy * * * which is well qualified for the relief of various forms of Rheumatism.

Of course you want results, and realize that if they are to be had, medicine must be persisted in long enough to give it a chance to work the necessary change in the blood—that all POISON MUST BE DRIVEN OUT.

This is just what I believe Kuhn's Remedy will do, and that is why it should relieve RHEUMATIC FEVER * * * The Rheumatism has to go if you want to be free from pain and suffering. My remedy is to relieve the sharp, shooting pains; dull, aching muscles; and hot, throbbing swollen limbs.

I don't care how long you have been suffering from these Rheumatic conditions. I don't care what other remedies you have used, if you have not used mine, you don't know what my Remedy will do.

Kuhn's Remedy usually acts quickly, as the large number of letters we receive from men and women all over the country who have been benefited by our trial bottle proves. There are thousands of cases in which this remedy goes right to the spot in the first week.

The power of Kuhn's Remedy for Rheumatic Fever * * * is amply proven by the great mass of testimony in this book, but we want sufferers to know what such kind of rheumatism really is, so that they may fully understand how this remedy does its work in the system and just what change in the system it must accomplish to relieve the suffering.

I did not think it possible that any medicine could do what one bottle of your Remedy has done for me. I have had to use a cane for years on account of stiffness in my left knee joint and today, after only using the trial bottle which you sent me, I walked without any cane, almost normal.

I am sixty-two years old and I suffered for 20 years with Rheumatism. I saw Kuhn's Remedy advertised so I decided to give it a trial, and to my surprise, after using seven bottles, I was relieved and haven't been bothered with Rheumatism for two years.

MUST BE ELIMINATED—ALTHOUGH RHEUMATISM may be known by various names or types according to the manner or locality of its manifestation, it **DEVELOPS** in different ways in different persons, but no matter what the form of development, relief must lie in the eradication of the present condition.

Liniments and plasters, electric belts, and various other cunning devices heavily advertised in the newspapers, fail in the great majority of cases from the simple fact that they are created on the principle of **RELIEVING THE PAIN** instead of upon the only rational plan of **REACHING THE DISEASE**.

But what every sufferer wants is a substantial relief, one that drives the irritants from the system. This is what has been said of the effects of Kuhn's Rheumatic Remedy. It goes after the irritants in the system. It, too, gives relief, but relief on the right principle—easing the pain as the disease is driven out.

Since taking six bottles of your Kuhn's Remedy I am well and working again.

I used the 7 bottles and I am free from Rheumatism.

It is now more than fifteen years since I used Kuhn's Remedy and I am still free from Rheumatism and never have felt a sign of it since I used your Medicine.

I was in bed for eight weeks and tried everything that I heard of for Rheumatism. Nothing helped me. When I received your Remedy, that was the eighth week of my sickness. I had to use crutches. Then Tuesday I started to take your Remedy and Saturday that same week I was to a dance. I am now working hard every day and have never been bothered with it since.

It is now 16 years that I have heard of your Remedy for Rheumatism * * * seeing your trial offer I sent for it and received it * * * and sent for five more bottles. I have never had a touch of Rheumatism since.

This was more than a year ago and I have never felt any Rheumatism since.

Kuhn's Remedy has relieved me of a bad case of Rheumatism. I have been suffering for six years, and I am now well and don't feel a pain at any time.

My Rheumatism is gone so I thank God. Over 4 years since I sent the above testimonial and still have no Rheumatism; this is a splendid remedy.

I believe I have been completely relieved from Rheumatism as I have not had any Rheumatic pains since I took your remedy.

RHEUMATICS WANTED! If you suffer from rheumatism and have unsuccessfully sought relief * * * send us your name. Get amazing story of our proven 40 year old remedy and details of gift offer. Or send 25¢ for regular \$1 bottle.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion received by the Commission a prescription of this composition is not a rational treatment for rheumatic fever, and although it might exert some beneficial influence in gout and may temporarily relieve surface pains, nevertheless it could not be considered a competent remedy for chronic rheumatism, for which condition the curative effort is directed to the cause which is usually some focus of infection frequently requiring a surgical procedure.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is either a competent remedy or an effective treatment for:

1. Various forms of rheumatism, or
2. Rheumatic conditions, or
3. Rheumatic fever;

(b) That such preparation either

1. Works "the necessary changes in the blood," or
2. Drives out all poison, or
3. Causes the rheumatism to "go", or
4. Goes "right to the spot" in the first week, or at all, or

5. Does its work "in the system", or
6. Accomplishes changes in the system, or
7. Eliminates rheumatism, or
8. Eradicates rheumatic conditions, or
9. Reaches the disease, or
10. Is the only rational plan for treating such conditions, or
11. Drives the irritants from the system, or
12. Drives out the disease, or
13. Goes after the irritants in the system, or
14. Will "free" one from rheumatism, or
15. Makes one "well" of rheumatism, or
16. "Completely relieves" rheumatism:

(c) That such preparation enables one within four days to attend a dance after eight weeks in bed with rheumatism;

(d) That thousands of cases of rheumatism have been relieved in the first week's treatment with this medicine, or any other number not substantiated by definite proof;

(e) That one trial bottle will make a person normal who has been suffering from stiffness of knee joint;

(f) That a twenty year case of rheumatism can be cleared up by seven bottles of this medicine;

(g) That other treatments for rheumatism "fail in the great majority of cases;"

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 2, 1935.)

0891. Vendor-Advertiser—Typist's Manual.—Typists Association, Chicago, Ill., vendor-advertiser, is engaged in selling a publication designated "Manual for Typists", and in advertising represented:

TYPISTS—Make \$15.00 weekly spare time copying scripts for authors, radio writers. Interesting work. Experience unnecessary. Write, enclosing stamp. Typists Association, Hunter Building, 1753, Chicago.

I honestly learned more about typing essentials in half hour than I did in a two year commercial course.

FREE TO WRITERS & CONTEST WORKERS!

Amateurs and Professionals—

Ten simple rules to help you market your work successfully. * * * Send self-stamped, self-addressed envelope.

YOUR NAME AND ADDRESS

For **TYPING RADIO SCRIPTS**. For a 15 minute, * * * a reasonable charge would be from \$2 to \$2.50, * * * For half-hour script * * * \$3.50 to \$4.00. These figures, of course, only one original and one carbon copy.

* * * If you can type from twenty to thirty thousand words per week, you should average from \$15 to \$25 per week.

What a vast field for profit there is for you in this type of work. Your business will be limited only by yourself.

Your pay is sure because it comes to you in advance.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the "Manual for Typists" is of no proven value. There is no data as to how much purchasers of this service have earned by the use of it. No articles are sent free to any one who does not purchase the service. *Respondent is not an Association but a sole trader conducting an individual business.*

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the users of respondent's "Manual for Typists" may earn any definite amount of money for any definite period;

(b) That the pay for typing manuscripts is sure or that it comes in advance;

(c) That one can learn from said Manual more typing essentials in a half hour than from a two-year commercial course;

(d) That any article is free unless it is sent without requiring the payment of any money;

(e) That there is a vast field of profit in the business of typing manuscripts;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees, in soliciting the sale of said commodity in interstate commerce, to cease and desist from the use of the term "Association" as a part of his trade name.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 5, 1935.)

0892. Vendor-Advertiser—Medicinal Soap and Skin Ointment.—Potter Drug and Chemical Corporation, Malden, Mass., vendor-advertiser, is engaged in selling the following commodities: a soap and a skin ointment designated, respectively, "Cuticura Soap" and "Cuticura Ointment", and in advertising represented:

Suffered with Itchy Pimples for Over Two Years, On Face, Cuticura Healed. Why Suffer with Itching, Burning ECZEMA when Cuticura Soap and Cuticura Ointment so quickly and effectively soothe and heal. Bathe freely with the Soap, dry gently, and anoint with the Ointment It is surprising how quickly

the irritation and itching stop and how, after a few treatments, the eczema disappears. There is nothing better for all forms of skin troubles.

Had Stubborn Itch Over Four Years—Healed by Cuticura.

FACE FULL OF RED PIMPLES. Could not go Anywhere, Healed by Cuticura.

ECZEMA ON BABY LASTED A YEAR. Face and Head Very Much Irritated. Cuticura Healed.

Face Disfigured with Eczema. Healed by Cuticura.

RETAIN SKIN LOVELINESS. By using Cuticura Soap for daily toilet purposes and Cuticura Ointment at first signs of pimples, eczema, rashes, and all forms of itching, burning skin affections. * * *

IN MISERY WITH PSORIASIS. On Hands, Face, and Scalp. Lost Sleep. Cuticura Healed.

Very Bad Skin Trouble Caused Loss of Sleep. Healed by Cuticura.

* * * You'll want to use this creamy, healing emollient for preventing and relieving all skin trouble * * *.

* * * Cuticura prevents skin troubles—corrects them too! Even stubborn and serious cases of pimples and eczema yield to this creamy emollient * * *.

Fortunately, most skin troubles are temporary and easily controlled. But many cases of eczema and pimples are serious and stubborn. In either type of trouble, though, women have found the best treatment is the use of Cuticura Ointment.

For more than half a century, millions all over the world have found through Cuticura, permanent relief from skin troubles which seemed almost hopeless. If you suffer from skin ailments of any kind, try first the treatment which has proved most successful.

Skin health derived from the daily use of the Cuticura Preparations.

Ringworms gone after using Cuticura Soap and Ointment.

Before plucking—wash eyebrows with Cuticura Soap to keep infection from entering at the root of the hair. After plucking, wash surface with cotton dampened in rubbing alcohol—also to prevent any germs or dirt from getting in.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That either of said products, alone or in combination, is a competent or an effective treatment for psoriasis, rash, pimples, ringworm, or skin troubles, unless limited to palliative relief through external treatment as distinguished from removal or treatment of internal causes;

(b) That either of said products, alone or in combination, is a competent or an effective treatment for eczema or similar ailments, unless limited to relief of the itching; irritation or discomfort;

(c) That either of said products will of itself heal any ailment or do more than aid or promote healing;

(d) That either of said products, alone or in combination, will prevent, correct, or control any skin disorder or skin trouble due to internal causes;

(e) That either of said products, alone or in combination, will afford permanent relief from any skin trouble or skin disorder;

(f) That skin health will be derived from the use of either of said products, alone or in combination;

(g) That either of said preparations, alone or in combination, will be effective in the treatment of serious or almost hopeless cases;

(h) That either of said products is a germicide;
and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 5, 1935.)

0893. Vendor-Advertiser—Food Product Equipment.—Golden Food Products Co., St. Louis, Mo., vendor-advertiser, is engaged in selling materials and equipment for the making of a food product designated Golden Puff Cheese Chips and in advertising represented:

Your Chance to Earn Up to \$8-\$50 In A Day.

NO HOUSE TO HOUSE SELLING—No Machine to buy.

* * * already paying many representatives as high as \$8 to \$50 in a day. * * * One taste makes everybody wild about them. Practically over night they soar to universal popularity in any territory. Profits simply pour in. Yet, no house to house canvassing—* * * and not a penny actually invested until you are sure of success * * * unique **NO-RISK** home-factory plan * * * Act at once—territories going fast.

EARN up to \$8-\$50 in a DAY.

Wherever they appear, they leap to almost universal popularity—practically over-night. And how a real go-getter can rake in the profits. Imagine making up to \$8—as high as \$50 for one day's work. Yet, a go-getter can do it nearly anywhere.

No house-to-house canvassing * * * Territories are filling up fast.

Why Representatives made Up to \$8-\$50 in a Day.

* * * any reasonably industrious distributor can easily sell enough of these tempting dainties to yield profits up to \$8 to \$50 in a day with a single week's profits sometimes mounting as high as \$200 even \$300.

* * * even if you carry on the entire business single-handed, you have plenty of time to market your chips after getting them ready.

How can you help making money hand over fist with a product like that.

EVERYTHING FURNISHED—NO MACHINES—NO SUPPLIES TO BUY. YOU DO NOT RISK ONE SINGLE PENNY.

GET A BAG STAPLER FREE.

I'll include a genuine Bostitch Bag Fastener worth \$4.00 **ABSOLUTELY FREE** * * * Why not get it now when it will cost you nothing instead of waiting until later * * *.

LAST CHANCE TO GET ALL SUPPLIES FREE.

Your present kitchen is all the factory you need to start a sensationally profitable new kind of home manufacturing business, already paying many representatives as high as \$8 to \$50 in a day. No experience of any kind needed.

Profits frequently mount up to \$8-\$15-\$30—and even \$50 the very first day and continue at an amazingly high level the whole year through. An hour or two each day in your kitchen is sufficient to prepare all the chips you need.

THIS CAN BE YOU

HURRAY * * * I'VE HIT IT
RIGHT THIS TIME * * *
MADE \$57.60 TODAY AND
ENOUGH NEW ORDERS TO
KEEP US BUSY FOR A WEEK.

GREAT NEWS—DAN, BOY. OUR
MONEY WORRIES ARE OVER
AT LAST.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that:

The amounts stated as possible or probable profits exceed those which can be earned by respondent's customers under normal conditions;

This product has not attained any sudden or universal popularity as represented;

The assertions that there are no supplies to buy and that no money is invested or risked, are not correct, inasmuch as one-fourth cash must be advanced with the order before shipment C. O. D. for balance of price;

Many customers are obliged to canvass from house to house in order to market their products;

The territories are not going fast, as asserted, as no "territories" are reserved for a customer;

No equipment or supplies are to be had "free", as represented; and "an hour or two" a day is not sufficient time to prepare all chips needed to yield the profits indicated.

The respondent stipulates that it has heretofore discontinued both the advertising and the selling of such article without intent to resume the same. (Aug. 7, 1935.)

0894. Vendor-Advertiser—Skin Ointment, Lotion, and Soap.—The E. W. Rose Co., Cleveland, Ohio, vendor-advertiser, is engaged in selling the following commodities: "Zemo Skin Ointment, Zemo Skin Lotion and Zemo Soap", and in advertising represented:

FOR ACNE AND BLACKHEADS * * * try it and say goodbye to
acne, blackheads and * * *.

SKIN-ITCH TORTURE ENDS; MILLIONS PRAISE ZEMO. The first
application of soothing, healing Zemo quickly relieves the torture of itching

rashes, eczema, ringworm, and similar skin troubles. * * * a clean, safe, dependable remedy for family use to relieve and clear away skin irritations * * *.

PROMPT RELIEF FROM ITCHING ECZEMA * * * Itching stops the moment Zemo touches the tender and inflamed skin because of its rare ingredients. To clear away rashes, pimples, eczema, ringworm, and restore the skin to normal, always use clean, soothing Zemo * * *.

IT'S A WONDERFUL WAY TO RELIEVE UGLY ECZEMA. * * * Healing Zemo relieves itching distress, usually in five seconds, and clears up stubborn cases of eczema.

As a healing, * * * lotion for eczema, rashes, ringworm, pimples * * *.

If you are distressed by skin troubles, you'll be grateful for the relief ZEMO brings you. * * * Itching stops almost immediately, while continued application soon clears the skin of ugly blemishes and returns a normal, healthful-looking glow * * *.

* * * Z E M O, the supreme remedy for treating * * * blemishes of the skin and scalp * * *.

* * * ZEMO is also wonderful for pimples, blemishes, and ringworm * * *.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, said preparations are not competent or effective remedies for rashes, pimples, or the various forms of eczema, and their value is limited to external treatment for the relief of itching, burning, and superficial irritations not due to internal causes.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That any of said products, or any combination thereof, is a competent treatment for eczema or similar ailments;
- (b) That any of said products will, of itself, heal any ailment, or do more than promote healing;
- (c) That any of said products, or combination thereof, is a competent or effective treatment for acne, skin itch, rash, ringworm, pimples, blemishes, or other skin ailments, unless limited to palliative relief through external treatment as distinguished from removal or treatment of internal causes;
- (d) That any of said products will afford immediate relief, or relief within five seconds or any other definite period of time;
- (e) That any of said products, or combination thereof, will restore the skin to normal;

(f) The direct statement or reasonable implication, that any of said products, or combination thereof, will produce permanent benefits;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 9, 1935.)

0895. Vendor-Advertiser—Medicinal Preparation.—The Vita-Minn Co., Minneapolis, Minn., vendor-advertiser, is engaged in selling a medicinal preparation designated "Vita-Minn-Rel", and in advertising represented:

If you feel sluggish and run-down, you are no doubt a victim of sluggish elimination.

But beware of harsh laxatives. Establish normal elimination habits with Vita-Minn-Rel.

A new compound of mineral salts.

Vita-Minn-Rel corrects faulty elimination and cleanses the system of poisonous wastes getting rid of puffiness and fat safely and easily.

VITA-MINN-REL, the pleasant-tasting, flesh-reducing treatment that you find today in so many home medicine cabinets all over the Northwest.

An American physician, while traveling in Europe, fairly stumbled upon the formula of the great Austrian physician, who had died, leaving to a younger man what remained of his laboratory and his scientific investigations.

This American doctor, realizing the unusual value of the great Austrian's mineral compound, finally returned to the United States with the formula safely tucked in his pocket.

VITA-MINN-REL method is being used every day by scores of persons afflicted with overweight and all the ills that go with such a condition.

Mrs. Rohde's overweight condition was such that she just about despaired of ever being helped by anything. She weighed 315 pounds, think of it! And she couldn't sleep.

Ugly, distressing flesh you don't need, and wish you could lose. Well, you will find VITA-MINN-REL a wonderful, positive help in getting rid of this burden; and don't forget that, while excess fat may be merely *annoying* in winter, it is positively *dangerous* during the hot months.

* * * this remarkable flesh-reducing treatment.

VITA-MINN-REL, * * * is just as far ahead of ordinary flesh-reducing methods as the electric light is superior to the kerosene lamp.

VITA-MINN-REL is such a simple, easy, delightful way to take off the ugly fat which you should get rid of! And you run no risk.

Already thousands of flesh-burdened people have tried and accepted VITA-MINN-REL, and are amazed at the way it reduces their ugly, unpleasant fat, without the slightest inconvenience.

Another welcome fact is that you are not limited to a rigid diet of just a few things, and have to leave out many things you enjoy eating.

* * * you eat almost anything you enjoy which agrees with your digestion.

It is a specific prescription for reducing excess fat and, at the same time, giving the system a gentle yet thorough cleansing.

* * * not one-half of one percent of those who bought a bottle of VITA-MINN-REL have ever brought it back; instead they come back for more.

Mrs. Rohde found immediate and permanent relief in VITA-MINN-REL

* * * and so extremely grateful was she that we received this letter from her (quote) "Before I started taking Vita-Minn-Rel, I never went to bed; couldn't sleep lying down—had to get what sleep I could sitting up in a chair. Now, after using your treatment five weeks, I sleep soundly, in bed, every night. It not only is a wonderful relief to feel so fine, but I have lost 31 pounds since taking VITA-MINN-REL;

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is a competent treatment for faulty elimination, unless limited to temporary relief;

(b) That said preparation is, of itself, a competent treatment for obesity or excess weight;

(c) That said preparation is a new compound;

(d) That said preparation will correct faulty elimination, or establish normal elimination habits;

(e) That said preparation is a specific prescription;

(f) That said preparation will cleanse the system of poisonous wastes;

(g) That said preparation is based upon the formula of an Austrian physician;

(h) That by the use of said preparation, alone, any person has effected a substantial reduction in weight;

(i) That by the use of said preparation excess weight or excess fat can be reduced, without exercise, without inconvenience, or without dieting;

(j) By inference or direct statement that any definite percentage of users of said preparation have made subsequent or repeated purchases, unless such percentage is supported by accurate and reliable records;

(k) That said preparation will produce permanent benefits;

(l) That said preparation is a competent treatment for insomnia; and from making any other claims or assertions of like import.

The respondent further stipulates and agrees in soliciting the sale of said preparation, in interstate commerce, to cease and desist from using as a part of its trade or corporate name, or, as part of the name of its product, the term "Vita-Minn", or any other term that phonetically or otherwise implies that the preparation contains vitamins.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 12, 1935.)

0896. Vendor-Advertiser—Correspondence Courses.—Northwestern Television Institute, Inc., Minneapolis, Minn., vendor-advertiser, is engaged in the business of conducting a correspondence school and in the selling and transporting to purchasers in other states of the United States courses of instruction in television, and in advertising represented:

Men must be trained to fill the thousands of occupational openings in this gigantic new industry.

Hardly a day passes that we do not have several men visit our institute office seeking an answer to today's paramount question—"What to do about the future".

* * * We have given dozens of these men a brighter outlook for the future by enrolling them in our classes where they will be trained to solve their employment problem for all time.

This great new achievement in Electricity offers everything that any man with ambition could ask * * * Be ready when television is universally adopted * * * Profit accordingly.

Here is a great new field offering many openings—a field still uncrowded and one that offers any ambitious man who is sincere, an opportunity of real worth.

Our instruction is entirely individual, geared to the student's individual ability and time.

Our aim is to train men thoroughly and yet in such a way that they can apply their knowledge as they acquire it. It is not necessary to have completed the entire course before the student can start to utilize his knowledge for gain.

Television bids fair to be so profitable and interesting to its workers that it is difficult to compare it with other fields of endeavor.

Men must be trained to fill the thousands of occupational openings in this gigantic new industry.

Our biggest anticipated need is man power which is the primary reason why Dr. Young founded this institute, as there are no trained television technicians available in this country.

I am particularly interested in young men of your type at this time due to the unusual activity in our placement bureau in securing positions for our finished students.

I am especially interested at this time in enrolling a class of young men not exceeding ten whom I can train for a special group of jobs now listed with our placement bureau.

We need you just about as much as you need us, our idea in operating this school is primarily to build up our own staff of trained men.

Will Television offer employment for you when you are properly trained?
* * * Television answers yes * * * Dr. Young's training, properly followed, will prepare you to gain early recognition.

This most rapidly growing industry of all time * * * Television * * * we stress our firm belief that the large fortunes that will be made in the next five years will be made in Television.

There is a pile of letters on my desk from fellows who want our training with all their hearts but the money matter stops them cold * * * I finally

thrashed this matter out with Dr. Young * * * I suggested we * * * make a lot of real fellows happy by getting them started on our course for the low fee of \$5.00 * * * I told him we would lose a lot of money unless we limited this offer to just thirty days * * * this offer will be recalled in thirty days. Applications postmarked later than midnight, J—, will be returned.

Our training fits you to make extra money in this particular field while learning.

When your laboratory training is finished your qualifications and grades are given to our Placement Bureau * * * and will render every assistance to our graduate students in securing satisfactory employment * * * Television is a practical fact * * * Preparations are daily being made * * * for * * * the subsequent demand for trained men that will result * * * Six months hence men who are properly trained will be in demand * * * no offer could be more fair as *we eliminate all element of chance.*

Dr. Young's Television broadcasting station is completed and on the air. Dr. Young's Northwestern Television Institute will train three young men in Faribault and vicinity for positions as Television technicians in this great new industry. A representative will * * * interview applicants who wish to be considered for this attractive opportunity.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the openings or opportunities for profitable employment in the television industry are greater than the actual demand at the time such representations are published;

(b) That enrollment in respondent's classes or the studying of respondent's course of instruction will solve the employment problems or brighten the outlook of prospective students;

(c) That television offers everything that any man with ambition could ask;

(d) That television is a field that is not crowded;

(e) That the instruction given by respondent is entirely individual;

(f) That students of respondent's course of instruction will be able to earn money before completion of the course, or while learning;

(g) That television is a gigantic industry;

(h) That there are no trained television technicians available in this country;

(i) That students will be trained for jobs listed with respondent's placement bureau, unless such jobs are so listed and available to those who complete the training offered by respondent;

(j) That respondent's school was founded for the purpose of acquiring its own staff of trained men, or otherwise implying that

students will be employed by respondent upon completion of the course;

(k) That television will offer employment to students who complete respondent's course of training;

(l) That television is the most rapidly growing industry of all time;

(m) That any reduction in the price charged for respondent's course of instruction or change in the terms of payment is for a limited time, unless the respondent charges the former price or imposes the former terms of payment at the expiration of such limited time;

(n) That there will be a demand for men trained by respondent through its course of instruction in television;

(o) That all element of chance is eliminated by the respondent;

(p) That respondent's or Dr. Young's television broadcasting is completed or on the air, until such television broadcasting station has been completed and is being regularly operated;

(q) That there is any unusual activity in respondent's placement bureau, or in the securing of positions for its finished students; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 12, 1935.)

0897. Vendor-Advertiser—Foot Treatment.—The Sills Co., Vinita, Okla., vendor-advertiser, is engaged in selling a foot treatment designated "Sill's Foot Powder" and "Sill's Corrective Foot Treatment", and in advertising represented:

We can put the whole world on its feet in just three days:

There is no necessity for your suffering this summer with athlete's foot.

Sills Corrective Foot Treatment will positively correct such conditions.

Sills Corrective Foot Treatment that will positively eliminate the common ailment of Athlete's Foot.

ECZEMA DISCOMFORTS STOPPED BY NEW METHOD.

In the most severe cases of chronic weeping Eczema, Itching, Inflammation, Swelling, etc., commence to disappear with the first few applications—the agonizing discomforts should soon be under complete control.

FEET CAN NOW BE COMPLETELY REJUVENATED.

Use **SILLS CORRECTIVE FOOT TREATMENT** just 3 days and the old abused, infected, growth covered, and possibly offensive epidermis is gradually and comfortably replaced with a healthy new one.

"SILLS" FIRST USED FOR ECZEMA Apr. 20, 1934.

This and many tests since, including the most severe cases of chronic weeping eczema, has convinced many that the discomforts of eczema can, at least, be absolutely controlled.

BRAND NEW FEET ARE NOW POSSIBLE.

And **FREE** of Infections, Germs of Athlete's Foot, Trench Foot, Offensive Odor, Itching, Aching, and in many instances **ALL** corns and callouses—all this lasting relief.

"SILLS" STOPS GYM ITCH.

* * * effective in the treatment of stubborn infections and disorders of the skin on any part of the body. Eczema, all forms of Itch, Infected Feet, Hands, or Scalp, Chaffing, Prickly Heat, Sunburn, Acne, Pimples, Impetigo * * *.

DON'T BE HANDICAPPED WITH PAINFUL DISEASED FEET.

* * * **SILLS CORRECTIVE FOOT TREATMENT** will completely and thoroughly **REJUVENATE** them—quickly, positively, and lastingly—Athlete's Foot, Trench Foot, Bad Odor, Itching, Aching, etc., removes Painful Corns and Callouses * * *.

"SILLS" FOR ALL STUBBORN SKIN INFECTIONS.

For all forms of Eczema * * *.

A NEW 1934 TREATMENT FOR ECZEMA SUFFERERS.

"SILLS" IS GUARANTEED FOR INFECTED FEET, HANDS, etc.

NEW FEET FOR SALE.

At \$1.00 the pair and they are guaranteed to be free of Infections, Germs of Athlete's and Trench Foot * * * Cracking, Aching, etc. * * *.

SILLS CORRECTIVE TREATMENT USED JUST 3 DAYS KNOCKS ATHLETE'S FOOT.

MOST SEVERE CASES OF ATHLETE'S FOOT CORRECTED.

WANTED, all the WORST FEET IN OKLAHOMA.

Athlete's Foot, Trench Foot, Rotten Feet, Awful Corns, and Callouses—your feet can be so infected that you are in bed or on crutches and if a \$1.00 pkg. of **SILLS CORRECTIVE FOOT TREATMENT** DOESN'T make them healthy, comfortable, and normal—**NEW FEET**—we will either render any further service **FREE** or return your \$1.00.

It is not necessary to have diseased, germ infected feet to need **"SILLS."**

* * * thorough and complete treatment for the positive and lasting correction of all ailments of the epidermis of the feet * * * this means of the positive correction * * *.

The unfailing results of **"SILLS"**, * * *.

* * * the one remedy that will never fail.

"SILLS" IS POSITIVE IN THE CORRECTION OF ATHLETE'S FOOT * * * no matter how severe or long standing the case might be; how many remedies or how much medical treatment has been used * * *.

* * * half the contents of a \$1.00 package had "cured" his feet * * *.

A prominent physician made the assertion that he "would give \$500 for any case of Athlete's Foot he couldn't correct with **SILLS CORRECTIVE FOOT TREATMENT.**"

As years passed it developed that **"SILLS"** wasn't to be limited to the correction of excessive perspiration alone but to any disease of the epidermis or outerskin of the feet including Athlete's Foot, Trench Foot, and all other ailments due to germs that hibernate and thrive in the moist outerskin of the foot, also for Epidermis Eczema on any part of the body.

SILLS HAS NEVER FAILED IN A SINGLE CASE.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that whereas according to medical opinion received by the Commission a preparation of this composition would have some therapeutic value in the treatment of the ordinary cases of athlete's foot to the extent that it would tend to relieve the symptoms of such condi-

tions, it nevertheless cannot be considered a corrective foot treatment for the various conditions affecting the foot, nor a competent treatment in all cases of athlete's foot or trench foot, and it would not correct athlete's foot in three days; neither can it be considered a competent treatment for eczema of the foot or all diseases of the epidermis of the feet.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product could "put the whole world on its feet in just three days", or in any other period of time, or

That its use will "positively cure" foot conditions; or

That it will "completely rejuvenate" the feet, or that by its use "brand new feet are now possible", or

That it will eliminate, without qualification, the handicap of painful diseased feet, or

That its results are unfailing, or

That it is the one remedy that never fails, or

That half the contents of one package can "cure" one's feet; or

That it has never failed in a single case;

(b) That the use of said product will eliminate all necessity for suffering with athlete's foot, or will positively eliminate athlete's foot, or will bring lasting relief from athlete's foot, or

Will completely or thoroughly rejuvenate athlete's foot, or

Is guaranteed to free one of the germs of athlete's foot, or

Knocks athlete's foot in three days or in any other specified length of time, or

Corrects the most severe cases of athlete's foot, or

Is competent to make feet healthy, comfortable, and normal when afflicted with athlete's foot, or

Is positive in the correction of athlete's foot no matter how severe or long standing the case might be, or

That \$500 is offered for any case of athlete's foot which this treatment cannot correct;

(c) That said product inferentially or otherwise is a competent treatment for "all forms of eczema" or for eczema in any form, or that by its use eczema discomforts are stopped, or that the most severe cases of chronic weeping eczema commence to disappear with the first few applications, or "should soon be under complete control", or can be absolutely controlled;

(d) That said product is a "new 1934 treatment" for eczema;

(e) That said product is either a competent treatment or an effective remedy, or a positive correction for "all stubborn skin infections";
or

For "diseased, germ infected feet", or

For all ailments of the epidermis of the feet, or

For stubborn infections and disorders of the skin on any part of the body;

(f) That said treatment will "free" a person of either infections, or trench foot, or offensive odor, or all corns and callouses; or cracking, aching, itching, or rotten feet, or that it brings "lasting relief" to any such conditions;

(g) That by the use of said product either infected, growth covered, or offensive epidermis is comfortably replaced with a healthy new one in "just three days" or in any other length of time;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 12, 1935.)

0898. Vendor-Advertiser—Correspondence Courses.—The National School of Exterminating, Springfield, Mass., vendor-advertiser, is engaged in selling a correspondence course in exterminating bugs and vermin, and in advertising represented:

Become a professional exterminator. Five complete lessons on control and extermination of roaches, rats, bed bugs, moths, etc. in homes, apartments, stores, factories, public buildings. Uncrowded field. Earn up to \$50 per week and more. Send \$1.00 today for first lesson and details. National School of Exterminating, 145 State Street, Springfield, Massachusetts.

Here is a sample list of a few jobs done by members of the faculty of the National School of Exterminating:

Apartment—First Treatment \$50.00, Monthly Contract \$15.00 per mo.

Apartment—First Treatment \$35.00, Monthly Contract \$12.00 per mo.

Factory—First Treatment \$50.00, Monthly Contract \$28.00 per mo.

Dairy—First Treatment \$20.00, Monthly Contract \$10.00 per mo.

20 restaurants at \$3.00 per month, total \$60.00 per month.

253 chain stores at \$2.00 per month, total \$506.00 per month.

One mortgage company pays us \$61.00 per month, another \$50.00 per month.

These and many others are typical of the ordinary run of work you'll be handling every month in the year, and remember every home is a prospect for service or powder or liquids which you'll be able to make and sell upon completion of the course.

If you worked on nothing but restaurants, small stores, and single jobs, exterminating rats, mice, and roaches, you could earn from \$6.00 to \$10.00 a day. If you simply de-mothed pianos you could earn \$10.00 a day. (One man averaged \$16.00 a day for 6 months just de-mothing pianos.)

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead

and deceive interested parties to the injury of respondent's competitors, in that the respondents have been unable to furnish the Commission with the names and addresses of any of their student graduates who have earned the amounts indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondents' students or graduates achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's students or graduates under normal conditions in the due course of business;

(c) Not to represent or hold out as maximum earnings by the use of such expressions as "up to," "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondents' students or graduates under normal conditions in the due course of business. (Aug. 12, 1935.)

0899. **Vendor-Advertiser—Motor Lubricant.**—The Coffield Protector Co., Dayton, Ohio, vendor-advertiser, is engaged in selling a graphited motor lubricant, designated "Graf-Ex" and in advertising represented:

Make Old Motors Run Like New.

* * * * *

SMALL AS GERMS

Under action of motor heat, these germ-small particles of "Graf-Ex" actually "build themselves in" to the cylinder and piston wall. With every turn of the motor they act to "plate" worn surfaces with a power-sealing substance that will not break down under heat—solid as metal, yet actually a better lubricant than most oils.

* * * * *

FRICION
CREATING
SCARRED
SURFACES

GRAF-EX
PARTICLES
UTTERLY
SMOOTH-SELF
LUBRICATION
SURFACES

Piston

Cylinder Wall

TREMENDOUS DISTRIBUTORSHIPS

Now Being Built Up!

No WONDER dozens of enterprising agents are reporting steady repeat business and fast-growing customer lists. Imagine a simple fluid, which you pour into gasoline and oil, that brings results in engines like these:

"Increased gasoline mileage 15% in a short time", (from J. W. Jenkins of Cincinnati, Ohio); "Cut oil consumption down to one-quarter what it used to be on a Fordson tractor," (says D. E. Forsyth, Lake Geneva, Fla.); "Getting 18 to 20 miles on a gallon in a car that has run 41,000 miles—23,000 since the valves were ground!" (C. N. Lindberg of Kansas).

Just think! There are 17 million cars that are over 3 years old today. 17 million motorists, dreading the day when they'll to take an expensive trip to the repair man! Think what a gold-mine you can make out of this market with new Graf-Ex.

It's one of the great engineering discoveries of the century—a method that makes it possible to lubricate even valves and top cylinders with Graf-Ex—the most perfect lubricant that not only will not "break down", but actually seems to "plate" worn motor surfaces with a marvelous self-lubricating substance. Old motors seem to "rebuild" themselves—power leaks seal up—gas and oil cost go down and repair costs often are put off for months by the small amount of money spent for Graf-Ex.

Be the first in your territory to introduce this Motor Protector. Send today for complete facts about Graf-Ex. Full engineering data, reports of users, and wonderful successful-selling plan will be mailed at once. Do not delay—others will also jump for this opportunity.

Opportunities to make \$90.00 to \$150.00 per week are not so plentiful right now. That is why Distributors, salesmen, and crew managers are quick to see the wonderful possibilities of Graf-Ex. To eager wide awake men we are assigning territory every day in every section of the country, but your territory is still open. So let us tell you more about Graf-Ex.

HEAT sufficient to melt iron does not destroy the lubricating value of Graf-Ex.

Engineers claim that a temperature of from 1,500 to 2,000 degrees Fahrenheit is developed by the explosion of gasoline in the upper part of your motor. Valves, upper pistons, and rings must operate in this temperature. Ordinary oil burns at 500 degrees F. or less. That is why automobile engineers have never been able to get these parts properly lubricated with oil. These parts run with little or no lubrication. Valves get warped—compression is impossible. Pistons wear sloppy. Gasoline leaks past the rings into the crank case. Oil is diluted. Wear on the bearings is increased. The motor becomes noisy. Repair bills are frequent and ineffectual. A whole new motor would be necessary to effect a complete cure. Graf-Ex cures the trouble by preventing it. Upper valves get lubrication. Wear and noise are stopped. Oil dilution is prevented. Greater mileage from gasoline results. Oil consumption is lessened. Repair bills are avoided. Your car gets new life and pep * * * New Motor performance * * * New motors stay new.

SAVE! SAVE!! SAVE!!!

Graf-Ex saves gasoline or gives greater mileage because it eliminates carbon and carbon overheats your motor. The rings work freely and the gasoline is not pumped into the crank case. Valves seat perfectly, preventing escape of vaporized gasoline into the exhaust unexploded.

SAVES OIL

Graf-Ex contains a penetrant which loosens sluggish rings and less oil is pumped into the firing chamber from the crank case, thus reducing the oil consumption and removing the cause of carbon.

SAVES REPAIR BILLS

Any machine runs smoother at less cost when perfectly lubricated. New valves, rings, pistons, guides, pushrods, springs—all cost money. Why are new ones necessary? Excessive wear from poor lubrication. Use Graf-Ex and smile at the miles.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the scientific advice received by the Commission, the use of this product will not increase engine horsepower or car speed beyond the normal variations through use of mineral oils; and the claims made for gasoline mileage increase and for the saving of oil are excessive and not supported by the tests; also the opportunity for earnings held out to prospective sales-persons is exaggerated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of Graph-Ex increases gasoline mileage by 15% or to 18 or 20 miles per gallon in an old car, or in any other proportion or amount not supported by competent scientific tests;

(b) That oil consumption will be cut down by the use of Graf-Ex to one-quarter of what it used to be or to any other extent or degree not proven by accurate tests;

(c) That old motors "seem to rebuild themselves" when Graf-Ex is applied;

(d) That Graf-Ex will either

1. Make old motors run like new, or
2. Plate worn surfaces with a power-sealing substance, or
3. Utterly smooth self-lubricating surfaces of cylinder walls, or
4. Cause power leaks to seal up, or
5. Stop wear and noise, or
6. Avoid repair bills, or
7. Prevent oil dilution, or
8. Provide new motor performance or cause new motors to stay new, or
9. Eliminate carbon, or make rings work freely, or prevent gasoline from being pumped into the crank case, or cause valves to seat per-

fectly, or prevent escape into the exhaust of unexploded vaporized gasoline, or

10. Fill in and smooth over scratches, scorings or any indentures in cylinder walls that are not mere microscopic scratches; and from making any other claims or assertions of like import.

Respondent furthermore stipulates and agrees not to represent to prospective distributors, salesmen, and crew managers, or hold out as a chance or an opportunity, any prospective earnings in an amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement (Aug. 22, 1935).

0900. **Vendor-Advertiser—Reducing Treatment.**—Louis Ball and Mark Burke, co-partners, trading as Dr. Webber Co., Wilkes-Barre, Pa., vender-advertisers, are engaged in selling a treatment for obesity, designated Dr. Webber's Reducing Capsules, also Dr. Webber's Thinning Capsules, and in advertising represented:

Rx—A Doctor's Prescription

DR. WEBBER'S REDUCING CAPSULES

Send	Guaranteed to reduce your	\$2
For A	weight without harmful after-	
Box	effects, and at the same time	
Today	allow you to enjoy your meals.	BOX
	Recommended by doctors. Your	
	money back if not satisfied.	

DR. WEBBER CO.

Manufacturing Chemists

113 S. Main St., Wilkes-Barre, Pa.

Many products there have been on the market which promised to reduce weight quickly. Few have lived up to their claims * * * some have been definitely harmful to health. But now, after years of experimenting, comes an absolutely safe way to reduce * * * a doctor's prescription, recommended by doctors.

They are pleasant to take, have no undesirable after-effects, and produce definite results in loss of weight.

Women who are taking them regularly also say that they are astounded at the wonderful tonic effect they have on the body, in restoring youthful energy and joy of living.

It's a doctor's prescription that will help you to lose pounds and at the same time allow you to enjoy your meals * * * They are absolutely safe to take and, in addition to helping you to lose unwanted pounds, they also have a wonderful tonic effect * * *.

"Tell them that they can take Dr. Webber's Capsules with absolute safety, * * * They help you to reduce slowly but steadily without any harmful after-effects.

You know that they are absolutely harmless, compounded from a famous doctor's prescription. They contain no thyroid or other harmful ingredients. And they positively do not affect the heart. * * *

But There's a safe and harmless way of losing weight without starving the body, and that's by taking Dr. Webber's Reducing Capsules. They are a doctor's prescription and contain no thyroid or other harmful ingredients. It is nature's own way of successfully reducing weight for it restores the said balance of the body.

What seems to be the biggest surprise is the fact that you can reduce safely without feeling any depressing after-effects or without it affecting your heart * * *. Dr. Webber's Reducing Capsules are harmless to the most sensitive system.

Dr. Lewis W. Webber's capsules constitute a safe and useful adjunct in the treatment of overweight and gives good results in all cases. The reduction of weight is gradual and unaccompanied by any depressing symptoms; on the contrary the treatment is followed by a marked tonic effect and promotes a sense of well-being in the patient.

* * * There is no guess work about Dr. Webber's Thinning Capsules. They have been tried and tested on both sides of the sea. In Paris, Hollywood, innumerable ladies walk to and fro in slim pulchritude * * * amazing their friends, they have come back from the cross-roads of middle life, leaving behind them the obese phantom, and their eyes, young and bright, look out of fair, wrinkleless faces. It is as though they had gone down into the springs of life and come, regenerate, up into the world again.

* * * a 16-day treatment.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion received by the Commission the active ingredients of these reducing capsules are laxative and cathartic, with little if any tonic value; they cannot be considered safe and harmless for the reason that constant use over a period of time produces deleterious effects through gastro-intestinal irritation, whereas without constant use the individual would quickly regain any weight lost.

In a stipulation filed and approved by the Federal Trade Commission these vendor-advertisers admit making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is either safe or absolutely safe, or Absolutely Harmless;

(b) That it produces no harmful or undesirable or depressing after-effects;

(c) That it contains no harmful ingredients;

(d) That said preparation is a tonic, or produces wonderful or marked tonic effects;

(e) That it restores youthful energy, or produces young and bright eyes, or wrinkleless skins, or allows enjoyment of meals, or gives good results in all cases, or is a 16 day treatment;

(f) That said preparation positively does not affect the heart, or is nature's own way of successfully reducing weight;

(g) That the pulchritude of users of this preparation causes amazement in Paris, Hollywood, or any other place where the women are notable for their beauty of face and figure; and from making any other claims or assertions of like import. (Aug. 22, 1935.)

0901. **Vendor-Advertiser—Medicinal Salt.**—The Certified Crystals Sales Co., Charleston, W. Va., vendor-advertiser, is engaged in selling a medicinal salt designated "Certified Crystals" and in advertising represented:

Rainy bad weather * * * expect those pains of rheumatism and neuritis. Why not ward off those pains before they arrive by using Certified Crystals.

Certified Crystals * * * to get rid of poisons in the system and build up a reserve to throw off cold germs.

* * * building up resistance to colds, and pains of rheumatism, etc., with Certified Crystals.

* * * Folks who are just beginning to journey back to good health.

* * * sufferers from the effects of poor and improper elimination—folks who had rheumatism, neuritis, lumbago, headaches, acid indigestion, colitis, stomach, liver and kidney troubles, high blood pressure, dull minds, nervousness, irritability—bad complexions, biliousness and other troubles * * * have found that genuine Certified Crystals have helped them when everything else failed * * *

* * * 80% or more of our common ailments are traceable to one cause—* * * poor or improper elimination. * * * those poisons cause the colds and those colds often result in more serious troubles—sometimes we become rheumatic, or we develop neuritis, or colitis—we become nervous and irritable—our stomachs go back on us—colitis—acid indigestion—high blood pressure—swollen aching limbs—that tired, run down condition—loss of weight and one of a hundred things might develop which will take years off our span of life—and all because we neglect * * * elimination of the poisons from our system. That's where Certified Crystals get in their good work.

Certified Crystals are Mother Nature's own prescription for causing proper elimination.

Certified Crystals Mineral Water will help in the correcting of the troubles you already have.

The Radio Commission does not permit us to say anything that is not true—and further—our guarantee is certainly plain enough and broad enough to satisfy anyone—even the most skeptical listener.

We have in our files more than 200 letters from people who have been sufferers from rheumatism for from one to 20 years who have found relief from those gnawing pains and aches.

Certified Crystals seek out those hidden pockets of poisons that cause the trouble—and by inducing proper elimination—gets rid of those poisons.

* * * Certified Crystals, use them regularly, build up your system to be able to throw off those colds and prevent those aches and pains.

* * * people who have been sufferers from Gas, and indigestion, and from many other troubles, are finding the relief they seek with the genuine Certified Crystals * * * millions of people have been finding relief by drinking the waters of the wells at Mineral Wells, Texas, for more than fifty years.

* * * plan now to begin the journey back to good health with Certified Crystals.

Every time we tell about the wonders of healing brought about by Certified Crystals—more people begin the journey back to good health.

Today's mail brought orders for twenty new customers * * * sufferers from the effects of poor and improper elimination—causing rheumatism—neuritis—colitis—acid indigestion—high blood pressure—stomach, liver, and kidney disorders—overweight—lost appetite—nervousness—irritability and other troubles.

Certified Crystals strike right at the root of such troubles—chasing out of the system the poisons that are surely tearing down the system.

You're not buying a pig in a poke when you order Certified Crystals—because we guarantee them to help you.

If you were afraid to eat breakfast for fear of the pains in your stomach afterward—if your back and limbs ached—if you feared the work of the day * * * you need something to seek out the poisons that are tearing down your system—and we believe Certified Crystals will help you.

When Certified Crystals are added to your drinking water in your home they constitute the kind of water that has been bringing health and happiness to people at Mineral Wells, Texas, for over fifty years.

Glen Morgan lay seven months with rheumatism, could not move foot nor hand, and for nearly 18 months could not walk upstairs. Spent over \$1,000 in hospitals, took six boxes Certified Crystals, did more good than anything else he ever took so he can now do his work.

* * * known fact that the Mineral Waters of Mineral Wells, Texas, are particularly adapted to cause the proper functioning of the stomach, and the proper elimination of the waste and the poisons that cause our troubles * * * most of our troubles come from bad elimination—and the waters of Mineral Wells, Texas,—produce proper elimination.

* * * with proper elimination—I can regain my health * * * by adding Certified Crystals to your own drinking water, you will have exactly the same kind of water you would drink at the famous health resort—with the same health giving effect—.

Tell your friends about this great prescription of Mother Nature—You'll be helping them back to health and happiness.

* * * my complexion, which by the way was terrible, is clearing up.

A puny little fellow who could not eat anything but candy—whose little legs were not much bigger than broom sticks—who was a whining, sickly child, the little limbs are filling out and he is gaining in health every day since he began drinking Certified Crystals Mineral Water.

* * * crippled up with rheumatism—he was suffering great pain, and was discouraged—he felt that he would never get rid of the trouble that was rapidly carrying him to his grave.

* * * rid of their troubles with Certified Crystals.

* * * what Certified Crystals have done for others they can do for me.

A very old gentleman * * * victim of rheumatism for years—feels much better.

A lady who hasn't walked out of the house in two years—is going to the store and doing her own work.

A lady who is in a delicate condition—could not keep food on her stomach—is now able to eat heartily.

A child, underweight—sickly—is romping and playing and eating today.

A whole family is happier and healthier now that they are all drinking Certified Crystals Mineral Water—.

Every mail brings more and more letters from folks who have been helped by Certified Crystals * * * rheumatism for years * * * suffered from stomach, liver, and kidney troubles * * * aches and pains of neuritis * * * high blood pressure * * * minds were tired and sluggish—nervous and irritable to the point that they were mean and ugly to those around them—old people—young people—all have been helped back to good health with Certified Crystals.

* * * excessive weight. The proteins and sugars which, by chemical action, become acids in your system, are removed most effectively by the regular use of Certified Crystals Mineral Water.

* * * reduce Nature's way * * * safely, by removing the acids which bring about the accumulation of adipose and excess tissues.

* * * sluggishness, acid indigestion * * * our blood is contaminated with the result * * * bad complexion, excessive weight, in fact any one of the many systemic disorders can result * * * need Certified Crystals.

You, who can't go to Mineral Wells, can get this blessed relief by drinking Certified Crystal Mineral Water * * * begin the journey to get well and stay well * * *

* * * toxic poisons, gathering for months in your blood stream due to improper elimination, are being swept away by this great cleanser.

* * * self conscious because of pimply, bad complexions—little children who were underweight—sickly—whining—in fact folks with high blood pressure—neuritis—acid indigestion—and many other troubles—have written to us to tell us how Certified Crystals have helped them.

For over fifty years invalids have been sent by their physicians to drink the waters of Mineral Wells, Texas * * *

* * * I can't sleep without them. I have had stomach trouble for fifteen years and I have been in the hospital to be operated on five times. But Certified Crystals are the only relief I have found.

A young lady * * * happy * * * because of a bad pimply complexion has cleared up thru the use of Certified Crystals—.

* * * reach the seat of the troubles, chase away those poisons that tear us down physically and bring to the sufferer a new lease on life.

Certified Crystals * * * one hundred percent pure Mineral Wells, Texas, Mineral Water.

No longer do you have to journey hundreds of miles and spend hundreds of dollars to enjoy the mineral water at Mineral Wells, Texas * * *.

Certified Crystals Mineral Water will clear up bad complexions and reduce excessive weight, because it removes the cause.

* * * mottled complexion * * * or an excess of adipose, or fatty tissues. Drink Certified Crystals.

* * * feeling sluggish * * * let down * * * your complexion yellowish * * * weight piling up? * * * outside reflection of something wrong on the inside * * * drink Certified Crystal Mineral Water * * *.

Science has found that it's faulty elimination that's causing so many of our so-called organic troubles.

* * * often follows, a more serious trouble—high blood pressure—acid indigestion * * * rheumatism, stomach trouble, blotchy, pimply complexions, acne exzema, and so many other ailments.

Mother has arthritis and gall bladder trouble * * * told that an operation was the only way * * * heard about Certified Crystals, and now after using them she is well on the road to health.

* * * we must also keep the body free from all influence and conditions which hinder or check the flow of pure blood into and thru all the organs and parts.

Certified Crystals * * * cleanse the entire body of the powerful destructive colds and other poisons that are responsible for this excess weight, for skin affections, rheumatism, frequent headaches, indigestion, and so many other unhealthy symptoms.

If it is * * * colitis * * * chances are * * * comes from * * * poisons in your system because of poor and improper elimination.

What Mineral Water has done for others it can do for you * * *. Certified Crystals * * * when added to your drinking water reproduce exactly the same kind of water you would drink at Mineral Wells—with the same effect—in other words you can have a health resort in your home for thirty days for one dollar.

Nature always warns * * * first warning is constipation—which means—“Sickness Ahead.” * * * Skin Disorders—bad breath * * * neuralgia, neuritis—paralysis—and even insanity are often the eventual results of poisons accumulating in the body from the lack of proper elimination.

* * * trip to Mineral Wells, Texas * * * doubtless return home in good health. Today we bring the Famous Mineral Wells Health resort right into your own home.

Muddy skin, eruptions, blackheads, and wrinkles indicate that the diet is lacking in certain vitamins and organic salts. * * * with the use of Certified Mineral Crystals you will see your complexion begin to clear up, and day after day you will notice the improvement—until you regain that rosy bloom of health.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, said product is composed almost entirely of sodium sulphate and constitutes what is known as Glauber's Salt. It is not a tonic, will not build up resistance against infections or other physical disorders, and is not a competent treatment for any of the ailments specified in the advertising. The use of it will not have the effect to reduce excessive weight. When added to the drinking water, it does not make the same kind of water as that at the wells at Mineral Wells, Texas. It is not a safe treatment for the ills of delicate children or old age.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and represents that he has definitely discontinued advertising and selling such commodity, but should he at any time resume such advertising he will follow the rules of the Federal Trade Commission, and in particular will not represent in such advertising:

(a) That Certified Crystals are a competent or effective treatment for any of the following ailments:

Rheumatism,	Biliousness,
Neuritis,	Gall-Bladder trouble,
Lumbago,	Bad breath,
Headache,	Paralysis,
Acid Indigestion,	Measles,
Colitis,	Acne,
Stomach, liver, or kidney troubles,	Eczema,
High Blood pressure,	Colds,
Dull minds,	Arthritis,
Nervousness,	Backache,
Irritability,	Swollen aching limbs,
Bad complexion,	Insomnia;
Pimples,	

(b) That Certified Crystals will either—

1. Strike at the root of any ailment; or
2. Reach the seat of any trouble; or
3. Bring the sufferer a new lease on life; or
4. Eliminate poisons from the system or bloodstream; or
5. Ward off the pains of rheumatism or neuritis; or
6. Build up a resistance to cold germs or the pains of rheumatism; or
7. Remove protein or sugar acid from the system; or
8. Produce beneficial results when everything else has failed; or
9. Help correct the trouble one already has; or
10. Start the user on a journey back to good health; or
11. Improve digestion or enable the user to eat heartily; or
12. Enable the user to regain health; or
13. Remove the cause of bad complexions, or excess weight; or
14. Cleanse the body of colds or poisons;

(c) That Certified Crystals are Mother Nature's own prescription, or otherwise representing that they are a natural product;

(d) That Certified Crystals are nothing but the minerals from the wells at Mineral Wells, Texas;

(e) That with Certified Crystals one may be able to make a health resort of his own home;

(f) By direct statement or by reasonable implication, that Certified Crystals will either—

1. Keep the body free from influences or conditions which hinder or check the flow of blood; or
2. Supply vitamin deficiency of the diet;

(g) By direct statement or by reasonable implication, that colds are caused by germs;

(h) That any definite proportion of the common ailments are traceable to poor or improper elimination;

(i) That colds or improper elimination are often the cause of neuritis, rheumatic conditions, colitis, stomach trouble, indigestion, high blood pressure, swollen or aching limbs, loss of weight, or serious trouble;

(j) By direct statement or by reasonable implication, that the respondent's radio broadcasts have been censored or approved by the Radio Commission;

(k) That Certified Crystals are guaranteed to help one;

(l) By direct statement or by reasonable implication, that the water in which Certified Crystals are dissolved is the same as or the equivalent of the water obtained from wells at Mineral Wells, Texas;

(m) By direct statement or by reasonable implication, that the drinking of water in which Certified Crystals are dissolved will produce benefits that are equivalent to the benefits alleged to have been produced by the drinking of water obtained from the wells at Mineral Wells, Texas;

(n) That Certified Crystals are of themselves a competent or effective treatment for obesity, or that their use alone will reduce weight or excess fat;

(o) That Certified Crystals will be effective in bringing puny or sickly children to health;

(p) That Certified Crystals are an effective treatment for persons who are underweight;

(q) That sickness, neuritis, neuralgia, paralysis, or insanity will probably result from constipation unless corrected;

(r) That Certified Crystals will afford relief in cases where surgical operations have failed, or that a surgical operation can be avoided by the use of Certified Crystals;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees, that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement (Aug. 22, 1935).

0902. Vendor-Advertiser—Toys.—Fisher-Price Toys, Inc., East Aurora, N. Y., vendor-advertiser, is engaged in selling toys, and in advertising represented:

MAN! WHAT A HIT!

NEW LOW PRICE ACTION TOYS!

THEY WORK LIKE MAGIC!

AGENTS! Earn up to \$10 Every Day between Now and Christmas!

This is truly your big opportunity to clean up from \$10 to \$15 a day—every day between now and Christmas.

No experience! No Investment. Even without experience, and without risking a cent of your own money, you can earn real money right from the start.

Looks like a dollar seller; yet retails for only 25¢, 100% profit to you.

Just 5 sales a day will pay you up to \$25.00 a week.

With a sure fire chance of earning up to \$40 to \$50 a week and more for full time, right from the start, and up to \$30 for spare time.

How fine it would be to have up to \$60 coming in every week.

Don't sell—Just Demonstrate.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive interested parties, to the injury of respondent's competitors, in that the amount stated exceeds that which can be earned by salespersons or dealers of respondent under normal conditions.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That it will not represent or hold out as a chance or opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(b) That it will not represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(c) That it will not represent in advertising, directly or otherwise:

1. That possible weekly earnings of prospective salespersons or dealers, when computed on a basis of a definite number of sales per day, is any amount greater than six times the amount that can be earned per day;

2. That 100% profit can be made from the sale of any article, unless the retail price of such article is 100% greater than the net cost to salesperson or dealer when purchased in minimum quantities;

3. That no investment is necessary;

4. That any amount can be earned by prospective salespersons or dealers without selling or by merely demonstrating; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0903. **Vendor-Advertiser—Medicinal Preparation.**—John D. Myers, trading as John Sterling Remedy Co., Kansas City, Mo., vendor-

advertiser, is engaged in selling Sterling Royal Remedies Nos. 1 and 2 for the treatment of syphilis, syphilitic rheumatism and syphilitic catarrh.

CONTROLS Disease of Blood

Amazing treatment drives disease out of blood. Use it at home. Proved for 60 years. Whatever the cause, however far advanced, write for FREE Book.

The proprietary medicine that we consider worthy of editorial mention is Sterling's Royal Remedies, which has unquestionably proved its right to rank as a specific of the highest character. This wonderful successful remedy * * * is a genuine remedy for syphilis, syphilitic rheumatism and syphilitic catarrh.

Our confidence in STERLING ROYAL REMEDY makes it possible for sufferers of a most troublesome disease to secure our free book * * * Then consider the fact that this remedy has come to the aid of thousands, and will prove its worth to you.

The speedy recovery described by so many grateful people and their willingness to give credit to STERLING ROYAL REMEDY should inspire new hope in those who are now suffering from this disagreeable and dangerous disease.

It is now possible for every sufferer to be rid of this disease in the privacy of their own home;

* * * if you have this trouble you should be up and doing and leave no stone unturned until you are rid of it. The sooner you begin proper treatment, the sooner will relief come.

If you free yourself from this disease you must use medical treatment. Our medicine is a standard one, and as you have begun using it, you should continue using it until you are well.

* * * but you should not feel discouraged even if you do not get good results at once. You will before you get through.

STERLING'S ROYAL REMEDY FOR SYPHILIS SYPHILITIC CATARRH SYPHILITIC RHEUMATISM

* * * * *
STERLING REMEDY IS THE crowning achievement of a great chemist and the result of experiments covering a period of many years. JOHN STERLING finally succeeded in perfecting a formula for the treatment of that loathsome disease—

SYPHILIS

WE CAN CLEANSE YOU

We feel that you are bound by your duty to yourself and to those with whom you associate to read the rest of our message and investigate our proposition to treat and cleanse you, and leave a clean, wholesome body, free from the loathsomeness of a foul disease, not to mention the relief from the suffering involved, as one who has been so unfortunate as to have become infected with the dreadful poison of Syphilis.

You must then, if in need of treatment, consider a proposal with easy conditions which will give you the right and confidence to mingle with your fellow man, and above all, safely to enter the marriage relation, if you so desire.

* * * This combination of medicine is not the result of guess work, but has been thoroughly tested in cases of every degree of severity.

STERLING'S REMEDY is not for any disease other than Syphilis, Syphilitic Rheumatism, and Catarrh; for these it is a true specific. Some wonder that this remedy can have the results with such a malignant and deep-rooted disease in a short length of time * * * the Remedy within a few hours after being taken is thoroughly absorbed and disseminated through the system, making its miraculous trip, healing at every point, eliminating poisonous matter, building the broken down tissues, and giving to the patient a feeling of glowing, tingling returning health in a remarkably short period of time.

* * * We desire to impress upon our readers that our remedy is *harmless*, and that when a patient is through taking it, which is in a short time, there is no evil results to be treated or no poisons to be eradicated from his system * * * STERLING'S REMEDY will not only cleanse him from the primary disease, but relieve him from the poison he has assimilated through the use of drugs, the names of which are only too well known to the sufferer.

STERLING'S REMEDY HAS STOOD THE TEST.

For many years this remedy was administered to sufferers from Syphilis and its resultant diseases before it was advertised or put generally upon the market; but finally its success was so great that this Company at last felt justified in placing it before the public through advertising. That was many years ago and never have we been forced to retract any of our statements regarding this wonderful specific. * * *

"For over eight years I suffered from Syphilis, * * * I got so bad that my arms, legs, and face were covered with awful ulcers and open sores. * * * I was not able to wear a shoe on my right foot for five years. In fact, I was in a most terrible plight * * * the best doctors in town simply shook their heads and said that I was a doomed man." I started about this time on STERLING'S REMEDY and in a month's time could wear a shoe on the right foot—something I had not done for five years * * * I recommended your treatment to numerous persons, and it never failed in a single case.

I was cured of the worst case of Syphilis by STERLING'S REMEDY in 1900 and have never had any return of the slightest symptoms since then.

Mr. Frank Howard became afflicted with blood poison in its worst form * * * By the time he had taken a three months' treatment he was entirely well and has been ever since * * *.

From the beginning of the treatment the patient is benefited thereby, so it may be readily seen that no disability will result from the administration of the medicine * * * in any case soon be sound and well * * * you need lose no time or suffer no disability as a result of taking STERLING'S REMEDY.

* * * some doctors and scientists made a difference between chancroid and chancre, and there is a difference of opinion as to whether both sores indicate Syphilitic infection. The safe way to act in case you have either one of these sores is to take no chances, but secure a treatment which will be sure to relieve you whether the difference between chancroid and chancre is ever discovered or not * * *.

Regardless of all these differences of opinion let us again assert that in either case you should treat yourself for blood poison and that STERLING'S REMEDY will cleanse you * * * start at once with a remedy that will give you immediate help and speedy relief.

"I had the bad sores on legs, arms, and face. I had the patches in my throat and my glands were swollen. I was all run down and I worried night and day. In this plight I came to you * * *. It was not a question of money with me

then; it was a question of cure. I took your word for it and sent for the Remedy. It did for me what it has done in thousands of other cases * * * I have never had a return of the disease * * *.

"I am satisfied I am cured, and many thanks to you for the Remedy."

When you realize that you are benefited at once and that the results are sure, you should not hesitate to begin taking this treatment at once.

"For four years I had as bad a case of Syphilis as any man could have. During that time I had doctor after doctor to treat me, and did not get any relief * * * I gave up all hope of getting cured when I met a friend who told me about the REMEDY. I got it from a druggist and started using it according to directions. In six weeks I was firing a locomotive. STERLING'S REMEDY saved my life * * *."

If you follow these instructions, and if your ailment is either Syphilis, Rheumatism or Catarrh you need have no fear as to results.

* * * it takes time for the medicine to reach the seat of the disease, destroy the germ and carry same from the system. And in order that every vestige of the disease may be eradicated only a little time and patience is required of the sufferer.

One large package should be taken after all symptoms and indications of the disease have disappeared, to insure that no germs are left in the blood.

I have seen and know of about 50 cases of blood poison that have been permanently relieved by the Remedy; in fact, I never heard of a case where the medicine failed.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion furnished the Commission, the respondent's preparations are neither a specific nor a competent treatment for syphilis in any of its stages; the mixture of ingredients is therapeutically incorrect; and the advertising claims are "grossly false."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise;

(a) That either of the respondent's preparations is a competent treatment or an effective remedy or a "genuine remedy" for syphilis, syphilitic catarrh, or syphilitic rheumatism;

(b) That said preparations constitute the crowning achievement of a great chemist, or the result of an experiment covering a period of many years;

(c) That John Sterling "perfected" a formula for the treatment of syphilis;

(d) That respondent's preparations, as compounded, constitute a "standard treatment" for syphilis, or will leave one "free" from the

loathsomeness of this foul disease, or relieve him from the suffering involved;

(e) That Sterling's remedy is either a "true specific" or a "wonderful specific" for the diseases specified;

(f) That said treatment has proved the right to rank as a specific of the highest character, or as a "specific" of any kind;

(g) That it has come to the aid of thousands;

(h) That by the use of said treatment it is now possible for every sufferer to be "rid" of this disease in the privacy of the home, or at all;

(i) That said treatment will "cleanse" one of syphilis and enable him "safely to enter the marriage relation";

(j) That when one is through taking this medicine there are no evil results to be treated or poisons to be eradicated from the system;

(k) That whether or not the sores chancroid or chancre indicate syphilitic infection, if one has either, Sterling's remedy will cleanse him;

(l) That this treatment is efficacious for rheumatism or catarrh regardless of cause;

(m) That by said treatment only a little time and patience is required of the sufferer for the medicine to reach the seat of the disease or destroy the germ; or carry same from the system; or until every vestige of the disease is eradicated;

(n) That one large package taken after all symptoms or indications of the disease have disappeared will insure that no germs are left in the blood;

(o) That by its use 50, or any other definite number of cases, have been permanently relieved;

(p) That said treatment has never failed in a single case;

(q) That by the use of said treatment any one was "cured" of the worst case of syphilis, or of a year case of syphilis in 6 weeks, or of any other case of syphilis;

(r) That by a three-months treatment any one became entirely well of blood poison in the worst form;

(s) That by its use a patient is benefited from the beginning of the treatment, or that no disability will result from the administration of the medicine, or that it is "harmless";

(t) That by its use one suffering from the diseases specified will soon be sound or well;

(u) That it has saved one's life;

(v) That as a result of taking said preparation one need "lose no time";

(w) That said preparation in a few hours after being taken is either—

1. Thoroughly absorbed or disseminated through the system, or
2. Healing at every point, or

3. Eliminating poisonous matter, or
4. Building up broken down tissues, or
5. Giving to the patient a feeling of glowing, tingling returning to health;

(x) That it will either—

1. Relieve one from the poison assimilated from the use of drugs, or
2. Give a patient immediate help or speedy relief, or
3. Leave a clean, wholesome body;

(y) That it either—

1. Drives disease out of the blood, or
2. Has "stood the test";

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0904. Vendor-Advertiser—Counter Card Merchandise.—H. B. Laymon, doing business as World's Products Co., Spencer, Ind., vendor-advertiser, is engaged in selling various and sundry articles of counter card merchandise and medicines, and in advertising represented:

Routes pay up to \$65 weekly.

Sell every store.

Quick easy sales.

Steady repeat orders.

Up to 112% PROFIT!

New products on which there is no competition.

CELERY-VESCE * * * For years nationally known as an efficient, effervescent headache remedy.

You can quickly build a regular route * * * that will give you a chance to earn \$45 to \$75 weekly.

\$50 WEEKLY EASY.

PROVEN QUALITY.

Laymon's Aspirin is the finest quality to be had.

The Laymon reputation is your guarantee of quick sales. Place just a few cards daily and make up to \$65 weekly.

Laymon's Counter Sales Cards have come to be known as "Self-Selling Merchandise," because the displays do all the work.

Laymon's Aspirin leads all competitors in quality * * * One of the simplest tests for the quality of Aspirin is to dissolve a tablet in water. Pure Aspirin of high quality will dissolve quickly. Laymon's Aspirin starts to dissolve in approximately 3 seconds.

Asperline is actually better in many ways than Aspirin you can see in the market.

GENUINE LEATHER LACED EDGE BILL FOLD FREE To Customers Who Buy Razor Blade Cards. Your price to the merchant is \$1.00. When you offer a Bill Fold free with **THIS DEAL**, the thing to do is Boost the price from \$1.00 to \$1.15.

Because of our methods of production we are able to offer you these attractive counter cards at prices which are far below any competitive line and at the same time give you the very best of quality.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the statements and representations that said merchandise will sell at every store, that they are new or of proven quality or that there is no competition in selling them are not justified by anything in the record; the respondent's reputation is not a guarantee of quick sales; the quality of the aspirin or asperline is no better than other brands; and the representations of earnings by sales persons or dealers are not sustained by the evidence submitted.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That a salesperson or dealer can sell respondent's merchandise to every store, or make quick sales, or get steady repeat orders;

(b) That respondent's products are new, or of proven quality, or that they have no competition;

(c) That Laymon's reputation is one's guarantee of quick sales;

(d) That Laymon's Counter Sales Cards have come to be known as "Self-Selling Merchandise";

(e) That Laymon's Aspirin leads all competitors in quality, or that the test of quality of aspirin is to dissolve it in water and that Laymon's dissolves in three seconds;

(f) That Asperline is actually better in many ways than aspirin one can see in the market;

(g) That a salesperson can make as much as 112% profit selling these goods unless it clearly appears that gross profit and not net profit is meant;

(h) That respondent is able to offer these attractive counter cards at prices which are far below any competitive line;

(i) That Celery Vesce has been for years "nationally known" as an efficient effervescent headache remedy;

(j) That a bill fold is "free" to customers so long as the price of the goods is "boosted" to cover the cost of such present; and from making any other claims or assertions of like import.

Respondent in soliciting salespersons or dealers further stipulates and agrees:

(k) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time

salespersons or dealers achieved under normal conditions in the due course of business;

(l) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(m) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expressions, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0905. Vendor-Advertiser—Medicinal Preparations.—Glandular Laboratories of America, Inc., New York, N. Y., vendor-advertiser, is engaged in selling medical products called "Diutacid" and "Sesocrin."

Premature Old Age. * * * free booklet on modern medication with GLAND VITALIZING EXTRACTS, free from drugs for weak and run down people * * * kidney and bladder trouble * * * Diutacid * * * Used by thousands with great results.

Disorders of the Kidneys, Bladder and Prostate. Frequent desire to urinate. Urine often passed in drops. Scalding sensation * * * pain in the testicles and irritation in the urethra. Backache * * * general feeling of run down, worn out, nervousness and premature old age * * * DIUTACID is a diuretic and antacid for acute and chronic inflammation of the genito-urinary tract * * * aids poorly functioning kidneys, bladder, and prostate ailments. * * * eliminates acids and poisonous matter * * * Diutacid is prescribed * * * to induce the free flow of urine, the ingredients of this preparation help to correct irritation and inflammation; * * * it corrects general weakness and regulates urine emissions.

G. L. A. Male Tablets (Sesocrin) this preparation represents the adrenal system. The pituitary diffuses directly into the fluid bathing the nervous system supplying the stimulants and aiding in the removal of harmful waste. The thyroid increases energy evolution and so makes available a greater supply of energy increasing cellular processes. The pituitary assists in energy transformation, energy expenditure and conversion, especially of the brain and sexual system. Thyroid aids energy production, pituitary increases energy consumption. The pituitary is a gland of incessant exertion and wherever there is an inefficiency to exert an exhaustion, the G. L. A. MALE TABLETS should be used as such. It contrasts with the adrenals, which are glands of immediate action.

Prostate—Kidney—Bladder * * * Diutacid * * * brings quick relief and comfort.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect; exag-

gerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical advices received by the Commission, Diutacid, is not a competent remedy for diseases of the kidneys, bladder, or urethra, or for other pathological conditions due to such ailments; G. L. A. Male Tablets (Sesocrin) do not constitute effective treatment, as indicated, for increase of masculine brain and sexual energy, or the overcoming of sexual impotence, senility, hypoadrenia, etc.; moreover, neither of said products is free from drugs and both may cause much harm; furthermore, respondent does not own or operate a laboratory.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That either of respondent's preparations is free from drugs;

(b) That Diutacid is a competent treatment or an effective remedy for either.

1. Weak, or run down or worn out condition, or

2. Nervousness, or

3. Premature old age, or

4. Backache, or

5. Disorders of the kidneys, bladder, urethra, or prostate gland, unless qualified to indicate that such preparation would be beneficial only as a diuretic;

(c) That said preparation has been used by thousands with great results;

(d) That in prostate, kidney, or bladder troubles, diutacid brings quick relief or comfort;

(e) That G. L. A. Male Tablets (Sesocrin) are either a competent treatment or an effective remedy for disorders of the pituitary or thyroid glands;

(f) That any beneficial results may be expected from its use as an aid to the treatment for functional inefficiencies of the said glands;

(g) Directly or by reasonable implication that said product is either a sexual rejuvenator or an aphrodisiac;

(h) Inferentially or otherwise, that G. L. A. Tablets are effective for conditions of senility or neurasthenia; and from making any other claims or assertions of like import.

The respondent further stipulates and agrees, in its future advertising in interstate commerce and on the labels of its Sesocrin Tablets, to cease and desist:

(i) From the use of the word "male" as a part of the name of said product;

(j) From the use of the term "Laboratories" in or as a part of its corporate name, until such time as respondent shall maintain and operate a bona fide laboratory as such term is commonly known;

(k) From the use of the phrase or expression, "Gland vitalizing";

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0906. **Vendor-Advertiser—Medicinal Ointment.**—The Thomas Chemical Co., Inc., Lynchburg, Va., vendor-advertiser, is engaged in selling an ointment for athlete's foot and various skin diseases, called "Curen", and in advertising represented:

Curen is a new, highly efficacious guaranteed skin treatment.

Relieves eczema, athlete's foot, impetigo, itch, mosquito bites, and other skin troubles.

Curen the five-way skin treatment for athlete's foot. Curen heals and soothes.

Do your feet itch, burn, crack or peel? Use Curen with Sanisox for instant relief of athlete's foot.

Curen—the new treatment guaranteed to relieve pimples, eczema, athlete's foot, insect bites, prickly heat, ringworm, poison ivy, itch, tetter, dew sores.

Curen is guaranteed. Relieves cause and effect. Curen's five-soothing and penetrating ingredients kill the tiny germs and parasites beneath the surface of the skin and heal the irritations they cause, relieving you of both cause and effect at the same time. Curen is absolutely harmless.

Curen is safe and dependable.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, said preparation is not a competent remedy for eczema, pimples, ringworm, tetter, dew sores, or other skin diseases; nor is it of any value in the treatment of athlete's foot except that it may soften the crusts or relieve itching incident thereto; it is not a guaranteed product, and is not new; nor is it absolutely harmless, highly efficacious, safe or dependable, its frequent applications sometimes causing irritations of the skin and a rash.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Curen is a competent or effective treatment for athlete's foot, impetigo, pimples, ringworm, tetter, dew sores or other skin troubles unless limited to minor irritations of the skin;

(b) That said preparation is a competent treatment for Eczema unless limited to the relief of itching and softening the crusts;

(c) That the ingredients of Curen either kill the tiny germs or parasites beneath the surface of the skin; or heal the irritations they cause; or relieve the cause or effect, or both at the same time;

(d) That Curen is either penetrating, highly efficacious, absolutely harmless, dependable, or a guaranteed skin treatment;

(e) That the use of Curen with Sanisox will give instant relief from athlete's foot;

and making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0907. **Vendor-advertiser—Cosmetic.**—Ethel J. Cayco, trading as Rejuvene Manufacturing Co., Berkeley, Calif., vendor-advertiser, is engaged in selling a cosmetic designated "Rejuvene", and in advertising represented:

Rejuvene will not harm the most delicate skin * * * composed of healthful beautifying herbs.

Its stimulating and cleansing qualities clear the skin and pores of foreign substances and impurities * * * correcting blemishes such as lines, wrinkles, open pores, acne, blackheads, and double chin, and if used for * * * six months will eliminate practically all of these conditions.

Will normalize the skin and keep it in a healthy condition.

Rejuvene * * * removes wrinkles, reduces double chins, restores enlarged pores to normal, diminishes swollen veins, bleaches discolorations, dissolves moles—is harmless.

Sagging muscles, yellow thickened cuticle * * * blackheads * * * frowns * * * may be erased and prevented.

The permanent removal of old wrinkles * * * the preventing of new ones leaving the skin clear and young.

Lifts and holds up the skin until the proper nourishment can be brought by the blood to rebuild the broken down tissue.

Wrinkle remover.

Rejuvene's specialty is to erase wrinkles.

Rejuvene * * * Flaccid tissues * * * revitalizing them.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission said product contains tragacanth, a gum which, when applied in solution

temporarily fills crevices or lines, but has no permanent value in restoring sagging muscles, removing wrinkles, reducing double chin, dissolving moles or restoring enlarged pores to normal; nor would it have any material action on thickened cuticle, blackheads or acne.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Rejuvene is composed of healthful or beautifying herbs, until such be the fact;

(b) That said product will "normalize" the skin, or keep it in a "healthy condition" so long as the pores are filled with gum;

(c) That by the use of said product sagging muscles, yellow thickened cuticle, blackheads or frowns, may be erased or prevented;

(d) That the use of said product results in the permanent removal of old wrinkles or the prevention of new ones, or leaves the skin clear or young;

(e) That to erase wrinkles is Rejuvene's specialty;

(f) That said product by six months, use or otherwise, eliminates or clears the skin or pores of foreign substances or impurities, or corrects blemishes, lines, wrinkles, open pores, acne, blackheads or double chin;

(g) That said product

1. Corrects circulation,
2. Nourishes the tissues,
3. Leaves the skin glowing with new life,
4. Reduces double chins,
5. Restores enlarged pores to normal,
6. Diminishes swollen veins,
7. Bleaches discolorations,
8. Dissolves moles, or
9. Revitalizes flaccid tissues;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees that in all future advertising in interstate commerce she will cease and desist from the use of the word "Manufacturing" in and as a part of her trade name until such time as she may in fact own, operate or control the plant used to manufacture the product sold.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by her and stipulates and agrees that she will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0908. **Vendor-Advertiser—Medicinal Device.**—Samuel Janowsky, trading as Randall Spinal Institute, Chicago, Ill., vendor-advertiser, is engaged in selling a medicinal device called "Spinal Exerciser", and in advertising represented:

Stretch Your Spine For Health and Vigor

SPINAL EXERCISER brings about cartilage expansion by a natural process. Corrects abnormal spinal conditions and is wonderful exercising the body. Reduces large abdomen; lifts stooping shoulders; corrects faulty posture; strengthens, straightens spine; relieves curvatures, backache, nervousness; develops the chest, lungs. Can be attached in any doorway. Has benefitted thousands of men and women. Used by physicians, training instructors and institutions throughout the country. * * *

There has been evolved a simple scientific method whereby anyone may become a builder of self, tapping a boundless reservoir of vitality, thereby enjoying the full glow of health, the supreme joy of youth.

The Spinal Exerciser not only limbers the spinal column, but the joints and muscles, also it makes flexible the ligaments and tissues, permitting full play of the nerve energy through the body, which insures proper functioning of the entire organism.

By using the system a few minutes each day, they have been "literally made over." "Bent, weak, stiff, flabby-muscled, knobby-jointed, bony-framed and sick," have been made straight, strong, supple, hard muscled and physically sound.

The spontaneous acclaim accorded the Spinal Exerciser in the form of orders received from physicians, osteopaths, chiropractors, training instructors, institutions and men and women in every profession and walk of life is proof in itself that it is meritorious and will do what we claim for it.

RANDALL SPINAL INSTITUTE.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical opinion furnished the Commission, said device will not correct abnormal conditions of the spine, nor relieve backache, nervousness or the various other ailments specified, and as a result of its use a person will not enjoy the full glow of health or the supreme joy of youth. If used by one suffering with spinal tuberculosis, it would be definitely harmful.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of said device will

1. Correct abnormal spinal conditions; or
2. Reduce large abdomen; or

3. Lift stooping shoulders; or
4. Correct faulty posture; or
5. Straighten the spine; or
6. Permit full play of the nerve energy through the body; or
7. Insure proper functioning of the entire organism; or
8. Relieve curvatures, backache or nervousness; or
9. Enable everyone to become a builder of self, or to enjoy full health; or
10. Increase vitality;

(b) That by the use of said device bent, weak, stiff, flabby-muscled, knobby-jointed, bony-framed or sick persons can be "made over" or made straight, strong, supple, hard muscled or physically sound;

(c) That said device is used throughout the country, by either

1. Physicians; or
2. Training instructors; or
3. Institutions;

(d) That said device has been accorded spontaneous acclaim; and from making any other claims or assertions of like import.

The respondent further stipulates and agrees in the advertising and sale of said product in interstate commerce, to cease and desist from using the term "Institute" as a part of his trade name.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 22, 1935.)

0909. Vendor-Advertiser—Hosiery and Lingerie.—H. A. Hopkins, trading as Hopkins Hosiery Co., Boston, Mass., is engaged in selling Luxcel Hosiery and Lingerie, and in advertising represented:

MEN AND WOMEN EARN \$1.00 to \$3.00 AN HOUR, selling Luxcel Hosiery and Lingerie.

How would you like to be your own boss with a business of your own, and 1,000 or more customers ordering from you 6 or 8 times a year? We will guarantee that you can earn \$40.00 or more weekly selling Luxcel Hosiery and Lingerie, if you will follow our instructions.

Order your samples at a discount of 25%. This is less than they cost to manufacture. When the business sent us amounts to \$25.00 we will refund up to \$3.00, the amount you pay for your first lot of samples. Your deposit for samples will be refunded in a few hours if you will get out and work.

Join the Luxcel Club and you will get a pair of ladies silk stockings free. When you have purchased hosiery and lingerie amounting to \$12.00 at regular prices, we will give you free, one pair of No. 176 service weight or No. 187 chiffon weight pure silk full fashioned stockings.

How would you like to have a business of your own earning from \$2.00 to \$3.00 an hour in spare time, or from \$10.00 to \$15.00 a day, full time? You can have all this if you have ambition and are willing to work. Just your samples of Luxcel brand merchandise, quote your prices and write your order. * * *

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent has not furnished the proofs requested by the Commission that his agents or salespersons have made the amounts represented in said advertising, in the ordinary course of business or under normal conditions; samples are not furnished to agents or salespersons for less than they cost to manufacture; a pair of stockings included with each \$12.00 purchase is not "free" as asserted; and respondent does not "guarantee" the earnings of his salespersons.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That samples are furnished by respondent to agents or salespersons for less than they cost to manufacture;

(b) That a salesperson or an agent can collect 75 cents from every home;

(c) That any articles is "free" so long as a purchase of other merchandise is required and the price thereof is included in the purchase; and from making any other claims or assertions of like import.

Respondent in soliciting salespersons and agents in aid of sales of such merchandise, further stipulates and agrees:

(d) Not to make any unmodified representations or claims of earnings in excess of the average net earnings of respondent's active salespersons or agents achieved under normal conditions in the due course of business;

(e) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or agents under normal conditions in the due course of business;

(f) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as", or any equivalent expression, any amount in excess of what has been actually accomplished by one or more of respondent's salespersons or agents under normal conditions in the due course of business; and

(g) Not to represent that the earnings of any of respondent's salespersons are guaranteed until such time as all deficits in the earnings specified are actually paid by the respondent. (Aug. 26, 1935.)

0910. **Vendor-Advertiser—Medicinal Preparations.**—L. Heumann & Co., Inc., New York, N. Y., vendor-advertiser, is engaged in selling two medicinal preparations designated "Rimagot Tablets" and "Rimagot Fluid", and in advertising represented:

RHEUMATISM AND GOUT

* * * the majority of these disturbances is caused by an excess of uric acid in our system and it is this excess of uric acid that has proven to be an offensive trouble maker in our body. Rev. Heumann's remedies should be used where the condition is largely due to an excess of uric acid.

To remove the cause of rheumatism and gout, therefore, means to expel the excess of uric acid from our body. This, however, is not so simple. We know that uric acid can only with great difficulty be dissolved in our body. This great task of expelling the uric acid under this condition would be difficult, if not entirely impossible, and many sufferers would be without help and hope if there had not been a recent **HIGHLY DEVELOPED SCIENTIFIC ACHIEVEMENT**.

The student of chemistry whose work also comprises investigations in the medico-pharmaceutical lines, has succeeded in finding substances which when combined with uric acid forms a chemical compound which is *from 100 to 120 times easier to dissolve* in water than uric acid by itself. The scientific name of this compound is "diformaldehyde uric-acid."

What would be more natural than to compound an **IMPROVED REMEDY** with the purpose of entirely eliminating excessive formation of uric acid from our body. And it was Rev. Heumann, with his usual high purpose to relieve suffering who after extensive scientific research and unremitting labor made use of this scientific achievement and perfected his **RIMAGOT TABLETS**. * * * you can judge for yourself of the superiority and striking medicinal qualities of Rev. Heumann's Rimagot Tablets we want you to know that this remedy consists of not less than 8 different ingredients, each of which has to fulfill a different task, and that for almost a quarter of a century it has been used most successfully in combatting the causes of rheumatism and gout. * * * Rimagot Tablets not only dissolve the accumulation of uric acid in our body, which is in many instances the cause of rheumatism and gout, but also revive and promote the action of liver and kidneys, tending thereby to *prevent any new accumulations of uric acid*. * * * the purpose of Rev. Heumann's Rimagot Tablets is to *remove the cause* of rheumatism and gout by expelling the accumulated uric acid from our body as well as the painful effects of these conditions.

Now that we have acquainted you with the *cause* of rheumatism and gout it will be obvious to you that baths, salves and massages will never be able to produce permanent results because such methods do not reach the seat and the cause of these troubles. It is evident that through these methods the deposits of uric acid accumulated in our body cannot be dissolved and expelled. But it is just the main purpose of Rev. Heumann's Rimagot Tablets to dissolve and expel from our body those harmful deposits of uric acid that are in most cases the underlying cause of rheumatic and gouty disorders. Therefore, if you want not only to relieve the pains connected with these conditions, but to *remove the cause*, Rev. Heumann's Rimagot Tablets are the remedy for you.

A very popular remedy for *immediate relief* from the pains and by the majority used together with Rimagot Tablets is *Rimagot Fluid*.

Rimagot Fluid is a pain-soothing rubbing liniment and a splendid remedy, consisting of 8 different ingredients. This fluid * * * is to be applied generously upon the affected places and rubbed in thoroughly until the aching parts become red and burning sensation is felt. Repeat the rubbing at intervals until the pains are completely gone * * *. An insufficient elimination of uric acid, as well as an excessive accumulation of uric acid, may be ascertained by an analysis of your urine.

SUFFERERS FROM RHEUMATISM AND GOUT from all over the world write about the wonderful benefit they have received by using Rev. Heumann's "Rimagot Tablets" and "Rimagot Fluid" * * *.

COULD NOT SLEEP—

HIS CONDITION WAS MISERABLE

"Last winter I suffered terribly with rheumatism. I had awful pains in both my arms, from my shoulders to the end of my finger tips. I could not sleep and my condition was miserable. Then I ordered Rev. Heumann's RIMAGOT TABLETS and after I had used only half of the package I could again sleep. After I had used up the full package you sent me, all my pains were completely gone, due entirely to the wonderful healing powers of your RIMAGOT TABLETS."

RIMAGOT TABLETS BROUGHT HER THE HELP THAT SHE HAD ANXIOUSLY LOOKED FOR.

"For many years I was suffering with Rheumatism. Spent a lot of money for remedies that did not help me.

Finally I ordered Rev. Heumann's RIMAGOT TABLETS and they brought me the help so anxiously looked for. Rev. Heumann's RIMAGOT TABLETS are effective, act quickly and are reliable."

RIMAGOT TABLETS ARE WONDERFUL.

"I thank you very much for your wonderful RIMAGOT TABLETS which put me on my feet again. I was suffering from rheumatism and found out that your remedy is certainly wonderful."

REV. HEUMANN'S RIMAGOT TABLETS AND RIMAGOT FLUID PUT HIM IN A HEALTHY CONDITION.

"I once suffered from Rheumatism, but after using your RIMAGOT TABLETS AND RIMAGOT FLUID, am again in a healthy condition. Your remedies are excellent."

COULD NOT SLEEP BECAUSE OF TERRIBLE PAINS.

"I want to let you know of my complete recovery from an obstinate case of Rheumatism. I could not sleep because of the pains. I was unable to move around, and had lost hope of recovery but since using your RIMAGOT TABLETS I have completely recovered."

HAD SEVERE PAINS IN HIS BACK AND COULD NOT SLEEP.

"A few months ago I was suffering with terrible rheumatism. I had severe pains in the back, and could not sleep nights. I then used RIMAGOT TABLETS, and after only a short time I was entirely rid of my rheumatic disorder. They are surely a wonderful remedy."

Rev. Heumann's

RIMAGOT TABLETS

for

Rheumatic Disorders

Joint Rheumatism, Muscular Rheumatism, Gout and Gouty attacks, when such condition is caused by excessive Uric Acid

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RIMAGOT FLUID

A pain destroyer and soothing liniment where quick relief is desired from rheumatic and gouty pains.

The Federal Trade Commission, having stated that it has reason to believe that the foregoing statements made in letters referred to are

exaggerated and have the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That either of said products alone or in combination, is a remedy or competent treatment for rheumatism or gout, unless limited to relief of the aches and pains caused by those ailments;

(b) That uric acid is the cause for rheumatism or gout in most cases;

(c) That Rimagot Tablets will expel or eliminate uric acid from the body or that they will dissolve uric acid; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Aug. 23, 1935.)

0911. Vendor-Advertiser—Floor Wax and Waxer.—The Evans Manufacturing Co., Cincinnati, Ohio, vendor-advertiser, is engaged in selling the Easy Floor Wax and the Easy Floor Waxer, and in advertising represented:

WORKS AS EFFICIENTLY AS ANY \$50 MACHINE—YET SELLS FOR LESS THAN \$4.00.

UP TO \$10 to \$15 A DAY.

Just for Demonstrating This New Household Necessity.

FREE

To Producers! Demonstrating Equipment Worth \$14.10.

An actual full sized EASY FLOOR WAXER—a full quart of EASY FLOOR WAX—a big sales manual chuck full of secret sales tips that assure your success—valuable multi-colored circulars, etc.—all combined into one big demonstrating outfit worth \$14.10—all yours ABSOLUTELY FREE. Just mail the coupon for amazing details.

All of this expensive equipment is furnished to you for a mere deposit of only \$2.85, which is refunded to you in CASH just as soon as you send us 12 orders for the EASY FLOOR WAXER.

IT PAYS FOR ITSELF IN JUST A MONTH ON WAX ALONE!

A new patented device.

And it's absolutely free from competition—there's nothing on the market like it, and there never will be, because it's fully protected by patents pending.

THE EASY FLOOR WAXER Is Fully Protected by PATENTS PENDING!

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors,

in that agents do not receive anything for "demonstrating" this device; the demonstrating equipment is not worth \$14.10, and is not sent "free" to agents; savings in wax in a month's time will not pay for the device; and furthermore it is not as efficient as any \$50 machine, is not protected by Government Patent, and is not free from competition, as asserted.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That said device works as efficiently as any \$50.00 machine;
 - (b) That agents or salespersons will earn or receive any amount "just for demonstrating" this machine;
 - (c) That respondent's demonstrating outfit is worth \$14.10, or that it is sent to producers "absolutely free" so long as a deposit of \$2.85 is required before shipment;
 - (d) That a demonstrating equipment is "free" to an agent or salesperson unless sent without requiring a deposit or service rendered;
 - (e) That it pays for itself in just a month on wax alone;
 - (f) That it is a patented device or that it is "protected" by patents, or by patents "pending";
 - (g) That it is absolutely free from competition;
 - (h) That there is nothing like it on the market;
- and from making any other claims or assertions of like import. (Aug. 30, 1935).

0912. **Vendor-Advertiser—Feminine Hygiene Preparations.**—Certane Co., Inc., Los Angeles, Calif., vendor-advertiser, is engaged in selling various feminine hygiene preparations designated "Certane Jelly", "Certane Vaginal Cones", and "Certane Antiseptic Powder", and in advertising represented:

MARRIED WOMEN WILL FIND THIS THE SIMPLEST WAY. At night when you retire, use either Certane Jelly or Certane Antiseptic Powder or Certane Vaginal Cones. Afterwards you may douche whenever you desire, not until next morning if that is most convenient. If douche is taken at once, many women have found it reassuring to take another application following the douche * * *.

CERTANE JELLY'S consistency is such that it readily spreads into every fold and crevice of the areas it is important to reach. This spreading forms a protecting film.

* * * You apply it directly, without the addition of anything else and without the slightest fear that you are subjecting yourself to trial-and-error experiments.

* * * I would not hesitate to recommend them to any married woman as they really fill a need.

Brides-to-be and married women—here is priceless knowledge! Be happy—don't be afraid, send today for this newly revised manual, "Women's Secrets".

fully illustrated with large, clear pictures. Confidential information about your most perplexing problem. Learn about CERTANE the scientific, convenient method of feminine hygiene—powerfully active yet harmless * * *.

However, even though the present day calls for frankness and enlightenment, it is not yet permitted that I write you the answer to that question uppermost in the minds of married women.

I am, however, happy to send you a copy of my book, "Women's Secrets." In it you will find the real solution to your most pressing problem. While this book is necessarily small, I have endeavored to explain simply and plainly the real secrets of Feminine Hygiene and the means ordinarily taken for that feeling of protection.

Douching ONLY whether medicated or not is not sufficient protection as it comes too late and merely rinses the surface. Douching DOES NOT form a protecting barrier. Also you will find an honest answer to that most important question, "WHAT MEANS CAN I USE WITHOUT HARM TO MYSELF AND STILL GIVE THE FEELING OF ASSURANCE I WANT?" This and other information is necessary for your future well being.

Physicians and nurses all over the country are highly recommending CERTANE.

With the use of CERTANE the cleansing douche may be deferred until the next morning, if preferable.

Now here is good news! The CERTANE Company is offering at this time a specially prepared CERTANE, "Ideal Combination Set" which includes all items advisable which a woman needs to assure herself complete peace of mind * * *.

"CERTANE", the Scientific discovery used by European women * * *,"

CERTANE solves woman's most perplexing hygienic problem. It is sure, non-irritating.

Start at once to enjoy that feeling of assurance.

The very day you begin using CERTANE and you realize the peace of mind it will mean to you, I feel you will enjoy a new feeling of health and happiness in your married life. * * *.

Learn FREE how to banish fear and be blissfully happy in your marriage relations. Know the real secret of correct technique in marriage hygiene. Protect yourself, surely and confidentially.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) By inference or direct statement that any of said preparations or any combination thereof, is a contraceptive;

(b) That any of said preparations is a scientific method of feminine hygiene or a scientific discovery;

(c) That any of said preparations are recommended for use by married women or brides-to-be;

(d) That women will be reassured by the use of any of said preparations;

(e) That "Certane Jelly" forms a protecting film or a protecting barrier;

(f) That any of said preparations can be used without fear of the user's being subjected to an experiment;

(g) That any of said preparations is powerful in its action or sure;

(h) That the use of any said preparation, or any combination thereof, will:

1. Reassure the user; or

2. Eliminate fear; or

3. Give a feeling of protection or assurance; or

4. Assure peace of mind; or

5. Solve a perplexing hygienic problem; or

6. Prove a solution to women's most pressing problem; or

7. Provide a feeling of health or happiness in married life; or

8. Afford protection;

(i) That any of said preparations are used by European women;

(j) That any booklet or other publication describing said products or their use will teach one how to banish fear or how to be happy in marriage relations;

(k) That any of said preparations are recommended by physicians or nurses all over the country;

(l) That any of said preparations or combinations thereof constitute a method of marriage hygiene;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement.

Respondent further stipulates and agrees in soliciting the sale of said preparations in interstate commerce, to cease and desist from using any trade name containing the word "Laboratories". (Sept. 5, 1935.)

0913. Vendor - Advertiser—Medicinal Preparations.—H. L. Williams, trading as Williams S. L. K. Laboratories, Kansas City, Mo., vendor-advertiser, is engaged in selling Williams S. L. K. Formula and Williams R. U. X. Compound, for constipation and stomach, liver, and kidney troubles, and for rheumatism, sciatica and neuritis, and in advertising represented:

Ex-Service Man Recovers

After taking only one bottle of Williams S. L. K. Formula I no longer have those awful cramps after eating * * * I had just about given up getting relief from my stomach trouble as I had tried most everything. I am certainly

glad that I was told to take this wonderful medicine * * * a physician's prescription recommended for stomach, liver, and kidney disorders covering dyspepsia, biliousness, distress after eating, heartburn, sour or gassy stomach, constipation, sick headache, neuritis, neuralgia, rheumatic pains, lame back, stiffness, auto-intoxication, general weakness and loss of vitality.

NEW SCIENTIFIC FORMULA

By combining ingredients of known value in toning up * * * the * * * liver and kidneys; * * * Tone them up, get them working properly and enjoy good health again * * *

TURN YOUR EYES TOWARD STOMACH RELIEF

Williams S. L. K. Formula helps build up the digestive system so that you can eat the foods you want without stomach pains * * *

COLDS OFTEN CAUSED BY KIDNEY ACIDITY

Acids formed by defective kidneys are among the greatest causes of illness. Relief from Colds is often obtainable by neutralizing these acids, after everything else has failed. Try a bottle of Williams S. L. K. Formula * * *

ARE YOU RHEUMATIC?

Here is a help, quick relief from those terrible pains and fevers with Williams R. U. X. Compound * * * Williams R. U. X. Compound helps dissolve away those acids which are the cause of most rheumatic pains, fevers, neuritis, sciatica, and other forms of uric acid concentration.

C. E. Jeffries, travelling salesman, says he could get no relief from his indigestion and stomach trouble until he started taking Williams S. L. K. Formula. After taking three bottles of this 4-purpose medicine, he felt like a new man and could eat anything he wanted.

Williams S. L. K. Formula is recommended for stomach, liver, and kidney disorders * * * dyspepsia, gassy stomach, biliousness, distress after eating, chronic constipation, caused by indigestion, sick headache, acidosis, and general weakness * * *

SICK GET RESULTS

Acid Accumulations Imperil your Life!

* * * * *

GET WELL NOW

* * * * *

WILLIAMS S. L. K. FORMULA

acts on the STOMACH, LIVER, AND KIDNEYS, helps them perform their duties; correct the unhealthy conditions of your body. Many cases of long standing have been effectively corrected by this 3-way FORMULA.

Williams S. L. K. Formula is a doctor's famous prescription which is highly recommended for beneficial action on stomach, liver, and kidneys.

If you suffer from severe headaches, stomach, liver, and kidney troubles, biliousness, bloating, gas on the stomach, sleepless nights; if you feel all tired out, lack energy and pep, and are unable to enjoy the pleasures of life, you should take nature's warning and avoid serious trouble ahead.

What you need is a medicine that will go to the source of your trouble. Begin correcting your condition by removing the toxic poisons from the blood and important organs.

Williams S. L. K. Formula acts directly on the entire system by driving out the poisons in your body, by building up the blood stream * * *

DO YOU SUFFER WITH A BAD STOMACH?

* * * soothe and help mend the broken tissues of your stomach * * *.

These ingredients of Williams S. L. K. Formula help the stomach help itself by guarding it from undue strain and correcting the conditions that hinder its return to normal * * *.

"I suffered from Catarrh of the stomach for a long time. I was unable to eat without food souring on my stomach, and my stomach seemed raw. * * * After I had taken just one bottle of Williams S. L. K. Formula I could eat almost anything and did not have those awful gassy pains and soreness in my stomach * * *."

"About two years ago, doctors told me I should make my will, as I might not live long," she writes, "They said I had anemia of the blood. I had no appetite, was weak, highly nervous; my ankles were swollen so that I couldn't wear shoes and my mouth sore with gum boils. The doctor thought I had stomach ulcer. I was in bed six weeks, when a friend advised me to try Williams S. L. K. Formula. One bottle stopped that awful burning in my stomach. I began eating, and slept soundly. As I continued taking the medicine, the pain left me, appetite returned, swelling left my ankles, my flesh became solid again."

"I have just completed a course of your medicine and want to thank you for its wonderful results. I have suffered with stomach trouble for over 10 years and with kidney trouble almost that long * * * I couldn't eat without suffering afterwards * * * My blood pressure got so high it made me dizzy and I had spells with my stomach that made me think I was going to pass out. I had a slight stroke and a nervous breakdown; couldn't sleep nights at all * * * I owe my health to this medicine."

REGAIN YOUR HEALTH

CORRECT, STOMACH, LIVER, KIDNEY, AND BOWEL DISORDERS

* * * get at the cause of most of such trouble by taking Williams S. L. K. Formula * * *.

* * * WILLIAMS R. U. X. COMPOUND which dissolves out rheumatic acids and causes these pain-producing acids to leave your system * * *.

We have just been informed that you are suffering from uric acid concentration, the condition that often leads to such ailments as rheumatic pain, lumbago, sciatica, and neuritis * * *. To many people who had suffered as you now do, he has been recommending Williams R. U. X. Compound, because he knows that it does not merely "cover" or "dull" the pain, but that it dissolves out the acids that produce these pains, and makes them leave the system through the kidneys.

Williams R. U. X. Compound * * * has been especially prepared to "reach the cause and eliminate it."

In severe cases we recommend taking Williams S. L. K. Formula together with the R. U. X. Compound. Williams S. L. K. Formula assists the body in combatting the formation of acids and * * *.

Most persons prefer to take several bottles of Williams R. U. X. Compound to get entirely rid of their condition * * *.

Williams S. L. K. Formula contains no relief agencies to detract from its curative properties.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead

and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion furnished the Commission, Williams S. L. K. Formula is not a competent treatment for the many stomach, liver, and bowel disorders specified in said advertising; and the R. U. X. Compound is not a competent treatment or an effective remedy for rheumatism, neuritis, or sciatica; moreover, the respondent does not maintain a laboratory.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the Williams S. L. K. Formula is a competent treatment or an effective remedy for any of the following ailments:

Stomach, liver, or kidney disorders; Dyspepsia; Bilioussness; Distress after eating, heart-burn, sour or gassy stomach; Constipation; Headache or dizziness; Neuritis, Neuralgia, Rheumatism, Sciatica; Lamé-back, Lumbago, Stiffness, Colds; General Weakness, Loss of Vitality, Sleeplessness or Nervousness; Catarrh of the Stomach; Anemia, High Blood-Pressure; Autointoxication; Acidosis, Swelling in Ankles; "Stroke" or nervous breakdown;

(b) That the Williams S. L. K. Formula

1. Puts one in condition to eat the foods he wants without stomach pains notwithstanding their cause;

2. Acts on the liver or helps it to perform its duties;

3. "Corrects" the unhealthy conditions of the body;

4. Acts directly "on the entire system";

5. Drives out or removes the toxic poisons from the body, the blood or important organs;

6. Combats the formation of acids;

7. "Goes to the source" or "gets at the cause" of one's troubles;

8. Soothes or helps mend the broken tissues of the stomach;

9. Corrects "Stomach, liver, kidney and bowel disorders", or any one of them beyond the ordinary remedial properties of a mild tonic, stomachic, laxative, and diuretic;

10. Corrects "the conditions which hinder the stomach's return to normal";

11. Contains "no relief agencies" to detract from its "curative properties";

12. Is a "new scientific formula";

(c) That after taking three bottles of said preparation a person "could eat anything he wanted";

(d) That the sick "get results" or "get well now" by taking this medicine;

(e) That Williams R. U. X. Compound is a competent treatment or an effective remedy for rheumatism, lumbago, sciatica, or neuritis;

(f) That several bottles of the R. U. X. Compound will enable most persons "to get entirely rid of their condition";

(g) That said compound

1. Dissolves away those acids which are the cause of most rheumatic pains, fevers, neuritis, sciatica, or other forms of uric acid concentrations;

2. Drives such acids out of the system;

3. Reaches or eliminates the causes of rheumatic conditions.

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees in future advertising in interstate commerce to discontinue the use of the word "Laboratories" in and as a part of his trade name until such time as he shall actually operate a laboratory as the term is commonly understood and accepted.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representations contrary to the foregoing agreement. (Sept. 5, 1935.)

0914. Vendor-Advertiser—Skin Ointment.—Porter S. Hamilton, trading as Loistol Co., Portland, Me., vendor-advertiser, is engaged in selling an ointment for relief of skin troubles called "Loistol", and in advertising represented:

An ointment that will relieve eczema, rashes, and other skin disorders. Loistol.

Loistol stops itching. Healing to cuts, rashes, cold sores, and eczema.

Itching spots, rashes, and cracked skin healed quickly. Loistol. Something new.

Cold sores. Eczema. Use Loistol (a guaranteed product).

As most of you people know who have skin disorders, it would be worth a great deal to get rid of them and now the remedy has at last come. It is Loistol. Try it and see how those itchy spots disappear. Itching and rashes can be stopped with Loistol.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, said preparation is not a competent treatment for rashes or eczema or other skin disorders except itching or minor irritations; it will not heal cracked skin or itching spots quickly, nor will it heal cuts or cold sores; it is not new and is not guaranteed.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That said preparation is either a competent treatment or an effective remedy for eczema, rashes, cuts, or cold sores;
- (b) That by its use cracked skin or itching spots are healed quickly;
- (c) That it will relieve or heal other skin disorders unless limited to itching and minor irritations of the skin;
- (d) That said preparation is something new;
- (e) That it is a "guaranteed" product;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 10, 1935.)

0915. Vendor - Advertisers—Medicated Ointment.—Emergency Laboratories and Poslam Co., vendor-advertisers, are engaged in selling a medicated ointment designated "Poslam", and in advertising represented:

Skin eruptions need not worry you, Pimples, Eczema, itching, burning skin, undue redness, minor rashes, and scaly scalp are no longer necessary when relief is so simple. Poslam will show what it will do for you in one application. Just apply it at night and note improvement next morning.

Banish pimples scientific way. Popular preparation helps overcome many skin faults. Poslam.

Skin troubles. Correct skin blemishes, acne, pimples, and other skin faults with concentrated Poslam.

Skin suffering is up to you * * *. If you suffer from eczema or a skin eruption of some kind it's your fault. The remedy is right at hand—apply Poslam * * *. The itching ceases and the skin starts to heal.

Eczema torments quickly pacified. For efficient help use concentrated Poslam.

Fiery Eczema, tormenting, burning irritations quickly soothed and healing promoted by concentrated "Poslam."

For efficient help, use concentrated Poslam.

In a stipulation filed and approved by the Federal Trade Commission these vendor-advertisers admit making such representations and specifically stipulate and agree in soliciting the sale of and selling their said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That said ointment is a competent treatment for eczema, skin blemishes, skin faults, or skin eruptions;
 - (b) That said ointment is a competent treatment for pimples unless such representations are limited to pimples confined to the outer layer of the skin;
 - (c) That said preparation will "banish", "Correct" or "heal" any disease or disorder of the skin;
- and from making any other claims or assertions of like import.

Respondents further stipulate and agree in soliciting the sale of said commodity in interstate commerce, to cease and desist from designating or describing said ointment as "*concentrated Poslam*", unless and until such ointment shall be prepared according to two or more standards of substantially different degrees of strength. (Sept. 14, 1935.)

0916. Vendor-Advertiser—Medicinal Preparation.—The Nacor Medicine Co., Indianapolis, Ind., vendor-advertiser, is engaged in selling a medicine offered as a treatment for asthma, and designated "Nacor", and in advertising represented:

Most of the users of Nacor have tried all the common remedies first and then tried Nacor after everything else had failed.

You have tried many things, no doubt. Now, why not try a Real Medicine that has lifted thousands out of their sick beds.

If you are in an asthmatic condition; if you cough and wheeze; have difficulty in your breathing; suffer from bronchitis; have an obstinate weakening cough; take cold easily, Nacor is the medicine you should try.

You doubtless have relatives or friends who are suffering from asthma, bronchitis, or cough. Kindly give us their names and addresses and we will send them full information regarding Nacor.

Nacor complies fully with the food and drug laws.

Nacor has been of as great benefit to those suffering from bronchitis as to those suffering from asthma.

Contains absolutely no harmful drugs or opiates.

Nacor has brought relief to thousands of folks who have suffered as you may be now.

I had some very bad spells where I thought I would choke to death. After taking one bottle of Nacor my asthma was gone.

Don't confuse Nacor with the many common things that are supposed to be remedies for these conditions.

I had asthma so badly I couldn't sleep. I had to sit up in a chair night after night, fighting for breath. After taking one bottle of Nacor, I can truthfully say I feel entirely well again.

I had asthma for 20 years. I tried lots of medicines and the most I got was a little temporary relief until I used Nacor. I believe it saved my life.

I had asthma for 40 years until I tried Nacor. I've been in wonderful health and haven't been troubled with asthma since.

Do you suffer from Asthma or any kind of bronchial trouble? Then you should be interested in "Nacor." Send for that free booklet which tells you what Nacor has done for hundreds of people who have been troubled with bronchial trouble.

All of you who are suffering from bronchial trouble will be glad to hear of a new remedy of relief called Nacor. We will be glad to send you a free booklet regarding this new discovery.

Are you troubled with that terrible disease called Asthma? Hundreds of Asthma sufferers have found relief in using a new remedy which is called "Nacor."

We would like to tell all of our Sunshine Friends who suffer with Asthma or other bronchial trouble about "Nacor." Nacor will help you and we suggest that you send for the free booklet which tells you what Nacor has done for hundreds of people who have been suffering for years with bronchial trouble. If Nacor has helped them it will help you.

DO YOU SUFFER THE MADDENING TORTURES OF ASTHMA OR BRONCHITIS? THOUSANDS OF SUFFERERS HAVE FOUND QUICK RELIEF THROUGH A SIMPLE HOME TREATMENT THAT CONTAINS NO DRUGS OR OPIATES. THAT TREATMENT IS CALLED NACOR.

Are you simply miserable because of asthma—gasping for breath and unable to sleep at night? Asthma is, as you know, a dangerous and treacherous disease. We read from Handbook of Medical Science, 1913, with William H. Thompson as our authority, that, "It (asthma) attacks men, women and children alike and may begin at any age—many cases showing an asthma condition from the first day of birth"—proper and reliable treatment for asthma is necessary if the afflicted person is to receive relief. And, we know that all asthma sufferers will agree that a powerful enemy such as asthma should be fought with weapons even more powerful. Such a weapon is Nacor according to the thousands of testimonial letters received from satisfied users of this product. Many of these letters are from people who suffered from asthma many years before they tried Nacor. Yet they obtained relief and years later, had no return of their trouble. Such testimonials speak for themselves. If *you* are miserable because of this condition, why not learn more about Nacor. The story of Nacor and what it has done for folks who were at one time suffering as perhaps *you* are now, is published in the form of a booklet entitled "The Health Question Answered by Nacor."

Nacor has been of as great benefit to those suffering from bronchitis and bronchial coughs as to those suffering from asthma. It seems to loosen the tight, strength-sapping cough. If you lay awake night after night because of a bronchial cough, you will welcome this news regarding Nacor, the simple home treatment which has brought lasting relief to thousands of folks who have suffered for years with bronchitis or a bronchial cough. Many of these folks tried Nacor only as a last resort and found it successful in relieving them of this affliction. We know that many of you folks listening in have tried all the ordinary things supposed to be remedies for these baffling ills. But why experiment? Nacor has given blessed relief—lasting relief—in thousands of severe, stubborn cases. This relief has come to folks of all ages—in all parts of the country. The reason that Nacor has been so successful in the relief of these ailments is the fact that it is not a common, ordinary remedy—but a carefully compounded product that thousands of folks praise highly. We do not have Nacor for sale. The object of our broadcast is to tell all of you who are suffering from bronchitis or a bronchial cough, that the story of Nacor is published in booklet form for your benefit. A copy of this booklet, which also contains testimonial letters from people in your community, will be sent to you, absolutely free.

* * * It is also a splendid general tonic and many users have reported that it was their best assistant in rebuilding their health and strength after attacks of flu and other weakening diseases.

The files of the Nacor Medicine Company show the history of thousands upon thousands of cases—letters from grateful people who say that Nacor has restored them to health.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and

selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said medicine is a competent treatment or remedy for asthma, unless such representations are limited to the relief from the attacks and paroxysms of asthma;

(b) That said medicine will benefit all persons suffering with asthma or bronchial trouble.

(c) That said medicine is a competent treatment or remedy for all kinds of bronchial trouble.

(d) That by using said medicine prospective purchasers may expect to receive benefits equivalent to the benefits reported by other users of said medicine;

(e) That said medicine is a new remedy;

(f) That said medicine contains no drugs or harmful ingredients;

(g) That said medicine is more than a palliative;

(h) That said medicine is a powerful weapon for fighting asthma;

(i) By direct statement or reasonable implication that said medicine will be effective in stubborn cases or cases where all ordinary treatments have failed;

(j) By direct statement or reasonable implication that permanent or lasting relief will be derived from the use of said medicine;

(k) That said medicine is a general tonic of value in rebuilding health or strength;

(l) By direct statement or reasonable implication, that said medicine will afford quick relief from the tortures of asthma or bronchitis;

(m) That said medicine has lifted thousands out of sick beds;

(n) That said medicine will lessen the susceptibility to colds;

(o) That said medicine complies with the food and drug laws; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement.

Respondent further stipulates and agrees that in promoting the sale of said medicine as a palliative, or relief for bronchial troubles, it will include in direct connection with such sales a warning to the effect that said medicine is not for use by any person having tuberculosis in sufficiently prominent type to give warning of such fact. (Sept. 14, 1935.)

0917. Vendor-Advertiser—Rupture Treatment.—Charles Cluthe and Sons, Bloomfield, N. J., vendor-advertiser, is engaged in selling a mechanical appliance for the treatment of rupture, designated "Cluthe's Comfort Truss", and in advertising represented:

NEW KIND OF TRUSS AMAZES RUPTURED!

KNOW THE TRUTH ABOUT RUPTURE. Can you really overcome rupture troubles? Yes! * * * sure help may be obtained without an operation. * * * Cluthe Automatic Easy Truss.

RUPTURED? * * * Cluthe Comfort Truss * * * saves operation.
END YOUR RUPTURE WORRIES THIS PROVEN WAY.

It will enable you to be just as active, work just as hard as anybody, with absolute safety and maximum ease.

Elastic and spring trusses simply aren't adapted to the human body.

You don't realize how much it means to be protected against the danger of having your rupture come out—or you would never have gone all this time without trying a Cluthe Truss. * * * you are secure against all likelihood of such trouble and danger the minute you put on a Cluthe Truss.

A great many of the people who have worn Cluthe Trusses have reported complete cures.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission only a very small percentage of ruptures (hernia) in adults can be cured by means other than surgical repair of the structures at the point where the rupture has taken place, and the respondent's appliance cannot be depended upon to produce permanent benefits.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That by the use of said appliances rupture troubles can be "overcome";

(b) That an operation may be avoided by the use of said appliance, unless limited to reducible ruptures;

(c) That the wearing of said appliance is a way to obtain "sure" results;

(d) That the use of said appliance will "end" rupture worries;

(e) That elastic or spring trusses are not adapted to the human body;

(f) That said appliance will make one secure against all likelihood of having his rupture come out;

(g) That ruptures can be cured by the use of said appliance;

(h) That recovery from rupture may be expected by users of said appliance;

(i) That said appliance is a "new" kind of truss;

(j) That said appliance can be worn with "absolute" safety;

(k) That the healing of a rupture can be brought about by wearing said appliance;

and from making any other claims or assertions of like import.

The respondent agrees not to publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement or containing any statement which he has reason to believe is false or misleading. (Sept. 14, 1935.)

0918. **Vendor-Advertiser—Medical Preparations.**—Rosalind Mayer trading as Kleerplex, New York, N. Y., vendor-advertiser, is engaged in selling the following commodities: Kleerplex Wash and Kleerplex Balm for skin diseases and in advertising represented:

- Kleerplex * * * dissolves blackheads and refines large pores.
- Clears away muddiness and sallowness.
- This amazing antiseptic dries up the pimples and blotches.
- It conceals pimples as it heals them.
- Makes muddy, sallow, blemished skin clear, healthy, and beautiful.
- Dissolve blackheads scientifically with amazing Kleerplex wash * * *.
- Refines large pores, stops * * * greasiness shine.
- Clears muddy, sallow, tanned skin.
- Gets at the cause quickly, safely.
- A guaranteed pure natural product approved by Health Authorities.
- For eczema * * * pat affected parts freely with Kleerplex Balm.
- A pimple is an infection of the sebaceous or fat glands of the skin * * * it is caused by a tiny germ. Help your skin to fight against this acne germ by regular deep down cleaning with Kleerplex Wash and the healing aid of Kleerplex Balm.
- Kleerplex Wash * * *. The scientific pre-cleanser and purifier for blackheads, whiteheads, large pores, oily skin, "shine", sallowness, muddiness, and tan.
- It gently penetrates the skin's surface, flushing the pores deeply and freeing them of clogging matter, excess oil and grease, blackheads, whiteheads, etc.
- Kleerplex Wash corrects oily shiny skin.
- Kleerplex Wash corrects gooseflesh.
- Kleerplex Balm (Medicated) Special corrective for pimples, Eczema * * * and eruptions.
- Kleerplex Balm quickly and safely promotes healing of acne, Pimples, Eczema, blotches * * * minor eruptions.
- Kleerplex Balm is a wonderful aid in treating occasional rashes * * * essential for preventing the spread of pimples.
- Banish blackheads * * * should be dissolved with Kleerplex Wash.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical advice received by the Commission a product of this composition, while it may have some value in local treatment for blackheads and pimples, is not germicidal and would not dissolve blackheads or refine large pores or clear away muddiness or sallowness, nor would it be effective in the treatment of acne, eczema, and other constitutional conditions.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Kleerplex, either as a balm or a wash:

1. Dissolves blackheads or refines large pores;
2. Clears muddy, sallow, or blemished skin;
3. Heals pimples (regardless of their cause);
4. Stops greasiness and shine (regardless of cause);

(b) That Kleerplex "corrects" or stops either oily or shiny skin, or gooseflesh or pimples or eczema or eruptions;

(c) That said product is either a competent treatment or an effective remedy for acne, eczema, or any other skin affliction of systemic nature.

(d) That Kleerplex "penetrates" the skin, or "frees" it of any deep-seated condition;

(e) That Kleerplex dries up blotches or banishes blackheads or is essential for preventing the spread of pimples;

(f) That a pimple is caused by a tiny germ in the fat glands of the skin, unless qualified to state that it is sometimes so caused;

(g) That Kleerplex "gets at the cause" of skin afflictions, either "quickly" or at all;

(h) That Kleerplex is a "guaranteed" product, or that it is approved by health authorities for other than minor surface conditions; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by her and stipulates and agrees that she will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 14, 1935.)

0919. Vendor-Advertising—Correspondence Course.—North American Institute, Chicago, Ill., vendor-advertiser, is engaged in selling a correspondence course in public speaking, and in advertising represented:

This new book points out the road that thousands have followed to increase quickly their earning power and popularity; it also explains how you can by a new easy home study method become an outstanding speaker and conquer stage fright, timidity, and fear.

This remarkable training has made me a self-confident, aggressive talker almost over night. You too can conquer timidity, stage fright, self-consciousness, and bashfulness—through an amazing new home-study training you can quickly shape yourself into an outstanding influential speaker able to dominate one man or five thousand.

Professor Kline's course will train you to become an effective talker quickly and easily and gives you the power to work wonders with words.

Professor Kline shows you how to quickly overcome your personal deficiencies

All fear and trembling, all nervousness, stage fright, and embarrassment is quickly overcome by Professor Kline's proved methods.

This training will shape your life by a thousand influences and open up to you the gateway of vastly increased opportunities.

Professor Kline's training shows you just what to do and say on every occasion.

Think of Roosevelt, Coolidge, Wilson, Dawes, Hughes, Smith, Lincoln. You have equal opportunities. But you must follow in their footsteps and first learn the principles which they used. They are as easy as ABC.

Professor Kline shows you how to handle any situation which might arise which would embarrass the average woman.

The methods and policies of the North American Institute have been approved and endorsed by leading educators everywhere.

The Federal Trade Commission, from an investigation made has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the various claims made as to what this course will do for any person, without regard to his educational attainments or intellectual qualifications, are extravagant, fanciful, and in many cases manifestly impossible.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise.

(a) That respondent's home training course will enable a student without regard to his or her educational attainments or intellectual qualifications to become an outstanding speaker, or conquer stage fright, timidity, or fear;

(b) That respondent's training course will enable one quickly to overcome all trembling, all nervousness, or embarrassment;

(c) That respondent's training course has made anyone a self-confident aggressive talker over-night;

(d) That by the use of said training course one can quickly shape himself into an outstanding influential speaker or be able to dominate one man or five thousand;

(e) That said training course will shape one's life by a thousand influences or open up to him the gateway of vastly increased opportunities;

(f) That Professor Kline's training shows one just what to do or say on every occasion;

(g) That it is as easy as ABC to follow the footsteps of Roosevelt, Coolidge, Wilson, Dawes, Hughes, Smith, and Lincoln or learn the principles they used, or that everyone has opportunities equal to theirs.

(h) That the methods and policies of North American Institute have been approved or endorsed by leading educators everywhere;

and from making any other claims or assertions of like import. (Sept. 14, 1935.)

0920. Vendor-Advertiser—Medicinal Preparation.—Hed-Aid, Inc., Detroit, Mich., vendor-advertiser, is engaged in selling a preparation designated "Hed-Aid" for headache, neuralgia and other aches and pains, and in advertising represented:

Head-ache? * * * Hed-Aid tablets * * * safe, sure relief. They will not harm the heart or affect the stomach.

At the first sign of a cold—check it by taking two Hed-Aid tablets. Hed-Aid is the modern pleasant way of stopping colds * * * Simply take Hed-Aid with a glass of water and go about your work.

Don't suffer needlessly from that old demon Headache when Hed-Aid banishes the pain almost instantly. You can take Hed-Aid tablets with complete confidence.

Has more official endorsements from drug and pharmaceutical organizations than any other pain tablet.

Play safe—use Hed-Aid tablets * * * the quickest known safe relief for headaches, neuralgia and other aches and pains.

Now there is a better, quicker, safer way of relieving headaches, neuralgia, and other aches and pains * * * Hed-Aid tablets banish headaches with amazing rapidity.

Beware of colds * * * At the first sign of a cold take two Hed-Aid tablets. It's the quicker more pleasant method of checking and stopping colds.

Headache * * * the morning after kind—the after shopping kind—the hard day at the office kind—regardless of the type—Hed-Aid tablets—will bring you quick safe relief.

Hed-Aid with material worth five times as much as aspirin cost you no more. You cannot afford to take a tablet of lesser quality. Hed-Aid acts faster and better than aspirin.

Now you can banish headaches—even the most severe ones—in an amazingly short time. Hed-Aid tablets * * * are the newer, better tablets that everyone is praising.

Hed-Aid has received more official endorsements from pharmaceutical associations than any other headache tablet in America.

Headaches—regardless of the type—Hed-Aid tablets * * * will bring you quick safe relief.

Does not depress the heart.

Hed-Aid quickest relief for Post-Operative Pain.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion received by the Commission, said preparation would have little, if any, action as a stimulant; it is not a "sure" or "safe" remedy; its use is not the "quickest" way to relieve headaches, neuralgia or other aches or pains; and it is depressing to the heart action.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and

specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That "Hed-Aid" tablets are a "safe" or a "sure" relief for headache;

(b) That said tablets will not harm or depress the heart or affect the stomach;

(c) That at the first sign of a cold it may be checked by taking two Hed-Aid tablets;

(d) That Hed-Aid is the modern pleasant way of stopping colds;

(e) That Hed-Aid "banishes" the pain almost instantly or with amazing rapidity;

(f) That a person can take Hed-Aid tablets with complete confidence; or that by the use of Hed-Aid tablets one will "play safe"; or that with Hed-Aid at hand one need never "worry";

(g) That the use of said preparation is a "quicker" or "safer" way of relieving headaches, neuralgia or other aches or pains;

(h) That "regardless of the type" of headache Hed-Aid tablets will bring "safe" relief;

(i) That the material in Hed-Aid is worth five times as much as aspirin;

(j) That said preparation acts faster or better than aspirin;

(k) That Hed-Aid has received more special endorsements from pharmaceutical associations than any other headache tablet in America;

(l) That said preparation is the quickest relief for Post-Operative pain;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 14, 1935.)

0921. Vendor-Advertiser—Furniture Cream and Wax.—Schieffelin & Co., Inc., New York, N. Y., vendor-advertiser, is engaged in selling the following commodities: Vernax No Rub Floor Wax, Vernax Furniture Cream, Vernax Paste Cream and Vernax Liquid Wax, and in advertising represented:

It contains life-giving vegetable oils and wax which penetrate the pores of the wood and nourish it with new life. X-2

The action of Vernax on the patina of the wood is very much like the action of a fine facial cream on the human skin. Vernax brings out the rich color and beautiful natural grain of the wood, feeds and nourishes the patina, makes it smooth and slightly elastic. This helps to offset the effect of modern heating that tends to dry out the wood and cause warping and cracking. X-3

The ingredients of the specially prepared cream put life back into the wood.

The life-giving ingredients of Vernax, however, protect and preserve the wood.
X-5

This beauty cream for furniture feeds the skin of the wood with life-giving vegetable oils and wax. X-5

Vernax preserves the furniture because it actually feeds the pores of the wood.
X-6

Vernax gives the wood a dry, silky sheen that makes your furniture look like new. X-5-6 C-1

Vernax is really a wood food. It has a base of life-giving vegetable ingredients and wax instead of the mineral oil base found in most polishes. X-7

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to scientific opinion received by the Commission the products advertised do not differ substantially from many other products offered for similar purposes, and do not "nourish or feed the wood" or "endow it with new life."

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That Vernax No Rub Floor Wax nourishes wood with new life;
 - (b) That there are such things as
 1. "Life giving oils for a wooden surface"; or
 2. "Putting life back into wood"; or
 3. "Wood food" (except for growing timber); or
 4. "Feeding the skin of the wood with life-giving oils and wax";
 - (c) That "the action of Vernax products on the patina of the wood is similar to or like the action of a fine facial cream on the human skin";
 - (d) That Vernax products "have a base of life-giving vegetable ingredients";
 - (e) That the application of Vernax products "makes your furniture look like new" under all circumstances and regardless of the conditions of the furniture before the application;
 - (f) That Vernax "preserves the furniture because it actually feeds the pores of the wood";
- and from making any other claims or assertions of like import.
(Sept. 14, 1935.)

0922. Vendor-Advertiser—Beverage.—Marion Products, Inc., Marion, Ohio, vendor-advertiser, is engaged in selling "Grains of Wealth", a beverage-substitute for coffee, and in advertising represented:

GRAINS OF WEALTH is a mixture of roots, vegetables, and high grade coffees. These ingredients are put through a special compounding process which imparts

the genuine coffee flavor to the entire mixture and does it so thoroughly that when made up as a drink or beverage it cannot be distinguished from the finest and best coffee obtainable.

Especially recommended * * * for persons troubled with indigestion and constipation.

GRAINS OF WEALTH, that health-building beverage.

GRAINS OF WEALTH—will prove beneficial to your health.

Grains of Wealth acts as a regulator of the digestive system—it tones up the system, feeds nutrition, vitamins and essential minerals, and soothes the nerves. Taken over a period of time, Grains of Wealth will eliminate the most stubborn cases of upset digestion which have resulted from an overindulgence of harmful beverage.

The drinking of the beverage is beneficial to health generally.

Grains of Wealth takes the place of coffee as no other substitute can.

Grains of Wealth is the beverage that you need to soothe your nerves, provide natural food for your system, and to help you build strength.

The roots tend to tone up the entire system and make it tingle with vitality and vigor by giving it the element that nature requires. The vegetables impart the food value in an amount that is seldom found in a beverage.

Grains of Wealth is more economical than coffee, and 16 times as healthful.

You'll find that Grains of Wealth soothes your nerves, makes you sleep better at night, and acts as a general regulator of your system.

Actually aids convalescent patients to recover from their ailments.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the Commission is advised by its medical authorities that the claims made for the product are entirely unwarranted; that it will not eliminate any of the possibly harmful effects of coffee; that the therapeutic claims are without foundation; that said product is merely weaker than ordinary coffee, and the addition of roots and vegetables would not make it effective in maintaining or building health or as a remedy for the ailments specified in said advertising.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product "Grains of Wealth", is better than coffee; or that it cannot be distinguished from the finest and best coffee obtainable;

(b) That any special benefits may be derived from the use of said product by persons troubled with indigestion or constipation;

(c) That said product is a health building beverage;

(d) That taken over a period of time said product will eliminate the most stubborn cases of upset digestion resulting from over-indulgence of harmful beverages;

(e) That said product takes the place of coffee as no other substitute can;

(f) That said product is the beverage one needs to soothe the nerves, provide natural food for the system, or help to build strength;

(g) That the roots in said product tend to tone up the entire system, make it tingle with vitality or vigor, or give it the elements that nature requires;

(h) That the vegetables in said product impart the food value that is seldom found in a beverage;

(i) That said product is more economical than coffee or 16 times as healthful;

(j) That said product

1. Acts as a regulator of the digestive organs or a general regulator of the system,

2. Tones up the system,

3. Feeds nutrition, vitamins or essential minerals,

4. Soothes nerves,

5. Makes one sleep better at night, or

6. Aids convalescent patients to recover from their ailments; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 14, 1935.)

0923. Vendor-Advertiser—Cleansing compound.—A. F. Walke, trading as Keelow Laboratories, Cincinnati, Ohio, vendor-advertiser, is engaged in selling a cleansing compound designated "FOAMOL" and in advertising represented:

CHEMISTS
STRANGE
DISCOVERY

CLEANS
Startling New
WORKLESS
WAY!

Rich foamy bubbles, clean almost anything NEW WORKLESS WAY. Concentrated—one low-priced can makes TWENTY-ONE CANS OF FINE CLEANER. Distributors—here's the biggest profit opportunity of 1935. Sensational FREE sample plan establishes over 20,000,000 ready-to-buy prospects. Write for exclusive territory offering. For quick action enclose 25¢ for a full standard size can—Keelow Laboratories, Cincinnati, Ohio.

Special NO RISK Introductory Offers to make more money for you with FOAMOL.

10-8 oz. 60¢ size cans of Foamol
10-Pint \$1.00 size cans of Foamol
1-Pint can of Foamol FREE FOR demonstrating
50 Sample bottles with space for imprinting your
name on folder around them
100 Advertising circulars
1 Sales manual

ALL YOURS
FOR
ONLY \$6.95

You can't lose * * * the liberal buy-back guarantee printed on the back of this circular virtually guarantees your success.

We start you in a business of your own, provide you with the biggest selling sensation in twenty-five years—give you the maximum profits right off the bag—and guarantee you won't lose a penny.

This offer never can be repeated. Understand, never again will you be able to secure Foamol at such ridiculously low rock-bottom wholesale prices. This special combination offer is made solely for the purpose of getting you, in the easiest possible way, with the biggest profit right from the start. Consequently, you must act quickly—within ten days from date printed on the front of this circular.

You can't lose. Our liberal buy-back guarantee absolutely protects you—makes it possible for you to get this big profit assortment without risking one penny of your own money.

Warning! These special offers are VOID in 10 days—never to be repeated * * * Never again will you have an opportunity like this one. We must have a distributor in your locality to help us supply the tremendous demand for Foamol that is sweeping the country. That is why we are letting the bars down. That is why we make these offers that positively defy all comparison and competition.

Now is the time to act—while your territory is still available! 200 distributors is all we need—all we want. Territories are being snapped up as no good thing has ever been accepted before, but your territory is still available. Your order for one of these special assortments, if received within ten days from the date printed on the front of this circular will protect you. Will give you exclusive rights to your territory, just so long as you take care of it, and follow our easy instructions. * * * Remember, you haven't a thing to lose and everything to gain. Our liberal buy-back guarantee is your absolute bond-of-protection. There is not a chance for you to lose a red cent.

You can't lose, We guarantee the sale of this order. We guarantee to buy back from you any unsold quantities of FOAMOL returned to us within thirty days from date of purchase. Any Foamol you keep and do not return for refund, will be paid for by you at the rate applicable to that quantity and the entire balance you paid us for the unsold Foamol returned to us will be immediately refunded to you.

Sample bottles given free at the rate of 5 bottles (with folder around each) with each \$1.00 of net cost purchases. Display racks furnished you at the rate of one rack with each \$1.00 of net purchases. CIRCULARS FREE.

The merits of Foamol alone have skyrocketed it to national prominence over night, and distributors are needed in every section of the country to help us supply the overwhelming demand—to the first 200 men who join hands with us in meeting this demand—who get in on the ground floor—we can literally guarantee the greatest financial success that has ever come their way.

Foamol cleans anything. Easy Workless Way. Imagine a magic fluid that will clean almost anything * * * without work * * * This fact has been proved by actual demonstration to hundreds of thousands of enthusiastic users and to the country's most critical chemical experts.

As harmless as the morning dew.

Like magic, dirt, grease, and grime disappear instantly and leave the cloth as fresh and full of water resisting vitality as when brand new. Indeed, Foamol vitalizes as it cleans. The rich foamy bubbles impregnate the cloth with mineral and animal oils that prolong the life of the cloth. And with the same instantaneous, magic action completely dissolves every trace of dirt, grease and grime.

Foamol will not burn or explode. It can be used in any condition with perfect safety * * * is guaranteed absolutely harmless to anything water will not harm.

Foamol refreshes, cleans, and renews unholstered furniture.

Mechanical sweepers and expensive, ordinary cleaning hardly budge the surface dirt from rugs. But Foamol penetrates to the very seat of the nap * * *. 20 times concentrated.

Only 200 applications will be considered—and we must adhere to the fair policy of “first come first served.”

\$50.00 Reward! Every single one of your customers will have an opportunity to receive a check from us for \$50.00. This is not a false promise—or fake sales stimulating scheme—it's an outright gift to every customer for doing just one easy thing—All they need to do is write to us, telling us about their experience with FOAMOL and suggesting a new use for this better, guaranteed cleaner.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to scientific opinion rendered by the Bureau of Standards, certain kinds of soil will not disappear instantly or at all, or without work, because of their insolubility with mixtures of this type; this product is explosive; and it contains no mineral or animal oils that would “vitalize” or prolong the life of cloth.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations, and specifically stipulates and agrees in soliciting the sale of and selling his said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Foamol will “clean without work”;

(b) That “any and all soils will disappear instantly” when Foamol is used;

(c) That Foamol “will leave worn articles as fresh and full of wear-resisting vitality as when brand new”;

(d) That Foamol “completely dissolves every trace of dirt, grease and grime”;

(e) That Foamol is “harmless”; or “as harmless as the morning dew”, or will not explode;

(f) That in the use of Foamol “bubbles” impregnate the cloth with mineral and animal oils that prolong the life of the cloth”;

(g) That the dealer “can't lose” or takes “no risk” so long as his purchase price must be paid before delivery, notwithstanding a money-back agreement;

(h) That respondent either “guarantees against loss”, or “guarantees sales”, or “guarantees success”, until such time as he makes good every loss, direct or indirect, sustained as a result of handling this product; and until such time as he subsidizes the dealer's profits to a point deemed successful;

(i) That no more "special 10-day offers" will be made unless it is explained that this offer is made every day and to every person who might be interested in representing respondent; furthermore, that there is any limitation or that such offer is "void" at the end of said limited period, so long as all orders upon the proffered terms are not refused thereafter;

(j) That the number of representatives or distributors wanted by respondent is limited to 200, or that only 200 applications will be "considered";

(k) That five, or any other number, of "samples", or any other kind of bottles, are "given free" with each \$1.00 purchase so long as said "free" or "sample" bottles are included in the price of \$1.00;

(l) That Foamol "renews" upholstery, or that it is "20 times concentrated", or that it "penetrates", more than ordinary cleansers;

(m) That Foamol "skyrocketed to national prominence over night", or that there is an "overwhelming demand" for it;

(n) That "the efficacy of Foamol as a cleanser has been demonstrated to hundreds of thousands of enthusiastic users and to the country's most critical experts";

(o) That a reward of \$50 or of any other sum is made as "an outright gift to every customer" or to any customer;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 18, 1935.)

0924. **Vendor-Advertiser—Curios, Etc.**—Jay F. Davis, doing business under the trade names Kandu; Kandu the Great, Ishmael, Isaiah, Kazmah, Sargon, Vu-Du, Psych-Occult Institute, H. I. T. Novelty Co., New York, N. Y., vendor-advertiser, is engaged in selling curios, jewelry, perfumes, astrological charts, and miscellaneous merchandise, and in advertising represented:

Does Romance Await You?

Does your Loved one LOVE YOU?

Whom should you Marry?

What are your Lucky Days?

Will you travel?

Will you enjoy Good Health?

Will you have an Accident?

Are you in the Right Business?

Are you Happily Mated?

These and a Thousand Other Questions Answered.

KNOW THY FUTURE AND BE PREPARED!

Prophecy is written in the stars!

No longer worry or fear—**TAKE ADVANTAGE OF YOUR LUCKY STAR**—let it guide you thru difficulties—send only \$1.00 and in turn receive

YOUR OWN SPECIAL 8,500 WORD "DAILY GUIDE AND COMPLETE ASTROLOGICAL FORECAST" INDIVIDUALLY DIVINED ACCORDING TO YOUR OWN SIGN IN THE ZODIAC. This wonderful, detailed 8,500 word Astrological Reading could not be more complete if you paid \$100 for it! Let Kandu's Daily Guide help you through the pitfalls of the coming year!

FREE OFFER

For the first time Kandu offers his own "Mystic Oracle." Book of Fate, Fortune teller, and Dream Book. Interprets Dreams, tells fortunes by cards, tea leaves, and faces; also containing all the **SECRETS, FORBIDDEN KNOWLEDGE, and WISDOM OF THE FACTS.** Priceless information and formulas kept Secret through untold Ages, offered for the first time by Kandu the Great! This valuable work should be in every home and will be included **ABSOLUTELY FREE** with every Astrological Forecast.

HERE'S LUCK

**FREE—BE A WINNER \$ \$ \$ IN LIFE AND LOVE \$ \$
YOUR LUCK NUMBER**

Kandu the Great, All high Master of the Ancient and Mysterious Occult Science, Most Learned Kabalist, Numerologist, and Yogist. Student of all Ancient and Mysterious Systems of Life, will give you **ABSOLUTELY FREE** your own name in the Science of Numerology, if you take advantage of this great offer.

KANDU THE GREAT

Offers You His own **LUCKY**
"Sacred White Elephant Hair Ring"

The **SACRED WHITE ELEPHANT** of India for untold ages has been worshipped and used in all the Weird and Mystic Rites of the Yogis and Hindus.

An **ELEPHANT HAIR RING** is believed by many to bring good fortune in Life and Love to all who carry it! . . . Many people also believe that the wearer of this unusual curio is safe from all harm, and that it will attract many friends to the wearer!

A HIT

STRAIGHT FROM KANDU THE GREAT

Unusually Winning Combination Offer

Guaranteed or YOUR MONEY INSTANTLY REFUNDED!

THIS IS WHAT YOU GET!

"Lucky" Mystic hand of Budda

A rare and Genuine Curio, having inlaid in the palm a genuine imported "Lucky Isis Wishing Stone." Many feel that it has unusual powers to bring **WINNINGS, LUCK, LOVE, and MONEY** to all who carry it!

In the **MYSTERIOUS LANDS** of the **FAR EAST**, millions of people make a yearly pilgrimage of many thousands of miles to gaze upon the **HOLY SHRINE OF BUDDHA, PROPHET OF PROPHETS.** If you will take this "**LUCKY MYSTIC HAND of BUDDHA**" and follow the **FULL CONFIDENTIAL INSTRUCTIONS** that come with it you will behold a most amazing and startling phenomena—truly and verily, I can say—it is a guiding light in the **DARKNESS OF LIFE.** **REGULAR PRICE, \$2.00.**

Alleged BLACK CAT'S PAW

The fame of the Black Cat's Paw has been well known for many centuries, since the days of ancient Egypt, when the Cat was worshipped as one of their

sacred Deities or Gods. It is a well known fact that the Black Cat's Paw is now considered a universal token of Good Luck, Health, Happiness.

MOUNTED

This genuine Synthetic Black Cat's Paw is specially mounted. Can be carried in the pocket or worn as a Pendant for the neck or on the watch chain or fob. Even though we make no representations that the Black Cat's Paw is Lucky. There are thousands of people who persist in the belief that the Black Cat's Paw carried on the person would protect the wearer from Harm and bring GOOD LUCK. We sell only as a Curio and will give a FREE BOTTLE of Mystic Ceremonial Oil, that many people use to anoint the Black Cat's Paw. REGULAR PRICE, \$1.00.

AND YOUR LUCK NUMBER

Individually Divined for you according to your name in the Science of Numerology. WRITE TODAY for this GUARANTEED offer and you may have everything offered on this page for only \$2.00. If you let KANDU know within one week that you are not satisfied, he will gladly refund your money. * * *

HOW TO WIN "The Inside Dope"

FIVE MASTER KEY SYSTEMS, offered to you for the first time by Kandu! This great work has already helped hundreds HIT the STRAIGHT road to Success in all their desires.

LOVE

MONEY

LUCK

Read what only one of Kandu's many happy and grateful customers had to say—A. K. Hastings of N. Y.—"Your Five Master Key Systems HOW TO WIN are wonderful and are helping me on the road to success every day that I apply them and the Mystic Ceremonial Powders are the best I ever used."

GUARANTEED! GUARANTEED!

GUARANTEED!

WINNING NUMBERS

YOUR LUCKY NUMBER!

THE MAGIC SQUARE!

FORTUNE CHARACTER DESTINY

All these and more are revealed to you in this great book written and compiled after many years of scientific research by the most well-known and greatest of All the Masters of the Occult and Kabalistic Arts and Sciences.

This New and ASTOUNDING SYSTEM is a scientific treatise giving you the STRAIGHT INSIDE DOPE!! KANDU gives you this opportunity to have this real STRAIGHT HIT—"FORTUNE TELLING BY NUMBERS", ACT NOW—Send only one dollar for your copy of this real WIN TODAY. If you prefer, KANDU will send yours C. O. D. You pay the Postman \$1.00 plus postage when you receive this STRAIGHT INFORMATION and INSIDE DOPE giving you FACTS, FIGURES, and DIGITS! YOU CAN'T LOSE, because if you are not satisfied within 5 days, KANDU WILL instantly refund your money! FOLLOW YOUR HUNCH and hit the depression. KANDU GUARANTEED! * * *

ANYONE CAN WIN!

MONEY

LOVE

LUCK

JOBS

with LUCK. The person who is RICH, SUCCESSFUL and HAPPY IS LUCKY. The person who can't win, needs money, or is worried, is UNLUCKY. All you need is LUCK and everything will come to you.

You may have nerve and energy. You may work harder, think quicker and clearer than the other fellow. But if he has luck and you don't—what happens. You lose out where you could have won. Nothing can overcome luck. To be Successful, to be happy, to be powerful, you must—BE LUCKY—LUCKY OIL.

containing

HIGH JOHN CONQUEROR ROOT

said to keep away all evil, such as enemies, worry, fear, sickness and BAD LUCK.

AND

LIVE MAGNETIC LODESTONE

used for thousands of years to attract and draw to you MONEY, LOVE, FRIENDS, LUCKY NUMBERS, AND GOOD LUCK.

LUCKY HOLY OIL—used by Ancient Kabalists and Priests centuries ago in their incantations and ceremonies to keep away Evil Spirits and attract GOOD LUCK AND SUCCESS.

This oil has been known to be rubbed on MONEY to make it ATTRACT MORE and it has been sprinkled on clothing to make the wearer SAFE from his enemies. This fragrant LUCKY OIL, compounded of Mysterious Ingredients and Precious Oils, to woo LADY LUCK and KILL THAT JINX! WHY WORRY? The psychological effect of a curio like this may materially help YOU to WIN YOUR HEART'S DESIRE, whether it be in LUCK! Love! GAMES or MONEY. * * *.

* * * The Science of Numerology has to do with the influence of numbers in our every day contacts—in LOVE, MONEY—in order to WIN in the struggle which constitutes life itself. KANDU THE GREAT KNOWS NUMBERS. He has studied the Science of Numerology and ancient documents dealing with the mysterious Occult sciences. He now offers you for the first time something NEW and STARTLING—a

NUMBERSCOPE

which makes it possible for you to figure out any number you may need for the purpose of every day life. Think of it—a LUCKY NUMBER FOR ANY and EVERY DAY.

FREE

FREE

KANDU will give you one of these astounding NUMBERSCOPIES ABSOLUTELY FREE if you will take advantage of the following Amazing Offer!

DO YOU WANT MONEY

of course you do!

Everyone seeks it because of the POWER, HAPPINESS and SUCCESS it can bring. To make MONEY one needs perseverance and concentration, but even these are helpless to benefit us without that ephemeral quality we call fate or as most of us know it—LUCK! Let moralists rant against the belief but the fact remains that instinctively we woo fortune—call it OPPORTUNITY or LUCK! Millions of people place faith in symbols of LUCK. In the East the White Elephant is sacred and its hairs are treasured as potent talismans to attract WEALTH and HAPPINESS. KANDU the GREAT, Master of the Science of Numerology, Kabalism and the Mystic Rites of Ancient Occultism, offers you his own "Sacred Elephant Hair Ring." This beautiful ring is believed

by many to ATTRACT LUCK to its wearer. YOU can too own this magnificent alleged LUCK-BRINGER and Rare Curio! MAKE THIS YOUR LUCKY DAY!!

START WINNING TODAY

Send only \$1.00 for this BEAUTIFUL LUCK TALISMAN. Your NUMBERSCOPE will be included ABSOLUTELY FREE! DON'T DELAY—this may be the means of attracting success, POWER, MONEY and all the HAPPINESS obtainable through these mediums * * *.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the various claims for these items are fanciful and delusive, without any foundation of fact, and are designed to prey upon the superstitions and gullibility of ignorant and credulous persons.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling his said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the respondent will personally advise purchasers of said merchandise on matters pertaining to business, love, health, games of chance, or any other matters, or that personal consideration will be given to matters presented to them, unless in truth and in fact personal advice or personal consideration is actually extended by respondent;

(b) That respondent can solve any problem, especially those relating to business, love, finance, health, happiness, success in life, etc.;

(c) That possession and/or use of any of the following articles to wit: "The Sacred Lucky Code Ring", or "The Sacred White Elephant Hair Ring", or "L'Ingrigue Mystique", or "The Lucky Mystic Hand of Buddha", or "The Lucky Isis Wishing Stone", or "The Genuine Synthetic Black Cat's Paw", or "The Mystic Ceremonial Powder", or "The Lucky Holy Oil", or "The Live Magnetic Lodestone", or "The Ancient and Mystic Crystal of Ra-Saj", or "The Good Luck Cat's Eye Coin", or "The Mystic Zodiac Ring or Luck", or any other article of merchandise advertised and sold by this respondent will:

1. Cause anyone to obtain success in any undertaking or aid anyone in obtaining success; or
2. Bring fame to anyone; or
3. Cause anyone to acquire money or wealth or aid anyone in acquiring money or wealth; or
4. Cause anyone to win at games of chance or aid anyone in winning at games of chance; or

5. Enable anyone to control others; or
6. Protect anyone from his or her enemies or overcome anyone's enemies; or
7. Compel anyone's sweetheart to love him or her; or
8. Create or dispel any so-called charm or any so-called evil spell; or
9. Protect anyone from any so-called evil spell; or
10. Influence the emotions of or feelings of anyone; or
11. Cause anyone to acquire happiness; or
12. Settle all family troubles; or
13. Cause anyone to be strong and powerful; or
14. Promote the health; or
15. Banish fear, worry, or misery from the life of anyone; or
16. Bring joy, happiness, jobs, peace, health, wealth, or love to anyone; or
17. Make anyone lucky; or
18. Make a winner of anyone; or
19. Make anyone's life successful or happy; or
20. Win friends, lovers, sweethearts, or employers for anyone; or
21. Bring back a lost loved one; or
22. Enable anyone to "beat the game"; or
23. Show anyone how to overcome enemies, make money, or avoid trouble;

(d) That any of the articles of merchandise sold by respondent possesses magical power or that possession or use of any such articles of merchandise will result in any change in the life of, or will affect in any degree, the happiness, fortune, state of wealth, or mind or condition of the purchasers thereof;

(e) That the possession or use of the respondent's so-called lucky lodestone, drawing oil, etc., will cause the possessor of said articles to have good health or good luck in any or all matters or to win bets or games of chance in which he or she may engage;

(f) That there are powders, perfumes, or aromas, odors or scents of any nature that will induce one person to love another;

(g) That any of respondent's merchandise offered for sale is imported from Czecho-Slovakia, Hindustan or any other foreign country;

(h) That successful men and women in all walks of life admit that they have won their desires with the help of astrology or that grateful thousands consult Kandu The Great or that the world's most successful and famous people rely on their individual horoscope reading to guide them in making decisions about any question;

(i) That the "Eight Five Hundred Word Daily Guide and Complete Astrological Forecast" is individually designed for each customer; or that it is as good as if it were sold for \$100,000; or that it is a regular \$5.00 seller while offering same to the public and for the price of \$1.00;

(j) That Kandu the Great or any other trade name under which the respondent is doing or attempting to do business is the Mighty Master of Yogi, Kabalism, Numerology, Astro-astrology or any ancient and occult science or that he is learned in any of these so-called sciences, or any other ancient and occult science or that he is or ever has been a student of the same;

(k) That the various publications advertised and sold by respondent to wit: "The Master Key Book", "Master Key Numerology Guide", "Numbers and How to Use Them", "The Mystic Oracle Book of Fate", etc., enables one to interpret all things or contain any information of value to anyone;

(l) That "L'Intrigue Mystique" or any other perfume costing 15¢ an ounce to manufacture is "The Perfume of Aristocrats" or was made to sell for \$15.00 an ounce or has any charm or potency in compelling the love of anyone of the opposite sex;

(m) That the Sacred White Elephant Hair Ring is made of elephant hair until in truth and in fact said Sacred White Elephant Hair Ring is made of a white elephant's hair;

(n) That the Lucky Mystic Hand of Buddha and the Lucky Isis Wishing Stone are imported from other countries unless and until said articles are in truth and in fact imported or that either of them possesses any charm or mysterious power;

(o) That the genuine synthetic Black Cat's Paw is either genuine or synthetic or the paw of a black cat unless and until said articles are in truth and in fact either genuine or synthetic;

(p) That fortune telling by numbers or other book or publication offered for sale or sold by respondent is a scientific treatise or is compiled after many years of scientific research;

(q) That crystals are in constant use in thousands of households and are of value in the development of mental powers and are a factor in concentration; or that the ancient and mystic crystal of Ra-Saj was used many thousands of years ago in the nonexistent Great Temple of Ra-Saj; or that prominent men and women in all walks of life consult their crystals daily in seeking solutions to the perplexing problems; or that science has ever recognized the efficiency of the crystal as an aid to concentration or for any other purpose;

(r) That successful men and women use guide systems, forecasts, numberscopes, or any similar device for which they pay hundreds of dollars;

(s) That respondent under the name of Kandu or Kandu the Great or any other trade name now in use or to be used in the future can tell anyone anything about romance, love, marriage, lucky days, travel, health, wealth, accidents, business affairs, domestic affairs, or anything else in connection with his or her life;

(t) That respondent is a student or master of the science of astrology numerology, Kabalism, Yogism or astro-astrology, or any other ancient or occult science until such time as respondent shall in fact have studied and mastered such science or branch of learning, and from making any other claims or assertions of like import.

Respondent further stipulates and agrees that he will not use the name of any geographic location or any derivatives of such names to describe any article sold by him unless such articles are actually imported from said geographic place.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 18, 1935.)

0925. Vendor-Advertiser—Lubricating Oil.—Harry Burke, trading as Burksons, Chicago, Ill., vendor-advertiser, is engaged in selling a lubricating oil designated "Double Duty Durol", and in advertising represented:

New double duty graphoid lubricant pays bigger profits. Now comes the sensation product of 35 years' chemical engineering experience—Double Duty Durol. At last a colloidal graphoid lubricant that steps miles ahead of competition that others can't touch when it comes to performance. Only improvement in graphoid lubrication in 3 years. In actual operating tests Double Duty Durol boosts speed 20%—making 50 M. P. H. cars go—stops oil pumping, overheating, saves 10% to 25% gas and oil costs. Repair bills extra. New patented ingredients blast away carbon deposits, eliminate "sludge" double oil film strength—indispensable for new rebuilt motors. Burkson's.

Treat your car to the lubricating sensation of the age. Added to oil and gas gives more power and speed . . . Faster pick-up . . . Frees sticky valves. Eliminates carbon and ends sludge giving cars new life . . . only one grade required for both oil and gas. Requires only half the quantity.

Durol added to gas gives continuous self-lubrication under high speeds, heavy pressure and extreme temperature. Eliminating friction, wear, heat and noise—saving oil and gas—increasing power, speed and smoothness.

Durol added to oil and gasoline furnishes a lubricant that lives through any motor heat. It leaves an element of colloidal graphite sublimated at a temperature of 7,000 degrees to inconceivable purity and fineness lubricating the flame-seared walls of the upper cylinders, valve stems and guides. Eliminates carbon.

Saving 90% in repairs Durol added to regular oil increases its load carrying capacity—preventing oil film rupture. Durol also plates all the wearing parts with a durable over-lubricating film—thus 100% lubrication is always obtained under extreme pressure or heat . . . With Durol added there can be no metal to metal rubbing. No wear, no friction, no sticking, scoring or seizing. This protection means freedom from costly repairs 90% of which are traceable to faulty lubrication.

When Durol is added to good oil it withstands 3 times the normal wear. When added to both oil and gas it effects 10% to 20% increased mileage on every gallon of gasoline you use.

Durol, used as directed, is guaranteed to establish and maintain on all frictional parts, self-lubricating graphoid surfaces that will withstand excessive heat

and pressure, prevent wear, increase compression and power and will reduce consumption of oil and gasoline.

I have been more than satisfied with the results I obtained from your Durol . . . The car has pepped up 50% and I can see a marked improvement in gas consumption.

By using Durol I now get up to 70 miles per hour without piston slap—Before piston slaps developed at 40 miles per hour.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the scientific advice received by the Commission, said product will not materially increase the speed of a car, and will do little if any more than other standard lubricants to promote the efficiency, prevent the wear, or increase the power or smoothness of a motor car; and it is not indispensable to new rebuilt motors; neither will it reduce the cost of repairs noticeably or pep up anyone's car 50%.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Double Duty Durol is the only improvement in graphoid lubrication in 3 years;

(b) That said product is the sensation product of 35 years' chemical engineering experience or the lubrication sensation of the age;

(c) That said product steps miles ahead of competition;

(d) That said product is a lubricant that others can't touch when it comes to performance;

(e) That said product is indispensable for new rebuilt motors;

(f) That the new patent ingredients in said product blasts away carbon deposits or eliminates sludge or gives cars a new life;

(g) That said product added to oils gives continuous self-lubrication under high speed, heavy pressure or extreme temperature; or eliminates friction, wear, heat, or noise or materially saves oil or gas, or increases power, speed or smoothness;

(h) That with Durol added to regular oil there can be no metal to metal rubbing, no sticking, no scoring and no seizing;

(i) That when Durol is added to good oil it withstands 3 times the normal wear;

(j) That when said product is added to both oil and gas it effects 10 to 20 per cent increased mileage on every gallon of gasoline;

(k) That said product is guaranteed to establish and maintain on all fractional parts self-lubricating graphoid surfaces, or that it will withstand excessive pressure or increased compression or materially reduce consumption of oil and gasoline;

(l) That said product by actual operating tests boosts speed 20%, makes 50 m. p. h. cars go, stops oil pumping or over-heating, or saves 25% gas or oil costs;

(m) That Durol added to regular oil saves 90 per cent in repairs, increases its load carrying capacity, or prevents oil film rupture;

(n) That said product added to oil and gas gives more power, pays bigger profits, makes faster pick-up, frees sticky valves, requires only half the quantity, or leaves an element of colloidal sublimated at a temperature of 7,000 degrees or to inconceivable purity or fineness;

(o) That by the use of said product any person's car has pepped up to the extent of 50 per cent.

(p) That by using said product any person has got up to 70 miles an hour without piston slap where he developed only 40 miles before and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 23, 1935.)

0926. Vendor-Advertiser—Medicinal Preparation.—Ollie McMullin, doing business under the trade name Tilden McMullin Co., Sedalia, Mo., vendor-advertiser, is engaged in selling a treatment for coughs, colds, bronchial and similar ailments, designated as "McMullin's Formula", and in advertising represented:

McMullin's is one remedy that has been used in literally thousands of homes in all walks of life with great success. It is safe * * * dependable.

McMullin's Formula is invaluable in relieving colds, and is likewise highly recommended as a help in preventing them.

McMullin's Formula * * * for the relief of coughs, flu, grippe, asthma, catarrh, and in the treatment of weak lungs.

McMullin's not only gives relief from colds, coughs, and bronchial ailments, but is also helpful in preventing them.

Build up your system against colds and you prevent them. Here's how you can build up your system so that you can throw off a cold: Use McMullin's Formula! McMullin's taken regularly fortifies your system with a strong wall of cold-resistance; moreover, McMullin's Formula not only helps you to prevent future colds, but it gives absolute and instant relief from present colds.

McMullin's Formula will aid you to prevent the serious complications that result from colds.

When you buy a bottle of McMullin's you are figuratively buying a product that is eighteen years old before it reaches you.

The illness is cured when the cause is removed. Relieve the cause of your colds with McMullin's Formula.

A child's health is delicate and children must be shielded against colds. McMullin's Formula will help you guard the health of your little ones.

A severe cold during childhood may mean weakened lungs for life. McMullin's today and tomorrow, the cold is broken.

Colds are dangerous. They can develop into pneumonia, flu, or sinus. Your future health is jeopardized by serious colds, so be on your guard now. One of the best protections that you could possibly get; McMullin's Formula.

McMullin's Formula is a cold remedy that has stood the test of eighteen years * * * assures you of relief and will help you to avoid colds in the future.

Get a bottle of McMullin's Formula and alleviate the throat irritations that accompany the raw months of early spring * * * colds * * * are dangerous and they threaten your future health. Here's one good way to safeguard your future health—use McMullin's Formula.

McMullin's Formula will help you get relief from the most severe head and chest colds—gets at the bottom of colds.

McMullin's Formula is an old tried and tested remedy for the relief of stubborn coughs, asthma, and catarrh. It is also a great help to weak lungs.

McMullin's Formula is absolutely safe even for children * * * Remember for coughs, colds, asthma, or catarrh use McMullin's Formula. It is absolutely safe and effective.

McMullin's Formula * * * will nourish and build up weak constitutions.

Mr. W. Wyatt of Missouri says, "I gained 25 pounds in six months". What McMullin's Formula did for Mr. Wyatt, it will do for you.

Nothing better for bronchial troubles, colds, coughs, weak lungs, or asthma than McMullin's Formula. It is a tried and proven remedy.

I was bothered with a cough which I seemed not to be able to get rid of * * * Your medicine was recommended to me and I took a small bottle * * * after taking one bottle of your Formula my cough had left me.

I have used McMullin's Formula for a number of years * * * I cannot recommend it too highly to anyone suffering from throat and lung trouble.

McMullin's Formula * * * this is the first year I have missed having hay fever and asthma for ten years and it is the only remedy I ever tried for it that ever did me any good.

One year ago last Janaury the Doctor here told me I had tuberculosis, and that both lungs were affected * * * The doctor advised that I take a rest cure. I stayed in bed for four months and would take two serums a week. I could not see that I was getting any better * * * after taking your medicine for eight weeks I weighed 115 pounds and my temperature is 98.4, just $\frac{1}{4}$ th of a degree above normal. I am certainly pleased with the way your medicine is helping me.

In 1925 my daughter had the flu. She seemed to be in good health again and started back to school. She only went a week when she began to chill and have a cough. She was under the care of a physician for six months, but did not get any better. I heard of McMullin's Formula and purchased a bottle. She had not taken one bottle until she began to get better; only two bottles and she was completely cured.

Your medicine is excelled by none for soreness in the lungs * * * I had a bad case of flu and my lungs have been affected ever since. When I am exposed to bad weather they hurt and I stop this soreness in one or two doses.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion received by the Commission this preparation is "without therapeutic value in the conditions mentioned in the advertising."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That McMullin's Formula is a competent remedy or has any therapeutic value, in the treatment of colds, soreness of the lungs, coughs, flu, grippe, asthma, catarrh, weak lungs, throat irritations, bronchial troubles, hay fever or tuberculosis;

(b) That McMullin's Formula is

1. "Safe"; or
2. "Absolutely safe and effective"; or
3. "Dependable"; or
4. "Invaluable in relieving colds"; or
5. "A help in preventing colds";

(c) That McMullin's Formula

1. "Gives absolutely and instant relief from colds"; or
2. Is a "strong wall of cold resistance"; or
3. "Prevents serious complications that result from colds"; or
4. "Cures illness"; or
5. "Forestalls weakened lungs for life"; or
6. "Breaks a cold in one day" or in any other time; or
7. Is "one of the best protections against pneumonia, flu or sinus";

or

8. "Alleviates throat irritations that accompany the raw months of early spring"; or

9. "Gets at the bottom of cold"; or
10. Affords relief from "most severe head and chest colds";

(d) That McMullin's Formula will

1. "Nourish and build up weak constitutions"; or
2. Enable one to "gain 25 pounds in six months";

(e) That "colds develop into pneumonia or flu or sinus" unless qualified to say that they may sometimes do so;

(f) "McMullin's today, and tomorrow the cold is broken."

(g) That the contents of a bottle of McMullin's are "figuratively" or otherwise 18 years old;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 23, 1935.)

0927. Vendor-Advertiser—Package Opener.—Modern Appliances, Inc., Chicago, Ill., vendor-advertiser, is engaged in selling and in

advertising a device for opening cigarette packages designated "Pakopner" represented:

FREE TO STORES * * * \$\$ TO AGENTS. UP TO \$100.00 a week. District representatives for "PAKOPNER" the new advertising sensation. Unusual opportunity for high-grade men. PAKOPNER is NOT sold. Simply placed in retail stores without cost to dealers. One agent just closed a deal for 100 PAKOPNERS. Greatest money maker in the field. Once your income is established it is permanent. Write immediately for territory reservation and exclusive franchise. MODERN APPLIANCES, 163 N. Michigan Avenue, Dept. 27, Chicago, Ill.

Sales plan is positively non-competitive. You would not believe that you could make money by giving things away, but just show PAKOPNER to any dealer that sells cigarettes and he signs up in a hurry. This is a very unusual money making proposition and offers you a chance for building a permanent business that will produce an income of \$3,000 to \$6,000 a year.

When we tell you that you can build a business that will net you a cash return up to \$6,000 a year we are stating it very conservatively.

One thousand PAKOPNERS in constant operation throughout your territory will give you an advertising revenue of \$500 per month. It should not be a difficult matter for you to work up to 1,000 PAKOPNERS.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading having the capacity and tendency to mislead and deceive interested parties, to the injury of respondent's competitors, in that the amounts stated exceed those which can be earned by salespersons or dealers of respondent under normal conditions.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and represents that it has definitely discontinued the advertising of said commodity and does not at the present time intend to resume such advertising in the future. Should advertising be resumed, the vendor-advertiser specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing, directly or otherwise:

(a) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(b) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(c) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally con-

spicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings. (Sept. 24, 1935.)

0928. Vendor-Advertiser—Medicinal Treatment.—G. H. Hyland and L. B. Hyland, co-partners doing business as Standard Homeopathic Co., Los Angeles, Calif., vendor-advertiser, is engaged in selling a treatment for constipation called "Tindini", and in advertising represented:

Tindini, the doctors found, had a number of unusual properties.

In the first place, Tindini had an amazing laxative action.

But unlike any laxative hitherto known, there was no griping, no matter how large an amount was taken.

A careful analysis showed that Tindini contained no drugs.

The delicate oil, swept through the system, gently removing all the waste from the body, at the same time, cleansing, soothing and healing it.

Tindini as it passed through the body, absorbed poisons and impurities.

It prevented poisons from spreading through the body.

It made healthy existence easy even in the tropics.

In the English Military hospitals, physicians, found that soldiers who were given a handful of Tindini each night were rid of all need of purgatives, within a few weeks time.

Because of its remarkable absorbing qualities, the impurities in the system could no longer do the damage to the organs.

The blood began its natural healing processes.

Many of these boys became entirely well.

Similar results were observed in civilian hospitals on older men and women.

Hospitals throughout the country, physicians in private practice and in research, duplicated the results obtained in England.

Auto-intoxication was overcome very quickly.

Tindini was one of the most effective agents known to science for regulating the system and ridding it of accumulated poisons.

Accomplished without any drug action.

Tindini is the only product that is recommended by leading insurance companies and other health organizations, as a safe and reliable cure for constipation.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical report to the Commission; this preparation contains psyllium seed to absorb moisture, but is not possessed of unusual properties; is not a cure or competent treatment for constipation; would not influence the blood, relieve contamination, promote healing, or overcome auto-intoxication. Said product has not been adopted by hospitals throughout the country or used by physicians in private practice. Its use is not recommended by leading insurance companies or other health organizations.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations

and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Tindini is a competent treatment or an effective remedy for constipation or auto-intoxication or other pathological conditions due to constipation, or that it will do anything more for the relief of such conditions, than a laxative will do.

(b) That the doctors have found that Tindini

1. Had an amazing laxative action; or
2. Had a number of unusual properties; or
3. Swept through the system gently removing all waste from the body, cleansing, healing, or soothing it; or
4. Absorbs poisons or impurities; or
5. Prevented poisons from spreading through the body; or
6. Made a healthy existence easy.

(c) That analysis showed that said preparation contained no drugs.

(d) That it causes no griping no matter how large an amount is taken.

(e) That in the English military hospital physicians found that the soldiers who were given a handful of Tindini each night were rid of all need of purgatives in a few weeks time.

(f) That because of its remarkable absorbing qualities the impurities in the system could no longer do damage to the organs.

(g) That by its use the blood begins its natural healing process.

(h) That many of those boys became entirely well; or

(i) That similar results were observed in civilian hospitals on older men or women; or

(j) That the hospitals throughout the country or physicians in private practice or in research duplicated the results obtained in England; or

(k) That it was found to be one of the most effective agents known to science for regulating the system, or ridding it of accumulated poisons; or

(l) That nothing like it had ever been known before; or

(m) That by its use auto-intoxication was overcome quickly; or

(n) That Tindini is the only product recommended by leading insurance companies, or other health organizations as a safe or reliable cure for constipation; or

(o) That the use of Tindini either "rids" or "cures" anyone of the conditions named;

and from making any other claims or assertions of like import.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any

testimonial containing any representation contrary to the foregoing agreement. (Sept. 24, 1935.)

0929. **Vendor-Advertiser—Chewing Gum.**—National Ad-Gum Co., Cincinnati, Ohio, vendor-advertiser, is engaged in selling a chewing gum with dispenser's advertisement on wrapper, and in advertising represented:

Newest and fastest Seller * * * Pays you up to \$9.00 in a day * * * Up to \$9.00 a day is the record of men who have never had a day's experience. Food salesmen can make more. There is no limit to this great ad-gum selling sensation.

Eaton of Oregon has made over \$16.20 in a day. Kaumheimer of Wisconsin made \$27 in a single day.

\$50 to \$75 a week can be yours * * * In every state of the Union men are doing it regularly.

Frank Cullen, Pa., has been making \$13 per week selling Ad-Gum as a side line.

E. A. Kaumheimer, Wisc., Made \$25 first day on order of 25,000 sticks.

Gum with ads. Pays you up to \$11 in a day. Up to \$11 is the record of men who never had a day's experience.

New Idea-Gum that advertises * * * Ad-Gum salesmen making up to \$12 in a day.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive interested parties, to the injury of respondent's competitors, in that the amounts stated exceed those which can be earned by salespersons or dealers of respondent under normal conditions.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full time sales persons or dealers achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's sales persons or dealers under normal conditions in the due course of business;

(c) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's agents or sales persons under normal conditions and in the due course of business; and

(d) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings. (Sept. 24, 1935.)

0930. Vendor-Advertiser — Correspondence Course.—Harry L. Keepers, trading as Hollywood Motion Picture Self Training Course, La Crescenta, Calif., vendor-advertiser, is engaged in selling a self-training home study course in motion pictures, and in advertising represented:

Mr. Keepers, who is recognized as an authority on all matters pertaining to motion picture photography and projection, is the originator of self-training home study for the art and science of cinematography and sound projection. His experience in these lines of endeavor dates back to 1900, when he started with Thomas A. Edison, at Orange, N. J.; at the very birth of the motion picture in America.

Since this system has been organized it has grown steadily. Today the Hollywood Motion Picture Self-Training Course is being studied all over the world.

It is not necessary for the student to answer the questions and mail them in—my system and method does away with this delay, annoyance, inconvenience, and expense. All the student needs to do is to have someone or some member of the family hold the question sheet and to ask the student the questions. There are from ten to twenty questions asked at the end of each lesson. No questions are asked that do not pertain to the lesson. It is very simple indeed. If the student has learned his lesson, he can surely answer the questions without trouble. In an instance where the student cannot answer a certain question, then he can, of course, go back over the lesson and freshen up by studying that particular part.

Many theatre owners and managers are interested in the course and its training and they are recommending their employees to study the course. When we are requested to do so, we keep the employee informed of the student's progress. This invariably results in advancement in position.

Each student is properly credited for all work he has done in the course. After the student has satisfactorily completed the course he is awarded a diploma certifying that he has completed the subjects taught by the course. These diplomas * * * are given only for mastering the subjects of the course. The course's diploma is silent evidence of merit and ambition; it carries with it a particular significance and value, and will stamp you as a modern trained motion picture theatre projectionist, and will be the foundation for success in the motion picture industry.

The course has won the respect and endorsement of the motion picture business of the world by the thorough and practical training given to its students * * * It is the only course of its kind in existence in the world * * * it is most economical course to be found anywhere. Remember, that other courses cost you four and five times as much, and give you less for your money.

I feel that I have the right to assume that I have been successful because a number of my graduates are now employed at major studios and prominent theatres.

My self-training course is original * * * is not used by any other school * * * is the only really enjoyable study course yet devised. The old methods

are entirely discarded and are so simple that any grammar school boy can master it.

We are daily receiving letters from students telling of the important promotions and salary increases, and expressing satisfaction with the progress made because of their studies. Often projectionists report promotions at the completion of only half of the course.

For every single dollar a student invests in the course of training he receives it back many fold in the form of increased salaries. For such reasons as these, the courses students are so enthusiastic and grateful for the training they receive.

All of these home study courses are just correspondence courses. That is to say—you study a lesson or two and then answer the question sheet and mail it to the school, sometimes at a great distance, then if you get sufficient percentage, you get more lessons. This means that you are held up continually through the mails, distance, etc. This method is now old and inadequate * * * when a student is anxious to get somewhere quickly—my method and system does away with all this red tape that is slow and disastrous—and the expense of mailing is saved.

Since the organizing of my method of training at home there have been received scores of success letters gratefully acknowledging the benefits of the course and its instruction. These letters are from all classes of men in every walk of life, from men who report successful undertakings, from men who report doing better work and earning larger salaries, and also from men who were at one time in minor positions of the theatre who give due credit to the course for having been promoted to higher and more responsible positions.

The Hollywood Motion Picture Self-Training course of instruction is individual. The student is in very close contact with the instructor. If any point is not clear or cannot be readily absorbed special individual attention is given to the student in that examples are given in the lesson so as to master the situation. Thus the student gets over the hard places comfortably without doubt or question. The course is made clear and plain as not to puzzle the student as to its meaning, and every point is made perfectly clear.

The Hollywood Motion Picture Self-Training Home Study Sound Projection course is composed of 50 lessons and ten trouble shooting charts * * * they cover every phase and detail of the sound projection profession.

These practical lessons will show you how to not only operate any Western Electric or Radio Corporation of America-Phototone equipment and installation for any size theater, but will also show you how to locate trouble and remedy same in a most efficient manner. The trouble shooting charts give the trouble, cause, remedy, and with their aid all troubles which might happen are located quickly and soon put right.

Many students have been placed in positions and many theatres have found it to their advantage to rely upon the course for competent man-power.

This certifies * * * has been a student in sound projection, and that he has satisfactorily completed the subjects of the course as taught in the Hollywood Motion Picture Self-Training course and has been examined and found duly qualified in them, and hereby awarded this certificate of graduation as an acknowledgment of his proficiency and in recommendation of his acquirements.

(Signed) HARRY L. KEEPERS,

Author-President.

Date * * *

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mis-

lead and deceive prospective purchasers to the injury of competitors, in that according to the evidence before the Commission, the Hollywood Motion Picture Self-Training Course has not grown steadily and is not being studied all over the World; it has no student graduates; the method of training is not considered the greatest educational movement of recent time; the student does not receive individual instruction, special attention or come into close contact with the instructor; the diploma issued to the student has no significance or value, as it is not based upon any test of the student's knowledge or mastery of the subject; and no student has been placed in a position; the said course does not give four or five times as much as other courses for less money; the respondent has furnished no proof that he is recognized as an authority on all matters pertaining to motion picture photography and projection; his experience in this work does not date back to 1900 and he did not start with Thomas A. Edison or at the very birth of the motion picture in America; moreover, no evidence has been produced that the theatre owners and managers are interested in his course and are recommending it.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the respondent is recognized as an authority on motion pictures, photography or projection;

(b) That the respondent's experience in this work dates back to 1900 or to the very birth of the motion picture in America, or that he started with Thomas A. Edison;

(c) That this system has grown steadily since it was organized;

(d) That the respondent's course is being studied all over the World; or is considered the greatest educational movement of recent times;

(e) That many theatre owners or managers are interested in respondent's course or its training or that they are recommending said course to their employees;

(f) That the student's progress in this course when reported to his theatre employer "invariably results in advancement in position";

(g) That the respondent's diploma is given "only for mastering the subjects of the course", or has any significance or value, or will stamp the holder as a modern trained motion picture projectionist, or will be his foundation for success in the motion picture industry;

(h) That the respondent's course has won the respect or endorsement of the motion picture business of the World;

(i) That the "training" given to respondent's students is "thorough and practical";

(j) That other courses cost four or five times as much as the respondent's and give less for one's money;

(k) That a number or any, of respondent's "graduates" are now employed at major studios or at prominent theatres;"

(l) That respondent is daily receiving letters from students telling of important promotions, and salary increases; or that scores of success letters have been received gratefully acknowledging the benefits of the course; or that projectionists often report promotions at the completion of only half the course;

(m) That for every single dollar the student invests in the respondent's course of training he receives it back many fold in the form of increased salaries;

(n) That respondent's "Original" method of instruction (consisting merely of printed instructions and without tests or examinations) is superior to or an improvement upon the "old and inadequate" teaching systems used by standard correspondence schools;

(o) That a "grammar school boy can master" the arts and sciences of the motion picture business by taking respondent's course;

(p) That the respondent's Motion Picture Self-Training course is individual or that the student is in very close contact with the instructor; or that special individual attention is given to any student;

(q) That respondent's lessons cover "every phase or detail of the sound projection profession", or equip the student to locate "all troubles which might happen" and "remedy some in a most efficient manner";

(r) Impliedly or otherwise, that said lessons will prepare one to operate any equipment or installation for any size theatre or to locate trouble or remedy the same;

(s) That many of the respondent's students have been placed in positions or that many theatres rely upon said course for competent man-power;

(t) That respondent's "certificate of graduation" is given after examination or as a bona fide acknowledgment of the student's "proficiency" and "acquirements"; and from making any other claims or assertions of like import. (Sept. 24, 1935.)

0931. Vendor-Advertiser—Poultry Medicine.—Beebe Laboratories, Inc., St. Paul, Minn., vendor-advertiser, is engaged in selling a compound for treating poultry infested with worms, and in advertising represented:

WORMS

B-B CAPSULES

DOUBLE SHOTS

"Individual dosing" PAYS Get Round, Pin and Tapeworms at same time. Sure-quick, low cost.

One or a Carload NOKIK DOUBLE SHOTS CONTAIN A FULL DOSE of KAMALA and NICOTINE Use for All Worms in Chickens—They are celluloid Coated. They will not dissolve in crop.

Worms.

B-B Double Shot Capsules kill Round, Pin and Tapeworms.

Worm your adult chickens for a penny a bird.

Worm your chicks for one-half penny a bird.

Nokik Double Shots (Poultry Worm Capsules).

A nicotine and Kamala capsule for worming all poultry. Nokik Double Shots get the tapeworms and pinworms * * *.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to a scientific opinion furnished the Commission, said product will not remove all species of roundworms, nor will it expel pinworms or tapeworms from infested poultry.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said compound is a competent treatment for poultry infested with tapeworms or pinworms;

(b) That said compound is a competent treatment for poultry infested with worms unless such representations are limited to large roundworms;

(c) That said preparation is a poultry wormer unless such representation is limited to large roundworms;

(d) That the action of said compound is sure;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 27, 1935.)

0932. Vendor-Advertiser—Foot Treatment.—Ella Jewell, Inc., Akron, Ohio, vendor-advertiser, is engaged in selling a mechanical device for the treatment of foot troubles designated "Toe Tie", and in advertising represented:

Toe Ties, miracle invention * * * makes walking and work a pleasure.

TOE-TIES. Most foot troubles yield to the simple action of TOE-TIES. Men and women everywhere will welcome TOE-TIES simply because of the fact

that they will find greater joy in their work and will be able to do more walking with this effective product that affords quick inexpensive relief for most foot ailments.

TOE-TIES—Marvelous new discovery men and women everywhere are welcoming because of their quick relief to most all foot troubles. **TOE-TIES** bring men and women greater foot comforts, which means joy in their work, in their walking, and in their health. **TOE-TIES** bring inexpensive quick relief.

* * * you can find quick, effective, inexpensive relief in **TOE-TIES**. One **TOE-TIE** on the correct toe of each foot relieves the tension on the nerves and muscles that make feet ache.

Most cases of aching feet are caused by one of the middle metatarsal bones sinking slightly out of line, throwing an unnatural strain on the nerves and muscles of the whole foot. **TOE-TIES** keep the weaker bone in position—the foot in correct balance—relieve the pain.

The vast majority of women suffer from tired and painful feet caused by high-heeled, narrow shoes. Their fourth metatarsal bone is usually forced downward or the toes of the external part of the foot are turned under. **TOE-TIES** relieve the pinching of the nerves caused by both conditions.

Wrong walking habits acquired in an effort to escape the pain of ordinary foot trouble frequently cause bunions * * * **TOE-TIES** by eliminating the discomfort, often cause the bunion to disappear.

* * * many of the pains and cramps of the lower legs, are * * * the results of metatarsalgia. These cases are relieved by **TOE-TIES**.

When the poor circulation causing the toes or feet to go to sleep is not due to some organic condition, it is often caused by pressure on the nerves of the toe. **TOE-TIES** have a gentle massaging action at every step. They relieve the trouble almost instantly.

Ella Jewell **TOE-TIES** by keeping the bones of the foot in proper balance prevent feet getting tired and so prevent corns, callouses, bunions, and run-over heels.

* * * They do all that is claimed for them.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical advice received by the Commission, this device would be of doubtful value where there is a deformity of the toes, and would afford no support to the arch of the foot, the point at which most mechanical devices are aimed for relief of aching feet.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That the product Toe Ties is a "miracle" invention;
- (b) That most foot troubles yield to Toe Ties;
- (c) That said product is effective or affords quick relief for most foot ailments;

(d) That Toe Ties will enable one to do more walking, unless limited to the types of cases in which such product may be beneficial;

(e) That Toe Ties will "end" the misery of tired, aching feet;

(f) That Toe Ties enable one to "get rid" of the world's greatest killjoy;

(g) That said product

1. Stops the pain in feet and legs, unless limited to metatarsal disorders;

2. Prevents bunions or prevents either corns or callouses or run over heels, unless due to metatarsal disorders;

3. Causes bunions to disappear;

(h) That Toe Ties relieve the suffering caused by high heeled shoes or narrow shoes;

(i) That Toe Ties have a gentle massaging action at every step, or at all;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 27, 1935.)

0933. **Vendor-Advertiser—Cleaning Machine.**—Premier Coil Cleaner Manufacturing Co., Chicago, Ill., vendor-advertiser, is engaged in selling a machine for cleaning beer coils called "Premier Coil Cleaning Machine", and in advertising represented:

Read what some Premier operators are actually doing. Do you realize they are making from \$50 to over \$100 weekly for themselves in this new profitable enterprise?

Live Wires * * * are making from \$50 to over \$100 weekly * * * in this new profitable business.

The Premier "Business of Your Own" outfit should enable you to begin making immediately up to \$50 to \$100 a week—\$200 to \$400 per month * * * Each beer tavern * * * should pay you from \$50 to \$150 annually. One hundred taverns weekly and you should be able to handle about 100 customers with a single Premier Outfit—should give you an annual income up to \$5,200.

Make from \$8 to \$12 per day and up. John Neubauer stated his first active day * * * made him \$15. Garvey and Lowe reported their income was averaging about \$350 per month. Hubert Morris has an income varying from \$60 to \$75 per week.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent has not furnished proof that its customers have made the amounts stated, under normal conditions; and furthermore is not a manufacturer as implied by its corporate name.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Not to make unmodified representations or claims of earnings or profits of customers in excess of the average full time earnings of respondent's customers achieved under normal conditions in due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount a minimum earnings in excess of what has been accomplished by one or more of respondent's customers under normal conditions in due course of business;

(c) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as much as", or any equivalent expression, any amount in excess of what has been accomplished by one or more of respondent's customers under normal conditions in due course of business, and

To cease and desist from the use of the word "manufacturing" or the abbreviation "Mfg.", in and as a part of its corporate name, until such time as it may in fact manufacture the product offered for sale. (Sept. 27, 1935.)

0934. Vendor-Advertiser—Medicinal Ointment.—Dr. A. W. Daggett, S. M. Sweeney, and E. C. Groves, co-partners, operating as The Smad Co., Pasadena, Calif., vendor-advertiser, is engaged in selling an ointment called "Smad" for athlete's foot and other foot afflictions, and in advertising represented:

When you use SMAD, spelled S M A D, for Athlete's Foot you permanently destroy the fungus growth which causes all the annoyance and discomfort. Equally important, you kill the germs which may be present in your shoes, thus insuring yourself against a recurrence of the trouble.

This treatment of the shoes prevents re-infection once relief is effected.

Have you been struggling with the annoyance and discomfort of Athletes Foot? Then SMAD is the answer to your difficulties. Smad is not a temporary relief. It is a powder that dries and permanently destroys the fungus growth known as Athlete's foot.

Physicians recommending the use of Smad in treating Athlete's Foot have found that a single container of the remedy is usually sufficient for a complete relief.

A convenient powder that will positively eliminate it on the feet and in the shoes.

Superior to messy ointments and liquids.

Even stubborn cases which resist most treatments yield quickly to SMAD.

The one product that kills the germ in the shoes and prevents re-infection.

The Safe Remedy for ATHLETE'S FOOT, Itching Feet and Toes. For Athlete's Foot, Dhobie Itch, Golfer's Itch, Ringworm, Etc., it has proved a safe remedy where other methods have failed.

A convenient powder rubbed into the affected parts, penetrates deeply into the tissues, kills the germ, stops the intense itching and effects complete relief.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission, no remedy is known that is a "sure cure" for fungus infections of the feet; this preparation has been tested and given a ten days' trial without effect upon the disease mentioned.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of SMAD for Athlete's foot permanently destroys the fungus growth, or insures against a recurrence of the trouble;

(b) That physicians recommending SMAD have found that a single container is usually sufficient for a complete relief;

(c) That even stubborn cases which resist most treatments yield quickly to SMAD;

(d) That to one struggling with the annoyance of Athlete's foot, SMAD is the answer to all his difficulties;

(e) That said preparation rubbed into the affected parts penetrates into the tissues, "deeply."

(f) That SMAD prevents re-infection;

and from making any other claims or assertions of like import.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 27, 1935.)

0935. Vendor-Advertiser—Correspondence Course.—John C. Coles, trading as Business Ownership Institute, Chicago, Ill., vendor-advertiser, is engaged in selling a correspondence course and outfit for cleaning and pressing, and in advertising represented:

1. I DO know that this training will never be offered at a lower price.

2. I've got a problem on my hands and I need your help to settle it. HERE IS WHAT I'M UP AGAINST! Since you wrote me, several other fellows have written me and are anxious to get started with their Cleaning and Pressing Business. BUT—THEY ARE LOCATED IN YOUR TERRITORY and as YOU wrote me FIRST I want to give you FIRST CHANCE at the EXCLUSIVE RIGHT to open up a business through the B. O. I. in your territory. Now I know it would be mighty easy to sell these other fellows my course. But that would mean that there would be SEVERAL fellows going after the business

that RIGHT NOW you can still get for YOURSELF! Undoubtedly I could get many more students in that way. BUT THAT'S NOT MY WAY OF DOING BUSINESS.

3. Now, my friend, I told these other fellows that I would let them know about your territory in 15 days. So if you do NOT intend to take advantage of this opportunity, then won't you PLEASE let me know promptly, so I won't have to keep these other fellows waiting. HOWEVER—IF YOU WANT THE TERRITORY YOURSELF, then just let me know and I will hold it for you and then you and I will work together to help you get started in a REAL BUSINESS where you can enjoy all of the advantages of being in BUSINESS FOR YOURSELF!

4. For a limited time after our new Catalog is ready, I will show you how you can get a Cleaning and Pressing Outfit, consisting of over 30 valuable and useful items, ABSOLUTELY FREE.

5. You will notice in reading this Catalog that this course of training is designed to FIT EVERY SITUATION and FILL EVERY NEED. Regardless of what your situation is this training will help you.

6. If your enrollment is received at once, THE BIG VALUABLE OUTFIT OF EQUIPMENT AND SUPPLIES WILL BE INCLUDED RIGHT IN YOUR COURSE as a regular part of your training without one cent of extra cost.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent's business is an individual proprietorship selling printed instructions and is not an "institute"; exclusive territory is not reserved, but the course is sold to any person who will pay the price; and the time for acceptance of respondent's offer is not limited.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said "training" "will never be offered at a lower price";

(b) That respondent grants any exclusive territorial rights to subscribe for his home-study course;

(c) That respondent has a "problem" on his hands in that "several other fellows" are "anxious to get" the "exclusive right" to "operate" in the prospect's territory; or that respondent "told these other fellows" that he "would let them know about your territory in 15 days"; or that he would "hold it for you"—so long as such statements are sent out in form letters, and until such time as these and equivalent expressions may be true in each specific case;

(d) That respondent will show how to get a cleaning and pressing outfit "for a limited time" after his new catalog is ready, unless and until the time limit is actually set after which requests for such information are refused under the terms offered;

(e) That the outfit of equipment and supplies will be included without extra cost on condition that the "enrollment is received at once", so long as such equipment is included to all who enroll;

(f) That the cleaning and pressing outfit may be procured "absolutely free" so long as the price thereof is included in the price of the course;

(g) That said course of training will "fit every situation" or "fill every need";

and from making any other claims or assertions of like import.

In future advertising respondent further stipulates and agrees to discontinue the use of the word "Institute" as a part of his trade name until such time as an institute, as the term is commonly defined and accepted, may be actually organized and maintained. (Sept. 27, 1935.)

0936. Vendor-Advertiser—Gas Compound.—Ralph C. Curtiss, trading as Illinois Manufacturing Laboratories, Chicago, Ill., vendor-advertiser, is engaged in selling a product for adding power, efficiency, and economy to motor fuel, called "Miracle Gas Compound", and in advertising represented:

Chemical marvel increases auto mileage 50%. A newly discovered chemical added to gasoline has been found to increase auto mileage up to 50%—cleans out carbon. Used in any kind of gasoline, including cheapest gas sold, to make a high-powered, non-carbon forming fuel. * * *

Strange chemical increases auto mileage 50%. By just adding a newly discovered chemical to gasoline in a car it has been found to increase the mileage up to 50% or more. Cleans out carbon, adds power and pep. Big profit for agents and distributors.

New wonder product increases auto mileage 50%. By adding a newly discovered chemical to the gasoline it has been found to increase auto mileage up to 50%—cleans out carbon. Used in any gasoline including cheapest gas sold, making a high-powered, non-carbon, anti-knock fuel. Agents profit 500%. Write today for Sales Plan and Guaranteed Territory Offer. Illinois Mfg. Laboratories.

WHY YOU SHOULD USE MIRACLE GAS

Two gallons of gasoline treated with Miracle Gas give the mileage of three gallons.

More mileage from each gallon of gasoline—25% to 50% increased mileage and freedom from carbon.

Power of motor is increased, faster acceleration.

Helps prolong life of motor, saves many repair bills as well as saves cost of having carbon removed.

Quick easy starting due to highly volatile, quick firing, vaporized gasoline, and freedom from carbon.

Oil lasts longer when Miracle Gas is used. You have a highly volatile, vaporized gasoline which fires more readily, quickly burning up—creating power in the motor instead of draining down into crankcase, diluting the oil.

Reduces cost of operating cars, trucks, or buses. Fleet owners can very materially reduce operating costs.

With your orders we send you a supply of circulars which show a reprint of our Certificate from the well known Automobile Club of Illinois. This shows everyone you offer Miracle Gas to, that it has successfully proved under tests that it will increase mileage, makes easier starting (this is big feature in the Winter time) and cleans out and prevents carbon. Also it proves to your customer that by laboratory tests Miracle Gas has been shown to contain nothing harmful to the motor and makes no sediment.

* * * Right now everyone is talking about "pepped up gasoline", "more power", "more miles per gallon, less carbon, better lubrication." The whole sum and substance of it all is "more economy and greater speed with better running cars."

That must be why Miracle Gas Compound found a quick, responsible market. It came right when everybody wanted it. It fitted right in with the great demand of the Motoring Public. They could use the cheapest gasoline they could buy—add Miracle Gas to it and have a high powered, quick pick-up, anti-knock, non-carbon forming fuel with increased mileage of 25% to 50%.

This new product offers you a new opportunity for making real money. Our prices to you allow you the largest possible margin of profit. You can make over 500% profit. Only 10 sales make you \$8.00. We give you extra cans of Miracle Gas FREE with your stock orders.

MIRACLE GAS COMPOUND is a harmless compound that completely mixes with the gasoline, developed by one of this country's well known chemists and research engineers to convert the energy that is now wasted into Power, at the same time removing old carbon deposits and keeping the motor and spark plugs clean. The motor starts easier, adds power, pep, faster acceleration, runs smoother and faster, and prevents carbon knocks. Puts new life into the motor.

A PRODUCT OF SCIENCE.

Certain chemicals add power and increase the mileage to be obtained from gasoline, others remove carbon. Miracle Gas Compound is a scientific combination of these chemicals.

THE RESULT

GET THE POWER OF THREE GALLONS OF GASOLINE FROM ONLY TWO!

EXCLUSIVE DISTRIBUTION OFFERED YOU NOW.

At this time your territory is open and believing that you can see the opportunity before you today to establish a big, profitable business in the territory you can cover, you can at this time reserve your territory while you actually try out and prove to yourself AT OUR RISK the tremendous money making possibilities of Miracle Gas.

At our risk you have an opportunity now to establish yourself in a profitable lifetime business of your own.

With Miracle Gas, if your customer will put aside the money saved by increased mileage and the use of cheapest gasoline sold, he should save about enough to pay for his new car.

**INSURANCE FOR
YOUR CAR YOU
WON'T REGRET IT**

We show you on this page how a saving of \$8.00 is made from each 100 gallons of gasoline. A car owner uses about 1,000 gallons of gasoline per year, some use much more.

Figuring a saving of \$8.00 per 100 gallons of gasoline used, you have a saving of \$80.00 per year. Most car owners keep their cars three years or more. Figuring three years time, you have a saving of \$240.00 saved. With the trade-in value of the car and the \$240.00 saved it will go a long way in paying for a new car.

Because of these big features—increased mileage, customers can use the cheapest, lowest grade gasoline and have a high powered fuel, removes old carbon deposits and keep motor and spark plugs free from carbon. These three things give you a powerful sales talk and should make any motorist want to use Miracle Gas.

Two big savings—25% to 50% increased mileage, a saving of 4¢ or more in cost per gallon of gasoline by using Miracle Gas. They actually see the saving in the difference in cost per gallon of gasoline and their speedometer shows them the additional miles per gallon of gasoline.

You build up a steady business of your own in your territory with only a small investment.

Our special offer of 10 cans for only \$4.00 with 2 extra cans FREE starts you making money, our offer of 25 cans with 5 cans FREE starts you with your country reserved for your exclusive distribution of this new Wonder Product—Miracle Gas Compound.

In addition, you receive FREE COUPONS for enlargement of pictures as described elsewhere on this page. We send one coupon FREE with each can of Miracle Gas whether you order a trial order or a stock order.

We make it easy for you to get everyone started using Miracle Gas. We will give you absolutely FREE for each can ordered one coupon like the one printed here. This coupon is self explanatory.

Thus if you order 10 cans (2 extra cans FREE) you get FREE with your order 12 Coupons so that you give each purchaser one of these coupons. With your trial order we send 2 coupons FREE. The more cans Miracle Gas you order the more FREE coupons you receive. Order 25 or 100 cans, we send FREE coupons to equal total amount of cans of Miracle Gas sent you, including the FREE Cans.

PROOF

For those who Doubt

I have used with considerable success your Miracle Gas Compound. The mileage on my car was increased about 50% and as I am now using the cheapest gas I can buy I am making a good saving. The cheap gas does not knock in my car when I use your compound in it.

C. G. H., Indiana.

I was getting an average of only twelve miles per gallon. After using fifteen gallons of gasoline properly treated, I am now getting over sixteen miles per gallon. In addition the motor starts easier, has more pep and quicker pick-up, and performs better in every detail. My friend has a late model Ford V-8 and has increased his mileage in about the ratio and is highly pleased.

The two cans of Miracle Gas Compound received and I have made some tests averaging 43% increased mileage, with a Ford V-8.

Our car is a Canadian Durant 6 with previous summer's record of twenty miles to the gallon. This gives us an increase of three miles to the Imp. Gallon or fractionally near to this. The consumption of oil is less than customary.

Made a test Sunday afternoon and on an old 1929 Chevrolet that has been making around sixteen miles. I got fully nineteen. At the same time, I feel sure that I would have gotten twenty miles but the battery was run down and had to keep the hand feed open a good bit of the time, which naturally consumed more gas.

After making a check of the mileage increase after using your Miracle Gas, I find the mileage to be increased about 30%. I practically note the increased speed in pick-up of the car.

E. H., Ill.

I was not so much interested in the increased mileage by using Miracle Gas, although I notice a substantial increase in mileage, as I was to use the cheap gas without having a knock. When I add Miracle Gas to the cheap gas I do not have the knock in the car that was there when using the cheap gas without your compound. The saving I make using the cheap gas is enough.

W. C. D., Ill.

It is indeed a pleasure to have this opportunity to tell you about science's newest development, developed in one of the country's large scientific research laboratories by a well known Chemical Authority in the field of Chemical Research—Miracle Gas Compound.

This new product offers you a wonderful opportunity to make big money because of its instant appeal to the car owners. With it they can buy the cheapest, lowest grade of gasoline but have a high powered, peppy fuel for their car. This saves about 4¢ a gallon cost of gasoline. In addition it cleans out old carbon deposits and prevents new carbon formation, increases mileage from 25% to 50% from each gallon of gasoline—Yet costs only 1¢ per gallon to use. (Miracle Gas retails at \$1.00 per can containing enough to treat 100 gallons of gasoline.)

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to scientific opinion furnished the Commission by the National Bureau of Standards, oils and gases treated with said product as directed in the advertising are identical in performance with similar fuels not treated with it; the summarized conclusion is that Miracle Gas Compound will not affect power, economy, starting, acceleration, crankcase dilution, knock or carbon deposit in a gasoline engine; furthermore, the certificate from the Automobile Club of Illinois has been cancelled, and the representations as to prospective earnings by sales persons, dealers, and distributors are exaggerated and misleading.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Miracle Gas Compound used in any kind of gasoline makes a high powered non-carbon-forming fuel;

(b) That two gallons of gasoline treated with said product give the mileage of three gallons;

(c) That when said product is used oil lasts longer;

(d) That Fleet Owners by the use of said product can very materially reduce operating costs;

(e) That any exclusive territory is open to or may be reserved by a prospective distributor "at the risk" of the respondent;

(f) That by adding said product to the cheapest gasoline a high powered fuel could be had with increased mileage of 25% to 50%;

(g) That said product offers an opportunity for dealers to make over 500% profit; or that "only 10 sales make you \$8", unless qualified to show that this would be gross, not net, profit, and then only in the event the dealer buys in 100 gallon lots and retails at the price of \$1 per gallon;

(h) That said product was developed by one of this country's well known chemists and research engineers, converting wasted energy into power, or that it was developed in one of the country's largest scientific research laboratories;

(i) That said product is a scientific combination of chemicals;

(j) That any one has an opportunity "at the risk of" respondent to establish himself in a profitable lifetime business of his own;

(k) That by the use of said product one can effect a saving of 4 cents or more per gallon of gasoline;

(l) That in using said product the speedometer shows the additional miles per gallon of gasoline;

(m) That by the use of said product a customer can save enough by increased mileage to insure payment for a new car;

(n) That said product has successfully proven under scientific tests that it increases mileage, makes easier starting or prevents carbon;

(o) That by the use of said product the acceleration is faster or the car runs smoother;

(p) That a user of said product found his mileage to be increased 30%;

(q) That by the use of said product with cheap gas one does not have the knock in his car that was there when using cheap gas without said product;

(r) That by the use of said product mileage has been increased an average of 43 percent with a Ford V-8;

(s) That by the use of said product the mileage of a Durant-six was increased nearly three miles to the gallon;

(t) That by the use of said product the mileage of a 1929 Chevrolet was increased from 16 to 19 miles per gallon;

(u) That said product added to gasoline makes an anti-knock fuel; gives better lubrication; helps prolong life of motor; saves many repair bills; reduces cost of operating cars, trucks or busses; makes greater speed; or puts new life into the motor;

(v) That extra cans of said product or coupons for automobile tires or enlarged photographs are "free" so long as their delivery is subject to the condition that a purchase is made, or the price thereof is included in such purchase;

and from making any other claims or assertions of like import.

The respondent further agrees and stipulates in future advertising in interstate commerce to cease and desist;

(w) From the use of a paper designated "Certificate of merit", dated August 31, 1934, and numbered 441, issued by the Test Laboratories of the Automobile Club of Illinois;

(x) From making unmodified representations or claims of earnings in excess of the average earnings of respondent's full time sales persons, dealers, or distributors achieved under normal conditions in the due course of business;

(y) From representing or holding out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's sales persons, dealers, or distributors under normal conditions in the due course of business;

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 27, 1935.)

0937. Vendor-Advertiser—Carded Merchandise.—C. H. Hadlock operating as Haldon Products Co., Chicago, Ill., vendor-advertiser, is engaged in selling carded merchandise and in advertising represented:

An antiseptic, fine quality, quilled toothpick, each in a sanitary envelope * * *.

CUT PRICES! On Quality Carded Goods.

Genuine Aspirin * * *. \$1.20 Value—18¢.

Whiskey Chasers * * *. \$1.25 Value—23¢.

Razor Blades (Gillette type) * * *. \$2.50 Value—89¢.

(Prices Net, F. O. B. Chicago.)

Many other bargains in our big list of fast selling items—chewing lax, soda mints, shaving cream, perfume, toiletries, etc. Don't delay! Send trial order from this ad. Satisfaction guaranteed or money back. Orders shipped same day received. Write for catalog today.

HALDON PRODUCTS COMPANY

1837 Sedgwick Street, CHICAGO, ILLINOIS.

EARN \$3.00 AN HOUR

FREE

A useful gift if you
write promptly

Interviewing Grocers, Druggists, Tavern Keepers, all store owners taking orders for carded necessities.

\$1.00 value costs you 13¢.

Quality Aspirin, Whiskey Chasers, Razor Blades, Sanitary Rubber Goods—unbelievable prices. Send for big FREE list hundred quick money items, Write *today* full or part-time plan!

HALDON PRODUCTS CO., Dept. 1012, 1837 Sedgwick St., Chicago, Ill.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the toothpick offered is not antiseptic; the difference in alleged "values" of products offered and their prices is unreasonable; and respondent has not furnished proof that his dealers have or can make the amount of money stated, within the time specified.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That toothpicks offered for sale by respondent are antiseptic;
 - (b) That merchandise
 1. Of the value of \$1.20 is sold for 18¢; or
 2. Of the value of \$1.25 is sold for 23¢; or
 3. Of the value of \$2.50 is sold for 89¢; or
 4. Of the value of \$1.00 is sold for 13¢; or at any similar reductions from the "value" of any article offered for sale by respondent;
- and from making any other claims or assertions of like import.

Respondent in soliciting sales persons or dealers in aid of the sales of such merchandise, stipulates and agrees

- (c) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time sales persons or dealers achieved under normal conditions in the due course of business. (Sept. 27, 1935.)

0938. Vendor-Advertiser — Medicinal Treatment. — Spokane Chemical Co., Spokane, Wash., vendor-advertiser, is engaged in selling a saline product designated Solcano, offered as a treatment for rheumatism, arthritis, stomach troubles, high blood pressure and various other ailments and in advertising represented:

Add Solcano to hot water and drink before meals to maintain the balance between acids and alkalines in your system * * * You will have more pep and vitality and a clear complexion, better health.

Too many are robbed of health by digestive inertia that causes heartburn, acid stomach, high blood pressure, rheumatism and neuritis. It is so unnecessary to suffer from these ailments when all you need do is to add Solcano to hot water and drink before meals. Solcano is a natural saline corrective. Contains no harmful drugs or stimulants * * * The ideal corrective. Use Solcano, the internal sunbath for relief from arthritis or other diseases caused by digestive inertia. Solcano is a natural mineral * * * See how much it peps you up.

Supply your system internally with the sun rays that are so beneficial when absorbed externally. Start taking Solcano, mineralized sunshine. The volcanic originative natural mineral corrective * * *. Enjoy summertime health the year round. Don't wait for an emergency when your health is concerned. Ward off disease and pain by taking a little Solcano daily in your wake-up glass of water.

It will regulate the system. Counteract toxic poisons and correct ailments caused by digestive inertia.

Rheumatism and arthritis pains can be quickly and permanently relieved by taking Solcano. Solcano neutralizes the acids that deposit on joints and muscles to cause rheumatic stiffness and pain.

Solcano * * * soothes, heals and strengthens digestive organs by assuring natural functions without strain.

Internal cleanliness is the one condition which may account for your dissatisfaction with your skin, your hair, your eyes, and even your figure. Solcano is Nature's own remedy, eliminating from your system the poisons which nullify the effects of even the best external beauty treatments. Start taking this pleasant mineralized sunshine daily * * * then watch the glow of good health restore your vitality and beauty as well.

If your mirror tells you that you have a sallow, blemished complexion, or if you have that run-down, slow-motion feeling * * * pep up your system and clear up your complexion by taking an internal sunbath daily, a little Solcano in your wake-up glass of water.

Health and beauty * * * you can't look your best when you "don't feel very well", nor can you enjoy yourself. Headaches and attacks of indigestion and "nerves" and that worn-out feeling can make everything seem wrong * * * Solcano * * * gives you prompt relief from the most serious of all handicaps to good health and beauty. Solcano is an internal sunbath, a mineralized sunshine, a natural mineral corrective that is palatable, safe, gentle, and effective.

Solcano, made in Nature's own laboratory. The result of solar action on a volcanic deposit. Corrects digestive inertia. Nature's prescription for rheumatism, arthritis, sciatica, high-blood pressure, constipation, skin afflictions.

Take Solcano for heartburn, acid stomach, poor complexion, toxic poisons, stomach disorders, auto-intoxication.

It conquers even most obstinate cases of rheumatism, arthritis, high blood pressure and acidity.

Scientists say the Solcano treatment is the natural way to correct digestive inertia because Solcano has absorbed the solar rays as it lay exposed to the sun in its natural bed.

I suffered from stomach troubles and neuritis for 15 years when I started taking Solcano. I got almost immediate relief from Solcano, and before taking a half a package was able to resume work. My arms are practically free and stomach trouble is hardly noticeable.

For many years I suffered from ulcers of the stomach which caused a combination of other ailments to arise; first, a nervous condition, followed by neuritis, sour stomach, constipation, and rheumatism * * *. I started taking Solcano * * *. It helped me in a number of ways. I began to enjoy my food with less sour stomach, the condition caused by neuritis disappeared. My rheumatism pains are less frequent.

Scientists say that Solcano contains the ultra-violet rays of the sun, the result of the solar action on this volcanic deposit.

Solcano comes to you in its natural state. It contains no ingredients harmful to the body. It is not just a laxative, but a neutralizer that cleanses the entire system.

I am very much pleased with Solcano and think it a wonderful remedy for stomach troubles and neuritis. I had been suffering with both of these diseases for 15 years when I started using Solcano. My arms are practically free from neuritis, and the stomach trouble is hardly noticeable.

I had been troubled with liver-trouble for over five years and I had taken doctor's prescriptions and several other different kinds of medicines and remedies

and had received only temporary relief. I have taken less than one-half of a package of Solcano and feel better than I have for years. I feel sure that I will be perfectly cured. Before starting to take Solcano I had a ridge on my side over my liver, also I had a swarthy complexion; but now the ridge has disappeared and my complexion has cleared up.

Liver Trouble, Bladder Trouble. Ailments of the liver and bladder are common conditions that accompany digestive inertia. Solcano * * * will * * * absorb toxic poisons that gather in the bladder and liver.

In all cases in which you are suffering from an ailment that can be traced to digestive inertia * * * Solcano will give relief, and it has cured many, many cases, but no two conditions are alike.

Reducing. Unless over-weight is caused by abnormal thyroid conditions its most probable cause is from digestive inertia. The digestive system is unable to remove all waste fat; it is absorbed by the blood and forms fatty tissues. To remove excess fat take Sol.

Gout * * * there are two treatments necessary to give permanent relief: (1) mineral baths, using a half pound of Naso to an ordinary bath; (2) Solcano taken in hot water once a day.

Nervousness, Exhaustion, Headaches, Fatigue. Frequent spells of fatigue and exhaustion, followed by nervousness and headaches * * * take Solcano * * * you will again have normal vitality.

Skin Eruptions, Skin Diseases, Poor Complexions. These conditions are caused by toxic poisons and other waste matter of the body trying to find an outlet through the pores, and the digestive system becomes clogged. To start the digestive system functioning normally and to absorb these toxic poisons take Solcano.

Athlete's Foot. For Athlete's Foot, or when you have tired, tender, burning feet, the soothing properties of SOL NA-100 are felt immediately * * * NA-100 will check the disease and, in many cases, has effected cures when used diligently for two or three months.

Cuts, Abrasions, Open Sores. When there is a danger of bloodpoisoning from scratches, cuts, or open sores, bathe the infected area in a solution of NA-100; it will soothe the sore and draw the poisons, leaving the tissues clean and ready to heal.

Scientists can not equal Nature in producing the sun's rays in a form beneficial to the human body. That is why Solcano, the result of solar action on a volcanic mineral, is so beneficial in treating disorders caused from digestive inertia.

Solcano is recommended, yes, double-guaranteed, for use in treating rheumatism, stomach disorders, liver trouble, skin disease, and many other ailments caused by digestive inertia.

Solcano neutralizes the excess acids that deposit on joints and muscles to cause rheumatic stiffness and pains. It absorbs the toxic poisons in the blood and corrects functional disorders caused by digestive inertia. Get quick, permanent relief from these ailments; start taking Solcano today.

Don't depend on drugs and stimulants for relief from neuritis, headaches, backache, and rheumatism. Get at the cause of the trouble, digestive inertia. * * * Put an end to the functional disorder that is causing your headaches, backache, and nervousness. Take just a quarter teaspoonful of Solcano each morning in a wake-up glass of hot water.

Solcano acts as an internal cosmetic * * * in fact, Solcano tones the whole system.

After you have taken Solcano regularly for a few months rheumatism pains will disappear.

Solcano, the natural health-builder. Take Solcano daily in a glass of water to ward off disease.

Solcano, the natural mineral discovered by the Northwest Indians, passed along to the Okanogan pioneers. * * * This natural mineral accomplishes the two things necessary to correct most of the conditions known as ill health; it frees the digestive tract of obstruction; it supplies the minerals lacking in our daily diet. * * * Solcano * * * seeks out and corrects the chemical error that is causing the trouble.

Solcano, the natural mineral that regulates the digestive system and supplies missing chemical elements.

Solcano * * * is a natural mineral with the remarkable power to strengthen the entire digestive tract.

Solcano * * * will * * * purify your blood and give you permanent relief from heartburn.

Solcano * * * gives relief in a natural way * * * corrects the underlying cause of so many annoying ailments.

Solcano * * * purifies and restores normal health in Nature's own way.

Solcano provides the internal sunbath that vitalizes and purifies the bloodstream. * * * This natural health mineral has the enthusiastic endorsement of users everywhere.

Solcano, the sunshine mineral, offers you the natural way to health and beauty.

Take Solcano in your drinking water and quickly regain your former health.

Hyperacidity, arthritis, rheumatism, high blood pressure, poor complexion * * * for all these ailments there can be but one corrective. Add Solcano to a glass of hot water and drink before breakfast. Notice the marked change in your health.

Solcano * * * heals the digestive organs, ends conditions causing acidity, indigestion, arthritis, and rheumatism.

Many people who have chronic cases of rheumatism and arthritis are finding pleasant, permanent relief by taking Solcano.

This mineralized sunshine corrective helps rid you of that dull, lifeless feeling.

As surely and safely as a half teaspoon of Solcano in a glass of hot water banishes acid stomach and rheumatism, so will Solcano build up glorious health and increase your physical charm.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion received by the Commission this preparation is but a saline laxative, the value of which is limited to the relief of occasional constipation, and that the therapeutic claims made for it are unwarranted.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Solcano is a competent remedy in the treatment of rheumatism, arthritis, stomach ulcers, stomach trouble, liver trouble, bladder trouble, gout, nervousness, obesity, exhaustion, headaches, high blood pressure, fatigue, neuritis, skin eruptions, skin diseases,

poor complexion, athlete's foot, cuts, abrasions, open sores, heart-burn, acid stomach, or toxic poisons;

(b) That Solcano will—

1. "Safeguard complexions;"
2. "Supply the system internally with sun rays;"
3. "Soothe, heal, and strengthen the digestive organs;"
4. "Give prompt relief;"
5. "Absorb toxic poisons in the stomach and intestines;"
6. "Stimulate the blood;"
7. "Clean and open the pores of the skin;"
8. "Vitalize or purify the blood stream;"
9. "Maintain the balance between acids and alkalines in the system;"
10. "Counteract toxic poisons;"
11. "Neutralize excess acids that deposit on joints and muscles;" or
12. "Correct functional disorders caused by digestive inertia;"

(c) That Solcano is—

1. "Mineralized sunshine;"
2. "The 'natural' way to 'correct digestive inertia' because it 'has absorbed the solar rays;' "
3. "Not just a laxative but a neutralizer;"
4. "The result of solar action on a volcanic material, beneficial for disorders caused from digestive inertia;"
5. "A relief or cure in 'all cases when the ailment can be traced to digestive inertia;' "
6. "An internal sun bath;"
7. "A natural mineral health builder;"
8. "A neutralizer that cleanses the entire system;"
9. "Made in Nature's own laboratory;" or
10. "Double-Guaranteed for the treatment of any ailment;"

(d) That Solcano "contains the ultra-violet rays of the sun;" and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Sept. 30, 1935.)

0939. **Vendor-Advertiser—Medicinal Tablets.**—Willard Tablet Co., Inc., Chicago, Ill., vendor-advertiser, is engaged in selling Willard's Tablets and in advertising represented:

If you are suffering from stomach disorders, address your card or letter to the Willard Tablet Company, Radio Station KFBI, Abilene, Kansas, for Willard's Message of Relief.

Willard Tablet Company,
215 West Randolph Street,
Chicago, Illinois.

If you or any of your family are suffering from any stomach distress, are weak, tired, and miserable—have no energy—of loss of sleep, headaches, and other pains caused by stomach distress, we have a message of vital importance for you.

The Willard treatment is intended to relieve sour stomach, gassiness, acid dyspepsia, bloating, hyperacidity, poor digestion, heartburn, or ulcers due to excess acid.

The Willard treatment is intended to correct the cause of your trouble and improve your health.

Willard's Message of relief tells you how and why this treatment produces such wonderful results * * * if you are suffering from stomach distress go to any Gillis Drugstore.

If you or any of your family are suffering from hyperacidity, heartburn, acid dyspepsia, sour or upset stomach, bloating, gassiness, or ulcers, due to excess acid, if you feel pepless and weak, get help from this misery and suffering of stomach distress.

If any of you who are listening to this program are weak, tired, and miserable, because of the torments of stomach distress—if you can not eat the foods your system needs to give you full strength and energy, because of the distress these foods cause * * * if headaches and loss of sleep are caused by stomach distress * * * We want to give you, ABSOLUTELY FREE, Willard's message of relief * * * A wonderful booklet which has shown thousands of stomach sufferers the way to combat poor digestion, heartburn, acid dyspepsia, gastric pains, ulcers, and other distressing stomach symptoms that are caused by, or persist, because of excess acid in the stomach.

Every day the mailman brings the Willard Tablet Company letters written by people who once suffered untold agony, because of stomach distress, and now report that they are free from suffering.

Let me read one of these letters to you. This letter was written by a Chicago woman * * * "Your tablets have certainly saved my husband's life * * *. Before taking them he had dreadful pains after eating * * * Pains would last for hours * * * I used to think each spell would be the last * * * So after hearing the good news over the radio I decided to try them * * * The result is wonderful for now he can eat anything and everything, and he has not had any more pain since starting to take Willard's Tablets.

Announcer: Friends, if you find that stomach trouble robs you of your vitality and strength and keeps you from doing your work properly, we urge you to send for Willard's famous message of relief, and learn how you can be relieved of that suffering with the Willard Treatment. Many grateful users write in to tell us with the help of this treatment, they now enjoy their favorite foods, they feel well and they sleep well and you know what that means, better fitness for work. So if any of our listeners suffer from conditions described, be sure to write for your Free copy of Willard's message.

The Willard treatment is designed to definitely and promptly relieve such conditions as poor digestion—gassiness—constipation—sour stomach—poor appetite and the more serious form of stomach trouble which is usually Ulcers. So, no matter how long you have suffered or what kinds of treatment used in the past we want to send to you absolutely free of cost, Willard's message of relief.

The reason it is bringing such *extraordinary relief* is that it contains TALZOID * * * that *remarkable* ingredient capable of liquefying 300 times its *own weight* of starch * * * in less than *five minutes*!

But let's bring this important word TALZOID home to those it should interest. Who are they? Why those suffering from the various forms of stomach trouble, of course. The Willard treatment about which we have told you so many times contains TALZOID and that should interest everyone suffering from excess acid,

poor digestion, heartburn, sour stomach, gassiness, constipation—yes, even the more serious form of stomach trouble, stomach ulcers.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive purchasers to the injury of competitors, in that—

The Willard treatment is not an adequate or competent treatment for ulcers of the stomach or duodenum; nor for many diseases such as pulmonary tuberculosis, gall bladder troubles, heart lesions, gastric cancer, chronic appendicitis, which produce symptoms that appear to be directly related to the stomach; nor for many gastric disturbances.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the Willard Treatment is a treatment for ulcers of the stomach or duodenum; unless such representations are limited to conditions caused by hyperacidity and so specified in equally conspicuous terms in direct connection with the representations;

(b) That the Willard Treatment is intended to or has the capacity to "correct the cause of your trouble" or "improve you health" unless limited to specified conditions for which an antacid would be a competent treatment;

(c) That the Willard Treatment is a competent treatment for "stomach distress", "torments of stomach distress", "stomach trouble", "constipation", or any other disease, condition, or symptom for which an antacid is not a recognized and adequate treatment;

(d) That "Talzoid" is capable of liquifying 300 times its own weight of starch until it has been definitely determined by competent scientists that it will do this in the human system;

(e) "That Willard Tablets or the Willard treatment will do more than provide temporary relief for antacid conditions, or produce a soothing effect on the irritations in the stomach"; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 2, 1935.)

0940. Vendor-Advertiser—Correspondence Lessons.—The U. S. School of Music, New York, N. Y., vendor-advertiser, is engaged in selling a course of home study in music lessons and in advertising represented:

1. We have taught 700,000 people to play—more than any other school on earth.

2. At the end of the course our average pupil is ready to pass a teacher's examination.

3. Your sheet music is furnished free. If at the completion of the course you are not entirely satisfied, we will refund every dollar you paid.

4. Be your own music teacher. Learn at home by wonderful new method that teaches in half the usual time. Simple as "ABC"—a child can learn it. Method is so thorough that many of our 700,000 students are band and orchestra leaders. Automatic finger control our own invention—limbers, trains, and guides your fingers so that they fall in the proper place almost automatically.

5. Quickly learn to play any "Jazz" or classical selection.

6. From the very start you are playing real tunes perfectly by note. Almost before you know it you are playing your favorite pieces—Jazz, ballads, classics.

7. No talent needed. Forget the old-fashioned idea that you need "talent." Just read the list of instruments and decide which one you want to play and the U. S. School of Music will do the rest.

8. Beginners play real music from the start.

9. When you enroll for a U. S. School of Music course you are assured of success.

10. If you bought individually the sheet music we include with our 2-year course, it would probably cost \$25. We make no additional charge for the music. In fact the music alone is almost worth the price we ask for the complete course of instruction.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that there is no proof to sustain any claim that respondent has taught 700,000 people to play music or that he has taught more than any other school on earth, mere sales of music sheets not furnishing such proof; said course does not make pupils eligible for teacher's examinations; students cannot learn by this method to play classical selections quickly, or to play real tunes perfectly by note from the start.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That respondent taught 700,000 or more than any other school on earth, to play;

(b) That at the end of the course the average pupil is ready to pass a teacher's examination;

(c) That one may learn at home by a wonderful new method that teaches in half the usual time;

(d) That an automatic finger control of respondent's "own invention" limbers, trains or guides one's fingers so that they fall in the proper place automatically; or

(e) That one may "quickly" learn to play any Jazz or classical selection;

(f) That from the very start there are those who are playing real tunes perfectly by note;

(g) That one may first read the list of instruments and decide which one he wants to play and the U. S. School of Music "will do the rest";

(h) That when one enrolls in the U. S. School of Music he is "assured of success";

and from making any other claims or assertions of like import. (Oct. 2, 1935.)

0941. **Vendor-Advertiser—Varnish.**—Republic Paint & Varnish Works, Chicago, Ill., vendor-advertiser, is engaged in selling "Uni-Spar Phenolite Varnish" and in advertising represented:

A varnish that defies burning alcohol.

Hundreds of almost unbelievable Tests that PROVE IT POWERFUL ENOUGH TO ETCH GLASS.

HYDROFLUORIC and OTHER ACIDS

Hydrofluoric is used to etch glass but neither it nor Hydrochloric, Acetic, or Lactic Acids in concentrated form affect this superior finish.

This finish is impervious to spilled perfume and Alcohol, Liquor, or Highballs tipped over on table tops.

An Aluminum strip, varnished on one side and let stand overnight in a strong Lye Solution, was eaten away, but the Varnish Film remained unaffected. Neither will 25% Ammonia nor 5% Caustic Soda solutions affect it.

Citrus Fruit juices, strongest of all, will turn Porcelain dark, and stain steel, but will not injure this super-fine finish, even if permitted to dry on the surface.

This varnish does not soften or whiten in water kept boiling for several hours.

* * * the Most Durable, Indestructible finish that can be APPLIED!

UNI-SPAR PHENOLITE VARNISH

* * * a New Varnish that wears from Three to Five times as long as old-time Spars * * * that defies all the age-old enemies of applied finishes—Sun, Sea Salt, Alcohol, Hot Oils, Ammonia, Lye, Caustic Sodas, Alkalies, Bleaches, Fruit Juices, Gases, Dyes, Fumes, Inks, Corrosives, Hammering, Bending, Ordinary Abrasive Wear, etc. * * * a product that sets a Remarkably Higher Standard of Quality than ever before achieved * * * so Durable it becomes the Most Inexpensive finish that can be applied because it wears and holds its Gloss years after ordinary varnishes have ceased to be of service * * * possessing Elasticity and Resiliency so amazing that a dried film can be crumpled in the hand without a wrinkle and smoothed out again without a crack * * * a varnish every dealer needs, because consumers everywhere are demanding a finish that meets the Perfection this Product Guarantees.

REPUBLIC PAINT & VARNISH WORKS

Paints, Varnishes & Enamels

Chicago

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to tests made and opinion furnished the Commission by the National Bureau of Standards, the said product is not impervious to damage from alcohol or acids, and its life is not 3 to 5 times as long as other spar varnishes; said product does not attain the perfection that consumers everywhere are demanding, and its finish is not the most durable, indestructible, or inexpensive that can be applied; nor will it hold its gloss after ordinary varnishes have ceased to be of service; furthermore, the respondent does not manufacture the said product and the word "Works" in its corporate name is misleading.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Uni-Spar Phenolite Varnish

1. Possesses elasticity or resiliency so amazing that dried film can be crumpled in the hand without a wrinkle, or smoothed out again without a crack;
2. Guarantees the perfection that consumers everywhere are demanding; or
3. Wears or holds its gloss years after ordinary varnishes have ceased to be of service;

(b) That said product is

1. Impervious to spilled perfume, alcohol, liquor, or highballs;
2. The most durable indestructible finish that can be applied;
3. A product that sets a remarkably higher standard of quality than ever before achieved; or
4. The most inexpensive finish that can be applied;

(c) That said product defies all the age-old enemies of applied finishes, the sun, sea-salt, alcohol, hot oils, ammonia, Lye, caustic sodas, alkalis, bleaches, fruit juices, gases, dyes, fumes, inks, corrosives, hammering, bending, or ordinary abrasive wear;

(d) That the life of said product is 3 to 5 times as long as old-time spars;

(e) That hundreds of almost unbelievable tests prove it powerful enough to etch glass;

(f) That neither hydrofluoric, hydrochloric, acetic, nor lactic acids in concentrated form affect said product;

(g) That neither 25% ammonia or 5% caustic soda solutions will affect it;

(h) That citric fruit juices will not injure it even if permitted to dry on the surfaces;

(i) That it does not soften or whiten in water kept boiling for several hours;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees in all future advertising in interstate commerce to cease and desist from the use of the word "Works" in or as a part of its corporate name, until such time as respondent shall actually maintain and operate a paint and varnish works as the term is commonly understood. (Oct. 2, 1935.)

0942. Vendor-Advertiser—Correspondence Course.—Woodbury College, Inc., Los Angeles, Calif., vendor-advertiser, is engaged in selling a correspondence course in costume designing and in advertising represented:

Earn \$25 to \$50 a week. With the aid of Fashion Creators of Motion Pictures Studios and Screen Stars themselves this 50 year old college will teach you Costume Designing.

The real marvel of our course is the low tuition fee. We are celebrating our Fiftieth Anniversary and our president has insisted that we make a specially low anniversary offer. Because this is a special offer it is good for a limited time only and is likely to be withdrawn soon. Only by acting now can you be sure of getting your course at the present low price. With a few strokes of your pen you can insure your success for life. Take the first step toward the fulfillment of your desires—fascinating work, etc., all the comforts and luxuries that financial independence can bring.

The demand for Costume Designers far exceeds the supply. And the financial returns are greater than in almost any other vocation. The average woman starts at \$20 to \$25 a week and can advance rapidly to \$100, \$150, or even \$200. A few with outstanding ability earn as much as \$100,000 a year.

You quickly advance from \$25 to \$100 or more a week. The average young girl starts at about \$25 a week, and if she possesses the necessary training and initiative she can advance rapidly to a maximum of approximately \$200 or \$250 a week.

But advancement is rapid and soon her earnings will amount to \$50 or \$75 a week. Her income will speedily mount to ten, twenty, even thirty thousand a year. There is quite a future in the designing of furs and even fur linings alone. Designers can command \$100 to \$150 a week, and even apprentices and finishers make in the neighborhood of \$35 a week.

Win financial independence as a Free Lance. You will find that if you can produce distinctive work the demand for your services will be great and in a studio at home you can earn from \$50 to \$200 a week.

Cinema Stars Who Act as Your Counselors—Claudette Colbert, Irene Dunne, Betty Furness. **Style Creators, Are your Advisors**—Orry-Kelly, Plunkett, Kalloch, George, Greer, Earl Luick, Mary Barthol, Irene, Eulalia Miller.

Think of the tremendous value of this service in connection with the operation of your Style Shop. It can be made almost all priceless to you. It means that you can rise above the crowd and make your mark in the world—can be a leader instead of a follower. You can make your fondest dreams come true. You will lead a free independent life; will have all the money you want to spend and can gratify wish and whim—a pretentious home, the automobile of your choice, a sizeable bank account, club memberships, financial independence, and

leadership. Paris, Nice, Monte Carlo, need not be just names to you for you should be able to afford the alluring luxury of travel.

Our course is sold strictly on its merits, and we have only one price. We do not offer reduced rates.

You will receive free of charge a high class set of professional designers' equipment.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that this school of Costume Designing was established in April 1934, and admittedly has no graduates, and respondent has furnished no proof of earnings of costume designers as represented.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That "only one price" is charged for this course so long as "our President has insisted" (or insists) "that we make a specially low anniversary offer", or a special offer of any kind;

(b) That in connection with the advertising of this department the college is celebrating, or has celebrated, its "Fiftieth Anniversary", or any anniversary exceeding the age of said costume designing department;

(c) That graduates secure and hold splendid positions paying large salaries, until such time as this assertion shall be true;

(d) That taking this course in Costume Designing will lead to wealth, affluence, and financial independence;

(e) That "a high class set of professional designers' equipment is given the student free of charge" so long as such equipment is included in the price of the course;

(f) That any noted movie stars or other persons of prominence will be "your" counsellors and advisers, until such time as their advice shall be given direct to the individual student; and from making any other claims or assertions of like import.

(g) Not to make unmodified representations or claims of earnings in excess of earnings of respondent's active students or graduates achieved under normal conditions and in due course of business;

(h) Not to hold out as a chance or an opportunity any amount in excess of what has actually been earned by one or more of respondent's students or graduates under normal conditions and in due course of business;

(i) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent ex-

pression, any amount in excess of what has actually been earned by one or more of respondent's students or graduates under normal conditions and in due course of business.

The respondent assumes all responsibility for any and all representations appearing in testimonials published in it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 2, 1935.)

0943. Vendor-Advertiser—Oil Burner.—United Factories, Kansas City, Mo., vendor-advertiser, is engaged in selling an oil burner designated as the "HEAT KING" and in advertising represented:

The greatest household invention of the Age.

The Inventor of the HEAT KING Burner being fully aware of the common ailments of most oil burners, and fully realizing the tremendous demand for a real good Oil Burner that positively would not clog, smoke, or get out of order, was determined to produce such a burner. Now, we know we have completed the job of building a PERFECT OIL BURNER. One that will give a lifetime of satisfactory service and free of all the ailments of other burners and best of all—the LOWEST PRICED efficient oil burner in America.

The HEAT KING Oil Burner has all the good points of the best Oil Burners and is absolutely without the bad features mentioned above. It is the only Oil Burner made, to our knowledge, that has been used for years without cleaning, repairing, or replacing any parts. There is nothing to wear out about it. It is impossible to clog or carbon it. The HEAT KING can be lighted in the fall and will burn steadily until spring, without attention except to keep it supplied with fuel. It is fully guaranteed for 10 years and should last a lifetime.

NOW! A PERFECT OIL BURNER!

PERFECT in Heating.

Perfect in Construction.

Perfect in Economy.

Perfect in Safety Features.

Perfect in Durability.

Perfect in Cleanliness.

\$50 to \$200 weekly. Part time or Full Time and Expenses.

* * * the largest business of its kind in America, having as many as 12,000 agents working for us at one time selling all over America and many foreign countries.

* * * We will show you how one person in each locality can engage in their own permanent big paying business, with but little capital, and lay up from \$100 to \$300 and more per month.

HOW MUCH MONEY WILL YOU MAKE—SELLING the HEAT KING BURNER? * * * We know anyone who will show it in operation and explain its many economical features can sell enough during spare time to earn \$40 or \$50 weekly easily.

Many who wrote me the same time you did, lost their big chance for the HEAT KING agency, the opportunity to have a dignified, honorable, and enjoyable business that will pay workers from \$3,000 to \$6,000 a year, because their territory has been assigned to someone else who acted promptly.

This wonderful invention * * * actually purifies the air in the home by drawing the impurities and foul air through the burner, destroying germs.

WOULD NOT TAKE \$100 FOR HIS BURNER

Paducah, Texas.

Dear Sir:

I have been using the HEAT KING No. 1 for three years in my home and I have found it cheaper than coal, and so much cleaner. It has never given me a minutes trouble. I would not take \$100 for mine and go back to coal.

Yours respectfully,

Hotel Paducah,
R. P. Criswell, Prop.

To energetic men * * * I say you can make from \$100 to \$300 and more weekly * * *.

ONE FOR HIMSELF—SOLD SIX MORE

Findley, Minn.

Dear Sir:

While in Faribault, Minn., I purchased two of your burners for cook stove, of your agent, Mr. J. Lyons. Since I have installed these two burners, one for myself and the other for a neighbor, I have the promise of five other jobs, and if you haven't an agent in this county * * * I would like to get the agency for this county and adjoining counties. I am a farmer, but at present I am your agent.

E. J. Smith.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product is the greatest household invention of the age or that it will give a lifetime of service;

(b) That said product will not smoke or get out of order, or that it is trouble proof;

(c) That said product has been used without cleaning, repairing or replacement of parts;

(d) That said product purifies the air or destroys germs;

(e) That said product is "perfect" in:

Heating,
Construction,
Economy,
Safety Features,
Durability,
Cleanliness;

(f) That its business is the largest of its kind in America, or that it has 12,000 agents representing it in America and foreign countries;

(g) That it manufactures said product, unless it is actually made in a factory owned or controlled by respondent; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees:

1. That it will not make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full time salespersons or dealers achieved under normal conditions in the due course of business.

2. That it will not represent or hold out as a chance or opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business.

3. That it will not represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as", or any equivalent expression any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business.

Respondent further stipulates and agrees that it will not publish or cause to be published documents purporting to have testimonial letters or statements unless such documents have been in good faith signed by the person whose name is affixed thereto.

Respondent further stipulates and agrees to cease and desist from the use of the word "factories" in its trade name, until such time as it actually maintains or controls a factory for the manufacture of said product.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct 3, 1935.)

0944. **Vendor-Advertiser—Medicinal Preparation.**—Wain's Laboratory, Inc., Los Angeles, Calif., vendor-advertiser, is engaged in selling a medicinal compound offered for the treatment of asthma and hay fever, formerly designated as Ama-Gon and Wain's Compound, and in advertising represented:

To those who suffer with painful paroxysms of Asthma, Hay Fever, or bronchial irritations, I bring good news about a successful California home treatment called Ama-Gon which has overcome paroxysms of Asthma, Hay Fever and bronchial irritations for thousands of sufferers during the past 11 years. Ama-Gon overcomes the tortures of these awful wheezing, choking, painful attacks, and enables you to breathe freely, sleep soundly, and live comfortably in any climate. Ama-Gon is guaranteed to be free from all dangerous, habit-forming drugs. No matter how long you have suffered with paroxysms of Asthma, Hay Fever, or how many remedies you have tried, the discoverer of Ama-Gon wants you to use his successful home Ama-Gon treatment a full eight days and prove its value to yourself immediately without risking one cent.

Just listen to this enthusiastic letter praising Ama-Gon, from Mrs. Chevoz, of Centura, California: "Suffered 15 years with terrible Bronchial Asthma Paroxysms and tried everything without relief. After using 1½ bottles of Ama-Gon, I feel like a new person. Got rid of my awful wheezing, choking sensations and suffering, and now sleep soundly all night long."

Ama-Gon positively * * * enables you to breathe freely, sleep soundly, live comfortably in any climate without dieting.

Ama-Gon will overcome your suffering safely * * * Ama-Gon is absolutely guaranteed to contain no habit forming drugs, narcotics, opiates, or heart depressants and is perfectly safe for little children or elderly people to use * * * Ama-Gon overcomes suffering in any climate * * * seashore, foggy districts, desert, mountains, citrus or wood infested rural communities.

The successful Ama-Gon treatment, compounded by a registered chemist, a famous pharmacist and professor of chemistry at a leading California university is absolutely guaranteed to contain no habit forming or injurious drugs whatsoever. Ama-Gon contains only those superior, pure ingredients which leading doctors recognize as finest for quickly overcoming suffering caused by attacks of Asthma, hay-fever and bronchial paroxysms.

The properties and methods of preparing Ama-Gon have been painstaking and scientifically worked out by me after untold hours of study in my laboratories.

The safest way is to use a proven preparation like Ama-Gon to relieve your suffering caused by paroxysms of Asthma, Hay Fever and bronchial irritations,

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion rendered the Commission, the potassium iodide in Ama-Gon while it may exert some influence in tending to relieve the paroxysms of asthma, and may be more or less competent in the treatment of minor bronchial irritations, it would not be an accepted or effective remedy for hay-fever; would be harmful to those having tuberculosis lesions or tendencies, and to any one when taken over a long period of time; is a very old mixture of common drugs, and has not been scientifically worked out by a famous chemist; nor is it recognized by doctors as the finest for overcoming the ailments specified in the advertising.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product designated Ama-Gon and Wain's Compound, respectively, enables a person in any climate or without dieting to breathe freely, sleep soundly, or live comfortably;

(b) That said preparation is free from all dangerous drugs;

(c) That said preparation has overcome asthma, or hay-fever for thousands of sufferers for the last ten years;

(d) That said preparation is a competent treatment or an effective remedy for asthma or hay-fever;

(e) That Ama-Gon will overcome one's suffering safely, or is perfectly safe for little children or elderly people to use, regardless of pathological tendencies;

(f) That Ama-Gon "overcomes" suffering in any climate, or in foggy districts, deserts, mountains, citrus or wood infested rural communities, or at the seashore;

(g) That said preparation is compounded by a famous pharmacist;

(h) That said preparation contains only those ingredients which leading doctors recognize as finest for quickly overcoming suffering caused by attacks of asthma, hay-fever, or bronchial paroxysms;

(i) That the properties or methods of preparing Ama-Gon have been painstaking or scientifically worked out;

(j) That a person can prove the value of said preparation to himself "without risking one cent", so long as the price must first be paid, though subject to a money-back guarantee;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees, in its future advertising, to publish in direct connection therewith, a caution that Ama-Gon should not be taken by those having tuberculosis lesions or tendencies and should not be used by any one over a long period of time

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct 3, 1935.)

0945. Vendor-Advertiser—Reducing Compound.—Forest Hill Pharmaceutical Co., Inc., Cleveland, Ohio, vendor-advertiser, is engaged in selling a weight reducing product called "Slim" and in advertising represented:

For years medical science has tried to find some way to reduce fat other than by employing thyroid, cathartic, or rigorous system of exercise or diet, which are so dangerous and distasteful.

The use of thyroid without competent medical supervision is extremely dangerous because of its effect upon the heart and nervous system.

At last, science has succeeded in giving to the public, in capsule form—a **SAFE, CERTAIN, and EASY WAY TO REDUCE FAT** without employing any of the dangerous and distasteful methods mentioned above. This medicine, discovery of medical science, is called Slim.

The drugs used in Slim are designed to increase that metabolism without injury to the human system.

Over five years were required to study and analyze, check and recheck, and to perfect this prescription. This physician's records satisfied him that it was positively safe and surely effective.

This reduction was accomplished and continued as desired with safety and comfort, and usually with an actual general improvement of health due to relief from the burden of excess fat.

In no case did repeated physical examinations show any trace of harm to the patient.

Slim, the safe and sane way to reduce.

Reduce safely, without dieting or exercise, with slim * * *. It is safe—contains no thyroid or cathartic.

I have lost twenty-one pounds * * * It has not harmed me in any way whatsoever. It has given me lots of pep.

Slim is safe and healthful.

Slim will reduce you too, safely. For Slim contains no thyroid or salts.

If you want to reduce * * * there is a reducing remedy on the market that absolutely eliminates thyroid, cathartic, rigorous exercises and diet, which always proves so harmful to the system. That remedy is Slim.

You don't endanger your health when you use Slim, the safe reducer.

Slim * * * is a safe way to ridding yourselves of excess weight, because Slim contains no thyroid or cathartic * * *. The drugs it does contain are calculated to reduce you naturally, and without any harm to the human system, by stimulating your metabolism.

You will find your general health improving at the same time that you are reducing with the Slim treatment.

Slim is calculated to reduce you without harming your health in any way.

While you are taking Slim and regaining your youthful figure you are not undermining your health in any way * * *. Reducing by either thyroid or cathartics should not be undertaken unless you are under a physician's care. So just remember that Slim contains neither of these drugs.

Medical authorities tell us that obesity produces many harmful results, a few of which are stiff and tender joints, broken arches, sugar diabetes, anemia, indigestion, and gall bladder disease. Slim, medical science's latest discovery, eliminates excess fat in a safe, certain, and easy manner.

You can't keep well if you allow yourself to become excessively overweight. But you can regain your normal weight and get well by using Slim.

Medical science has at last given to the public a safe, certain, and easy way to reduce, without employing any of the old-time dangerous and distasteful methods.

Excess weight hinders freedom of movement and threatens your health in many ways. Many overweight people suffer from neuritis, arthritis, rheumatism, high blood pressure, and palpitation of the heart. The safe thing to do is to remove this fat and the safe way to do this is by the use of Slim.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the Commission is advised by medical authorities that dinitrophenol, the active ingredient of this product, is a dangerous drug, and that medical literature in the past two or three years has reported many cases of poisoning and several deaths resulting from its use; that it is far from being a safe treatment for obesity; and that proper dosage and indications for use, as well as prompt discovery of the toxic effects, can be determined only by a skilled physician.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That respondent's product "Slim"

1. Is safe to take, or
2. May be taken without injury, or
3. Does not endanger the health, or
4. Does no harm to the user;

(b) That the use of thyroid and cathartics is dangerous unless in direct connection therewith a statement is made that dinitrophenol, the active ingredient of "Slim", is also dangerous;

(c) That "Slim" contains no thyroid, salts or cathartics, unless at the same time a statement is also made that Slim does contain dinitrophenol;

(d) That "reducing by either thyroid or cathartics should not be undertaken unless you are under a physician's care", without also stating that reducing by dinitrophenol should not be undertaken except under a physician's care;

(e) That the use of "Slim" is the way to reduce either naturally or sanely or safely;

(f) That "Slim" is healthful, or gives one pep, or brings about a general improvement in health;

(g) That by the use of "Slim" one may "get well";

(h) That exercise and diet are dangerous or harmful to the system;

(i) That beneficial results either directly or indirectly may be expected from the use of "Slim" by one suffering from any of the following ailments: stiff or tender joints, broken arches, sugar diabetes, anemia, indigestion, gall bladder trouble, neuritis, arthritis, rheumatism, high blood pressure, palpitation of the heart;

(j) Inferentially or by direct statement, that stimulation of metabolism by the use of such drugs as dinitrophenol is a normal way to reduce excess weight;

and from making any other claims or assertions of like import.

Respondent furthermore stipulates and agrees that in all future advertising of this product, so long as its active ingredient is dinitrophenol, a suitable warning will be given that the same should be taken only on the advice and under the direction of a physician.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0946. Vendor-Advertiser—Aspirin Tablets.—Master Drugs, Inc., Omaha, Nebr., vendor-advertiser, is engaged in selling Lord's Aspirin Tablets, and in advertising represented:

Get a box of Lord's Aspirin * * * you will be able to remove unnecessary pain as easily as a dust cloth wipes dust from the window sill.

Lord's Aspirin—safest, surest, quickest, and purest aspirin you have ever used.

Back in 1920 the purity requirement for aspirin was set as one having a melting point of one hundred and thirty-two degrees. Science has since taught us that such an aspirin produces the same substance in our stomach that is used to remove corns and is, therefore, dangerous to our health.

Lord's aspirin has the highest melting point of any aspirin on the market today.

You can erase pain quickly and effectively with Lord's aspirin with perfect safety to your health.

Omaha physician writes: "With the advent of this new and effective aspirin, coughs, colds, influenza, and other respiratory affections are promptly relieved."

Lord's aspirin * * * lowest price in America for the highest quality.

The next time unbearable pain pounds across your forehead and you reach for an aspirin, remember that you are running a gambler's chance with health unless that little tablet contains purity. If the word Lord's is on it you KNOW that you are taking the quickest, surest, and purest aspirin that money can buy.

Lord's aspirin is the most positive aspirin money can buy.

There is no need for you to suffer while Nature is setting things aright in your system; get immediate relief, take one of the Lord's aspirin tablets—in a half hour repeat. Presto, the pain is gone.

Lord's aspirin—a greater medicinal value.

Many of us are buying aspirin today that is a product of yesterday's laboratories. Yes, we do that very thing when it is possible to have the very purest, the very latest aspirin, the very best that money can buy and for less money.

Lord's aspirin—you can erase pain as easily as the rubber on your pencil removes that mark from your scratch pad.

And purity means safety when it comes to aspirin. The higher the melting point the greater the purity * * * the lower the melting point the more opportunity for aspirin to form that same substance in your stomach which is sold over drug counters to remove corns.

For aspirin that melts at too low a temperature very often proves dangerous to your health.

Purity in aspirin is determined by its melting point.

So after years of work in his own laboratory, this chemist produced an aspirin with the highest melting point known.

The word Lord's is your assurance of the purest aspirin known to mankind.

It is the leader in sales due to the fact that the public appreciates the importance of using a safe aspirin.

Lord's aspirin with its purity test of 138 to 140 degrees centigrade is the highest test for purity of any aspirin on the market today.

It certainly does not require the scientific judgment of a chemist to find that Lord's aspirin brings more efficient relief in ten minutes, as compared with the half hour to an hour's time that is required by ordinary aspirin.

Before bringing Lord's aspirin to your attention, we had several hundred people who were constant users of aspirin try this product. Everyone told us that Lord's genuine aspirin gave them quicker relief at less cost. Many of these men and women reported that Lord's aspirin brought relief within ten minutes and most of them reported that it required less of Lord's aspirin to bring relief than any other aspirin.

Every day, word is coming to us from hundreds of users telling us that they have never found a more effective relief.

It doesn't take the experience of a chemist to find that you are getting quicker, safer, more efficient relief at less cost. From your own experience, it will tell you just how much better Lord's aspirin is for you.

The quickest and best way in which you can assist nature in keeping your beauty natural and healthy looking is to relieve pain and discomfort quickly by the use of Lord's pure aspirin.

Scientifically proven that ordinary aspirin breaks down almost immediately upon reaching the stomach, and releases free salicylic acid, and for that reason is often injurious to the delicate membranes of the stomach. Lord's aspirin with its higher stability does not break down, and for that reason when it enters the intestine, there it becomes absorbed into the blood stream and takes hold upon the nervous system and brings immediate and safe relief.

The full medicinal strength to be found only in Lord's aspirin emphasizes the importance of buying this purer product the next time you buy aspirin.

Ordinary aspirin has a U. S. P. government standard test of 132 degrees centigrade. Lord's aspirin has a melting point of 138 to 140 degrees centigrade—6 degrees higher than the recommended standard.

Such purity speaks for itself in getting results where ordinary aspirins fail.

Yesterday's brands of aspirin are forsaken for a new and quicker acting aspirin—Lord's aspirin.

Free salicylic acid * * * a product very dangerous to health and present in many brands of aspirin.

Ever-increasing sales of Lord's aspirin * * * record breaker.

* * * Lord's aspirin sets a new record in stopping pain.

Most stable product of its kind on the market today.

Never before has such an aspirin value been offered.

Among all aspirin, one stands out above all the rest * * * Lord's Aspirin.

Fastest known aspirin.

Lord's aspirin has also won the patronage of millions * * *

Lord's aspirin contains this hidden virtue * * *

But it has remained for Lord's aspirin to bring you a speed hitherto unknown in the relief of pain.

Will not damage your health.

One sure way that never fails and that is to look for the name Lord's.

Such aspirin (containing free salicylic acid) is responsible for much of our trouble from stomach ulcers.

Lord's aspirin is fast becoming the most widely used of all aspirin.

It is now no longer necessary to gamble with your health when you use aspirin: Do as many thousands of others are doing daily. Change to Lord's aspirin and you will get the purest aspirin ever made.

But aspirin varies so greatly in purity.

It is not the price that you pay for aspirin that is important, because you might save a penny on a box and ruin your health for all time.

Wipe out needless pain as easily as your electric fan cools the atmosphere * * * with Lord's aspirin.

* * * one sure way to beat the heat. Just reach for an aspirin and bring your overheated nerves back to normal. And you can do this with perfect safety to your health with Lord's aspirin.

Absolutely nothing in Lord's aspirin that can harm you in any way.

Lord's aspirin gives you the power to live * * * as nature originally intended that you should * * * without pain.

You risk absolutely nothing when you get a box of Lord's aspirin.

Lord's aspirin is leading all other brands.

The outstanding leader.

One brand of aspirin at your drug store that has out-distanced all others.

It is the marvel of modern science in that it leads the world * * * and the name of this aspirin with the greatest purity yet produced is Lord's aspirin.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent's product is not superior in any way to other standard brands of aspirin, and many of the statements herein quoted are contrary to the rulings of the Commission in other aspirin advertising cases.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That with the advent of Lord's Aspirin coughs, colds, influenza, or other respiratory affections are promptly relieved;

(b) That aspirin "varies so greatly in purity";

(c) That purity in aspirin is determined by its melting point;

(d) That aspirin that melts at too low a temperature often proves dangerous to health;

(e) That the lower the melting point of aspirin the more the opportunity to form that same substance in the stomach which is sold to remove corns;

(f) That Lord's test for purity is six degrees higher than the recommended standard;

(g) That one "runs a gambler's chance with health" unless he uses Lord's aspirin;

(h) That an element "very dangerous to health" is "present in many brands of aspirin";

(i) That Lord's aspirin brings more efficient relief in ten minutes than the half hour to an hour's time required by an ordinary aspirin;

(j) That full medical strength "is to be found only in Lord's aspirin";

(k) "That Lord's aspirin contains 'a greater medicinal value'";

(l) That yesterday's brands of aspirin are foresaken for Lord's aspirin;

(m) That every day word is coming to the respondent from hundreds of users that they have never found a more effective relief;

(n) That the use of Lord's aspirin is the quickest or best way to assist nature in keeping one's beauty natural or healthy looking;

(o) That Lord's aspirin becomes absorbed into the blood stream and brings immediate and safe relief;

- (p) That never before has such an aspirin value been offered;
- (q) That there is absolutely nothing in it that can harm one in any way;
- (r) That the cost of Lord's aspirin is the lowest in America for the highest quality;
- (s) That Lord's aspirin brings relief in any definite time;
- (t) That it requires less of Lord's aspirin to bring relief than any other aspirin;
- (u) That a cheaper aspirin "might ruin your health for all time";
- (v) That other aspirins are responsible for stomach ulcers;
- (w) That Lord's aspirin is—
 1. The safest, surest, most efficient or quickest ever used; or
 2. The very best or most positive aspirin money can buy; or
 3. A greater medicinal value; or
 4. The purest aspirin known to mankind or the last word in pure aspirin; or
 5. The leader in sales; or
 6. An outstanding achievement or the outstanding leader; or
 7. The most staple product of its kind on the market; or
 8. The fastest known aspirin; or
 9. The one sure way that never fails; or
 10. The marvel of modern science; or
- (x) That Lord's aspirin—
 1. Sets a new record in stopping pain; or
 2. Brings relief with amazing quickness or efficiency or a speed limit hitherto unknown in the relief of pain; or
 3. Contains a new hidden virtue; or
 4. Gives one the power to live without pain; or
 5. Stands out above all the rest; or
 6. Gives more speed in stopping pain; or
 7. Will not damage your health; or
 8. Leads all other brands; or
 9. Has outdistanced all others; or
 10. Is fast becoming the most widely used of all aspirins; or
 11. Has won the patronage of millions;
- (y) That by the use of Lord's Aspirin one will be enabled to—
 1. Remove unnecessary pain as easily as a dust cloth wipes dust from the window sill; or
 2. Erase pain effectively with perfect safety to health; or
 3. Erase pain as easily as the rubber on a pencil removes that mark from the scratch pad; or
 4. Wipe out needless pain as the electric fan cools the atmosphere; or
 5. Bring one's over-heated nerves back to normal; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0947. Vendor-Advertiser—Flavoring Products, Cosmetics, Etc.—Saffrin's Products Co., Minneapolis, Minn., vendor-advertiser, is engaged in selling Flavoring Products, Cosmetics, and Similar Articles, and in advertising represented:

Every time you ring a doorbell you ring up a profitable sale.
Saffrin's Famous Triple Strength Vanilla Flavor.
This amazing Double Header Deal means two sales at every door.
Package of 4 Blue Blades Free.
Handy Underarm Sample Kit Given to you Free of Charge.
Saffrin's flavors because of their double strength, rich lasting flavor guaranteed not to bake or freeze out.

Imitation vanilla * * * far superior to Pure Vanilla for baking purposes
* * * Pure Vanilla contains 45% alcohol.

Pure Lemon Flavoring * * * absolutely non-alcoholic * * * an emulsion type flavoring—the kind recommended by the United States Department of Agriculture as being the most suitable for baking purposes.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That a prospective agent or salesperson can or will make a sale every time he rings a doorbell or at every house solicited;

(b) That respondent's vanilla flavoring is triple strength;

(c) That respondent's flavoring products are double strength;

(d) That imitation vanilla is superior to pure vanilla for baking purposes, or for other purposes;

(e) That the kind of flavoring sold by respondent is recommended by the United States Department of Agriculture;

(f) That any article supplied to prospective agents or salespersons to be sold in combination with other articles at a fixed price for the lot can be given "free" to prospective purchasers;

(g) That respondent's sample kit is given to prospective agents or salespersons "free" when such sample kit is included with other articles and a fixed price charged for the lot; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates

and agreed that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0948. Vendor-Advertiser—Defrosting Device for Windshields.—Applied Arts Corporation, Grand Rapids, Mich., vendor-advertiser, is engaged in selling a device for defrosting windshields, designated "Iceliminator" and in advertising represented:

Many salesmen are selling 600 a day, averaging from \$15.00 to \$25.00 clear profit daily.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive interested parties, to the injury of respondent's competitors, in that the amount stated exceeds that which can be earned by salespersons or dealers of respondent under normal conditions.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time salespersons or dealers achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(c) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(d) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings. (Oct. 3, 1935.)

0949. Vendor - Advertiser — Correspondence Course.—Universal Photographers, Inc., New York, N. Y., vendor-advertiser, is engaged in selling a correspondence course in photography and in advertising represented:

Make up to \$55 a week with your camera. New field. Big Demand. 34,487 magazines, newspapers, etc., pay good price for 7,000,000 photographs a year.

Seven out of every ten bought from independent amateur camera owners. You can make big money in this new field. We teach you in your own home to take saleable photos. Sell them fast * * * Turn your hobby into good money. Send today for free book, "How to Make Money With Your Camera."

Pick up one copy of a general magazine and count the number of pictures in it. You would be astonished to find that this one single issue might contain 100 to 200 or more pictures. Then consider that there are 34,487 publishers in this country who buy photographs regularly. That will give you some idea of the number of pictures being bought every month. Seven out of 10 of these pictures and snapshots are supplied by amateur photographers.

No selling experience needed. No canvassing required. There is no need to worry about who will buy your pictures. Sell them by mail.

Photography offers to you more money, more funds, more opportunities to go places and do things than any other line of endeavor in the world * * * You don't have to worry about unemployment, depression, old age, or any of the other "bugaboos" that most people worry about all their lives.

MEMBERSHIP IN UNIVERSAL PHOTOGRAPHERS INCLUDES

PRESS CARD—This card identifies the holder as a Journalistic Photographer, and an accredited Member of Universal Photographers, and bespeaks the usual courtesies accorded to the press photographer. It is issued only to Student-Members who have sold work for publication or after completion of the training.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent has not furnished the Commission with proof that its students or graduates make \$55.00 a week making and selling photographs; that there is no evidence that 34,487 publishers in this country or any number approximating such total buy photographs regularly; that seven million pictures are bought every year by publishers; that seven out of every ten are sold to them by amateur photographers; or that the average magazine contains 100 to 200 pictures; moreover, the card issued to a student or graduate is not a "Press Card" and does not entitle him to the "usual courtesies."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That there are 34,487 publishers in this country who buy photographs regularly;

(b) That said publishers buy 7,000,000 photographs a year;

(c) That photography offers more money, more funds or more opportunities to go places or do things than any other line of endeavor in the World;

(d) That "membership" in the Universal Photographers, Inc., includes a "Press Card" which entitled one to the "usual courtesies"; and from making any other claims or assertions of like import.

And the respondent further stipulates and agrees in all future advertising in interstate commerce:

(e) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's students or graduates under normal conditions in due course of business; and

(f) Not to represent or hold out as maximum earnings by the use of such expressions as "up to" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of the students or graduates of the respondent under normal conditions in due course of business. (Oct. 3, 1935.)

0950. Vendor-Advertiser—Turkey Boards.—Arthur Wood & Co., Saint Louis, Mo., vendor-advertiser, is engaged in selling Jumbo Turkey Boards and in advertising represented:

Make \$15.00 a day or more from now until Christmas selling Jumbo Turkey Boards.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive interested parties, to the injury of respondent's competitors, in that the amount stated exceeds that which can be earned by salespersons or dealers of respondent under normal conditions; and furthermore, the plan of selling used by respondent is deemed by the Commission to be an unfair method of competition in that it is a form of lottery.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said project in interstate commerce:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time salespersons or dealers achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(c) Not to represent or hold out a maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(d) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally con-

spicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings.

Respondent further stipulates and agrees to cease and desist from distributing to prospective agents or salespersons any prize deal or other device which may be used in conducting a lottery for the disposal of merchandise. (Oct. 3, 1935.)

0951.—Vendor-Advertiser—Correspondence Courses.—Chicago Technical College, Chicago, Ill., vendor-advertiser, is engaged in selling home-study courses in drafting and building and in advertising represented:

My correspondence course from Chicago Tech. has equipped me for my work as well as a similar four-year university course would have done.

This certificate is issued to ----- and will be accepted by the Chicago Technical College as payment in full for the complete course "Inside Facts on Drafting", provided that this certificate is accompanied by his enrollment for the college home-study courses in drafting.

This certificate is issued to ----- and will be accepted by the Chicago Technical College as payment in full for the complete course, "Inside Facts on the Business of Building", provided that this certificate is accompanied by his enrollment for the college home-study builder's course.

Only through Chicago Tech. can you obtain "college training at home." The swift, sure way to succeed in drafting.

Now given to you free of extra cost—"The Inside Facts of Drafting." * * * Learning the facts about how to sell your services quickly * * *. "Inside facts of Drafting" shows you how, yet it doesn't cost you one penny extra if you just decide to use the enclosed certificate at once and act today. This amazing offer is yours today.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that proof has not been furnished to justify the claims made therein.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the courses offered by correspondence equip one for work as well as a similar four-year university course would do;

(b) Inferentially or otherwise, that the "Certificates" issued to the prospective student to be accepted "in full payment" for the complete courses "Inside Facts on Drafting", or "Inside Facts on the Business of Building", both contingent upon the student's enrolling and paying for the regular correspondence course in Drafting or Building, have any value or are free or are without cost;

(c) That only through Chicago Tech. can one obtain college training at home; or that this is "The swift, sure way to succeed in drafting"; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0952. Vendor-Advertiser—Correspondence Course.—American School of Photography, Chicago, Ill., vendor-advertiser, is engaged in selling a correspondence course in photography and in advertising represented:

Learn Photography at Home. Earn while you learn. You can make as high as \$50 to \$75 a week in your spare time while getting your training. No experience necessary.

Your course in Photography beats the resident photography schools. You can't help but become a Photographic Expert quickly by our method.

Only halfway through the course yet is making \$285 a month. Made \$285 in December.

The fashion photographer gets the big price his skill can command. A new season's line of coats may contain two or three dozen styles. Three or four models of different types are sent for. A full day will be needed to pose all the subjects. But the bill for \$500 or \$600 makes it a mighty profitable day's work.

From time to time I finished the third assignment of lessons (and you know I have not yet nearly completed the course) I have made \$600 in my spare time. Mr. Cole whose letter is given above has made as much as \$500 to \$800 a month.

Do you want to make some money in a few weeks? This letter will tell you an easy way to do it. Extra money on the side, during your spare time—possibly in the evenings—\$15—\$20—\$25 and up to \$75 each week. Many of our students are doing it right along.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the idea is held out that anyone regardless of age, intellectual, or educational qualifications, can master this course, when in truth and in fact such is not the case; no correspondence course can "beat" or excel a course studied at a resident school; and respondent has not furnished proof that its students and graduates have made the profits indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That anyone, regardless of age, intellectual or educational qualifications, can master this course;

(b) That its correspondence can "beat" or excel a course studied at a resident school;

and from making any other claims or assertions of like import.

Respondent in soliciting students for its home-study course in photography, further stipulates and agrees:

(c) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's students or graduates achieved under normal conditions in the due course of business;

(d) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's students or graduates under normal conditions in the due course of business;

(e) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's students or graduates under normal conditions in the due course of business.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0953. Vendor-Advertiser—Medicinal Preparation.—Inthol Co., Inc., New York, N. Y., vendor-advertiser, is engaged in selling the following commodity: "Inthol", offered as a remedy for sinus trouble, athlete's foot, neuralgia, etc., and in advertising represented:

INTHOL, a penetrating antiseptic.

SINUS SUFFERERS. Learn the soothing immediate relief INTHOL gives. Don't suffer. Use INTHOL.

How he got rid of Athlete's Foot. "I had the stubbornest case of Athlete's foot you ever saw with the flesh all raw. INTHOL completely cured it."

Colds driven out quickly. Clear up that head or chest congestion with INTHOL'S Penetrating, stimulating action. Don't let a cold get the best of you.

A neuralgia sufferer tells good news: "You will never know the misery I suffered before I used INTHOL. There is nothing like it for neuralgia."

Draw the fire from burns, with INTHOL, an immediately soothing, healing antiseptic. No rubbing. Just drop it on and feel its penetrating, cooling relief.

Did you get sunburned last week end? Still feels sore, doesn't it? Get a bottle of INTHOL tonight. Just shake a few drops on the sore parts, pat it in gently. INTHOL works on a new penetrative principle and requires no rubbing.

INTHOL works on a new double penetrative principle.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion received by the Commission, this product has no value in the treatment of sinus trouble and the other claims are too broad to be justified by its therapeutic properties.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and

specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Inthol is a "penetrating" antiseptic or works on a "new penetrative principle", or a "double penetrative principle";

(b) That said product is either a competent treatment or an effective remedy for sinus trouble;

(c) That Inthol will either "rid" one of athlete's foot or "cure" the same;

(d) That Inthol is an effective remedy for head or chest congestion or for the various types of neuralgia;

(e) That Inthol immediately heals burns;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 3, 1935.)

0954. **Vendor-Advertiser—Medicinal Preparations.**—Goldban Pharmacal Co., Camden, N. J., vendor-advertiser, is engaged in selling the following commodities: a cough remedy known as "Tarpinod" and a treatment for rheumatism, indigestion, neuritis, etc., known as "Carolac", and in advertising represented:

CAROLAC is a scientifically compounded system purifier and tonic builder.

By attacking the cause of illness at its very source, as nature intended, CAROLAC cleanses the blood and develops healthy bodies.

If you are tired, nervous, or rundown; if you suffer from rheumatism, indigestion, or neuritis, get a bottle of CAROLAC now.

This famous medicine will give * * * a clearer skin and a more vigorous body.

This amazing formula of sundried, health-giving herbs, roots, and barks will soothe the nerves, tone every organ of the body, and purify the entire system.

CAROLAC is a medicine for all the family.

CAROLAC is certain to give you a good, glorious health.

Do you have the symptoms of indigestion? If you have heartburn, sour stomach, bad breath, gas disturbances, loss of appetite, and other signs of gastric disturbances, begin your use of CAROLAC today * * * By attacking the ailments of the stomach at their very source, by driving the body poisons and toxic acids from the system, as nature intended, CAROLAC soon brings lasting relief * * * Safe, sure and effective.

This powerful body-builder, blood cleanser, tonic-laxative, and system purifier will prove a hardy foe against indigestion, rheumatism, neuritis, and kindred ills.

By attacking the cause of illness at the very source, as nature intended, by feeding strength, vigor, and vitality to tired and weary nerves, Carolac proves to be a marvelous formula.

Tones the entire system, and assists the organs of the body to function smoothly.

Carolac contains yeast and vitamins.

If you or the children suffer from a nasty, stubborn cough * * * get a bottle of TARPINOD * * * The Master Cough Remedy. Just a few pleasant spoonfulls and your cough is gone.

Guaranteed to stop your cough.

Nasty, disturbing, nerve-racking coughs soon disappear after a few pleasant spoonfulls of Tarpinod.

TARPINOD TABLETS * * * are guaranteed to break a cold in 24 hours.

FLU? Check Coughs and Colds with TARPINOD! The "flu" is a treacherous, painful ailment that often starts with a heavy gasping cough. You can best guard against it with TARPINOD. This marvelous remedy quickly breaks up coughs and colds and builds up your resistance against future attacks.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion these products will not do the things claimed for them in the advertising.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Carolac—

1. Is a scientifically compounded system purifier and tonic builder;
2. Cleanses the blood or develops healthy bodies;
3. Has therapeutic value, or is a competent remedy, in the treatment of rheumatism, indigestion, neuritis, heartburn, sour stomach, bad breath, gas disturbances, loss of appetite, and other gastric disturbances;

4. Gives a clearer skin or a more vigorous body;
5. Soothes the nerves;
6. Tones every organ of the body or the entire system;
7. Purifies the entire system;
8. Is "a medicine for all the family";
9. Is "certain" to give good, glorious health;
10. Attacks any ailments or illnesses at their sources;
11. Is a "powerful body-builder";
12. Contains yeast and vitamins, until proven to be present in recognized therapeutic quantities;

(b) That Tarpinod is "The Master Cough Remedy", or is an effective remedy at all, for coughs or colds;

(c) That with "Just a few pleasant spoonfulls" of Tarpinod your cough is "gone", or "disappears";

(d) That Tarpinod Tablets are "guaranteed" to break up a cold in 24 hours or in any other time, or to stop a cough;

(e) That Tarpinod checks coughs and colds, guards against flu, quickly breaks up coughs and colds, or builds up one's resistance against future attacks; and from making any other claims or assertions of like import. (Oct. 3, 1925.)

0955. **Vendor-Advertiser—Skin Ointment.**—Reinhold Von Rosen Co., Inc., Washington, D. C., vendor-advertiser, is engaged in selling a skin ointment designated Von-Ema, and in advertising represented:

1. For Athlete's Foot, ringworm, eczema, dandruff, poison oak-ivy, use Von-Ema. Thousands have found relief almost instantly from using this famous greaseless remedy which will quickly relieve itching, inflammation, and suffering.
2. Use Von-Ema for Eczema. Eczema should be arrested at its earliest stages in order to avoid a life of pain, itching, burning, and disfigurement. Get a bottle of Von-Ema Eczema Remedy.
3. Stop Eczema with Von-Ema.
4. *Falling hair and dandruff.* 80% of baldness is due to dandruff and oily sebachæa. If your hair is coming out, your scalp itchy, scaly or too dry, my scientific treatment will speedily overcome this condition, restoring the hair to a healthy, normal state.
5. Von-Ema—a lotion for eczema and minor skin irritations—ringworm of the scalp, face, hands, and Athlete's Foot.
6. Eczema, dandruff, Athlete's Foot, ringworm of scalp, hands or face. Use Von-Ema, a remedy that is guaranteed to relieve.
7. Von-Ema prevents those tiny vegetable parasites from making headway, relieves and makes way for a permanent cure of the infected part.
8. Excellent for treating and relieving eczema, ringworm, Athlete's Foot, itching scalp, and dandruff.
9. 90% of baldness is caused by dandruff. This uncomfortable scalp infection can be successfully treated and probably cured by the use of Von-Ema.
10. Von-Ema relieves and helps to cure poison ivy and oak.
11. Thousands of people are prey to Athlete's Foot, that uncomfortable foot infection that will give hours of pain and misery unless cured. Von-Ema will cure it.
12. If you have been suffering the loss of your hair caused by dandruff, let us recommend Von-Ema.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission this preparation is irrational therapeutically and will not cure all the ailments for which it is recommended.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Von-Ema is a competent treatment for eczema, athlete's foot, or ringworm unless limited to the relief of the itching, and burning caused by those ailments;

(b) That Von-Ema is a competent treatment for dandruff or falling hair;

(c) That Von-Ema will "stop", "cure", "arrest", or prevent any skin disorder;

(d) That by using Von-Ema one can avoid disfigurement or a life of pain;

(e) That Von-Ema will overcome any scalp disorder or restore the hair to a healthy state;

(f) That baldness is caused by dandruff in any definite percentage or cases not supported by reliable scientific data;

and from making any other claims or assertions of like import. (Oct. 3, 1935.)

0956. Vendor-Advertiser—Medicinal Preparation.—Earle Chemical Co., Wheeling, W. Va., vendor-advertiser, is engaged in selling a medication designated "Robene", offered as a treatment for foot troubles and as a pain killer, and in advertising represented:

Sweaty feet, foot odors, burning feet * * * for lasting relief from the above or minor foot discomforts, just dash ROBENE on the affected parts.

Robene * * * is highly penetrating and antiseptic.

IT KILLS PAIN * * * Here is guaranteed instant relief from all pains such as rheumatism, neuritis, neuralgia, headaches, aching joints, sore, strained muscles, etc. This family remedy * * * not only is sure relief from all pain but is unequalled for sore, sweaty, diseased feet, foot odors, athlete's foot, etc.

A cooling, soothing, healing liquid for athlete's foot. Blessed instant relief is guaranteed to all who suffer the agonizing torture of foot trouble or diseases such as athlete's foot, toe itch, sore, sweaty, burning feet, etc. * * * ROBENE heals and cools like a flash.

Now, you folks who suffer from Athlete's Foot, painful skin cracks between the toes, or excessive foot sweating * * * just get a bottle of ROBENE and use it as directed. It'll mean the end of your foot troubles for ROBENE is soothing, cooling, healing * * * brings relief in a magical way and heals that unhealthy condition. ROBENE is also wonderful for relieving muscular soreness and other aches and pains.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion rendered the Commission the claims made greatly exceed the therapeutic value of the preparation.

In a stipulation filed and approved by the Federal Trade Commission that vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That Robene affords "lasting relief" from sweaty feet, foot odors, or burning feet;
 - (b) That Robene is highly penetrating, or that it is penetrating;
 - (c) That Robene is a "guaranteed" product;
 - (d) That Robene brings instant relief from all pains or affords sure relief from all pain;
 - (e) That Robene instantly kills the pains of rheumatism, neuralgia, neuritis, headache, aching joints, or sore muscles;
 - (f) That Robene is unequalled for diseased feet;
 - (g) That Robene heals like a flash, or that it heals athlete's foot;
 - (h) That the use of Robene will mean the end of your foot trouble;
- and from making any other claims or assertions of like import. (Oct. 3, 1935.)

0957. Vendor-Advertiser—Hair and Scalp Treatments.—Koskott Co., New York, N. Y., vendor-advertiser, is engaged in selling preparations for the treatment of the hair and scalp and for coloring the hair, and in advertising represented:

SOME OF THE HIRSUTAL CONDITIONS WHEREIN KOSKOTT METHOD HAS PROVED HIGHLY EFFECTIVE

Falling Out, or Combing Out of Hair.

Dandruff, otherwise known as seborrhea or scurf. A diseased condition of the scalp which must be remedied or all hair will be lost.

Hair Brushing Out. It sticks to the brush instead of remaining fast to the scalp, thereby proving the absolute need of prompt attention to save it.

Hair Falling in Patches. (Alopecia Areata)

Hair Turning Gray—or already gray, or white. Should be darkened gradually to natural shade of youth * * *

Thin Hair on Upper Lip, or no hair at all where a good mustache is desired.

Ringworm, Barbers' Itch, Little Pimples and other scalp disorders.

Baldness. In one large spot or in several places.

Hair Disappearing Mysteriously.

The above troubles are some of the most common conditions in which the Koskott Method is asserting its real merit.

LOVELY HAIR GROWTH. * * *

* * * This famous preparation is for dandruff, thinning hair, and several forms of BALDNESS. In many instances new hair growth has been reported when all else had failed * * *. Has often started hair growth in a few days. * * *

LOVELY HAIR

Save it with Koskott * * *

NATURE PROVIDES HAIR

DO NOT RESIGN YOURSELF TO ITS LOSS.

FALLING HAIR AND BALDNESS

Let Koskott Prove its Real Efficacy.

* * * dandruff which is itself a germ disease. * * * The scalp must be chemically healed and the hair growth stimulated. Use the scientific remedy which has stood the test of years—KOSKOTT.

* * * Do not worry any more about your hair. Let Koskott have a fair chance to prove its efficacy. * * *

USE KOSKOTT TO GROW HAIR

Overcome Baldness. Eliminate dandruff.

Stop the Falling Out of Hair; Make the Hair Grow Long, Thick, and Lustrous;

KOSKOTT IS A SCIENTIFIC SUCCESSFUL REMEDY.

We recommend Koskott for the hair, because it * * * contains the right ingredients * * * to stimulate the direct blood nutrition of the hair roots in their follicles.

* * * It is exactly suited, according to the best authorities and latest scientific trials, to eradicate dandruff, overcome the germs of baldness, and promote all possible growth of new hair where such a result is therapeutically possible. * * *

* * * Research has revealed the cause of dandruff, etc., and the same light of knowledge has made possible the preparation of the proper remedy. Koskott is guaranteed to remove the spores just described. * * * Koskott is sure to have the right effect, because * * *.

* * * * *

* * * Your dandruff, your loss of hair, your threatening baldness, your failure to gain as long and as plentiful hair as your scalp is capable of producing—these conditions probably mean that you are more or less the victim of germ disease.

* * * * *

Koskott has succeeded in banishing seborrhea (dandruff), stopping the falling out of hair and auxiliating satisfactory growth of hair. Koskott is scientific.

* * * * *

Koskott will succeed in the future, as in the past, for you as for others. All you need do is to follow the directions and give Koskott a chance.

* * * * *

It is interesting to note that study of dandruff and examination of the scalps of bald persons demonstrate the existence of two sorts of germs * * *.

* * * The Pharmacopeia has been literally ransacked in Koskott Laboratory's successful search for a group of ingredients with the power to react through the scalp upon the blood circulation which feeds the hair follicles. Such is the formula for Koskott. That is why it "makes good" in so large a percentage of cases. * * * Koskott tends to make the hair grow longer and more plentiful, or to promote hair growth where there has been baldness. * * * Koskott is aimed, * * * to remedy the subnormal state inside by waking up the cells and tissues to renewed life. The arousing takes place because the therapeutical properties of Koskott consist of stirring up the circulation of the blood as the application is rubbed in. The circulation being thus restored, the hair roots in the scalp should be so revived as to push forth new hair growth. The follicles also gain strength to throw off any parasites that may nestle into the glands around the hair roots.

* * * * *

Dandruff, Thin or Splitting Hairs, Falling Hairs, Ordinary Baldness, need Koskott Nos. 1, 2, and 3.

Baldness in Patches, Ringworm, Barbers' Itch, Eczema on Scalp, require Koskott Nos. 2, 3, and 5 * * *.

* * * * *

DO YOU WANT NEW HAIR?

* * * you will come to the conclusion that your hair and scalp need scientific care. That the Koscott Method is UNQUESTIONABLY meritorious, is quite obvious.

* * * What it contains are active ingredients which are essential in a scientific preparation for general use on scalp and hair.

* * * We have testimonials from users of Koscott preparations who report new, luxuriant hair growth, removal of dandruff, and other benefits—who are able to make comparisons of a favorable nature from the photographs taken before and after adopting the Koscott Method. We shall be glad to have you join this legion of satisfied patrons.

* * * Those who desire to lessen dandruff, discourage thin or splitting hairs, stop hairs from falling out excessively, or aid new hair growth, order Koscott Nos. 1, 2, and 3. * * *

* * * YOUR HAIR WILL GROW AGAIN!

* * * A supply generally last one month, and in many cases has been reported as amply sufficient to produce new hair growth, banish dandruff * * *.

* * * Surely you want to enjoy a head of luxuriant, soft, handsome hair.

* * * Waste no thoughts over past failures, but rejoice in having found the Koscott Method * * *.

WHY Others Fail and Koscott Succeeds.

Koscott No. 1 is the hair stimulator or feeder which gives timely aid to the hair shaft when it is visible above the scalp. * * * Koscott Method is efficacious in many cases where all else has failed.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That any of said preparations is an effective treatment for thinning or falling hair, or that the use thereof will prevent hair from falling or being brushed or combed from the head, unless limited to excessive thinning and excessive falling of hair.

(b) That any of said preparations is a competent treatment for the cause of dandruff;

(c) That any of said preparations will cause hair to grow on the lip or increase such growth;

(d) That any of said preparations is a competent treatment for ringworm, barbers' itch, pimples, eczema or scalp disorders;

(e) That any of said preparations is a competent treatment for baldness;

(f) That the length of the hair can be increased by the use of any of said preparations;

(g) That the beginning of a growth of hair within a few days after using any of said preparations may be expected;

(h) That dandruff is a germ disease;

(i) That any of said preparations will heal the scalp chemically or otherwise;

(j) That users of any of said preparations need not worry about their hair;

(k) That any of said preparations is a scientific "remedy";

(l) That any of said preparations will stimulate the nutrition of the hair roots;

(m) That any of said preparations will overcome the germ of baldness;

(n) That prospective purchasers of any of said preparations will achieve the same results that are claimed to have been achieved by others;

(o) That any of said preparations will grow hair;

(p) That respondent's preparations succeed where others fail;

(q) That any of said preparations is a hair feeder;

(r) That any of said preparations will impart a natural shade or color to hair;

and from making any other claims or assertions of like import. (Oct. 4, 1935.)

0958. Vendor-Advertiser—Medicinal Preparation.—Carleton & Hovey Co., Lowell, Mass., vendor-advertiser, is engaged in selling a medicinal preparation designated "Father John's Medicine", and in advertising represented:

Father John's Medicine—all pure food—for colds and throat troubles * * *.

Build strength to fight colds—is pure and wholesome and is very effective in treating coughs and colds and as a body builder.

Children who are underweight need Father John's Medicine for colds and coughs.

GO THROUGH WINTER WITHOUT CATCHING COLD.

How happy you would feel if you could be sure that your family would go through the winter without colds. You can build strength now to check and ward off colds by taking Father John's Medicine.

* * * builds your resistance to winter's coughs and colds * * *.

You can build up your resistance to the cold germs by taking a food or medicine proved by scientific tests to be rich in Vitamin A, the one which you need to help ward off colds.

Father John's Medicine does contain a rich supply of Vitamin A, which prevents many colds.

The new deal in making jobs for everybody; treat yourself to a new deal of every hour at your job—good health—no colds this winter. Don't let a cold

spoil your fun. You can build resistance to colds by taking Father John's Medicine.

* * * You can build your resistance to the cold germ by taking a medicine proved by scientific tests to be rich in Vitamin A * * *.

* * * Why not build up your own resistance to colds by taking Father John's Medicine. Remember that Father John's Medicine is rich in Vitamin A, the element you need for protection against colds * * *.

Don't envy happy, husky children. Help yours to pick right up. You know that half-sick, listless, underweight children catch cold easily. If you wish to build rugged health and strength in your children, if you wish them to avoid and throw off colds—start at once to give them Father John's Medicine.

* * *. You can see for yourself how they pick right up, how colds and sick spells become few and far between when you give them Father John's Medicine.

* * * Thousands of thrifty mothers depend upon Father John's Medicine when any member of the family catches colds. They have proved that it soothes and heals the breathing passages * * *

* * * has had over 75 years of success for colds. * * *

When coughs and colds invade your home, dragging down and weakening the children and threatening all the family, you will find Father John's Medicine the help you need to throw off the infection and restore vigorous health.

Father John's Medicine helps young and old alike to throw off the effects of chills and dampness, to build up stout resistance to sudden weather changes, to clear up coughs and colds before they get a dangerous hold on the system * * *.

Can you think of a prettier picture than a group of laughing, happy children, full of activity, full of fun, rosy with good health? Such are the children who have taken Father John's Medicine from infancy.

* * * Pale cheeks glow with health. Hollows fill out. Weight is added. Bones become strong; muscles hard. Children become vigorous and healthy when they take Father John's Medicine.

Father John's Medicine, the pleasant tasting tonic for coughs and colds.

Remember Father John's Medicine will keep your family free from colds and coughs.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Father John's Medicine is an effective therapeutic remedy for colds, coughs, or throat troubles; it being understood that this agreement will not prevent the respondent from representing the preparation as a treatment for colds, coughs due to colds, or minor throat troubles;

(b) That said preparation is effective in the prevention of colds or coughs, except by providing the beneficial effects of Vitamin A;

(c) That Father John's Medicine will keep the family free from colds or coughs;

(d) That thrifty mothers depend upon Father John's Medicine when any member of the family catches cold;

(e) That Father John's Medicine will—

1. Soothe or heal the breathing passages; or
2. Keep persons free from colds or coughs; or
3. Clear up coughs before they get a dangerous hold on the system, unless limited to coughs due to colds.

(f) That the use of Father John's Medicine will either make—

1. Pale cheeks glow with health; or
2. Hollows fill out; or
3. Muscles hard.

(g) That persons who use Father John's Medicine will go through a winter without having colds;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 4, 1935.)

0959. Vendor-Advertiser—Cough Syrup and Cough Drops.—Smith Brothers, Inc., Poughkeepsie, N. Y., vendor-advertiser, is engaged in selling Smith Brothers' cough syrup and Smith Brothers' cough drops for colds and coughs, and in advertising represented:

Primary Vitamin A aids nature in throwing off the cough and cold faster, and strengthens the body against treacherous reinfections with new coughs and colds.

Smith Brothers have obtained the exclusive rights to Primary Vitamin A in the cough syrup and cough drops field. This gives Smith Brothers an absolute unique advantage over all other cough syrups and cough drops.

* * * This Vitamin A is nature's infection fighter. Doctors call in an anti-infective Vitamin.

Scientists have found that Primary Vitamin A is nature's own weapon for fighting infections.

A cough is usually just a symptom. A symptom of an infection that is lodged within your system. You must fight that infection within. That is why Primary Vitamin A has been added to Smith Brothers' cough syrup and Smith Brothers' cough drops * * * These famous products not only give you fast cough relief * * * in addition the Primary Vitamin A aids nature to discharge the infection in the system—to drive it out completely * * *. It fortifies you against further coughs and colds.

When you take Primary Vitamin A in Smith Brothers' cough syrup you are fighting the infection with nature's own weapon. That is very different, indeed, from using just local or surface remedies. The Smith Brothers black cough drops and the Smith Brothers mentholated drops also contain Primary Vitamin A.

* * * Smith Brothers cough syrup * * * one marvelous medicine offers you both relief and prevention.

The only cough syrup giving you the priceless benefits of Vitamin A is Smith Brothers.

Drive out that cough and cold faster—fighting reinfection—"one cold after another!"

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Smith Brothers' Cough Drops are an effective remedy or treatment for colds;

(b) That Smith Brothers' Cough Syrup is an effective remedy or treatment for colds;

(c) That either of said preparations is effective as a preventive of colds;

(d) That either of said preparations has a unique advantage over other cough drops or cough syrups; due to Vitamin A content.

(e) That Smith Brothers' Cough Syrup is the only cough syrup containing Vitamin A or primary Vitamin A;

(f) That Primary Vitamin A is an anti-infective vitamin or an infective fighter;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 4, 1935.)

0960. Vendor-Advertiser—Medicinal Preparations.—Dr. Louis L. Sherman, operating as "Clinic of the Air", Oakland, Calif., vendor-advertiser, is engaged in selling medicinal products designated as follows:

Liquid Ferrolax,

Calwhey,

Red Label Enterol,

Ah-Goo,

I. N. F. No. 38, Organic Iron,

Clinic of the Air Special Tea Tonic,

Regular Detoxicating Packages,

Junior Detoxicating Packages, Sodium Bi Citro Phosphate,

and in advertising represented:

The symptoms of the poisoning of these cells are slow thinking; loss of memory; inattention; poor judgment; dullness, gloominess; and pessimism.

It is a constant matter of observation that, as detoxication proceeds, and the less toxic the body becomes, the clearer the mental processes become, saner judgments are present; ability to concentrate, keenness of perception, and optimism taking the place of pessimism.

These conditions are marked because of choked up eliminating channels, and extra poisons circulating in the brain cells * * *. Are all of these results possible through the eliminating of body poisons? We answer in the affirmative.

Many persons complain of brain or mind symptoms—One patient was so toxic and had suffered so long with asthma, that she was threatening to destroy herself. Fortunately a thorough "housecleaning" with the Clinic of the Air Detoxicating Package has changed the mental attitude and the bodily distress that a tragedy was averted and comfort has taken the place of agonizing symptoms.

If you are sick in mind or body there is absolutely one way out, i. e., get rid of the body poisons.

The Clinic of the Air—Detoxicating package does this.

Poison Oak Anti-toxin (Ah-Goo) * * *. Indians suffered greatly until they, in their primitive way discovered a sovereign remedy, which they passed on to the Clinic of the Air. In every case this ancient Indian remedy gives immediate relief. It is made from the roots and leaves of trees known only to them, bruised and ground fine in a granite mortar, and mixed with water.

Ah-Goo is not a sticky ointment or paste. It is a liquid Indian medicine of great potency probably owing its medicinal value to an alkaloid known as ilicin * * * relief comes promptly after its use.

Many friends of the Clinic of the Air are taking several of these packages in their grips on their summer trips. This is a wise precaution. Taken early this infection need not spread all over non-infected parts, but just as surely as fire is best controlled at the beginning so also this infection. (Poison Oak.)

Since 1929 physicians all over the country have been using dry whey not only for tuberculosis and malnutrition, but in selected cases of arthritis due to toxins in the intestinal tract.

It is one of the finest anti-putrefactive substances yet discovered.

Dry whey * * * trade name of "Calwhey" is doing all the remarkable things just mentioned.

Intestinal toxemia means "Poisons which form in the intestinal tract."

The following conditions follow in the wake of intestinal toxemia. Fatigue, Insomnia, Anemia, intestinal sluggishness, frequent colds, inflammations of the large intestines.

Intestinal toxemia is also the cause of abdominal adhesions, gall-bladder and liver disorders, appendicitis, gastritis, fallen intestines.

Hundreds of people have learned to overcome intestinal toxemia, and the chief factor is to destroy the poisons on the inside of the intestines, and the next step is to get rid of the poisons, which have lodged in the joints, nerves, muscles, skin and the brain.

Calwhey combats intestinal toxemia, and changes the intestinal flora in from five to ten days.

Calwhey calms the nerves of children and adults, it causes the gall-bladder to empty bile, and the liver to excrete bile.

Calwhey promotes digestion, overcomes intestinal putrefaction, changes the intestinal flora, to the friendly germs, and causes the kidney to remove poisons from the blood.

When you or your children are nervous, restless, irritable, taking frequent colds, or are generally below par physically, remember to remineralize your body with nature's best supply, the whey salts of milk now known as Calwhey.

The results from this use of Ah Goo in Poison Oak infection has been so gratifying that there are no recorded cases that it does not relieve in from twelve to twenty four hours.

If those who are susceptible to poison oak will apply Ah Goo to the hands, arms, face and neck before exposure it is unlikely that poison oak infection will occur.

Ah Goo seems to be the only antidote for poison oak, acting on it as water acts on fire.

Do not continue palliating remedies. Palliation is not a cure. Causes must be attacked.

The Clinic of the Air advises you to rid your body of acid waste as quickly as possible.

If you are nervous, irritable, and suffer with nervous indigestion, insomnia, colitis, high blood pressure, auto-intoxication—use Calwhey * * * notice how different you will feel. In a week or so you will usually discover that you are less nervous, sleep better, and life seems altogether different.

MASTOID DISEASE IN INFANTS—CALWHEY

* * * One way to raise the resistance of children to avoid sinus and mastoid disease is to use Cod Liver Oil and Calwhey * * * Build resistance if you want healthy children.

If you know of someone who has Athlete's Foot, let him have a week's supply, or tell him to get a 65¢ bottle from his druggist. Wash feet each night and apply Ah Goo on skin affected around the toes. During the past months numerous reports have been received, stating that Ah Goo is fine for Athlete's Foot. I should be glad to hear from anyone for whom Ah Goo has cleared up this miserable foot condition.

Liquid Ferrolax contains no phenolphthalein, nor caustic drugs. Best all around laxative one could possibly use * * * least habit forming.

Calwhey should be used in order to destroy poisons which line the bowels.

Helps to establish the perfect Health condition by neutralizing the acidosis, poisons in the body, by building up a pure, clean, powerful blood, rating at 95 to 100% blood iron and by cleaning out the waste with Red Label Enterol.

It is said that the average policemen can combat about three burglars a night when Calwhey is not used. After taking Calwhey for three weeks one prominent officer says: "I arrested over twenty burglars one night before twelve o'clock and by three thirty I had nearly the whole city in jail." This is real testimony for Calwhey.

Perfect Drug Company * * * We are feeding it to the clerks. Clerks are selling nearly six times more goods since supplying them with Calwhey.

Some simple ointment may cure some of the worst looking kinds of skin disease.

You might as well try to stop up a leak in the ceiling with putty as to try to get rid of an eczema due to acidosis or auto-intoxication poisons in the blood by external treatment only. It is hard to heal the skin's surface if the blood beneath it is filled with poisons.

This lesson is for those who suffer from rheumatism, arthritis, neuritis, sciatica and backache * * * Relief from pain is desirable, but relief remedies alone are perilous for continued use. Swollen joints or painful joints are caused by some kind of poison.

But no matter what the cause is, the poisons must be eradicated from the system at all costs.

One day I had a patient for whom all recognized methods of treatment had failed. I told her about the doctor's antiquated herb concoction, admitting I thought it an old fogey idea. I fussed around, got the ingredients, and made

enough for a six week's trial. The patient's recovery was remarkable. My name for this prescription is Chi-illum.

The use of this herb medicine is strongly advised because of its beneficial effect on the liver, gall bladder, small intestine, and other organs, and because of the great number of people who have been very definitely helped by using it. It is wonderful to realize that God has made plants to grow for our healing.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

1. That said preparations:

Liquid Ferrolax,
Calwhey,
Red Label Enterol,
Ah-Goo,
I. N. F. No. 38, Organic Iron,
Clinic of the Air Special Tea Tonic,
Regular Detoxicating Packages,
Junior Detoxicating Packages, Sodium Bi Citro Phosphate,
Liquid Chi-Illum

or any of them, or any combination thereof constitute a competent treatment or an effective remedy for any of the following ailments:

Anemia,	Constipation,
Biliousness,	Rheumatism,
Nervousness,	Backache,
Insomnia,	Indigestion,
Eczema,	Gas,
Tuberculosis,	Neutritis,
Sciatica,	Intestinal toxemia,
Dizziness,	Poison oak infection,
Liver disorders,	Colitis,
auto-intoxication,	Pimples or blisters,
Arthritis,	Malnutrition,
Sick headache,	Spastic colon,
Mastoids,	Gall-bladder trouble,
Acidosis,	High blood pressure.

2. That Calwhey raises resistance; or assists in eliminating poisons through the kidneys; or aids in evacuating or cleansing the bowels;

3. That by hundreds of tests Calwhey is known to be effective in changing the intestinal flora;

4. That Calwhey will do certain things for arthritis that nothing else will do;

5. That Calwhey prevents intestinal poisons from generating;

6. That by its use, Calwhey will not take so long to get rid of systemic poisons;
7. That there is no single item which has given such satisfaction in the treatment of intestinal toxemia as Calwhey;
8. That the peculiar lactose in Calwhey is exactly what the "friendly germs" of the bowels need to live on;
9. That Calwhey is an effective remedy for mastoid disease in infants; or
10. That said preparation used with Cod Liver Oil will raise resistance of children to avoid sinus or mastoid disease;
11. That Calwhey is the best way; or the least expensive way, to obtain calcium;
12. That Calwhey should be used in order to destroy poisons which line the bowels; or
13. That the results from the use of ah-goo in Poison oak infection have been so gratifying that there are no recorded cases that it does not relieve in from twelve to twenty four hours;
14. That if those who are susceptible to poison oak will apply ah-goo to their hands, or arms, or face, or neck, before exposure it is unlikely that poison oak infection will occur;
15. That ah-goo seems to be the "only" antidote for poison oak;
16. That ah-goo acts on poison oak as water acts on fire;
17. That the use of Calwhey is the way for the starved nerves to get their calcium;
18. That by the use of Calwhey the problem of feeding those tired or frazzled nerves is solved;
19. That there are many instances on record showing that Calwhey had changed the intestinal flora in man in less than a week;
20. That by the use of said preparation one is actually able to combat "many of the common ailments" of man;
21. That with the use of said preparation one may "normalize" the nerves, or digestive system;
22. That said product is helping many to overcome dizzy, or biliousness, or sick headache, or other signs of liver disorders.
23. That the "vitamins" in Calwhey will help to master nervousness, or insomnia, or colitis, or constipation;
24. That Calwhey gives that natural refreshing sleep with no dope hold-over feeling the next morning;
25. That since being supplied with Calwhey, the Perfect Drug Company's are selling nearly six times more goods;
26. That said product corrects conditions that produce disease, right at the source;
27. That by the use of said product quite a number of people overcame whatever it was that ailed them;

28. That since 1929, or at all, physicians have been using dry whey for tuberculosis or malnutrition;

29. That physicians have been using dry whey in cases of arthritis due to toxins in the intestinal tract;

30. That Calwhey is one of the finest anti-putrefactive substances yet discovered; or

31. That Calwhey calms the nerves of children or adults; or causes the gall-bladder to empty bile, or the liver to excrete bile;

32. That the use of said product has enabled any police officer to arrest over twenty burglars on any night before twelve o'clock, or to put nearly a whole city in jail by three-thirty; or has enhanced the efficiency of any officer in the discharge of his duty; or

33. That the use of said product causes the kidneys to remove poisons from the blood;

34. That ah-goo is a sovereign remedy discovered by the Indians in their primitive way; or that they passed it on to one of their friends;

35. That this ancient Indian remedy gives immediate relief in every case;

36. That ah-goo is made from the roots or leaves of trees known only to the Indians;

37. That ah-goo is an Indian medicine of great potency; or probably owes its value to an alkaloid known as ilicin, or that it has any value;

38. That by the early use of said preparation the infection (Poison oak) need not spread all over non-infected parts;

39. That it has been known to Indians as the antidote to poison oak;

40. That instant relief was noticed when ah-goo solution was applied to the skin weeping with poison oak;

41. That 20 victims of poison oak were made happy instantly because of the relief when said preparation was applied;

42. That no simple remedy gave the astounding results as did this old tea passed down through the ages from Indian to Indian;

43. That ah-goo is an ancient word representing a historic God-send to the historic Indian when called upon to endure the torments of poison oak;

44. That no other remedy acts in any way at all as rapidly as ah-goo;

45. That the Clinic of the Air Detoxicating Package will remove the cause of any one of the diseases specified in said advertising;

46. That said preparation enables one to follow scientific principles in removing poisons lodged in the painful joints, muscles, or nerves;

47. That the formula for this "liver cleansing preparation" is a very old one;

48. That the formula for the Detoxicating Package was given to any one years ago by a physician who had spent twenty five years in Africa as a Medical Missionary;

49. That a man who had been bed ridden for nearly four years overcame his trouble by using the diuretic prescription Sodium Bi-Citro Phosphate, until such is proven to be the fact by authentic evidence.

50. That by the Detoxicating Package the cause is attacked both root and branch;

51. That it contains "effective herb" prescriptions;

52. That the Detoxicating Package has changed the mental attitude; or the bodily distress; or caused comfort to take the place of agonizing symptoms;

53. That Red Label Enterol or any other of respondent's preparations will help one to bring about a normal condition of the blood; or to have the liver and all four eliminating organs in perfect working condition;

54. That any of said preparations roots out the poisons or helps the elimination of them through the skin; or intestines; or lungs; or kidneys;

55. That any of said preparations establishes the perfect health conditions; or neutralizes the acidosis, or poisons in the body; or builds up a pure, clean, powerful blood rating; or cleans out the waste;

56. That the preparation designated Chi Illum brought about recovery in six weeks when all other recognized methods of treatment had failed;

57. That a great number of people have been definitely helped by using Chi Illum;

58. That the use of Chi Illum is beneficial for either the liver, or the gall-bladder, or the small intestines, or other organs;

59. That Liquid Ferrolax is the best all round laxative one could possibly use; or the least habit forming;

60. That I. N. F. No. 38 is a famous remedy all the way from Africa; or that it acts upon the liver; or relieves the congestion; or aids in the secretion of bile; or aids Enterol which detoxicates; or is of use in all cases of weak blood or anemia;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 4, 1935.)

0961. Vendor-Advertiser—Correspondence Courses.—Columbian Correspondence College, Washington, D. C., vendor-advertiser, is engaged in selling Correspondence Courses for Civil Service Examination, and in advertising represented:

The President of the Columbian Correspondence College was recently called by the United States Federal Trade Commission, and qualified as an expert witness on correspondence school advertising, for the reason that his advertising complied with all of the requirements of high class publicity;

Incorporated in 1899

On July 29, 1899, the College was incorporated under the laws of West Virginia with \$100,000 capital;

When such examination has been held and the papers submitted therewith have been rated, the Commission shall furnish a certificate of not less than three eligibles, if the same can be obtained, to the Post-master General, who shall submit to the President the name of one of the highest three for appointment to fill such vacancy;

A part of this work will become permanent and will be distributed among the regular departments and sufficient clerks will be drawn from the Civil Service registers to take care of it, and their places will be permanent.

You can go into any government office or railway mail car in any part of the country and you will usually find one or more of our former students working there.

CIVIL SERVICE
Valuable Information Free
COLUMBIAN CORRESPONDENCE COLLEGE
Washington, D. C.

TUITION FEES RETURNED

We refund the entire tuition fee to the student if he makes a grade of 75% or over at the Civil Service examinations for which we train him and is not offered an appointment in the Government service, provided that he requests the return of his tuition fee within six months after his name has been removed from the eligible registers, that he shall send us the official notices from the Civil Service Commission showing the grades he made at the Civil Service Commission examinations for which we trained him, the date that his eligibility expire, and returns to us all of the lessons and other material we have sent him with our courses of instruction.

FOURTH CLASS POSTMASTER

These positions were placed in the Classified Service in 1913, * * * All appointments are for life, * * *.

GENERAL CLERICAL
EXAMINATION
Men and Women
CLERKS IN WASHINGTON

For the purpose of filling clerical positions in Washington the Civil Service Commission may call examinations any time it desires to supply eligible registers from which to make these appointments. The examination used has been identically the same as that given for General Clerk in the Field Service. You can become eligible on both registers at the same time by taking the two examinations on different dates. Age limits; 18 to 50 years.

THE CIVIL SERVICE SCHOOL

I am going to give a plain statement concerning the institution of which I have been President since 1896.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its

said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the respondent was called by the Federal Trade Commission as an expert witness because his advertising complied with all the requirements of high class publicity;

(b) That the business conducted by the respondent is incorporated;

(c) That the business conducted by the respondent has a capital of \$100,000, or any other amount in excess of the reasonable value of the respondent's capital investment;

(d) That any of the emergency or temporary work now being performed by the Federal government will be distributed among the regular departments of the Federal government, or that clerks will be drawn from the Civil Service registers to perform this work; it being understood that this agreement shall not prevent the respondent from expressing his opinion as such;

(e) That one or more of former students of the respondent will usually be found in any government office or railway mail car;

(f) That all appointments to the position of fourth class postmaster are for life;

(g) That the respondent is the "President" of the business conducted by him; or that said business has any officers whose titles would indicate that said business is conducted by a corporation; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees in soliciting the sale of said commodities in interstate commerce, to cease and desist from

1. Publishing in his catalogs, or otherwise, purported information regarding Civil Service examinations which have been discontinued by the Civil Service Commission.

2. Publishing excerpts from Executive Orders, unless the qualifying provisions of such orders are also published in direct connection therewith.

3. Making or publishing any guarantee, warranty, or refunding agreement containing the condition that the purchaser of the respondent's course of instruction shall request the refund within six months after his name has been removed from the eligible register, unless the prospective student is advised to apply to the Civil Service Commission for information as to removal of his name.

4. Designating respondent's business as "The Civil Service School", or otherwise representing that said business has any connection with the Civil Service Commission.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 7, 1935.)

0962. Vendor-Advertiser—Correspondence Courses.—National College of Massage and Physio-Therapy, Inc., Chicago, Illinois, vendor-advertiser, is engaged in selling a correspondence course in massage and physio-therapy and in advertising represented:

Some of the results obtained by electro-therapy border on the miraculous. Rachitic children, given up to die, have developed into normal human beings through its effectiveness.

Thousands of persons suffering from chronic constipation have obtained quick and permanent relief from a series of colonic irrigations.

Complete Outfit of Supplies FREE. With Home Study Course we supply the various items of a complete outfit of Hydro-Therapy equipment.

We specialize in Tuberculosis and felt the need of Swedish massage and hydro-therapy which resulted in my taking your course * * * we find your methods a splendid adjunct in our line of treatment and certainly very helpful to our patients.

While talking to Dr. Schulze this morning * * * he made the following notation on our correspondence with you: "Let this party start for only \$3.00 and pay the balance \$3.00 monthly instead of \$5.00 provided the enrollment is received within (10) days—allow also, the special \$35 reduction on the price of the course. * * * this special offer is limited to ten days only."

You can always earn from \$35.00 to \$55.00 a week, or even as high as \$95 a week as some of our graduates have done.

I have gotten wonderful results from my practice. I have relieved three cases of chronic appendicitis and also straightened out a case of St. Vitus Dance in six treatments. William G. Karr.

Today, only four States, Ohio, Pennsylvania, Wisconsin, and Minnesota, have special laws on Massage and Physio-Therapy * * *.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

Some of the results obtained by electro-therapy border on the miraculous. Rachitic children, given up to die, have developed into normal human beings through its effectiveness.

Thousands of persons suffering from chronic constipation have obtained quick and permanent relief from a series of colonic irrigations.

Complete Outfit of Supplies FREE. With the Home Study Course we supply the various items of a complete outfit of Hydro-Therapy equipment.

We specialize in Tuberculosis and felt the need of Swedish massage and hydro-therapy which resulted in my taking your course * * * we find your methods a splendid adjunct in our line of treatment and certainly very helpful to our patients.

While talking to Dr. Schulze this morning * * * he made the following notation on our correspondence with you: "Let this party start for only \$3.00 and pay the balance \$3.00 monthly instead of \$5.00 provided the enrollment is received with ten (10) days—allow also, the special \$35 reduction on the price of the course. * * * this special offer is limited to ten days only."

You can always earn from \$35.00 to \$55.00 a week, or even as high as \$95 a week as some of our graduates have done.

I have gotten wonderful results from my practice. I have relieved three cases of chronic appendicitis and also straightened out a case of St. Vitus Dance in six treatments. William G. Karr.

Today, only four States, Ohio, Pennsylvania, Wisconsin and Minnesota, have special laws on Massage and Physio-Therapy * * *.

Respondent hereby further stipulates and agrees, in soliciting students for its correspondence course in massage and physio-therapy, to cease and desist from representing, directly or otherwise:

(a) That Electro-Therapy^{on},

1. Develops rachitic children into normal human beings;
2. Forces paralysis to yield;
3. It is competent remedy in the treatment of rectal, kidney, heart, stomach, liver, joint, or blood ailments.

(b) That massage, either Swedish or otherwise, is a competent remedy in the treatment of:

1. Tuberculosis;
2. Chronic appendicitis; and
3. St. Vitus Dance.

(c) That this course of study is necessary or essential to "every person who treats human ills in any form" or that it "leads directly to well paying positions" (although Respondent denies that it has ever represented that this course is essential or necessary to every person who treats human ills in any form).

(d) That not more than four States have laws regulating the practice of massage and physio-therapy, although nothing herein contained shall prevent Respondent from making accurate representations as to the facts in that or in any other regard.

(e) That the reduction in the price of the course is a "special offer" unless enrollments at such reduced price are refused after the time limitation specified.

(f) That the head of the institution is personally interested in the prospect and directs special terms of payment in his case, etc., so long as such statement appears generally in form letters or otherwise.

And from making any other claims or assertions of like import.

Respondent further stipulates and agrees:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of Respondent's students or graduates achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of Respondent's students or graduates under normal conditions in the due course of business;

(c) Not to represent or hold out as maximum earnings, by the use of such expressions as "up to", "as high as", or any equivalent expression, any amount in excess of what has actually been accom-

plished by one or more of Respondent's students or graduates under normal conditions in the due course of business. (Oct. 7, 1935.)

0963. **Vendor-Advertiser—Graphite Lubricant.**—The 5000 Co., Rockford, Ill., vendor-advertiser, is engaged in selling "Clauson's 5000", a graphite lubricant, and in advertising represented:

Steady earnings up to \$75.00, \$150.00, \$200.00 a week are virtually assured you.

This sales stunt will pay you \$16.50 your ^{1st} ~~first~~ day.

Hundreds of men, literally starting from "h^h ~~h~~atch" have already harvested FORTUNES from the distribution and sale of ^{ther} ~~ther~~ ^{oid} ~~oid~~ lubricants of this same type.

Every day scores of men are accepting the same opportunity we offered you a week or so ago, and are turning it into cash.

Very soon at this rate 5,000 will attain nation-wide distribution, all territories will be grabbed up, and the men who show their foresight and business judgment in lining up with us TODAY will be making substantial ever growing incomes up to \$100.00 or \$200.00 a week or more.

5000 offers you a product in every way vastly superior to anything science has yet discovered.

You will succeed with 5000. We guarantee it. * * * It makes your success with 5000 a sure thing.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the representations made concerning money earned by others and that may be expected by still others that will undertake to sell the product are not true and are misleading.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That scores of men are accepting the opportunity offered by respondent and are turning it into cash;

(b) That prospective agents or dealers can or will earn any definite amount the first day;

(c) That respondent's product is superior to anything science has yet discovered;

(d) That the success of prospective agents or dealers is assured, guaranteed or a "sure thing"; and from making any other claims or assertions of like import.

Respondent in soliciting salespersons or dealers in aid of the sales of such merchandise, further stipulates and agrees:

(a) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one

or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(b) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

(c) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 7, 1935.)

0964. Vendor-Advertiser—Medicinal Preparation.—Karnack Ambrosia Co., Scranton, Pa., vendor-advertiser, is engaged in selling "Lekotoria", a medicine offered for numerous ailments, and in advertising represented:

For a long time I had been suffering with stomach trouble and I had tried everything under the sun to get rid of my trouble, but to no avail. Three bottles of Lekotoria conquered my ailment entirely.

Lekotoria is the most beneficial medicine for many common ailments which occur constantly in many households. I had been suffering with gas on the stomach, severe headaches; and I tried every known medicine but to no avail. Since I commenced to use Lekotoria I got rid of my troubles.

For fifteen years I lived in misery suffering from catarrh of the stomach, and I tried every possible way to get rid of my trouble but to no avail. Now, thanks to the wonderful restoring qualities in Lekotoria, I feel great. I am now fifty-seven years old but, thanks to Lekotoria, I feel like a youth of twenty.

I felt broken down for three weeks, and I wasn't able to eat or sleep, suffering with internal pains. After using one bottle of Lekotoria I got rid of my trouble and now I feel fine.

For five years I had been suffering with pains in my side, and during this time I tried different medicines to get rid of my trouble but to no avail. Two bottles of Lekotoria were sufficient to conquer my ailments entirely.

For a long time I had been suffering with stomach trouble, liver trouble, and kidney disorders and I used all kinds of medicine, but didn't get any relief and I spent many hours of agony until I heard about Lekotoria.

I have been sick for eighteen years suffering with kidney trouble, severe pains in the shoulder-blades and legs. During this time I tried every possible way to get rid of my troubles. I gave up hope for any relief or recovery; but since I commenced to use Lekotoria, I felt better and now I am on the twelfth bottle. I feel like a new woman.

For twenty years I had suffered with gallstones, and I was examined several times through X-ray and I was advised that the only solution to improve my health was to be operated upon. Since I commenced to use Lekotoria I felt

better; and after using three bottles of Lekotoria, I passed eight large gall-stones with some small ones. I want everybody to know that Lekotoria has won the race against the knife.

For eighteen years I had been an invalid, not leaving the house due to serious internal trouble combined with several nervous complications. During this time I tried every possible way to get rid of my trouble, but everything was without results; but God bless the friend who recommended Lekotoria to me. Now at the age of fifty-seven I enjoy in general the pleasures I missed during many years of sickness. I can do my work with the agility of a woman many years younger.

For fourteen years I had been suffering with stomach trouble, gas, etc., on the stomach and kidney trouble. Now, thanks to Lekotoria, I regained my health entirely.

For fourteen years I had been suffering with stomach trouble, and the best medical attention in medicines were without avail; but since I started to use Lekotoria, two bottles were sufficient to conquer my ailment entirely.

Your Lekotoria certainly purified my blood, giving me a rosy complexion; and my nerves are in perfect condition now.

I was in a run-down condition, was nervous, and had pains in my liver; but since I commenced to use Lekotoria, upon the first bottle I felt better, and after using three bottles I now feel great.

I had suffered for six years with intestinal inflammation, kidney trouble and lack of appetite. I had used all kinds of medicines but nothing helped me. I was in a general run-down condition, and I was losing weight constantly. From the first bottle of Lekotoria I got wonderful results. There are no pains. My appetite is improving and my condition has improved wonderfully for the better.

For four years I had suffered with stomach trouble, catarrh of the stomach, liver trouble and perpetual constipation. During this time I tried every possible way to get rid of my troubles, using different pills, oils, salts and teas; but everything failed to correct my condition and then I realized that I was a total wreck suffering untold agonies. Since I began to use Lekotoria, from the first bottle I felt better, and after using a few more bottles, I got rid of all my troubles and, thanks to the wonderful Lekotoria, I recovered my health.

I think your Lekotoria is the greatest blessing to mankind as I spent twelve of my forty-six years suffering with stomach trouble and all medicines which I tried during these long years didn't bring me permanent relief; but when I heard about your Lekotoria over Radio Station WJAY, I secured a bottle, and from the first bottle I felt better. After using three more bottles of your wonderful Lekotoria all my troubles were banished entirely.

Each day discouraged and sick women everywhere always try Lekotoria and always the same thing * * * they found no relief from common ailments until they tried Lekotoria. Don't delay your happiness of health another day * * * do what thousands are doing daily * * * using Lekotoria * * * nature's way to radiant health.

I wouldn't be without Lekotoria in the house. It not only helps me but it is splendid tonic for all internal ailments of the family.

I have used your medicine for two years now and have discovered that has been a wonderful body-builder for my children in more than one way. They are always in health with Lekotoria.

Now let me tell you that Lekotoria is a very remarkable remedy. I have only used four bottles and feel like a different person. I advise every person who is afflicted with any internal disorders to use Lekotoria.

I constantly had to take laxatives, but now find that these are eliminated since I am taking Lekotoria. It has made me feel one hundred per cent better. I can [not] praise your medicine enough for faulty elimination and hemorrhoids.

Lekotoria is a body-builder beyond comparison. Mr. Phillip Pix of Blakeslee, Ohio, tells us in a letter: "I have taken your Lekotoria for some time and I find it a health builder. It has given me back my whole self."

I have been in very poor health for five years and suffered untold pains under my shoulder-blades, and could not sleep at night. I was sick to my stomach constantly and my head ached all the time together with the loss of appetite. All in all it was a general break-down. I tried Lekotoria. So far I have recovered completely and am in perfect health. I have a wonderful complexion, good appetite and don't know what a sleepless night is any more * * * So many people, as the last resort, try Lekotoria to find it the only solution to their problem of health. There is no need for you to suffer any longer. Take this advice and ours.

I wish to thank you for your fine medicine—Lekotoria, the healing herbs remedy. I was sick for over four years with stomach trouble, catarrh of the stomach and intestines, gas on the stomach, and constipation. I have been treated by many doctors and had been using all different kinds of medicines, and instead of getting better I was getting worse. I tried Lekotoria. After using it I am entirely well.

I have been a constant user of Lekotoria and wish to recommend it to anyone that suffers neuritis. I have been down many months in bed with neuritis and sharp pains in and around the heart until I started using Lekotoria. Two bottles was all I used and it has made me feel at least ten years younger.

Lekotoria will dig in and purify your blood nature's way.

I was tired out physically and nervous and easily irritated. I suffered untold agony with backaches. Lekotoria was recommended to me by my sister, and I tried it. Today I owe you a great debt for restoring my health.

I am forty-four years old and have been suffering from asthma. After using one bottle of Lekotoria I felt a lot better. My asthma has lasted for four years and many nights I felt that I would choke to death. I have been using Lekotoria often and now sleep well and fine. No matter how long you have been ailing, Lekotoria will speed your recovery and build your system up to radiant health.

For nineteen years I have been suffering with catarrh in the stomach; gas in the stomach, heartburn; and I lost all hope of recovery. I commenced to use Lekotoria and after using five bottles I got rid of all my troubles.

If you suffer from stomach trouble in any of its various forms, common colds and their serious consequences, pneumonia for one thing, the terrible splitting headaches, gastritis, rheumatism, or neuralgia—if you suffer from similar ailments, do this—get a bottle of this marvelous health-restoring herb preparation—Lekotoria.

If you are suffering from some terrible affliction, I want you to get a bottle of that wonderful health-restoring herb preparation Lekotoria.

Change of air or change of diet oft-times causes havoc with your stomach. One spoonful of Lekotoria morning and night will keep you in perfect trim. Lekotoria is a pure, harmless medicine.

Perchance you neglect the most important of all motors—the human body, nature had an uncanny way of replacing parts—repairing run-down organs and the like. Yet when cold weather sets in if your system is not assisted and those sickening headaches are not done away with—absolutely cured—the human motor will be in no condition to combat the cold weather and its effects. Why not fortify yourself now by removing these irritations. Lekotoria, the approved herb medicine, will absolutely winterize your system and give you a one hundred percent perfect machine to work with.

The laboratories of the Karnack-Ambrosia Company have carefully prepared Lekotoria to assist nature in building up worn and misused parts of the human

motor—(1) Lekotoria stimulates the affected organs, then it removes the cause in the natural way. Lekotoria is more than a cure. It is a preventative of future ailments.

One of the primary herbs used in Lekotoria is one that is defined by the United States Dispensatory as used as an alternative in chronic rheumatism and scrofula or swelling of joints. Lekotoria nourishes the bony tissues and glands preventing excess sweating. It purifies the blood that gets in and around those tiny muscles that ache so in cold weather.

Lekotoria contains herbs that reach into dormant tissues of the body reviving and giving them new life. Lekotoria is a tonic that tones the system. It does more than stimulate activity. It cures by removing the cause.

I had been constantly suffering from colds, stomach trouble and bronchitis and I wasn't able to sleep or do any kind of work. From the first bottle of Lekotoria which I used according to your special directions, I commenced to feel better; and after using a few more bottles, my health improved wonderfully; and thanks to your Lekotoria, I am now well.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical report made to the Commission based upon respondent's formula, this product is limited in its therapeutic properties to those of a laxative, a stomachic, a carminative and a diuretic, and furthermore is not a competent remedy for bladder trouble, cystitis, urethritis, gastritis, rheumatism, scrofula, etc.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Lekotoria is the most beneficial medicine for "many common ailments";

(b) That said preparation is a competent treatment or an effective remedy for any of the following conditions:

1. Stomach trouble, in any of its various forms,
2. Liver trouble,
3. Kidney disorders, unless limited to functional disorders,
4. Gall stones,
5. Pains in the liver,
6. Intestinal inflammation,
7. Perpetual constipation,
8. Hemorrhoids,
9. Chronic stomach sickness,
10. Catarrh of stomach,
11. Catarrh of intestines,
12. Asthma,
13. Common colds,

14. Pneumonia,
 15. Gastritis,
 16. Rheumatism,
 17. Neuralgia,
 18. Scrofula,
 19. Swelling of joints,
 20. Bronchitis,
 21. Neuritis,
 22. Sharp pains in and around the heart,
 23. Terrible splitting headaches (regardless of cause),
 24. The serious consequences following a cold, or
 25. "Any internal disorders";
- (c) That Lekotoria is a blood purifier;
- (d) That Lekotoria puts the nerves in perfect condition;
- (e) That Lekotoria is a body builder;
- (f) That Lekotoria is a tonic for all internal ailments, or that it tones the system;
- (g) That Lekotoria nourishes bony tissues, or nourishes the glands, or revives dormant tissues and gives them new life, or prevents excess sweating;
- (h) That Lekotoria always relieves the common ailments;
- (i) That with Lekotoria children are always in health;
- (j) That Lekotoria restores health from untold agony in backaches or from untold pains under the shoulder blades, or from general breakdown;
- (k) That for anyone who has "some terrible affliction" Lekotoria is recommended as a remedy;
- (l) That "no matter how ailing" one may be with asthma, Lekotoria will speed recovery and build the system up to radiant health;
- (m) That Lekotoria eliminates laxatives (being itself a laxative);
- (n) That Lekotoria "rids" one of catarrh in stomach, or gas, or heartburn, or internal pains; or of any other ailment;
- (o) That Lekotoria "conquers" a 5-year seige of pains in the side, or 14 years of stomach trouble, or long standing stomach trouble, or any other chronic affliction;
- (p) That Lekotoria "banishes entirely" stomach trouble of 12 years' standing, or any other chronic condition;
- (q) That Lekotoria restores one's health after 15 years of stomach catarrh, or after 18 years of kidney trouble, or after 18 years of serious internal trouble combined with several nervous complications;
- (r) That Lekotoria will "absolutely winterize your system" against colds;
- (s) That Lekotoria will absolutely cure the conditions of run-down organs, responsible for winter colds, or that it will "cure" any condition whatsoever, organic or otherwise;

(t) That Lekotoria cures by removing the cause, or that it does remove the "cause" of any condition;

(u) That Lekotoria removes the cause of worn and misused parts of the human motor, or will give you "a one hundred percent machine to work with";

(v) That Lekotoria "will keep you in perfect trim";

(w) That Lekotoria is "the only solution to the problem of health";

(x) That with Lekotoria there is "no need to suffer longer"; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees in its future advertising to limit the claims for Lekotoria to the recognized therapeutic properties of a laxative, a stomachic, a carminative and a diuretic.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement (Oct. 7, 1935).

0965. Vendor-Advertiser—Medicinal Preparations.—Partola Products Co., Chicago, Ill., vendor-advertiser, is engaged in selling Partoherb, offered as a remedy for stomach, liver, and bladder troubles, and in advertising represented:

Now is the time to have our system put into order before the real hot days set in. Important of all is that our nerves should stand the ordeal. The kidneys, liver, should be thoroughly cleaned to avoid any pain by using the world-famous Partoherb tea which is being used by millions of homes where it has brought health and happiness.

Those who haven't tried this healing tea, try it now.

If you suffer from dizziness or your bowels are not in order, we recommend Partola, * * * For sick kidney—Partoherb tea.

This remarkable preparation—has proven exceptionally helpful in purifying and cleansing the kidneys.

This superior treatment composed of medicinal roots and herbs quickly and gently cleanses the kidneys and helps to rid the body of dangerous toxic poisons.

The medicinal roots and herbs contained in Partoherb have proven very helpful in cleansing and purifying the kidneys, bladder, and urinary organs.

Partoherb is superior for overcoming aching joints, sleepless nights, poor appetites, other symptoms of poor kidney function.

If you suffer from backaches, getting up nights, rheumatism, pains in joints, sleeplessness, nervousness, poor appetite and loss of strength and weight, you should lose no time in taking steps to have your kidneys and bladder functioning properly * * * Why not take advantage of the opportunity presented by Partoherb? Release from a wretched and agonizing existence is within your reach.

Beneficial for ailments indicated in Dyspepsia, Amenorrhea and Gout * * * Excellent for its tonic effect on stomach * * * Very effective as a tonic * * * in urinary disorders * * * For use in cases indicating * * * fever. Helpful for ailments indicated in Urethritis, Prostatitis, Leucorrhea, and Bronchial Catarrh * * * Very good for the treatment of general debility,

rheumatism, and brain exhaustion * * * Beneficial and stimulating in kidney, bladder and stomach cases * * * Excellent for its * * * soothing effect on inflamed mucous membranes.

Certain herbs contain rich supplies of vitamins and minerals which are beneficial to the human system. Often the lack of these vitamins and organic minerals is the cause of many chronic ailments. By partaking of teas brewed from these herbs, the system is replenished with these healthful properties and the source of the trouble is often checked or entirely eliminated.

Why be robbed of health, strength, and happiness? Why continue through life with undue suffering when a treatment which may help you as it has thousands of others is within your reach? Try the enclosed sample of Partoherb now.

I never want to be without this preparation. Now my worries are over. Your PARTOHERB has saved me.

For a long time I was suffering with dreadful pains from kidney trouble. But when I started to use PARTOHERB tea I noticed a startling improvement. After using it for only two days, I felt the pains quickly disappearing, my urinations became painless, and my health in general began to improve wonderfully. I continued to use PARTOHERB regularly and now I enjoy health and happiness.

GUARANTEE. We hereby agree to refund complete purchase price to any person who has used PARTOHERB according to directions for 15 days and who, being dissatisfied with results at the end of that time, returns the unused portion.

Don't be without this amazing treatment another day! Make up your mind right now to rid yourself of the miseries from kidney and bladder trouble. Start on the road to good health and happiness.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the product, according to medical opinion furnished the Commission, has little therapeutic value and is not a competent remedy in the treatment of any of the diseases for which it is recommended.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That "Partoherb" is "world famous";
- (b) That "Partoherb" is "being used by millions of homes where it has brought health and happiness", until respondent shall furnish proof that the product is actually used in millions of homes to which it actually brings health and happiness;
- (c) That "Partoherb" possesses "healing" qualities;
- (d) That "Partoherb" is a competent remedy in the treatment of kidney, liver, or stomach disorders, dizziness, bladder complaints, aching joints, sleepless nights, poor appetites, backaches, getting up at night, rheumatism, nervousness, loss of strength and weight, dyspepsia, amenorrhea, gout, urethritis, prostatitis, leucorrhea, bronchial catarrh, general debility, brain exhaustion, or inflamed mucous membranes;

(e) That "Partoherb" is "a superior kidney and bladder remedy" or a "superior" remedy for any disease or disorder of the human system;

(f) That "Partoherb" will:

1. Purify and cleanse the kidneys;
2. Rid the body of dangerous toxic poisons;
3. Cleanse the bladder and urinary organs;
4. Release one "from a wretched and agonizing existence";
5. Check or eliminate disease;
6. Banish one's worries;
7. Save anyone from anything;
8. Rid anyone of misery; or
9. Start anyone "on the road to good health and happiness";

(g) That "Partoherb" has a tonic effect on the stomach and urinary system or a soothing effect on inflamed mucous membranes;

(h) That "Partoherb" contains "a rich supply of vitamins and minerals";

(i) That "Partoherb" has "helped thousands of others" until it is clearly shown that this statement is true;

(j) That "Partoherb" has any therapeutic value in any serious condition;

(k) That "Partoherb" can "be depended upon to restore normal kidney and bladder functions";

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 7, 1935.)

0966. **Vendor-Advertiser—Medicinal Preparations.**—Pine Brothers, Inc., Philadelphia, Pa., vendor-advertiser, is engaged in selling Pine Brothers' Glycerine Tablets and Orasol and in advertising represented:

Instant Relief

These famous Pine Bros. Glycerine Tablets stop coughing *instantly* because they contain glycerine—the surest and safest known throat relief. No drugs—*therefore nothing to upset the stomach*. It's the Glycerine that stops your coughing.

Glycerine is the quickest and safest cough relief known. It spreads a soothing film over inflamed throat tissues. Coughing stops—healing begins—*instantly*. The glycerine in Pine Bros. Glycerine Tablets is doubly effective because it is combined scientifically with other ingredients. * * *

Doctors and Druggists recommend them because they STOP COUGHS—and *can't do you any harm*. Five pleasing flavors to choose from.

AMERICA'S PROVEN RELIEF FOR COUGH-TORN THROATS.

Relieve it quickly—in the safe, pleasant way—with Pine Bros. Glycerine Tablets. They coat parched, inflamed throat tissues with a soothing, healing glycerine film. Irritation stops—congestion is removed—coughing and hoarseness relieved instantly.

DON'T "DRUG" A COUGH!

Stop it in nature's pleasant,
harmless way—with soothing,
healing GLYCERINE

The oldest, quickest and safest cough relief is glycerine. Ask your Druggist or Physician.

Use them freely—and give them to your children. Pine Bros. Glycerine Tablets haven't upset a stomach in 60 years—because they contain no drugs. Five pleasant flavors to choose from.

MILLIONS OF COUGHS STOPPED—but not ONE stomach upset in 60 years.

With reference to Orasol, the following representations are made:

Antiseptic Mouth Wash

Orasol Tablets contain a remarkable new antiseptic—DIHALAL—*safe to use*—yet 18 times more powerful as a germ-destroyer than Phenol—the standard by which antiseptics are judged. Use orasol at the first sign of a cold—or throat infection. Each tablet gives your mouth and throat a pleasant and *prolonged* antiseptic treatment. Take as often as you wish. *They're harmless to everything but germs.*

THIS REMARKABLE ORASOL TABLET HAS TAKEN THE PLACE OF MOUTH WASHES AND GARGLES

for Sore Throat
Bad Breath
Cold Infections

Why? *Because* Orasol Tablets can be carried in the pocket—used when you need an antiseptic most. *Because* they contain DIHALAL—a marvelous new germ-killing antiseptic—18 times more effective than Phenol. *Because* each Orasol Tablet gives the mouth and throat a 5-minute antiseptic treatment. (Mouth washes and gargles have but a few seconds contact with infected areas.) *Because* Orasol Tablets are also effective in ending bad breath and for refreshing the mouth after drinking or smoking.

GERMS GO TO "MOVIES" TOO

Safeguard your mouth and throat against infection by dissolving THIS LITTLE TABLET on your tongue.

Each Orasol Tablet gives your mouth and throat a thorough and *prolonged* antiseptic treatment. Dissolve one on your tongue—anytime—anywhere you are exposed to germs or at the first sign of a cold or throat infection. * * *

You can taste the clean, distinctive flavor of the Dihalal.

THIS ORASOL REMARKABLE LITTLE TABLET DOES AWAY WITH

Mouth Washes
Breath Purifiers
Cough Drops
Gargles

Modern-convenient-pleasant to the taste—ORASOL Tablets do everything a mouth wash, gargle, cough drop or breath purifier can do—and *do it better.*

Better—because the effect of an Orasol Tablet is *prolonged.* It takes 5 minutes for the tablet to dissolve—giving your mouth and throat a thorough antiseptic treatment. Mouth washes and gargles have but a few seconds contact with infected areas. Carried in the pocket or purse—Orasol Tablets are instantly

available when you need an antiseptic most—to relieve sore throat—ward off colds—end bad breath—freshen the mouth after drinking or smoking.

WHEN EXPOSED TO GERMS

Protect these vital spots
Here (nose) and here (throat)
with the "Mouth Wash."

The effect of an Orasol Tablet is *prolonged*. It takes 5 minutes to dissolve—giving your mouth and throat a thorough antiseptic treatment. Mouth washes and gargles have but a few seconds contact with infected areas.

USE

ORASOL

(Trochisci Dihalal)

Antiseptic

Mouth Tablets

For RELIEF OF IRRITATED OR RAW THROAT.

Orasol Tablets give quick action. They melt on the tongue supplying a ten-minute effective treatment. To obtain relief use them any time, anywhere, as frequently as needed.

For COLDS in bad weather, when colds are frequent, always carry ORASOL in your pocket or purse. ORASOL assists nature's defense against colds. Play safe—keep ORASOL with you at all times. Use the tablets to help you guard against mouth and throat irritations and colds.

For a CLEAN MOUTH—in cases of unpleasant breath caused by unhygienic mouth conditions, fermentation or decay, ORASOL by reason of its antiseptic action gives quick relief.

For CHILDREN Few children enjoy gargling. Here is a pleasant, easy way to make them practice oral hygiene. To children an ORASOL tablet is like taking candy—yet because of its antiseptic strength it has the value of a prolonged mouth wash.

In CROWDS ORASOL is the one antiseptic which can be quickly used, at the time you need it most. In crowds, street cars, theatres, you are in contact with millions of germs."

"HOW AND WHY ORASOL" (Trochisci Dihalal) WAS DISCOVERED.

The public has long wanted a mouth and throat antiseptic which can be carried in the pocket, or hand bag and used any place, in public or private. After two years research Pine Bros. perfected a tablet which, dissolved on the tongue, has the value of a *prolonged antiseptic mouth wash and gargle*. Before ORASOL to the public, many well known antiseptics were tested, but discarded. They were too harsh on the delicate membranes of the mouth and throat. They were unpleasant to the taste.

DIHALAL IS DISCOVERED

Eventually our search for a better antiseptic reached across the Atlantic. Finally, Dihalal, the antiseptic in ORASOL tablets, was discovered in one of the famous European laboratories. A new contribution to medical science—safe to use yet in test tube experiments 18 times more powerful as a germ destroyer than carbolic acid against the *Staphylococcus aureus*:

We were granted the exclusive rights to manufacture this newly discovered substance in tablet form. We brought it to America. We also tested the tablets in every way and found them pure, entirely harmless and efficient.

Thousands of tablets were tried by men, women, and children in our effort to obtain a pleasant taste.

EFFECTIVENESS OF ORASOL

Leading bacteriologists have proved the effectiveness of ORASOL tablets. If one ORASOL tablet containing one-tenth grain of Dihalal is dissolved in two cubic centimeters of saliva to which one four-millimeter loopful of a suspension of *Staphylococcus aureus* or *Streptococcus pyogenes* has been added, the bacteria are destroyed in less than two and one-half minutes. These are the troublesome germs that may cause colds. Although it is impossible in laboratory experiments to reproduce conditions in the mouth, these tests prove conclusively that these germs, so frequently found in the mouth, are destroyed when they come in contact with an ORASOL tablet dissolved in saliva.

Throat specialists to whom tablets were submitted containing this new antiseptic, unanimously reported relief or irritation of the throat with lessening of the congestion of the membranes of the mouth and throat. When you use ORASOL, the antiseptic remains in the mouth for several minutes, while in ordinary use mouth washes and gargles have only a few seconds contact.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical opinion furnished the Commission—

PINE BROS. GLYCERINE TABLETS will not stop coughing instantly; nor are they oldest, quickest, surest, or safest known relief for coughs, colds, or throat infections; nor are they made doubly effective because of being scientifically combined with other ingredients; nor do doctors and druggists recommend them to stop coughs; nor are they America's proven relief for coughs and torn throats; nor will they stop coughs in nature's way without the use of drugs or upsetting the stomach; and in that

ORASOL is not an antiseptic in any sense of the word; nor does its active ingredient Dihalal show satisfactory antiseptic qualities 18 times more powerful than phenol as a germ killer capable of ending bad breath, safe-guarding against infection or the spread of contagious disease germs; nor will ORASOL relieve and/or prevent colds and sore throat and do everything better than any mouth wash, breath purifier, cough drop or gargle; nor will it give the mouth a thorough antiseptic treatment of any sort whatsoever; nor will it protect the nose and throat from germs and assist nature's defense against colds; nor will it act as an effective mouth antiseptic for children who dislike using a gargle; nor will it act as a prolonged antiseptic mouth wash or gargle; nor is Dihalal its active ingredient a new contribution to science discovered in European laboratories for which the respondent has exclusive rights to manufacture in tablet form.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

PINE BROS. GLYCERINE TABLETS:

1. That Pine Bros. Glycerine Tablets will stop coughing instantly;
2. That Pine Bros. Glycerine Tablets are the oldest, quickest, surest and safest known relief for coughs, colds and/or throat infections;
3. That Pine Bros. Glycerine Tablets are made "doubly" effective because of a scientific combination of certain ingredients;
4. That doctors and druggists, recommend Pine Bros. Glycerine Tablets to "stop" coughs;
5. That Pine Bros. Glycerine Tablets are America's proven relief for cough-torn throats;
6. That Pine Bros. Glycerine Tablets will stop coughs in nature's way without the use of drugs.

ORASOL:

1. That Orasol is an antiseptic;
2. That Orasol will "end" bad breath, safeguard one against infection and/or the spread of contagious disease germs;
3. That Orasol will relieve and/or prevent colds or sore throat not due to colds;
4. That Orasol is "more" active and effective than any mouth wash, breath purifier, cough drop or gargle;
5. That Orasol will give the mouth a thorough antiseptic treatment and will protect the nose and throat from germs;
6. That Orasol will assist nature's defense against colds; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 8, 1935.)

0967. **Vendor-Advertiser—Astrological Guides, etc.**—George D. Arnold, doing business as Admiral Arnold and as Lona Publishing Co., Chicago, Ill., vendor-advertiser, is engaged in selling astrological guides, horoscopes, character analyses, vocational analyses and daily progressions, and in advertising represented:

Men and women of today want scientific methods of procedure, they want understanding, they want knowledge and that is why they are turning to the science of Astrology for guidance.

* * * Every scientist or astronomer will concede the fact that those planets do have a vibration, which can be recognized by us upon this earth
 * * * most of those who practiced the science charged such enormous fees that you could not afford to pay for the real authentic information and direction of the science.

But today through Admiral Arnold's Astrological Guide, a 46-page book of Scientific Astrological directions, you will find the information that you have been seeking. This book will even regulate your life each hour of the day according to scientific direction * * * circumstances arising from your actions, when you are not conforming to the laws of the universe and the planetary influences may reduce you to a condition of poverty, misery and unhappiness * * * you cannot win when going against the lines of least resistance, * * * build for yourself a foundation of security from which peace and happiness will come to you, a foundation built upon facts and science * * * put it into action today through the book I have prepared for you entitled Admiral Arnold's Astrological Guide.

* * * I have brought the science of Astrology up to a point where you can use it in your every day life * * * you, who have been traversing life's pathway and have not accomplished your ambitions and have found unhappiness and discontent, stop and think * * * so long as you ignore the laws of the universe, obstacles will present themselves in the pathway of success, * * *. It is the unwritten law, yours is the choice to conform with it and attain the highest ultimates in life or oppose it and take the chance of bringing yourself to a condition of misery, poverty and discontent. Why take a chance, why not use Astrology through its highest form and give yourself the assurance that you will accomplish your desires in the future * * * they need assistance to help them apply a scientific procedure to their every day life that will enable them to meet competition in the business world. Admiral Arnold's Astrological Guide will tell you whom to marry to gain the greatest harmony in life, it will also tell you when to marry and give you the characteristics of your intended partner * * *.

* * * the sooner men and women come to the realization of the fundamental truths that will present to them a supreme and intelligent understanding of themselves, the sooner they will discard all this uncertainty, confusion, and misery * * *.

I have simplified this science for you and put it in book form so that you can regulate your every day life, even by the hour, and, my friends, if you are looking for some form of direction, if you are at a loss to know which way to proceed, if you are in doubt of yourself, if your confidence has been broken, let Astrology through this book entitled Admiral Arnold's Astrological Guide, give you the proper direction. * * * Astrology has helped thousands, it can help you. All you need is the desire to elevate yourself and your conditions and if you have that desire and will, through the use of Admiral Arnold's Astrological Guide, plan and proceed according to the oldest science known to man, you will succeed and nothing can stop you. * * *

* * * My prime purpose * * * is to simplify the science of Astrology, so you can use it yourself, so you will not depend on some one else to interpretate it for you, and in order to accomplish that, I have spent years in preparing a Book entitled Admiral Arnold's Astrological Guide.

ASSURE YOUR

SUCCESS

WITH

ADMIRAL ARNOLD'S
ASTROLOGICAL GUIDE

FOR 1934

USE

FAVORABLE MONTHS

FAVORABLE HOURS

FAVORABLE DAYS

It will also tell you thru scientific Astrology Whom to Marry to be Happy, Your Financial Prospects. When to Seek Employment. When to Buy, Sell, or Trade. When to Travel, Study, or Rest. When to Seek Favors or Loans. When to Protect Your Health. Your Friend's Characteristics. When to Push Love Affairs.

Your Horoscope, Monthly Forecast,
Hour Calculator, Day chart and marriage manual For the ENTIRE FAMILY—Not Fortune Telling

Buy Your Pocket Guide Now! 35¢

Admiral Arnold's Astrological Guide is a complete scientific directory with which you could so direct your efforts in your every day life that you will be amazed to find what heights you may reach through the use of it.

Why take a chance on wrecking the home, or losing the love of your husband, by not knowing what to do, when to do or how to do. The book that I have written entitled "Admiral Arnold's Astrological Guide", is a complete directory for you in your everyday life, it will tell you according to planetary vibrations, when to avoid arguments or when arguments are liable to occur within your home.

I am going to make an offer for a limited time to my radio audience, and that offer is as follows: For each and every baby born since the first of January 1934, until further notice, I am going to present free of charge a vocational analysis according to the birth sign, providing the parents will fill out the necessary information on page 2 of my book entitled "Admiral Arnold's Astrological Guide", tear it out and mail it to me with a self-addressed, stamped envelope. Fathers and mothers, this is an offer that if you will take advantage of will in the course of years be priceless. It may be the beginning of a bright future for that beloved baby of yours, and in later years you can look at that child in manhood and womanhood and know that in giving it that education according to vocation by birth, you have made it possible for your child to gain success and happiness.

Miss Anne Smith * * * realized a ten-year dream to visit her mother in Czecho-Slovakia, when she won \$1500 for having picked a starter in the English Derby at Epsom Downs * * * "Dear Admiral Arnold: I have been a user of your Guide for sometime, it has helped me in many ways, although recently I had an unusual happening. I will explain. I had an opportunity of purchasing a ticket for a sweepstakes during the last one. I had become accustomed to using the hour chart in your book, so naturally, I looked for my good hour that day, finding it unfavorable for buying just then, I left word I would call at his place to buy the ticket, as I had to sign my name and address. I want to be sure to have the right hour, this I done, and to my surprise a short time later I was notified that I was the winner of \$1500."

Last night in my talk to you I showed you how a woman was able through using the science of Astrology according to direction in Admiral Arnold's Astrological Guide to bring peace and happiness into a home that was on the verge of destruction.

* * * Why go on a state of uncertainty against all laws of vibration and radiation, you will only fool yourself and pay the price of failure in the end. My friends, Admiral Arnold's Astrological Guide * * * will show you the way, * * * this book is written and sent forth in such a manner that any individual who can read or write can use it. Get a copy of this book and prepare yourself for the future.

* * * it will not be necessary for you to spend years of research work or study, because in my book * * * I have paved the way for you, in a simple manner, in which you can use the science of Astrology in its highest form, simply by following the directions in this book.

When walking down the street looking at the different displays in the store windows no doubt many of you have been undecided as to the purchase of some article that you might have seen. Now if you would have had a copy of Admiral Arnold's Astrological Guide with you, it would have been favorable for you to

buy this article at this time. Many of you business men have, no doubt, been called upon to make important decisions upon an instant's notice. If, at that time, you would have had a copy of Admiral Arnold's Astrological Guide you would in just a minute have been able to find how to make that decision, according to the planetary influences which are based upon perfection, therefore, your decision made accordingly would have been to your advantage.

Again, in a few weeks all the children will be returning to school, and I wish to say to you teachers who are placed in the position of training these children that you are really interested in giving these children the best training possible, and I believe you are. You will find a copy of Admiral Arnold's Astrological Guide indispensable, because it will give you an understanding of the characteristics of each child.

ARE YOU A SUCCESS?

If Not

HOW MUCH WOULD IT BE WORTH TO YOU TO BE
SUCCESSFUL? YOU CAN BE SUCCESSFUL
LET ASTROLOGY GUIDE YOU
DO IT TODAY! ! !

() Individual Horoscope, Character and Vocational Analysis.....	\$35. 00
() Individual Horoscope.....	20. 00
() Individual Character Analysis.....	10. 00
() Individual Vocational Analysis.....	15. 00
() Daily Progressions per Month (Not less than one month).....	10. 00

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That by the use of respondent's astrological guide a person will find the information he has been seeking;
- (b) That in respondent's astrological guide the science of astrology has been brought to a point where it may be used in everyday life;
- (c) That in respondent's astrological guide the science of astrology has been simplified;
- (d) That if one plans or proceeds according to the teachings of respondent's astrological guide, he will succeed, or that nothing can stop him;
- (e) That respondent's astrological guide is a complete scientific directory;
- (f) That astrology is the oldest science known;
- (g) That respondent's astrological guide is indispensable to teachers who are placed in the position of training children, or that it will give teachers a better understanding of the characteristics of children;

(h) Inferentially, or otherwise, that said book would be a guide in placing a bet or purchasing a sweepstakes ticket or in making a wager;

(i) That respondent's astrological guide has enabled any one to win money;

(j) That respondent's astrological guide contains authentic scientific information for which other scientists charge enormous fees;

(k) That respondent's astrological guide contains information which will—

1. Regulate one's life.
2. Enable one to build a foundation of security.
3. Bring peace or happiness to its users.
4. Assure one of accomplishing his desires.
5. Enable one to attain the highest ultimates in life.
6. Enable one to meet competition in the business world.
7. Assist one in applying scientific procedure to everyday life.
8. Enable one to discard uncertainty, confusion, or misery.
9. Direct one as to the proper way to proceed.
10. Remove doubt.
11. Restore confidence.
12. Assure one's success.
13. Prepare one for the future.
14. Enable one to use the science of astrology in its highest form.
15. Enable one to make advantageous decisions.

(l) That respondent's astrological guide will tell one

1. Whom to marry; or
2. When to marry; or
3. The characteristics of an intended partner; or
4. One's financial prospects; or
5. When to seek employment; or
6. When to buy, sell or trade; or
7. When to travel, study or rest; or
8. When to seek favors or loans; or
9. When to protect one's health; or
10. The characteristics of a friend; or
11. When to push love affairs; or
12. When to avoid arguments; or
13. When arguments are liable to occur; or
14. What, when or how to do anything; or

(m) That respondent's vocational analysis is free so long as the purchase of respondent's astrological guide is required before such vocational analysis is sent;

(n) That respondent's astrological guide has enabled any one to bring peace or happiness into a home;

(o) That respondent's astrological guide can be used by any one who can read or write;

(p) That respondent's astrological guide, horoscope, character analysis or daily progression will enable one to be successful;

(q) By inference or otherwise, that a person who does not use respondent's astrological guide

1. May be reduced to poverty, misery, unhappiness or discontent; or

2. Cannot be successful, or

3. Will encounter obstacles; or

4. Takes the chance of wrecking the home, or losing the love of anyone; or

5. Will continue in a state of uncertainty; or

6. Will fool himself; or

7. Will pay the price of failure;

(r) That respondent's astrological guide contains the horoscope of the prospective purchaser;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 8, 1935.)

0968. **Vendor-Advertiser—Laxative.**—Health Products Corporation, Newark, N. J., vendor-advertiser, is engaged in selling Feen-A-Mint, "The Chewing Gum Laxative", and in advertising represented:

Feen-a-mint is the choice of over fifteen million people who know that for thorough yet gentle relief it is better to chew your laxative.

The only thing that will relieve constipation troubles satisfactorily for thoroughness and gentle effectiveness and that's what you get with Feen-a-mint on account of the chew-your-laxative principle and chewing your laxative just means that you're taking it into your system easy and gentle-like and mix and spread it right down to where it does its work in a direct but easy manner like nature intended you should.

Feen-a-mint is the best and pleasantest and most scientifically modern way to get rid of constipation, headaches and git to feelin' like yourself again.

Feen-a-mint can be taken by the entire family with perfect assurance and because Feen-a-mint is safe, thorough in action and *non-habit-forming*.

FEEN-A-MINT. The laxative that's just like chewing gum. Nature's own way to end constipation troubles.

This laxative cleanses completely. No bowel abuse. Cleans bowels of waste matter more thoroughly, more completely with delicious Feen-a-mint and you'll get quicker, surer relief from dizziness, headaches and constipation ills. Feen-a-mint empties and cleanses the bowels of putrid wastes. As headaches and dizziness go you feel more active, energetic, fresh.

Feen-a-mint, because of its more modern action, eliminates any necessity of experiencing that delay that sees start of putrid wastes seeping their poisons into your system.

End stuffy clogged up feeling, splitting headaches and other constipation ills with this more complete, more thorough action. Chew delicious Feen-a-mint.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are, in some particulars, incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Feen-a-mint is the "only" thing that will relieve constipation troubles satisfactorily for thoroughness and general effectiveness;

(b) That the use of Feen-a-mint is the "most" scientifically modern way to get rid of constipation, headaches, etc., or that it does "rid" one of such conditions;

(c) That Feen-a-mint is "nature's own way to end constipation troubles", or that it does "end" such troubles, or stuffy, clogged-up feeling or splitting headaches;

(d) That this laxative cleanses "completely" or cleans bowels of waste matter "more thoroughly, more completely" than other standard laxatives;

(e) That Feen-a-mint, because of its more modern "action" or for any other reason "eliminates any necessity of experiencing that delay that sees start of putrid wastes seeping their poisons into your system";

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 8, 1935.)

0969. Vendor-Advertiser—Reducing Treatment.—The Wyeth Chemical Co., New York, N. Y., vendor-advertiser, is engaged in selling Jad Salts, offered as a fat reducer or a treatment for obesity, and in advertising represented:

1. See all the fat I have lost in two months. You eat three big meals a day yet grow thin fast by this easy method. Thanks to new scientific discoveries, a fat person can now lose a pound a day yet eat more than now. All you do is take a teaspoonful of the new Condensed Jad Salts in a glass of hot water before breakfast and make two small changes in your eating, as explained in the Condensed Jad Salts folder. The first day you lose three to five pounds moisture weight alone. The system is cleared of depleting poisons. Fat melts away. Your youthful allure returns.

2. Condensed Jad Salts is urged as a poison-banishing agent and to banish unhealthy bloating.

3. Rip off fat by the new Jad method. In this way you can eat three full meals daily and lose comfortably as much as a full pound every day. *Condensed Jad Salts* banishes excess moisture weight and all puffiness and bloat at once.

4. Easy Jad reducing method now bringing new attractiveness to millions.

5. No tearing exercise. No starvation. Instead, a full stomach and never a hungry moment. Yet fat melts away. You can easily lose from four to seven pounds weekly. See the coarse lines of fat replaced by the refined lines of slenderness—and feel better than you ever felt before in your life.

WHAT YOU DO

There are just two simple things you do. Clear your system and keep it clear of waste matter, toxins, and depleting poisons with *Condensed Jad Salts*. Start with a teaspoonful in full glass of water tomorrow morning—then eat your fill—as much as your appetite can stand—of meals consisting of the following foods:

(A list of various foods which should be eaten.)

At the end of a week you'll see the scale down four to seven pounds, according to how much over-weight you are, from what you weighed the day you started. Your health, too, will be better. You'll be more active, more vigorous than perhaps for years. Your friends will soon begin to notice your increasing slenderness. You'll soon avoid the embarrassment of being called fat or bulky, and you'll do it with never a hungry moment.

6. If in doubt about this safe and simple way, ask any doctor. Show him this article. Ask him whether or not it is safe and sure. It marks the latest findings of scientific men in the field of weight reduction, for it performs two necessary and important functions. The condensed *Jad Salts* clear the bowels and system of the excessive toxins most overweight people have. *The change in diet, the filling of the stomach to its limit with foods that turn to energy instead of fat decreases the weight day by day. The Salts build up your health. The change in food eases off the fat.*

7. The world's most comfortable way to grow thin.

8. "Fat", say the psychologists, "is one of the greatest tragedies of modern married life", for a fat woman loses the desire for romance and gives up hopelessly the romantic form of youth. For many thousands the *Jad* method of fat reduction has meant the rebirth of this joy, literally made life a new adventure.

9. This amazing *Jad* way of fat reduction puts a new meaning on life for women who want to end the embarrassment of being called fat and yet are not willing to starve themselves to death getting thin.

10. The first day, by this Jad method, three to five pounds moisture weight alone are lost. At the end of a week you are as much as seven pounds lighter and feel better than you have for years, for you daily relieve your system of toxins, waste, and accumulated poisons. Soon you're at your perfect weight, slim, vital, and youthfully attractive.

11. Take off fat comfortably. Take a teaspoonful of Condensed Jad Salts before breakfast in the morning and make two simple little changes in your diet. That's all. Fat simply vanishes.

12. The most comfortable way to lose weight known in the scientific world today.

13. A remarkable health practice is sweeping the country. A way to improve vitality and appearance scientifically is being urged, and all this is, is drinking a glass of hot water before breakfast. Even many who thought they were well have found that this habit has thrown a new light on existence. Women who were "rundown", sick, melancholy—say that it has literally transformed their lives. Drinking water this way really amounts to bathing inside, means the speedy relief of all headaches and stomach upsets and all the aches and pains, nervousness, and depression due to sluggish elimination. Results in quickly banishing skin blemishes and sallowness are often amazing. It is very simple—merely drinking a full glass of hot water before breakfast every day. In this you dissolve a teaspoonful of ordinary Condensed Jad Salts to flush or "wash out" naturally from the entire system accumulated wastes, bacteria, and poisons that may cause trouble in other parts of the body.

14. If you want to feel your best, day in and day out, with clear complexion and attractive appearance, remember what drinking a glass of hot water can mean. This scientific habit regularly acts to bathe you inside as you bathe yourself outside. Without the chemical action of harsh drugs. It "washes away" wastes, poisons, and toxins of the stomach and entire system. Results are quick and remarkable. Headaches, skin disorders due to sluggish intestines quickly go—vitality returns the internal bath.

15. A remarkable way has been found to aid women to keep vital and youthful, a method anybody can follow. It clears up a sallow, blemished complexion in an incredibly short time. It restores vitality when you are "rundown", naturally corrects sluggish elimination with all the ailments that can follow. All you do is to drink a glass of hot water every morning before breakfast with a teaspoonful of ordinary Condensed Jad Salts added to it. This acts to "flush out" the stomach and entire thirty feet of the digestive canal, gets rid of accumulated waste and poisons. Nervousness, upsets, skin disorders due to the "lazy colon" will disappear. You will radiate unsuspected energy and optimism.

16. If you want to be safe against halitosis or bad breath, remember what scientists say about drinking a glass of hot water in the morning.

17. Thousands of women have adopted this internal hygiene. It has banished all complexion troubles and gives them a vivacity and youthful charm.

18. Vitality is renewed.

19. For a lovely velvety skin, scientists today simply urge drinking a glass of hot water in the morning to which you have added a teaspoonful of ordinary Condensed Jad Salts.

20. If your skin is sallow, if you have skin blemishes, remember that this is a fundamental remedy—gets at the cause of the trouble, corrects faulty elimination.

21. The first day, by this Jad method, three to five pounds moisture weight alone are lost. At the end of a week you are as much as seven pounds lighter and feel better than you have for years, for you daily relieve your system of toxins, waste, and accumulated poisons. Soon you are perfect weight, slim, vital, youthfully attractive. Nothing like this has ever been known before. Your doctor will advise it.

22. Your doctor will tell you this works safely.

23. Modern scientific discoveries enable you to get rid of fat today—fast and comfortably, without extra exercise, or three full meals. It means just taking a teaspoonful of Condensed Jad Salts in the morning and making two very small changes in the diet, as explained in the folder in the Condensed Jad Salts package. You eat your fill and take off as much as a pound a day.

24. This method of weight reduction is safe.

25. Feel like a new person. All it takes is a teaspoonful of ordinary Condensed Jad Salts. It works by relieving the system of the poisons and waste matter that follow hearty eating and reduces the excess body moisture that brings on puff, bloat and heaviness.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Jad Salts will

1. Melt fat away;
2. Cleanse the system and keep it clear of waste matter; toxins and depleting poisons;
3. Improve your health or give you vigor and strength;
4. Sift away infection;
5. Take off a pound a day, or four to seven pounds a week, or three to five pounds the first day;
6. Rip off fat.

7. Eliminate body moisture;
8. Banish moisture weight and all puffiness and bloat at once;
9. Bring new attractiveness to "millions";
10. Cause fat to "simply vanish";
11. Aid women to "keep vital and youthful"; or
12. Clear up a sallow, blemished complexion;

(b) That Jad Salts is a competent remedy in the treatment of conditions manifesting as melancholia, headaches, stomach troubles, aches and pains, nervousness, skin blemishes or sallow skin;

(c) That this method of weight reduction is safe or harmless;

(d) That your doctor will tell you this works safely;

(e) That for a lovely, velvety skin, scientists today simply urge drinking a glass of hot water in the morning to which you have added a teaspoonful of ordinary Condensed Jad Salts;

(f) That taking Jad Salts is the world's most comfortable way to grow thin;

(g) That this method of fat reduction has meant the rebirth of joy of modern married life, or has literally made life a new adventure;

(h) That the Jad method relieves women "of the embarrassment of being called fat";

(i) That Jad Salts is either a modern scientific discovery or that it enables one to "get rid of fat today," "fast and comfortable", or "without extra exercise, on three full meals";

(j) That one may eat three big meals a day "yet grow thin fast by this easy method";

(k) That Jad Salts will "build up your health";

(l) That Jad Salts "restores vitality" to a run down condition or "corrects sluggish elimination", or "renews vitality";

(m) That your doctor will advise the Jad method;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 8, 1935.)

0970. Vendor-Advertiser—Hair Treatment.—Pro-Ker Laboratories, Inc., New York, N. Y. vendor-advertiser, is engaged in selling a treatment for the hair designated as "Pro-Ker", and in advertising represented:

GUARANTEED TREATMENT AGAINST BALDNESS

No matter what your age. No matter how great your hair loss—whether you suffer from dandruff, oiliness, itching scalp—Pro-Ker is guaranteed to replace every hair that falls from the first moment of use—and promptly to correct the secondary conditions.

We will refund every cent you paid for Pro-Ker if it does not at least retain the amount of hair now on your head. Baldness, Charles Nessler tells us is due to nature's failure to complete the hair growing cycle * * * To replace hairs that fall * * * What Pro-Ker does is to force nature to replace the fallen hairs with live healthy hairs.

Dandruff, oiliness, itching scalp. These conditions, purely secondary, yield promptly to the application of Pro-Ker. Stop baldness.

Pro-Ker is guaranteed to stop your hair loss from this moment on.

Pro-Ker gets at all hair troubles by getting at the cause.

Dandruff, thinning hair, oiliness, dryness cannot exist on a healthy scalp.

Pro-Ker produces a healthy scalp.

If you want to save your hair—If you want to encourage the growth of new hair—If you want to rid your scalp of dandruff, dryness, itching, oiliness, start using Pro-Ker now. Today every man can be assured that he need not get bald.

Pro-Ker * * * gets to the root of hair troubles.

Pro-Ker * * * does for the scalp what milk does for the body. Makes it vital, healthy, strong and healthy hair must grow on a healthy scalp.

THE TRUTH ABOUT HAIR AND HAIR TREATMENTS

There is only one way to protect yourself—KNOWLEDGE. Before you spend another cent on tonics and treatments read the Charles Nessler Theory in the "The end of the Bald Era" * * * You know, of course, of Charles Nessler, recognized by colleges and universities as the founder of modern hair science * * * discoverer of "hair migration."

Pro-Ker means the end of hair troubles. A new hair law by Charles Nessler "Dandruff Cures" * * * Charles Nessler. Pro-Ker based on entirely new principles will promptly relieve dandruff, excess of oil, and itching scalp.

Dandruff * * * Pro-Ker actually removes the substance by creating the perfect hair-growing condition. Dandruff never appears on a normal scalp.

If you want abundant, healthy hair * * * start today to use Pro-Ker.

"Four months ago—19 weeks to be exact—I started Pro-Ker treatment. New hair started within the first month. Have used only two bottles on a complete bald section and a crop of fuzz is noticeable."

Pro-Ker * * * will encourage nature in the normal function of hair replacement.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product is a competent treatment for baldness or any other hair trouble.

(b) That said product will replace falling hair or retain the amount of hair on the head at the time the use of said product is begun.

(c) That said product gets at the cause or to the root of all hair trouble or that it will "correct", "rid", "end" or "cure" any hair trouble or scalp disorders.

- (d) That said preparation will force nature to replace fallen hairs.
 - (e) That said product produces a healthy scalp.
 - (f) That said product will produce a new growth of hair.
 - (g) That said product makes the scalp vital, healthy, or strong.
 - (h) That said product creates the perfect hairgrowing condition or that by its use one will have abundant healthy hair.
 - (i) That said product is a guaranteed treatment against baldness unless all of the conditions of said "guarantee" are set forth in direct connection with such representation.
- and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 9, 1935.)

0971. **Vendor-Advertiser—Books.**—New Era Library, Inc., Racine, Wis., vendor-advertiser, is engaged in selling a set of books on educational subjects and in advertising represented:

HOME STUDY COURSE

20 Subjects

20 Volumes \$1.

Here's your chance to get the cultural and practical value of a high school education quickly, easily, in spare time, * * *.

Prepared by experienced College and High School instructors to equip you better for personal success in any activity of life.

Here, in these remarkable books, you have available a short cut to a high school or college education. You can get a literary and cultural background at a minimum expenditure of time and money.

You may now have the equivalent of a high school education quickly, easily, in spare time, * * *.

Here's Your High School Course * * *

20 Pocket-sized volumes—20 complete subjects—covering simply and concisely all the subjects included in a regular 4-year High School Course * * *

GO TO HIGH SCHOOL AT HOME

Grab this chance! Educate yourself in spare time with this self-teaching High School Course * * *.

Here are handbooks for ready reference, clear and brief condensations of high school and college subjects, collections of great stories from the world's literature, useful guides to health and self-improvement every one thoroughly reliable and authentic * * *.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that said set of books does not constitute an adequate Home Study Course; does not afford the equivalent of a High School or College education, and does not cover all the subjects included in a High School Course.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said set of books affords one a chance to get the cultural or practical value of a High School education;

(b) That said set of books is a short cut to a High School or College education;

(c) That said books were prepared by experienced college or high school instructors;

(d) That said set of books is—

1. A home study course; or
2. A High School course; or
3. A self-teaching course;

(e) That by reading or studying said set of books one can go to High School at home;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 9, 1935.)

0972. Vendor-Advertiser—Medicinal Preparation.—The Musterole Co., Cleveland, Ohio, vendor-advertiser, is engaged in selling a medicinal product designated "Musterole" and in advertising represented:

Don't let chest colds or croupy coughs get serious. Rub children's musterole on child's throat and chest at once. * * * Musterole penetrates to the very seat of trouble.

For Children's CROUPY COUGHS * * * Its soothing, warming, penetrating benefits seem to melt away congestion—* * *.

FOR CHEST COLDS.

Distressing cold in chest or throat, that so often leads to something serious, generally eases up quickly when soothing, warming Musterole is applied * * * Penetrating, and helpful and in drawing out * * * congestion.

MOTHERS! Watch children's COLDS AND COUGHS. * * * Musterole has soothing, warming, penetrating benefits that seem simply to melt the trouble away. * * * When used at night, Children's Musterole helps the child * * * and in the morning the trouble is usually gone * * *.

BREAK THAT CHEST COLD NOW! No cold, sore throat or muscular pain too tough for good old Musterole. * * * Ease in 5 minutes, relief in 5 hours—that's how it works! * * *

Here's relief * * * quick, sure, safe! * * * chest colds or muscular rheumatic pains—all these ailments quickly yield to Musterole * * *.

Ease in five minutes, and relief in five hours, as a rule. That's what you can normally expect when you have a chest cold, and treat it by rubbing on good old MUSTEROLE * * *.

MUSTEROLE * * * eases a stubborn cold over night * * *.

* * * Perhaps MUSTEROLE is best appreciated by people who suffer from muscular rheumatic aches and pains. If you suffer, just rub some of this soothing, warming ointment on those ailing parts and see how quickly it goes to work * * * drawing out congestion, pain, and infection * * *.

MUSTEROLE as a safe sure way of breaking chest colds and clearing away congestion. Just rub on * * * MUSTEROLE and the rheumatic aches and pains that come with even the severest of colds will soon be relieved * * *.

MUSTEROLE is a counter-irritant * * * Aches and pains respond more readily to its application and congestion is eased over night.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That Musterole will penetrate to the very "seat of the trouble";
 - (b) That Musterole will give "sure" relief;
 - (c) That Musterole will prevent chest colds or croupy coughs from becoming serious;
 - (d) That there is no muscular pain, sore throat, or cold too severe for Musterole;
 - (e) That Musterole will ease or relieve any condition within any definite period of time;
 - (f) That Musterole will draw out infection;
 - (g) Inferentially that Musterole is an effective remedy for lung congestion, or will prevent pneumonia;
 - (h) That Musterole will penetrate unless such representations are limited to the inhalation of the fumes of Musterole, or qualified to exclude organic and deepseated conditions;
- and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representations contrary to the foregoing agreement. (Oct. 9, 1935.)

0973. Vendor-Advertiser—Cosmetics.—Jergens-Woodbury Sales Corporation, Cincinnati, Ohio, vendor-advertiser, is engaged in selling facial creams to purchasers in other states of the United States and in advertising represented:

The blemishes that every woman dreads are generally due to tiny infections * * * They are always caused by germs * * * Give your skin the kind of care that guards it from infection * * * to protect your complexion against infection, to make beauty * * * stay safe.

Woodbury's two germ free creams * * * this new and unique protection from the danger of blemish.

Woodbury's Cold Cream contains a second exclusive principle which causes the oil glands beneath the skins outer surface to function better * * * Element 576 wakes them up, stimulates them, preventing and overcoming—Dryness.

Woodbury's two Germ Free creams change aging dryness to supply youth.

Element 576 * * * brings directly to the skin vital energy such as Vitamins in foods bring the body.

It energizes the oil glands to function more actively * * * it rouses the subcutaneous glands to action, gives the skin renewed vitality.

This germ destroying element * * * destroys the germs immediately, prevents their growth.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That respondent's products constitute a new or unique protection from the danger of blemishes;

(b) That said products will

1. Give the skin the care that makes beauty safe;
2. Change aging dryness to "supple youth";

(c) That element 576 brings directly to the skin vital energy or such energy as vitamins in food bring to the body;

(d) That element 576 in Woodbury's Cold Cream causes the oil glands beneath the skin's outer surface to function better, or wakes them up, or stimulates them, or energizes them to function more actively;

(e) That said element 576

1. Arouses the subcutaneous glands into action, or
2. Gives the skin renewed vitality;

(f) That the blemishes that every woman dreads are generally due to tiny infections;

and from making any other claims or assertions of like import. (Oct. 9, 1935.)

0974. Vendor-Advertiser—Medicinal Preparation.—The Bisodol Co., New Haven, Conn., vendor-advertiser, is engaged in selling a medicinal product for stomach ailments designated "Bisodol", and in advertising represented:

Indigestion * * * stomach disorders.

Stomach upset.

Halitosis or bad breath.

If you want to feel safe from the offense of halitosis; and know in your own mind that your breath is sweet all the time, start tomorrow with a teaspoonful of Bisodol in a glass of water before breakfast, and repeat again before you go out in the evening; where you're likely to dance or come in close contact with others. Try it, especially if you're subject to indigestion or an unsettled stomach.

Stomach discomforts.

Washes your stomach free of these indigestion and gas inviting fermentations as cleanly as soap and water washes your hands clean of soil. In other words, it bathes your stomach clean of the accumulations that foster stomach upset and discomfort.

* * * And incidentally—your breath, too, especially if you have a tendency to halitosis or bad breath.

Nausea.

Banish stomach discomfort, with the suffering upsets, and halitosis, it entails. Remarkable new scientific discovery.

A preparation that corrects common indigestion, stomach acidity, and gas, almost instantly.

It is totally different from anything else ever known, and so amazing in its results that it overcomes ordinary stomach distress or discomfort after eating in less than five minutes after taking * * * even when all other antacid preparations have failed. Largely on doctor's advice, people everywhere are discarding all less effective ways, and adopting Bisodol.

Bisodol makes a new scientific development in correcting stomach discomforts.

And if you don't feel that the most amazing sensation of relief, coolness, and quiet in your stomach that you've felt in months, take it back to the druggist and get your money.

Bisodol failed only one time in thirty-five to relieve gas indigestion.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is an effective treatment or remedy for any of the following ailments:

1. Indigestion.
2. Stomach disorders.
3. Stomach upset.
4. Halitosis or bad breath.
5. Unsettled stomach.
6. Nausea.
7. Stomach discomfort.

unless such representations are limited to relief of such ailments when due to gastric hyperacidity;

(b) That said preparation will remove from the stomach accumulations that cause stomach upset or discomfort;

(c) That said preparation will "banish", or "correct" any disorder or discomfort of the stomach;

(d) That said preparation is a new discovery or development;

(e) That said preparation is totally different from anything else;

(f) That beneficial results will be produced within five minutes, or within any definite period of time;

(g) That said preparation will be effective in cases where all other antacid preparations have failed;

(h) That people everywhere are discarding less effective preparations and adopting Bisodol or that such a change is being advised by doctors;

(i) That said preparation has been successful in relieving any ailment in any definite proportion of cases and substantiated by reliable scientific data;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials, published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 10, 1935.)

0975. Vendor-Advertiser—Correspondence Course.—Chicago School of Nursing, Chicago, Ill., vendor-advertiser, is engaged in selling a correspondence course in nursing, and in advertising represented:

Our nurses are earning regularly from \$25.00 to \$35.00 weekly with plenty of calls to keep them busy. Frequently earnings are far higher.

Our tuition rate and monthly payments are greatly reduced. The cost is now only \$5.00 down and \$5.00 monthly until \$75.00 is paid. A cash saving to you of \$25.00. You have been fortunate in inquiring about the course just now when this low rate—our lowest since 1919 is in effect. This is a temporary reduction to meet present conditions and is offered for immediate acceptance only.

The same day we receive your application your first training material will be mailed to you. When the postman delivers the first package you will find your handsome scholarship certificate. This will prove valuable as evidence of your training if you start actual nursing work as many students do before you receive your diploma.

C. S. N. graduates average \$25.00 to \$35.00 and more a week in addition to their room, board, and laundry.

Our method of teaching and of cooperation with students insures success.

Reduction in terms * * * At a recent special conference of our Board of Directors it was decided that for a time owing to business conditions a drastic reduction of terms would be made to our prospective students * * * \$1.00 is all that is needed now for you to become a member of the C. S. N. with full privileges.

Our complete C. S. N. course, as we have been giving it for over thirty-six years with all our personal service, nurses equipment, the examination work, diploma, etc. * * * costs the full \$100.00.

This offer is limited. Application must be mailed to us within two weeks from the date you receive this letter.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise.

Our nurses are earning regularly from \$25.00 to \$35.00 weekly with plenty of calls to keep them busy. Frequently earnings are far higher.

Our tuition rate and monthly payments are greatly reduced. The cost is now only \$5.00 down and \$5.00 monthly until \$75.00 is paid. A cash saving to you of \$25.00. You have been fortunate in inquiring about the course just now when this low rate—our lowest since 1919 is in effect. This is a temporary reduction to meet present conditions and is offered for immediate acceptance only.

The same day we receive your application your first training material will be mailed to you. When the postman delivers the first package you will find your handsome scholarship certificate. This will prove valuable as evidence of your training if you start actual nursing work as many students do before you receive your diploma.

C. S. N. graduates average \$25.00 to \$35.00 and more a week in addition to their room, board, and laundry.

Our method of teaching and of cooperation with students insures success.

Reduction in terms * * * At a recent special conference of our Board of Directors it was decided that for a time owing to business conditions a drastic reduction of terms would be made to our prospective students * * * \$1.00 is all that is needed now for you to become a member of the C. S. N. with full privileges.

Our complete C. S. N. course, as we have been giving it for over thirty-six years with all our personal service, nurses equipment, the examination work, diploma, etc. * * * costs the full \$100.00.

This offer is limited. Application must be mailed to us within two weeks from the date you receive this letter.

The respondent hereby further stipulates and agrees in soliciting the sale of said commodity in interstate commerce, to cease and desist from representing, directly or otherwise:

(a) That there are plenty of calls to keep C. S. N. nurses busy;

(b) That a lower charge for respondent's course which has been in effect for more than 3 years is either a temporary reduction or is offered for immediate acceptance only;

(c) That a "scholarship certificate" issued the same day the student registers for training, will "prove valuable evidence" of nurse's training;

(d) That C. S. N. graduates "average \$25 to \$35 and more a week in addition to their room, board, and laundry;"

(e) That respondent's method of teaching and cooperation insures success for the students unless modified to indicate that financial success is not insured;

(f) That any reduction in terms has been authorized for "prospective students" unless such reduction applies to all prospective students;

(g) That the price of the complete C. S. N. course is \$100 until \$100 is actually charged for same;

(h) That acceptance of terms by respondent is limited to any definite period of time unless such terms are refused after the expiration of the time indicated;

and from making any other claims or assertions of like import. (Oct. 10, 1935.)

0976. Vendor-Advertiser—Skin Preparations.—Jacobs Pharmacy Co., Atlanta, Ga., vendor-advertiser, is engaged in selling skin and complexion preparations known as "Dr. Fred Palmer's Skin Whitener Ointment, Skin Whitener Soap and Skin Whitener Face Powder," and in advertising represented:

FIVE MINUTE HOME TREATMENT MAKES SKIN LOVELY, GLOWING SHADES LIGHTER OVER NIGHT.

Complexion Becomes Whiter, Brighter and free from all Ordinary, Ugly Blemishes or Absolutely "No Cost."

SIMPLE TRIPLE TREATMENT WORKS IN AN AMAZING WAY.

Just five minutes of your time and a few pennies a day is all it takes to make your skin free from ugly surface blemishes such as pimples and blackheads. Overnight, as you sleep, this delightful scientific method works with magic-like effect. Try the Dr. Fred Palmer Skin Whitening and Clearing Treatment tonight.

Skin Gets Lighter as You

Cleanse it Pore-Deep with

SKIN WHITENER SOAP.

Skin is Smoother, Clearer and Youthfully Beautiful as Ugly Pimples and Blotchy Sallowness Go.

As you sleep in comfort—your complexion will start to lose that too-dark, sallow look.

Dr. Fred Palmer's Skin Whitening Treatment not only makes the skin look uniformly lighter, but actually lifts out surface blemishes such as pimples and blackheads. Skin at once becomes smoother when free from these ugly disfigurements. Have the allure of a more youthfully beautiful complexion.

After a few applications of this beauty treatment—tan marks, pimples and blemishes vanish * * *

* * * **DR. FRED PALMER'S TRIPLE TREATMENT** watch pimples * * * Sallowness Go * * *.

Pimples, ordinary ugly blemishes * * * sallowness go away quickly * * *

* * * a fine highly perfumed soap made of rare vegetable oils.

Dr. Palmer guarantees his products.

Believe the happy millions who gratefully say nothing else is nearly so good as Dr. Fred Palmer's.

Respondent also admits that it has caused advertisements to be published in newspapers in such a manner as to indicate that such advertisements are news articles.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of respondent's preparations will produce any substantial benefit or improvement in one night;

(b) That the use of any of respondent's preparations will—

Free the skin of pimples or blemishes; or
Cause pimples or blemishes to vanish, unless limited to pimples or blemishes in the outer layer of the skin;

(c) That respondent's preparations or any of them work in an amazing way;

(d) That respondent's soap will lighten or whiten the skin;

(e) That respondent's preparations are made of rare oils;

(f) That any of respondent's preparations alone or in combination is a competent or effective treatment for pimples, sallowness, blotches, skin blemishes or disfigurements, unless limited to such conditions in the outer layer of the skin;

(g) That respondent's ointment is safe;

(h) That any of respondent's preparations will "lift out" blemishes or pimples from the skin;

(i) That the use of any of the respondent's preparations will produce a youthful complexion;

(j) That the respondent's preparations are guaranteed by Dr. Fred Palmer, or from otherwise representing that Dr. Fred Palmer is now connected with the business operated by the respondent;

(k) That respondent's products have been endorsed by millions of persons, or by any other number, not supported by fact; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees in soliciting the sale of its products in interstate commerce, to cease and desist from (1) causing any statement to be published in any newspaper or magazine in such a manner as to import or imply that such advertisement is a news article; (2) designating respondent's soap as "Skin Whitener" soap, or from otherwise representing that respondent's soap will whiten or lighten the skin.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 11, 1935.)

0977. Vendor-Advertiser—Medicinal Preparations.—Giacomo La Guardia, doing business under the trade name of Herba Medicinal Laboratory, New York, N. Y., vendor-advertiser, is engaged in selling

the following commodities: La Guardia Stomatic Tea and Tonic, offered as a remedy for stomach troubles; Rheumatic Tea, offered as a remedy for rheumatism, etc.; Erbe Per La Tosse, offered as a remedy for coughs, colds, hay fever and catarrh; Scolo Diuretic Renal Tea, offered as a remedy for kidney troubles; Vegetolina Lini-ment, offered as a remedy for various pains; Pile-Aid, offered as a remedy for piles, hemorrhoids, etc.; Clear Skin Tea, offered as a remedy for all diseases of the skin; and Rejuvenatic Tea, offered for numerous and chronic physical ailments, and in advertising represented:

For an acid, swollen or painful stomach, indigestion, inflammation of the liver, headache, coated tongue, tiredness, nervous disturbances, backaches, rheumatism, purification of blood, eczema, asthma, hay-fever, cough, bronchitis, and colds, bad breath, help yourself in time. If you have these symptoms try La Guardia's herbs. His rejuvenating tea is excellent.

Stomach acid, pains, swellings, bad digestion or indigestion, inflammation of the liver, of the kidneys, intestinal catarrh, head pains, sleepiness, bad breath, rheumatism, coughs, bronchitis, eczema, asthma, etc., always have existed but when our ancestors were afflicted by any of these troubles they would seek aid by taking only herbs, and we say they were much healthier than us, is it not true? If our ancestors left us many aches and pains, they also left us many medicinal herbs we may take to fight any of these troubles which afflict us.

A great specialist in herbs is Mr. Giacomo La Guardia, and remember that only at Mr. La Guardia's store we will find herbs adapted for any one of our troubles, and they are the same herbs our ancestors used to use.

Also try The Clear Skin Tea for all diseases of the skin and The Rejuvenatic Tea for people who wish to get thin.

If you are troubled with headaches, kidney trouble, constipation, indigestion or any of the ailments concerning the digestive system, the safe method of relief is to use those remedies supplied by nature. Giacomo La Guardia * * * has shown many people in poor health that the use of *herbs*, nature's own medicines could do more for their troubles than any other type of remedy * * * Bear in mind that the natural way to relieve your ailments is to use natural remedies. *Herbs have always been the safe sure way of relief.*

DISEASE OF THE STOMACH AND INTESTINE

The Stomach should have special consideration because it is the motive force which gives energy to all the members so that they may be able to exercise that function. Remember that no member can act efficiently without a good functioning of the stomach. It is strange and deplorable to treat such an important organ according to our pleasure. We have a regard for the other organs, giving them adequate rest, but the stomach, which should always be nourished, is completely neglected.

We then suffer the consequences of complicated and constant diseases.

Dispositions are so diverse and it is particularly those of a NERVOUS disposition who are more easily affected. In general there are very few who tolerate modern food without experiencing injury to the health.

The first symptoms of digestive diseases are apparently light. One has a disagreeable sensation in the stomach. Swelling and heaviness in the stomach immediately after the meals still do not seem to point to any disease; pyrosis and acid regurgitations of the stomach are always symptoms of incipient disease.

Take it in time, do not delay a single moment. Today you may be able to prevent the possible harmful consequences of the disease because the stomach is the motor force of the entire organism.

Why not prevent in time? At the first symptoms of disturbance, make immediate use of La Guardia Stomachic Tea and Tonic, a combination of herbs, roots, flowers and leaves, selected and gathered in the East Indies, on the Alps of Italy and on the mountains of Sila and Sicily and afterwards subjected to the examination of the most expert professors of botany.

Gas in the stomach, acidity, swelling of the Stomach, vertigo, headache, bad breath, coated tongue, constipation, irritation, inflammation, nervousness, fatigue, vomiting, etc.

In addition to the affections mentioned above it is of great efficacy in some forms of kidney and liver disorders, nervous disturbances, backache and is very efficacious for purifying the blood.

If your children suffer with constipation, headache, lack of appetite, indigestion, visceral catarrh * * * this decoction should be taken every evening in the manner specified.

You may eat what you like, not harming in any way the beneficial effect which your stomach derives from these herbs.

We are all subject to the danger of indigestion but we are all able to combat it in only TWO MINUTES by drinking a cup of these beneficial herbs, thus eradicating swellings, acidity, and any disturbance of the stomach.

Return to MOTHER NATURE because nature creates these herbs and she alone can inspire real confidence.

ERBE PER LA TOSSE

(Herbs for the cough)

DO YOU SUFFER WITH COUGHS, BRONCHIAL CATARRH, HAY FEVER, ACUTE OR CHRONIC COLDS? Do your children suffer with bronchial coughs, colds, etc.?

Use our HERBS FOR THE COUGH.

RHEUMATIC TEA

Do you suffer with rheumatism, sciatica, lumbago, stiffness, pains in the groins, backache, articular pains? Ask for our RHEUMATIC TEA. After having used it a single time you will quickly note its efficacy.

CLEAR SKIN TEA

An excellent compound of rare and beneficial herbs for combatting disorders of the skin, irritations, small boils, pimples, and other eruptions caused by irregular eliminations.

SCOLO DIURETIC RENAL TEA

Assists and stimulates the kidneys to increase the flow of urine, eliminating residues.

Absorbs the minor irritations of the urethral and vesical canals.

Thousands of testimonials are able to assure you of the efficacious effect produced by the use of these exceptional and unique herbs.

REJUVENATIC TEA

(Rejuvenating Tea)

An excellent preparation to be taken while reducing the weight.

When one has become too fat either through foods, which are too fattening or through lack of exercise, excellent results may be obtained by means of THE REJUVENATIC TEA.

The REJUVENATIC TEA is composed of pure vegetable ingredients so well combined that they produce a beneficial action and assist in freeing the system of the useless residues. Its action on the kidneys and intestines tends to increase their vigor, thus assisting the body to free itself of excessive weight.

The complete method of the Rejuvenatic Tea consists of a rational elimination in order to correct the cause of excessive weight acquired by indiscretion in eating and by lack of exercise.

PILE-AID

IF YOU SUFFER WITH INTERNAL AND EXTERNAL HEMORRHOIDS, NO MATTER HOW OLD OR CHRONIC YOUR CASE MAY BE, ask for our PILE-AID, the new, powerful and efficacious remedy which has the property of completely drying up the hemorrhoids and eradicating burns, puritus, loss of blood and inflammations. After the first applications you will obtain immediate alleviation. Puritis, burning, and inflammation will disappear as if by magic.

VEGETOLINA LINIMENT

DO YOU SUFFER WITH PAINS IN THE ARMS, LEGS, BACK, SHOULDERS, CAUSED BY INTEMPERANCE? Ask for our Vegetolina Liniment.

A single massage with it on the affected joint will cause the pains to disappear as if by magic.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinions rendered the Commission, these various products are not competent remedies for the diseases and ailments mentioned, and some of the names are objectionable for the reason that such descriptive titles imply medicinal ingredients and therapeutic properties not present in any of said preparations.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said products in interstate commerce to cease and desist from representing directly or otherwise:

(a) That La Guardia's herbs without regard to the underlying causes, are a competent treatment or an effective remedy for

1. Stomach acid,
2. Swollen or painful stomach,
3. Indigestion,
4. Inflammation of the liver,
5. Headache,
6. Coated tongue,
7. Tiredness,
8. Nervous disturbances,

9. Backaches,
10. Rheumatism,
11. Purification of blood,
12. Eczema,
13. Asthma,
14. Hay fever,
15. Cough,
16. Bronchitis,
17. Colds,
18. Pains,
19. Swellings,
20. Bad Digestion,
21. Constipation,
22. Inflammation of the kidneys,
23. Kidney trouble,
24. Intestinal catarrh,
25. Head pains,
26. Sleepiness,
27. Bad breath, or
28. "Any of the ailments concerning the digestive system;"

(b) That the respondent is "a great specialist" in herbs;

(c) That only at respondent's store will herbs be found adapted for anyone of your troubles;

(d) That respondent's Rejuvenatic Tea or Rejuvenating Tea is an effective treatment for the above named ailments, or that it will enable persons to get thin or to reduce weight, or that it corrects the cause of excessive weight acquired by indiscretions in eating, by lack of exercise, or by any other means;

(e) That respondent's Clear Skin Tea is a competent treatment for all diseases of the skin, or that it effectively combats disorders of the skin, irritations, small boils, pimples or other eruptions caused by irregular eliminations or otherwise;

(f) That respondent's Stomatic Tea and Tonic without regard to underlying conditions, is a competent treatment or an effective remedy for

1. Diseases of the stomach and intestines,

2. The consequences of complicated and constant diseases resulting from neglect of the stomach, a nervous disposition, pyrosis, acid regurgitation of the stomach, gas in the stomach, swelling of the stomach, vertigo, headache, bad breath, coated tongue, constipation, irritation, inflammation, nervousness, fatigue, vomiting, kidney or liver disorders, nervous disturbances, backache, purifying the blood, or visceral catarrh;

(g) That said Stomatic Tea and Tonic will enable you to eat what you like or will in two minutes or in any other period of time eradicate swellings, acidity, or any other disturbance of the stomach;

(h) That respondent's herbs are natural remedies because Nature created them;

(i) That respondent's Erbe Per La Tosse without regard to the underlying causes, is a competent treatment or an effective remedy for either coughs or bronchial catarrh, or hay fever or acute or chronic colds;

(j) That respondent's Rheumatic Tea without regard to underlying causes is either an effective treatment or a competent remedy for rheumatism or sciatica, or lumbago, or stiffness, or pains in the groin, or backache, or articular pains;

(k) That respondent's Scolo Diuretic Renal Tea would be of value in eliminating residues or that it absorbs the minor irritations of the urethral and vesical canals;

(l) That respondent's Pile-Aid is a competent treatment or an efficacious remedy for the various forms of hemorrhoids or that it completely dries up hemorrhoids or eradicates burns, puritus, loss of blood or inflammations; or that these conditions will disappear as if by magic;

(m) That respondent's Vegetolina Liniment is a proper remedy for pains in the arms, legs, back or shoulders caused by intemperance, or that a single application when applied to affected joints would cause the pains to disappear as if by magic; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees to discontinue the use of the following descriptive names until such time as the respective products are efficacious for the purposes thereby implied:

Stomatic Tea and Tonic

Rheumatic Tea

Renal Tea

Pile-Aid, and

Vegetolina Liniment (which article contains among other things soap and kerosene).

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 12, 1935.)

0978. Vendor-Advertiser—Food Preparation.—R. B. Davis Co., Hoboken, N. J., vendor-advertiser, is engaged in selling a food preparation designated "Cocomalt" and in advertising represented:

Chock full of those very important vitamins, mineral nutrients and calories—all are found in Cocomalt.

By the right kind of nourishment we mean giving your body all the elements it needs for proper growth, sound bone structure, energy and strength, Cocomalt * * * has been created to give you these essential food elements.

If you drink Cocomalt in milk every day, week after week, you can be sure that you will develop lasting strength and vitality.

1st Boy: Jean, are you co-operating with Buck and Wilma?

1st Girl: Yes, I drink Cocomalt every day.

1st Boy: Good, then you are a full fledged member of the Buck Rogers and Wilma Deering Club.

2nd Girl: Mr. Chairman and Club Members. Every member of our club has gained weight since last month's meeting. Honorable mention goes to Mary Marshall for the greatest gain—four pounds and two ounces. (HAND CLAPPING.) Now we haven't a single member who is underweight.

On every can of Cocomalt you will find a little seal which reads: Accepted by American Medical Association, Committee on Foods. This seal means a great deal. It means that * * * every claim made for it is true.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product contains "all" vitamins, mineral nutrients and calories;

(b) That said product will increase or build up strength, energy, vitality and weight in "all" cases;

(c) That by the use of said product one will gain any definite number of pounds within any definite period of time;

(d) That said product contains "all" of the elements necessary to the growth of children;

(e) That by the use of said product one will develop "lasting strength" and vitality;

(f) That approval of the American Medical Association, Committee on Foods, is proof that statements are true; and from making any other claims or assertions of like import. (Oct. 12, 1935.)

0979. Vendor-Advertiser—Oil Heater.—Everbrite Products Co., Kansas City, Mo., vendor-advertiser, is engaged in selling an oil burning heating stove called the "Everbrite Radiant Heater", and in advertising represented:

AGENTS-DEALERS. Everbrite Radiant Heaters, cookstove burners, hot water heaters, and furnace burners, sell on sight. Demand is enormous. Exclusive territory going fast. Opportunity to make up to \$500.00 a month right from your own home. Write or wire at once for protected territory.

FREE OFFER. Learn how you can get this new invention FREE, if you help introduce it to your friends and neighbors.

You should make \$60.00 to \$100.00 a week or more.

You can make not only \$60.00 to \$100.00 a week, but have an opportunity to make a thousand and even over two thousand in a month.

"Hundreds Waiting for a Demonstration." You show them—we'll send the heaters and you should make \$60.00 to \$100.00 a week easy.

That means an opportunity to make \$500.00 a month and more, depending upon the time.

I would like to send you a new Everbrite Heater FREE * * *

You get your Heater absolutely free of charge * * * You can make yourself more money than ever before.

Cheaper Than Coal.

It will burn at full blast the entire day for a few cents—less than the cost of a single bucket of coal.

Everbrite, when burning full blast, costs less than 1¢ an hour to operate.

The first and most successful portable heater to burn ordinary coal oil or kerosene.

The cheapest fuel known.

Hundreds waiting for a demonstration.

Burns a cheap grade of oil.

This new type of Radiant heater actually takes the place of two or three stoves.

Have about twice the heat you now have from your old wood or coal stove and save half the cost.

It is cheaper and better than city or natural gas.

There is no soot, smoke, dirt or odor.

New invention that is sweeping the country.

Flame twice as hot as wood or coal.

Never failed to work.

Much cheaper than wood even here in this little town where wood is plentiful.

Gives more heat than a gas stove of the same size.

This gave me all the heat I required at a cost to me of 58¢ per month.

I found it to produce an extreme amount of heat for the least amount of money * * * heated two large rooms with it in the dead of winter.

Saves 50% to 60% on my fuel bill.

Everbrite stoves soon pay for themselves in the saving of fuel.

I think of no heater, regardless of price, that would give me the same satisfaction, comfort and cheer * * *

Most economical and convenient heater made.

There is no better heater at any price.

Combustion is perfect, making it impossible for any gas to escape unconsumed.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in fact although requested to do so the respondent has furnished no proof of dealers' earnings and profits as represented; kerosene is not a cheap heating oil and cannot be operated more cheaply than coal for the same number of heat units generated; neither is such a heater better or cheaper than city or natural gas; the heater is not given "free" to anyone and the purported demand for it is greatly exaggerated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the Everbrite Radiant Heater—

1. Is the first or most successful portable heater ever to burn ordinary oil or kerosene;
2. Is the most economical or convenient heater made;
3. Actually takes the place of two or three stoves;
4. Gives more heat than a gas stove of the same size and is much more healthful;
5. Gives twice the heat one now has from his old wood or coal stove and saves about half the cost.

(b) That said heater—

1. Is cheaper than wood where wood is plentiful;
2. Burns at full blast the entire day for a few cents, or for less than the cost of a single bucket of coal;
3. Gives all the heat required at a cost of 58¢ per month;
4. Produces an extreme amount of heat for the least amount of money;
5. When running full blast costs less than one cent an hour to operate;
6. Saves 50% to 60% on one's coal bill; or
7. Soon pays for itself in the saving of fuel.

(c) That the flame of this heater is twice as hot as wood or coal;

(d) That the combustion is "perfect" or makes it impossible for gas to escape unconsumed;

(e) That said heater "never failed to work";

(f) That the demand for Everbrite Heaters is "sweeping the country";

(g) That hundreds are waiting for demonstration of said heater;

(h) and from making any other claims or assertions of like import.

Respondent, in soliciting dealers and salespersons for its product, further stipulates and agrees

(i) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in due course of business;

(j) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as much as", or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions and in due course of business;

(k) Not to represent that any Everbrite Radiant Heater is offered "free" to any person unless it is given without requiring the payment of any money, the rendering of any service, or the purchase of any other article.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 15, 1935.)

0980. Vendor-Advertiser—Correspondence Course.—J. W. Elwood, doing business under the trade name "The Northwestern School of Taxidermy", Omaha, Nebr., vendor-advertiser, is engaged in selling a correspondence course in Taxidermy and in advertising represented:

1. You receive all these complete courses for one very moderate tuition fee which pays for everything and you receive the fine lithographed diploma FREE.
2. Make \$10 to \$35 per week from your spare time. Many students make much more than that.
3. "Impossible to Fail." I used to think that it was impossible to learn taxidermy by mail, but since taking your course if you apply yourself IT IS IMPOSSIBLE TO FAIL.
4. Ed,—that brings my spare time earnings up to \$57 this month.
5. Think what an extra \$50 per month would mean to you—You can make that extra money from taxidermy—You can make \$50 per month extra. We know it—it is up to you.
6. You can make money in taxidermy and devote just your spare time to it—You can make \$20, \$30, or \$50 a week without interfering with your regular work.
7. We guarantee to teach you successfully.
8. Big profits—Many students earn from \$50 to \$80 a month. Others earn from \$1,000 to \$2,000 a year.
9. You can learn to mount birds—Make money—Many students earn from \$50 to \$100 per month from spare time. So can you.
10. Besides taxidermy, learn also to tan leather. Tan fine furs—we teach you genuine chrome method—never before revealed.
11. Learn to mount birds—sure profit.
12. Success guaranteed—Ask our 200,000 graduates. They know we can teach you successfully. Our great success permits this guarantee.
13. Taxidermy—I can earn from \$50 to \$90 per month from my spare time.
14. Be a taxidermist—earn \$50 to \$100 per month in your odd moments—uncrowded field. Many students earn from \$10 to \$20 per week while learning.
15. Learn tanning. Quick sure profits. Big profits. One trapper writes, "I made \$2,000 last year from taxidermy"—Northwestern School of Taxidermy.
16. J. W. Elwood, President, Northwestern School of Taxidermy, Omaha, Nebraska.
17. Mr. Elwood is president of our institution.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the so-called diploma awarded to "graduates" of respondent's course is free;

(b) That it is impossible for students or "Graduates" of respondent's course to fail;

(c) That respondent guarantees to teach successfully every prospective student;

(d) That respondent's chrome method of tanning has never before been revealed;

(e) That the success of students or "graduates" of respondent's course is guaranteed, or that profits are sure;

(f) That the business conducted by the respondent is an institution;

(g) That the respondent is president of the business conducted by him, or from otherwise implying that such business is conducted by a corporation or an association;
and from making any other claims or assertions of like import.

Respondent further stipulates and agrees in soliciting the sale of said commodity in interstate commerce to cease and desist from

1. Issuing or awarding diplomas to purchasers of said course unless and until such purchasers are required to demonstrate their knowledge of the art of taxidermy by passing appropriate examinations or meeting other adequate requirements;

2. Representing that purchasers of said course are graduates unless such purchasers meet the requirements set forth in the preceding paragraph;

3. Making unmodified claims as to the amounts that students of respondent's course may expect to earn when such amounts are in excess of the average amount that has actually been earned by other students under normal conditions.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 15, 1935.)

0981. Vendor-Advertiser—Correspondence Course.—McCarrie School of Mechanical Dentistry, Philadelphia, Pa., vendor-advertiser, is engaged in selling a correspondence course in mechanical dentistry, and in advertising represented:

Special low price for a *limited time only*. Only \$10 a month—a very small amount for you to invest to earn more money * * * to own a business of your own * * * Do not waste another day. Fill in the enclosed enrollment. Put \$10.00 with it and mail it today.

Expert mechanical dentists earn up to \$125 a week.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exag-

gerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the regular price of respondent's course is a special price;

(b) That any reduction in price of respondent's course is for a limited time, unless a definite time limit is fixed and the former price charged at the expiration of such time;

and from making any other claims or assertions of like import.

Respondent further stipulates and agrees in soliciting the sale of said commodity in interstate commerce, to cease and desist from representing as maximum earnings that may be expected by graduates of respondent's school, by such expression as "up to" or its equivalent, any amount in excess of what has been actually earned by one or more of the graduates of such school under normal conditions. (Oct. 16, 1935.)

0982. Vendor-Advertiser—Medicinal Treatment.—The Master Drug Co., Inc., Omaha, Nebr., vendor-advertiser, is engaged in selling a medicinal treatment offered for numerous ailments, known as "Commanders", and in advertising represented:

You know, friends, if a food does not contain a vitamin content, it should never be taken into the system. The most common non-vitamin foods are sugar, white flour, white rice and macaroni products. Look to some other source for your carbohydrates, proteins and fats. For even the foods containing the greater vitamin content is not sufficient to make up a vitamin deficiency in your system. Lack of vitamins and the results of such a condition may be witnessed on every hand. Folks suffering from rheumatism, arthritis, neuritis, stomach, kidney, and bladder disorders, eye, ear, nose, and throat infection. Those folks who are suffering from high blood pressure, secondary anemia, Bright's disease, constipation and colitis—friends, these conditions are brought on by lack of vitamins in their regular diet. You must have the vitamins or the carbohydrates, proteins and fats and salts will not support life. The difference in vitamins and lack of vitamins is the difference in feeling fit every day, lots of pep, able to enjoy your work and your friends and being sick and draggy all the time. It is next to impossible, friends, to receive sufficient quantities of vitamins from the ordinary run of present day foodstuffs. You must resort to vitamin concentrates. The answer is Commanders, spelled C-O-M-M-A-N-D-E-R-S, because scientists have proved that vitamins activate each other. Therefore, you must take all of the vitamins in sufficient quantity and in a harmonious relationship. That's exactly what you get in Commanders. In one Commander you actually receive vitamins equivalent to many, many pounds of ordinary food. In one Commander there are vitamins equivalent to the vitamins in the following: one quart of milk, 100 loaves of white bread, plus one large spoonful of cod liver oil, one cake of yeast, one egg, one orange, one plate of spinach, and one plate of whole wheat. Vitamins! Pure vitamins in concentrate form and in sufficient quantity, but not only that, in a most harmonious relationship. Not just one or two vitamins,

friends, I mean vitamins A, B, C, D, E, and G. That's exactly what you get in Commanders. Now if you're sick from the common cold, get Commanders and break that cold in record time. You can do it with Commanders. If you can't, Commanders will not cost you one red cent. If you're suffering from constipation, colitis, stomach disorders, or if you're suffering from secondary anemia, get Commanders and save the difference. Remember the price—one dollar, and Commanders are on sale at all of the leading drug stores everywhere. Commanders is spelled C-O-M-M-A-N-D-E-R-S.

Commanders are derived from pure food sources.

Commanders are rich in all six of the known vitamins.

The food value in Commanders has been derived from pure food sources as milk, spinach, eggs, wheat, and fruit.

Every Commander contains all six vitamins in raw, active, and potent form, and in such highly concentrated form that one Commander with each meal aids in the correction of many diseases, and builds our vigor to withstand infection and fatigue.

Today there is one certain way in which we can give our bodies these needed vitamins. That is by taking Commanders.

Every Commander contains the vitamins from the 38 best known sources.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the said claims and representations of the advertiser are not supported by the evidence submitted.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Commanders

1. Are derived from pure food sources; or
2. Are "rich" in all six of the known vitamins; or
3. Aid in the correction of many diseases; or
4. Build our vigor to withstand infection and fatigue; or
5. Contain the vitamins from the 38 best known sources;

(b) That Commanders are a competent remedy in the treatment of

1. Rheumatism,
2. Arthritis,
3. Neuritis,
4. Stomach, kidney, and bladder disorders,
5. Eye, ear, nose, and throat infections,
6. High blood pressure,
7. Secondary anemia,
8. Bright's disease,
9. Constipation and colitis, or
10. The common cold.

(c) That the foregoing ailments are "brought on by lack of vitamins in the regular diet", unless duly qualified to indicate only that certain ones are sometimes so caused;

(d) That "in one Commander there are vitamins equivalent to vitamins in the following: one quart of milk, 100 loaves of white bread, plus one large spoon full of cod liver oil, one cake of yeast, one egg, one orange, one plate of spinach, and one plate of whole wheat";

(e) That "you get vitamins A, B, C, D, E, and G" in Commanders in effective amounts;

(f) That Commanders will "break up a cold in record time", or at all;

(g) That it is "next to impossible to receive sufficient quantities of vitamins from the ordinary run of present day foodstuffs";

(h) That to be healthy and normal, one "must resort to vitamin concentrates";

(i) That "vitamins activate each other";

(j) That Commanders provide a sufficient quantity of all the vitamins and in a harmonious relationship;

(k) That the "one certain way" to provide our bodies with the needed vitamins is by taking Commanders; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing statement. (Oct. 16, 1935.)

0983. Vendor-Advertiser—Carded Merchandise.—Best Products Corporation, Seattle, Wash., vendor-advertiser, is engaged in selling carded merchandise, and in advertising represented:

AVERAGE BETTER THAN \$300 A MONTH—The minute you show BEST PRODUCTS Carded Aspirin, Quinine, Lighter Flints, Chewing Laxative, merchants recognize their added appeal. You make good money—the merchant gets better than average profit, the customers get first quality merchandise. Several men average \$300 a month selling BEST PRODUCTS * * * Send TODAY for CATALOGUE and special distributor's deal, to the largest counter display merchandise packer in the West. BEST PRODUCTS CORPORATION, 421 First Avenue, South, Seattle, U. S. A.

BEST ASPIRIN * * * *The Aspirin your Doctor Prescribes*

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that respondent has failed to furnish proof that any of its salespersons have earned the sums of money mentioned in the advertisements; that Best's Aspirin is not *the* aspirin your doctor prescribes;

and that respondent does not occupy a large seven-story building as pictured in its advertising literature and letterheads, but only office space therein.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce:

(a) Not to represent Best's Aspirin as "*THE* Aspirin your doctor prescribes";

(b) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time salespersons or dealers achieved under normal conditions in due course of business;

(c) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

(d) Not to represent or hold out as maximum earnings, by the use of such expressions as "up to," "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions and in due course of business;

(e) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings; and

(f) Not to include in its letterheads or advertising material a picture of the building in which respondent has rooms, with a fanciful sign depicted thereon implying that respondent occupies the whole of said building; and not to include a picture of such building with the words, "Best Products Corporation," without using in immediate connection therewith the words, "In which Best Products Corporation has quarters," or without using equivalent explanatory phraseology indicating clearly that the respondent does not own or occupy, save in a limited way, the building pictured. (Oct. 16, 1935.)

0984. Vendor-Advertiser—Medicated Ointment.—Scholl Manufacturing Co., Inc., Chicago, Ill., vendor-advertiser, is engaged in selling a medicated ointment designated "Solvex" and in advertising represented:

The germ killing power of this ointment quickly rids you of every sign of "athlete's foot" and other ringworm infections and soon restores the inflamed, cracked, or scaly skin to normal.

"Athlete's Foot." Get this quick sure relief. * * * quickly kills the germ.

Feet itch? Sign of "Athlete's Foot." Never neglect itching feet or toes—a sure sign of "Athlete's Foot." Stop it with Dr. Scholl's Solvex before it spreads to other parts of the body.

If your feet itch or if the skin is moist, red, cracked, peeling, a thick dead-white, or is breaking out in blisters—it is the sign of ringworm or "Athlete's Foot." Dr. Scholl's Solvex * * * specially compounded ointment relieves itching at once; quickly kills the germs and soon restores the skin to normal.

* * * quickly kills the germs and soon restores the skin to normal. Kills germs of "Athlete's Foot." * * * don't experiment with anything that is not recognized as a specific treatment. Dr. Scholl's Solvex stops the itching at once—penetrates the infected tissues and quickly kills the ringworm germ.

Beware of itch on feet and toes. It's Athlete's Foot! Immediate relief assured. The symptoms of ringworm infections * * * are unmistakable. They are itching of feet, tiny blisters on toes, cracked, thick, or white skin between the toes. Lose no time in getting rid of this infection as it can easily spread to other parts of the body. Make-shift remedies—"cures" for many conditions—merely prolong your misery * * * Dr. Scholl's Solvex. This special ointment immediately ends intense itching; penetrates into the infected tissues; quickly kills the germs.

Dr. Scholl's Solvex! The germ killing power of this ointment quickly rids you of every sign of "Athlete's Foot" and other ringworm infections, and soon restores the inflamed, cracked, or scaly skin to normal.

* * * Dr. Scholl's Solvex, a specially prepared ointment for treatment of itching feet and toes. "Athlete's Foot", "Golfer's Itch", "Gym Foot", "Ringworm." It quickly stops the intense itching between the toes, on top of toes, and on the soles of the feet caused by this infectious skin disease * * * kills the germ, stops the itch at once, gives complete relief, and prevent spreading to other parts of the body.

Dr. Scholl's Solvex for treatment of Epidemophytosis, "Athlete's Foot", "Golfer's Itch", "Gym Foot", Eczema, Ringworm on the feet and between the toes * * * stubbornly resists most treatments, but all symptoms quickly disappear under treatment of Solvex.

"Athlete's Foot" * * * Dr. Scholl's Solvex will give prompt relief even in the most severe cases. Its antiseptic properties kill the fungi and stop the itch. It is prepared in ointment form rather than in liquid, purposely so that it will remain on the infected part long enough to penetrate deeply and destroy the parasite.

Dr. Scholl's Solvex * * * effects complete relief.

"Athlete's Foot" Dr. Scholl's Solvex stops itching feet and toes at once, heals the sore spots, and kills the germ immediately.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission this product has some value in the treatment of "Athlete's Foot" but is not an adequate remedy for Tetter and Eczema; that the claims made for it are greatly exaggerated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations.

and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the said ointment will "rid" one of every sign of "Athlete's Foot" or other ringworm infections, or restore inflamed, cracked, or scaly skin to normal;

(b) That Solvex is a sure relief for "Athlete's Foot";

(c) That itching feet is a sure sign of "Athlete's Foot";

(d) That Solvex will give permanent relief;

(e) That Dr. Scholl's Solvex will come in contact with and kill the germs of "Athlete's Foot" in all cases;

(f) That Solvex will kill germs quickly or immediately;

(g) That Solvex will give "complete" relief;

and from making any other claims or assertions of like import. (Oct. 16, 1935.)

0985. Vendor-Advertiser—Skin Cream.—Medi Creme, Inc., Baltimore, Md., vendor-advertiser, is engaged in selling a skin cream designated "Medi Creme" and in advertising represented:

Recommended for blackheads, enlarged pores, tired burning feet.

Medi Creme is non-toxic and mildly antiseptic.

A medicinal aid in the treatment of bed sores, insect bites, the itching associated with poison-ivy, acne, eczema, and hemorrhoids. Greaseless.

It penetrates.

Tried and proven relief for sunburn and all types of skin infections.

It brings quick relief from skin and foot infections of various kinds.

Medi Creme filters the rays of the sun, making it easy to obtain a smooth coat of tan without danger of burning.

It contains eucalyptus and ten other volatile oils, all beneficial to the skin, making it most effective not only in treating and preventing sun and windburn but in the treatment of acne or blackheads, eczema, and other irritating skin infections, including foot trouble.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Medi Creme is a competent remedy in the treatment of enlarged pores, bed sores, acne, eczema or hemorrhoids;

(b) That Medi Creme is antiseptic;

(c) That Medi Creme penetrates;

(d) That Medi Creme is a relief or treatment for skin or foot infections or foot troubles;

- (e) That Medi Creme filters the rays of the sun ;
 (f) That Medi Creme contains any specified number of volatile oils when such number is in excess of those actually present ;
 and from making any other claims or assertions of like import.
 (Oct. 22, 1935.)

0986. Vendor - Advertiser — Medicinal Treatment. — Az-Ma-Gon Remedies Corporation, a corporation advertising as Hanson's Az-Ma-Gon Remedies Co., Amery, Wis., vendor-advertiser, is engaged in selling a treatment for asthma and hay fever known as Az-Ma-Gon and in advertising represented:

Brings immediate relief from Hay-Fever attacks and prevents their occurrence even in the midst of exposure to the things which cause this irritating and disheartening condition of the head and nasal passages.

Compounded of eight effective and harmless ingredients.

If you have Hay-Fever or Asthma, you can expect sure, quick and harmless relief from Hanson's Liquid Az-Ma-Gon.

Absolutely harmless.

The greatest enemy of Hay-Fever yet discovered.

Taken internally it brings positive, harmless relief.

Discovery of a remedy for Hay Fever.

This harmless formula he gave to his father, who, within a few short weeks after taking it, pronounced himself completely relieved of his annoying and treacherous malady.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion this preparation will not cure asthma or hay fever or reduce the frequency of attacks; furthermore, it is dangerous in that it would have a deleterious effect on those suffering from pulmonary tuberculosis, also is harmful for children.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That Az-Ma-Gon
1. Brings immediate relief from hay fever attacks; or
 2. Prevents the occurrence of hay fever attacks, in the midst of exposure to the things which cause the same, or otherwise;
- (b) That Az-Ma-Gon is "harmless" or "absolutely harmless";
- (c) That sure, quick, and harmless relief from hay fever or asthma, may be expected upon taking Az-Ma-Gon;
- (d) That Az-Ma-Gon
1. Is a "remedy" for hay fever;
 2. Is the greatest enemy of hay fever yet discovered;

3. "Completely" relieves the sufferer of his annoying and treacherous malady;
and from making any other claims or assertions of like import.
(Oct. 22, 1935.)

0987. **Vendor-Advertiser—Collection System.**—Mitchell I. Heim, an individual doing business under the trade name of Credit Guaranty Association, Minneapolis, Minn., vendor-advertiser, is engaged in selling C. G. A. Account Collection System and in advertising represented:

Office of President.

From Mitchell I. Heim,
Credit Guaranty Association,
Minneapolis, Minnesota.

I help you sell your first ten prospects * * * I immediately write these prospects about the Account Liquidating System that is guaranteed in writing to bring them 1,200% profit. * * * It should be no trick at all for you to install two systems a day. Two installations daily pay you up to \$120 a week.

There is also an opening in your community for a District Superintendent. It is always our policy to promote our men from the ranks when a district superintendency is open. As a district superintendent you train sub-agents and collect a profit on all of their sales. I am keeping you in mind for this opening and will tell you more about it when you send in your application. * * * The only privilege I ask is that you let me send you the complete outfit for your free trial.

Bonded attorneys everywhere—Credit Guaranty Association.

Personal Letter from President Mitchell I. Heim.

I cannot hope to fill the increased demands for my services all over the Nation.

This System contains the same plans and secrets that large national concerns have paid thousands of dollars to learn. * * * Automatically they bring back cash by mail. They are guaranteed to bring results.

Everything is guaranteed. Any shrewd business or professional man won't hesitate a minute when you show him this amazing guarantee backed by a \$100,000 corporation.

Installing only three Systems a day brings you up to \$30 a day profit * * * a business so big that installing only three Systems daily brings you \$180 a week clear profit * * * Picture yourself pocketing profits like this, and on top of these large profits getting large commission checks direct from me for mail orders, repeat orders sent in by customers from exclusive territories.

I give you secrets I myself discovered and use to assure you a steady income in a growing business. I offer you a complete business, exclusive territory rights, approved plan and my own million dollar collection secrets to put you into a business of your own * * * My whole big \$100,000 corporation will work right with you at all times to assure your success. Waterman of Illinois sold the first man he called on. Rushed his order for 35 more systems and writes he expects to make at least \$10,000 a year.

C. G. A. is a business system that guarantees you a cash return of 1,200% on your investment of only \$7.50 of \$15.00. Imagine making a profit of \$180 on a \$15 investment. * * * Within a few days our personal representative who is in your locality will call on you. His primary purpose is to explain the C. G. A. System * * * Furthermore, we have authorized him to offer you, without any charge, a complete course in one of the most vital * * * phases of modern business. This is a gift offer made to a few business men in your locality.

* * * should you desire to install C. G. A. you will receive an air-tight guarantee of additional profits up to 1,200% minimum returns.

This system consists of a series of professional collection letters, which should be typed on your own stationery and sent on your past due accounts. * * * Powerful \$100,000 collection corporation backs subsequent demands for payment. After the letters have been mailed, powerful Guaranty Association forms which were sent you are sent out to debtors. These forms make them realize that a large national organization is behind you in your demands for payment. * * * Even the most stubborn debtor yields to this pressure. * * * Results are quick and certain * * * in addition to guaranteeing that this \$7.50 system will show you a 1,200% return on your money, we also give you free a valuable course in credits and collections.

* * * It also provides for a copy of free course in credits, collections, slips to issue to each client you sell. This free course was originally written to sell at the high price * * * think of being able to give it free to every one of your customers who install one of your systems.

Only three sales daily net you \$90 to \$180 per week * * * It should not be long before you approach an income of at least \$8,000 to \$12,000 a year.

I make it possible for capable men to earn \$90 or more a week for three sale daily.

Each customer becomes a member of the C. G. A. and gets special collection advice for a whole year without one cent of extra cost.

CREDIT GUARANTY ASSOCIATION

Rated at \$100,000.

Will you accept a dignified position showing these men how to collect the money that is rightfully theirs * * * The men chosen will represent one of the largest corporations of its kind in America?

A major part of the C. G. A. Systems are installed on trial without investment until the system has paid for itself. No matter how it is sold, however, C. G. A. is guaranteed to prove at least twelve times worth its cost, or the Credit Guaranty Association makes good. Success comes to you easily with C. G. A. and without high pressure selling, as you do not ask your prospect to risk a penny as cash, and because you sell nothing on profits. * * * You cannot have a single failure, C. G. A. cannot fail. It must make good or we will.

A single sale per day can net you \$72 clear profit every week. If the average man should easily make two to five installations a day, earning from \$144 to \$360 a week * * * there is literally no end to this tremendous business and its profits for you.

Sales men are making regular incomes of up to \$120, and more weekly.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That circular letters to prospective agents or representatives are personal,

(b) That respondent's collection system is nationally recognized;

(c) That there is an opening for District Superintendent in any community, unless respondent has in such community an established organization to be supervised or directed by a superintendent;

(d) That respondent retains bonded attorneys;

(e) That said system contains the same plans and secrets that large national concerns have paid thousands of dollars to learn;

(f) That said system will "automatically" bring back cash;

(g) That said system includes million dollar collection secrets;

(h) That there cannot be a single failure in the use of respondent's system;

(i) That any merchandise is sent on "free" trial unless such merchandise is sent without requiring the prior payment of any money;

(j) That respondent cannot fill the demand for his service;

(k) That any definite profit from the use of respondent's system is guaranteed or assured unless respondent remits to the purchaser such profit in the event that it is not collected by the purchaser or respondent;

(l) That respondent's guarantee is backed by a \$100,000 corporation;

(m) By trade name or otherwise, that the business conducted by respondent is an association or a corporation;

(n) That the respondent is president of the business conducted by him;

(o) That any course of instruction is free, is a gift, or is offered without charge, unless such course is given without requiring any payment or the purchase of respondent's system;

(p) That the most stubborn debtor will yield when respondent's system is used;

(q) That debtors of prospective purchasers will realize that a large national organization is behind the demands for payment;

(r) That respondent or his business is rated at \$100,000, or any other amount in excess of that which is supported by reliable evidence; and from making any other claims or assertions of like import.

Respondent in soliciting salespersons or dealers in aid of the sales of such merchandise, further stipulates and agrees:

1. Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business;

2. Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's salespersons or dealers under normal conditions in the due course of business; and

3. That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 23, 1935.)

0988. Vendor-Advertiser—Medicinal Ointment.—Peterson's Ointment Co., Inc., Buffalo, N. Y., vendor-advertiser, is engaged in selling Peterson's Ointment for piles, pimples, eczema, athlete's foot, and similar ailments and in advertising represented:

Use PETERSON'S OINTMENT also for eczema eruptions.

PILE TORTURE QUICKLY COMFORTED. When piles itch or become so sore and tender you cannot sit, stand, walk or even lie down comfortably, relieve them with the old reliable PETERSON'S OINTMENT—one trial proves all claims. Used on blind, bleeding, itching or protruding piles, it stops itching immediately—soothes soreness—eases pain—brings you comforting relief.

SKIN PIMPLY? Try This! Get Quick Relief. Squeezing aggravates itching, tender pimples and ugly red blotches—makes them worse. Trying to cover them up with costly cosmetics is useless—just a waste of money. Simply get a 35¢ box of Peterson's Ointment. A single application will relieve irritation, brings pimples to a head and aids Nature in healing.

Quickly Stop ECZEMA.

HERE'S JOY TO TENDER, CHAFED, BLISTERED FEET AND ATHLETE'S FOOT.

It soothes tender skin instantly and promotes rapid, healthy healing.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the Commission is advised by its medical authorities that while said preparation may have some effect in the relief of itching and the removal of crusts and scales associated with eczema, it is not a competent remedy for all forms of that ailment; and although it may have some influence as an antiseptic against superficial ringworm fungi, the curative claims for athlete's foot are not deemed justified by the tests submitted; furthermore it would have no curative value in the treatment of piles or pimples.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Peterson's Ointment is a competent treatment or an effective remedy for eczema, unless limited to relief of the surface itching thereof and the removal of crusts and scales associated therewith;

(b) That said preparation is a competent treatment or an effective remedy for piles, unless limited to relief of the surface itching thereof;

(c) That said preparation is a competent treatment or an effective remedy for pimples, unless confined to pimples in the outer layer of the skin;

(d) That said preparation is a competent treatment for athlete's foot, unless limited to relief of itching, burning, and surface irritations;

(e) That said preparation stops itching "immediately" or soothes tender skin "instantly";

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 25, 1935.)

0989. Vendor-Advertiser—Mineral Water Products.—Marlin Mineral Water Co., Inc., Marlin, Tex., vendor-advertiser, is engaged in selling Marlin Mineral Water and Marlin Mineral Crystals and in advertising represented:

Correct faulty elimination.

Recommended by medical authorities for faulty elimination and associated ills.

Cleanse your system of the toxic and uric poisons of faulty elimination by drinking nature's remedy—MARLIN mineral water.

KEEP your system clean with this nature medicine and tonic.

These are the essentials of health of keeping vigorously alive.

Marlin Mineral Water to cleanse your system and freshen you up—faulty elimination, stomach, intestinal, and kidney disorders.

Signs of faulty elimination are irritability, loss of appetite, bad breath, and clammy little hands.

It will cleanse their little systems and give them that pep and stamina only a clean system can give.

Their energies are wasted in a silent battle with toxic and uric poisons caused by constipation.

Marlin Crystals are Nature's own laxative and tonic.

Marlin Crystals are recommended by medical authorities for faulty elimination, stomach trouble, and other disorders associated with faulty elimination.

Free of uric and toxic poisons.

Nature's own medicine and tonic.

From the deepest and hottest artesian wells in Texas.

Dissolve some in plain water as needed to re-create some Marlin Mineral Water.

Keep the body fresh inside and out.

Drowsiness, bad taste in mouth, unpleasant breath and other disorders caused by faulty elimination.

Thousands of users recognize the curative properties.

This health aid prepared by Nature.

Bad breath, muddy complexion, drowsiness and toxic and uric poisoning caused by faulty elimination.

A curative health aid for all humanity to ease the suffering and misery of chronic diseases.

Add luster to the eyes.

Clear your skin of unsightly blemishes.

Tonic for athletes, sick people, convalescents, and all who suffer from constipation in any form.

Tonic value.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical report to the Commission, this preparation is essentially a saline laxative and its therapeutic properties are limited to the relief of temporary constipation.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That either Marlin Mineral Water or Marlin Mineral Crystals will

1. Correct faulty elimination,
2. Cleanse the system of toxic and uric poisons,
3. Keep the system clean,
4. Give children pep and stamina,
5. Keep the body fresh inside and out,
6. Add lustre to the eyes, or
7. Clear the skin of unsightly blemishes;

(b) That Marlin Mineral Water and Marlin Mineral Crystals are recommended by medical authorities;

(c) That Marlin Mineral Water and Marlin Mineral Crystals are Nature's own laxative and tonic; or a health aid prepared by Nature;

(d) That Marlin Mineral Water and Marlin Mineral Crystals are a curative health aid capable of easing the suffering and misery of chronic diseases;

(e) That Marlin Mineral Water and Marlin Mineral Crystals have a tonic value for athletes, sick people, convalescents, and sufferers from constipation;

(f) That faulty elimination is the only cause for drowsiness, bad taste in the mouth, unpleasant breath, muddy complexion, irritability, loss of appetite, and clammy hands;

(g) That Marlin Mineral Water and Marlin Mineral Crystals are competent remedies in the treatment of faulty elimination, stomach

trouble, rheumatism, liver, kidney, bladder, or intestinal disorders; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 25, 1935.)

0990. Vendor-Advertiser—Medicinal Preparation.—Stanco Incorporated, New York, N. Y., vendor-advertiser, is engaged in selling a medicinal preparation designated "Mistol Drops", and in advertising represented:

STOP COLDS BEFORE THEY START! Stop colds right where they start. Mistol Drops used regularly will help guard you and your children against the germs that get into the body through the nose and throat. And if you have caught cold Mistol Drops will soothe the irritation, reduce the pain and swelling, help nature to get you well.

SAFE WAY TO RELIEVE COLDS

Don't take any chances with what you put into your nose and throat to relieve colds. Your doctor will tell you that Mistol Drops are mild and harmless, even for children to use. Colds are a germ infection. They usually start in the nose and throat, often spreading rapidly down into the chest. Stop them *right at the spot where they start* with Mistol Drops.

THE NIGHT COUGH THAT KILLS SLEEP

Just the least little tickling in the throat can ruin a whole night's sleep. Put Mistol Drops into each nostril, when you lie down. Let it run back into your throat. Away goes irritation! Sleep! Colds are a germ infection. Stop them with Mistol Drops right where they start. Mistol Drops are pleasant, healing, soothing, harmless, even for children to use. Get a bottle today at your druggist's. He won't catch cold today!

"Thank goodness I heard that famous physician on the radio! Every morning I follow his advice and put just a little Mistol Drops in Jimmie's nose before he goes to school."

ONLY A COLD LAST WEEK

Day and Night Nurses' now. Colds are dangerous. They may lead to pneumonia. Take no chances with them. Stop colds with Mistol Drops *right at the spot where the germs first take hold*. Mistol Drops cannot irritate. They are safe even for children. Use Mistol Drops regularly. A few drops in the morning last all day and help protect you against deadly disease germs; a few drops at night let you breathe more easily, so you sleep soundly.

STOP COLDS BEFORE THEY START

Colds are a germ infection. Stop them right where they start—before the germs have a chance to multiply and spread into your system. Mistol Drops used regularly will help guard you and your children against the germs that get into the body through the nose and throat. And if you have caught cold Mistol Drops will soothe the irritation, reduce the pain and swelling, help nature to get you well.

Get the healthy habit of using Mistol Drops regularly. A few drops in your nose in the morning will last all day and help protect you against deadly disease

germs. A few drops before you go to bed will keep your nose clear and clean, help prevent night coughing, make you breathe easier, so you sleep soundly. This is very important. Mistol Drops are *safe* to use, even in children's delicate nostrils. Your doctor will warn you against putting anything into the nose which contains harsh antiseptics. Mistol Drops are mild, soothing.

A COLD MAY END IN THE HOSPITAL

The minute you feel a cold coming on, use Mistol Drops quick! Colds may run into pneumonia. It is gospel truth to say that common colds fill the hospitals. Today scientists believe that most colds are caused by germs.

Colds spread by germs.

Earaches due to neglected colds.

Colds may lead to catarrh.

Colds may lead to deafness.

Effective treatment for catarrh.

How hay fever may be alleviated.

To prevent severe earaches.

It acts as an astringent. Actually contracts swollen membranes and so helps to relieve congestion and irritation.

It is soothing. The pure ingredients of Mistol soothe irritated membranes, quickly giving comfort and relief.

Acute paroxysms of asthma and minor irritations of the bronchial tubes * * *.

Follow the doctor's advice * * * he has given you a simple way of avoiding sore throat and keeping well * * * Mistol for the nose and throat * * *.

Its pure ingredients heal irritation and prevent the breeding of bacteria.

Mistol Drops used every day would prevent most colds.

* * * Before the germs have a chance to multiply and spread into your system * * * Mistol Drops.

Use Mistol Drops * * * Colds may run into pneumonia.

* * * A common cold * * * among the diseases which may follow are sinusitis, mastoiditis, pneumonia, rheumatic fever. Arrest them on the spot * * * that is exactly what Mistol Drops do for you.

We can find germs of serious diseases—such as—diphtheria in the secretions of the nose—catching cold germs * * * stop them with Mistol Drops.

Head cold germs travel to vital organs.

Head cold may lead to * * * serious sickness—germs or bacteria from common colds * * * cause * * * infections such as rheumatic fever, disease of the valves of the heart * * * Stop them with Mistol Drops.

Mistol 2-way treatment * * * is the quick way to end a cold.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished this Commission, the preparation, Mistol Drops, will do no more than have a tendency to relieve minor types of nasal irritations and congestions and is not a competent therapeutic treatment for colds, coughs or sore throat; it is not a germicide; it cannot be depended upon to prevent the contraction of colds or coughs, or to stop them; it will not prevent colds from running into more serious diseases such as pneumonia, sinusitis, mastoiditis, rheumatic or other kinds of fever, earache, catarrhal

troubles or diseases of the valves of the heart; and its continued use might be more harmful than beneficial.

Without in any way admitting that the statements so published are incorrect, misleading or improper, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, and without admitting the correctness of the conclusions of the Federal Trade Commission, the respondent, subsequent to the institution of these proceedings, discontinued the use and publication of the foregoing statements, but nevertheless in a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said preparation is a competent treatment or effective remedy for colds, coughs, or sore throat; or that it will do more than relieve minor types of nasal irritations or congestions;

(b) That said preparation will do more than aid in guarding against the germs that get into the body through the nose and throat;

(c) That colds are caused by germs;

(d) That the germs usually start in the nose and throat; or that they often spread rapidly down into the chest;

(e) That a few drops of said preparation applied in the nose in the morning will last all day;

(f) That a few drops of said preparation applied before going to bed will do more than aid

1. In keeping the nose clear and clean;

2. One to sleep soundly;

(g) That said preparation will prevent one from contracting a cold, or prevent a cold from ending in a hospital;

(h) That said preparation will prevent a cold from running into either:

1. Pneumonia; or

2. Sinusitis; or

3. Mastoiditis; or

4. Fever; or

5. Earache; or

6. Catarrhal troubles; or

7. Diseases of the valves of the heart;

(i) That said preparation will either:

1. "Stop" colds before they start; or at all; or

2. Heal irritation; or

3. Prevent the breeding of bacteria; or

4. Do more than temporarily contract swollen membranes; or

5. Act as an astringent;

(j) That said preparation will aid in the relief of acute paroxysms of asthma;

(k) That said preparation will stop the germs of diptheria from getting into the secretions of the nose;

(l) That said preparation will "end" a cold; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials which may be published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Oct. 28, 1935.)

0991. Vendor-Advertiser—Automobile Refinisher.—The Kar-Nu Co., Cincinnati, Ohio, vendor-advertiser, is engaged in selling an automobile refinisher designated as "KAR-NU", and in advertising represented:

Kar-Nu * * * is not a varnish * * * dries in fifteen minutes and the finish lasts from eight to twelve months, and will withstand rain, sunshine, heat, cold—in fact any weather conditions.

Kar-Nu fills up the pores of the old finish and actually rebuilds it. The paint, duco, lacquer or enamel is rejuvenated, giving it the luster, life, glow and beauty of the original factory finish * * *. Stands every test.

Not a wax, polish or paint * * * a brand new discovery that actually builds up and protects the finish against wear, dust, traffic-film and other finish damaging agents. Kar-Nu is made from the highest grade gums and synthetic resins from all over the world, combined with special reducers and driers to make it easy to use and self-leveling. Special ingredients do away with dust marks and runs, and contract and expand with heat, rain or zero temperatures to stop peeling or checking of the original finish. * * * Kar-Nu's tough, elastic film oils and protects finish from wear and restores the gloss and brilliance that have been dulled by sun and motor heat.

I plan to take a personal interest in you and in your future with our Company * * * as soon as your purchase of Kar-Nu from us (including your two previous orders) amount to \$250.00, I will pay you a bonus of 5% in cash on that volume over and above your regular commissions. If your orders during this period amount to \$500 or more, you will be paid an extra 10% bonus * * * there is no reason why when six months have rolled by, I shouldn't be able to send you a check of from \$50 to \$150. * * * Sam Ranely, General Manager, The Kar-Nu Company.

Make as much money as you want.

TWO SPECIAL OFFERS FOR YOU

OFFER NO. 1. RUBBER STAMP AND INK PAD FOR IMPRINTING ADVERTISING CARDS AND 50¢ INTRODUCTORY COUPONS * * * WITH YOUR ORDER FOR 30 OR MORE CANS OF KAR-NU.

Your name and address stamped on the Advertising Cards and 50¢ introductory Coupons in a neat, business-like way will make a better impression on your prospects. Therefore, I offer you ABSOLUTELY FREE a rubber stamp to fit the space headed "Sold by." It will bear your name, address, and telephone

number. I will also include an ink pad. To get this stamping outfit attach the following coupon to your order for 30 or more cans of Kar-Nu.

Dear Mr. Ranley: I am attaching my first order for 30 or more cans of Kar-Nu. This entitled me to the stamping outfit which consists of a Rubber Stamp bearing my name, address and telephone number, and an ink pad.

NAME -----
 ADDRESS -----
 TOWN -----
 STATE -----

OFFER NO. 2. A \$5.00 KAR-NU ADVERTISEMENT IN ONE OF YOUR
 LOCAL PAPERS—WITH YOUR ORDER FOR 120 OR
 MORE CANS OF KAR-NU.

If you make your order for 120 or more cans of Kar-Nu I will place a display advertisement in one of your local papers which will advertise the fact that you are a Kar-Nu distributor. It will carry your name and address and will tell the people in your territory about Kar-Nu—how it refinishes any color auto like new, saving money, time and hard labor. I will pay up to \$5.00 for this advertisement and our Advertising Manager will handle all the details of placing it for you. This advertisement should sell the entire order for you in three or four days. Simply fill out the following coupon and attach it to your order for 120 or more cans.

Dear Mr. Ranley: I am enclosing my order for 120 or more cans of Kar-Nu. THIS ENTITLES ME TO A DISPLAY ADVERTISEMENT IN ONE OF MY LOCAL NEWSPAPERS FOR WHICH YOU ARE TO PAY UP TO \$5.00 and handle all the details of placing it. Also I am to receive a Rubber Stamp and Ink Pad.

NAME -----
 ADDRESS -----
 TOWN -----
 STATE -----
 TELEPHONE NO. -----
 ADVERTISEMENT DESIRED IN -----

(fill in name of newspaper)

Include in the shipment absolutely free of extra charge, the additional cans of KAR-NU shown, to pay transportation costs and increase my profits. Also send me a supply of Advertising Helps, together with full particulars about the five proven sales plans.

Check below	Quantity ordered	Free goods	Total cost to me	I sell for	My profit (including free goods)	Percent
	10 cans KAR-NU-----	2 cans-----	\$9.25	\$24.00	\$14.75	159
	30 cans KAR-NU-----	6 cans-----	25.20	72.00	46.80	186
	60 cans KAR-NU-----	12 cans-----	47.50	144.00	96.50	203
	120 cans KAR-NU-----	24 cans-----	89.25	288.00	198.75	223
	720 cans KAR-NU-----	144 cans-----	501.10	1,728.00	1,226.90	245

Kar-Nu really gave my car permanent finish. Kar-Nu is a refinisher, not a polish, wax, or paint. Entirely new and different.

Any color car can be given brilliant newness in a few minutes. Kar-Nu is self-spreading and self-leveling.

Kar-Nu is the greatest and fastest money making product in the country. It is revolutionizing an industry. From a mere idea Kar-Nu has grown with giant strides to a huge business with prospering representatives and distributors in every state in the United States and in many foreign countries.

Practically every demonstration results in a sale.

FORD MOTOR COMPANY

Factory and General Offices

3674 Schaefer Road

Detroit, Michigan

June 11, 1934

KAR-NU is a "Synthetic Resin" Product. Nothing like it for your car!
Gentlemen:

In reply to your letter of June 5th with reference to Synthetic Resin Finishes. We have been using this type of finish on wheels for four years; for the past year we have been using it on Bodies and Fenders.

Our reason for using this product is greater lustre retention than Lacquer.

FORD MOTOR COMPANY

T. F. Gehle

Purchasing Department

Stands blazing sunshine and engine heat, rain, snow, and below zero weather, repeated car washings, and all other abuses to which an automobile is subjected. Get this AUTOMATIC DEMONSTRATING OUTFIT FREE.

Increase your profits 2 to 5 times.

Just wipe it on, and any color old finish becomes like new.

Nine out of every ten autos you see need Kar-Nu and this demonstration should enable you to sell at least seven out of every nine prospects. Attach the coupon below to your order for ten or more cans of Kar-Nu and we will include absolutely free of cost this complete demonstration outfit and a generous supply of Advertising Cards. This is in addition to your regular Free goods as shown on the order blank.

Attached is my order for 10 or more cans of Kar-Nu, plus Free goods. It is understood that you are to include absolutely free, your automatic demonstrating outfit and a generous supply of Advertising Cards, which I am to use to demonstrate and introduce KAR-NU in my territory.

The Federal Trade Commission from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Kar-Nu

1. Is not a varnish;

2. Dries in fifteen minutes;
3. Gives the lustre, life, glow, and beauty of the "original factory finish";
4. Stands every test;
5. Is a brand new discovery;
6. Is made from the highest grade gums and synthetic resins from all over the world;
7. Is "self-spreading";
8. Contracts and expands with heat, rain, or zero temperatures;
9. Gives brilliant newness in a few minutes to "any car";
10. Is "revolutionizing" an industry;
11. Is used by the Ford Motor Company, until the Ford Motor Company actually uses this product;

(b) That "free" merchandise or "free" cans of Kar-Nu or "free" demonstrating outfits or "free" rubber stamp and ink pads or "free" \$5.00 Kar-Nu advertisements in distributor's local paper are given to salespersons or distributors so long as the giving of such article or articles is contingent upon the purchase of respondent's goods;

(c) That a "personal interest" is taken in any salesperson or distributor or a bonus given him so long as this "personal interest" or bonus is contingent upon the purchase of respondent's goods;

(d) That "practically every demonstration results in a sale", or that "nine out of every ten cars you see need Kar-Nu", or that you should be able to sell "at least seven out of every nine prospects"; and from making any other claims or assertions of like import. (Oct. 29, 1935.)

0992. **Broadcaster**—"Nourishine."—Western Broadcast Co., operator of Radio Station KNX, Hollywood, Calif., broadcast advertisements for "Nourishine", sold by the Nourishine Manufacturing Co., Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that he cares to defend before the Commission and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission February 15, 1932. (Nov. 4, 1935.)

0993. **Broadcaster**—"Germania Tea."—Western Broadcast Co., operator of Radio Station KNX, Hollywood, Calif., broadcast advertisements for "Germania Tea", sold by the Germania Tea Co., Minneapolis, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the

broadcasting of such advertisements that he cares to defend before the Commission and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission April 16, 1934. (Nov. 4, 1935.)

0994. **Broadcaster**—"O-M Herb Tablets."—Western Broadcast Co., operator of Radio Station KNX, Hollywood, Calif., broadcast advertisements for "O-M Herb Tablets", sold by E. W. Knowlton, trading as Old Mission Tablet Co., Pasadena, Calif.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that he cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 24, 1935. (Nov. 4, 1935.)

0995. **Broadcaster**—"Eyezone" and "Spineometer."—Western Broadcast Co., operator of Radio Station KNX, Hollywood, Calif., broadcast advertisements for "Eyezone" and "Spineometer", sold by Francis King, trading as King's Better Vision Institute, Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that he cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 13, 1935. (Nov. 4, 1935.)

0996. **Vendor-Advertiser—Massaging Device.**—The Conley Co., Inc., Rochester, Minn., vendor-advertiser, is engaged in selling a mechanical device designated "The Hemp Bodi-Massager", and in advertising represented:

Hips rolled away in 20 minutes a day.

Back come curves.

Mold your body to alluring lines.

Get rid of unnatural bulging hips, huge, unlovely arms and thighs—lose that double chin—do all these things easily.

Science has discovered a way—an almost magical method of taking off pounds where pounds should be lost * * *.

The Hemp Body Molding method is *Real Fun* and *Guarantees* reduction where such reduction is most needed * * *.

* * * if you do not take inches off the hips in 10 days, every penny you have paid will be promptly refunded * * *.

Works like magic. The Hemp Body Molding Method gets results almost immediately. Three or four pounds a week may be lost easily if you follow the simple instructions.

Use the *trial blank Now*, Begin to Reduce at once.

Kneads flesh, breaks down fatty tissue, firms muscles, prevents sagging chin, crepe neck * * *.

Lose 20 pounds or 30 or more without drugs, back breaking exercise or starvation diets. Not only a promise, but a guarantee.

* * * the results in those cases have been so amazing that we do not hesitate in guaranteeing each and every one to reduce weight and improve health, if used according to directions.

The Hemp Method * * * follows truly scientific principles. It massages away the fat and thereby strengthens and firms up the muscles, it stimulates circulation, softens and improves the appearance of the skin so that the woman who reduces by this method gains in beauty, both of figure and of face. Years seem to drop away as if by magic and youth and joy return.

No other reducing or beauty building method is half as effective and none so safe.

The cost of the complete Hemp Method, including the body massager and the special face massager, is less than a single day's wage of the average stenographer or office clerk. It represents only a small part of what many masseurs charge for a single treatment * * * Send *NOW* on this great *guaranteed Free Trial Offer*.

The Hemp Massager is much used for reducing, of course. But that is only one of its many uses. It relaxes tense jumpy bundles of nerves in your neck and back. It will usually stop a simple headache in two minutes. It gently strokes the soreness out of strained, stiff muscles and "charley horse" * * *.

You take no risk whatever, for if a trial does not satisfy you that you can reduce—if it does not make you more graceful, more lovely, more alluring; if it does not bring you within the measurements accepted as standards for 36—38— or 40 according to your height, return it and the trial will not cost you a penny.

* * * whatever the amount or wherever excess fat may be located, the Hemp Massager can remove it * * *.

Youth, health, energy and vitality, all may be attained if you will do your part in applying the method which is credited with having brought all of these to so many thousands of women.

Only \$4.75 to stage a real "beauty come-back" and this only if you are more than satisfied and are proud of the rapid improvement in your appearance.

* * * Now you can reduce with certainty. You can do so right in your own home * * *.

* * * This method improves blood circulation, which in turn carries off impurities and makes the skin fresh, smooth and lovely.

Constipation: Proper massage across the abdomen, by stimulating and strengthening the muscles on the large intestine is frequently helpful in relieving constipation in a safe manner, use the sphericals * * *.

Headaches: Apply the massager to the back of the neck, using the large sphericals * * *.

Aching feet * * * use the massager vigorously both on the ball of the foot and the side below the ankle * * *.

Take off inches and pounds where you want them off.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead

and deceive prospective purchasers to the injury of competitors, in that, according to medical advice received by the Commission, the use of said device alone would have no significant effect in weight reduction, nor in the relief of constipation, or other conditions specified in said advertising.

In a stipulation filed and approved by the Federal Trade Commission, this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the use of said device, alone, will cause a reduction in fat or weight;

(b) That no other reducing or beauty building method is as effective, or as safe as the method recommended by respondent;

(c) That by the use of said device hips can be rolled away in 20 minutes a day, or at all;

(d) That the use of said device will:

1. Bring back curves to the body.

2. Mold the body to alluring lines.

3. Effect a definite reduction in weight or measurement.

4. Effect a reduction in weight or measurement within any definite period of time.

5. Improve the health.

6. Restore youth, energy, or vitality.

7. Make the skin smooth or lovely.

8. Make one more graceful, more lovely, or more alluring.

9. Enable one to stage a "beauty come-back."

(e) That the use of said device constitutes a body molding method;

(f) That any method embodying the use of said device is "guaranteed" to effect a reduction in weight or measurement;

(g) That the use of said device is a competent treatment for "charley horse" or constipation;

(h) That any benefits attributed to the use of said device are certain;

(i) That by the use of said device excess fat can be removed regardless of the amount or where located;

(j) That by the use of said device any substantial reduction in weight can be effected without exercise or dieting;

(k) That any offer is a free trial offer, unless said device is sent to prospective purchasers for trial without requiring the payment of any money in advance of its receipt and trial;

(l) That said device works like magic;
and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates

and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Nov. 5, 1935.)

0997. **Broadcaster**—"Tablet Number Sixty Six."—Western Broadcast Co., operator of Radio Station KNX, Hollywood, Calif., broadcast advertisements for "Tablet Number Sixty-Six", sold by Tablet Sixty-Six Co., Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that he cares to defend before the Commission and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission July 17, 1935. (Nov. 7, 1935.)

0998. **Broadcaster**—Ointment.—Truth Publishing Co., Inc., operator of Radio Station WTRC, Elkhart, Ind., broadcast advertisements for "Deuel's Ointment", sold by Deuel's, Centerville, Mich.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that he cares to defend before the Commission and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission on January 18, 1935. (Nov. 8, 1935.)

0999. **Broadcaster**—"Salicon."—Shepard Broadcasting Service, operator of Radio Station WNAC, Boston, Mass., broadcast advertisements for "Salicon", sold by K. A. Hughes Co., Boston, Mass.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission March 4, 1935. (Nov. 13, 1935.)

01000. **Broadcaster**—"Salicon."—Congress Square Hotel Co., operator of Radio Station WCSH, Portland, Me., broadcast advertisements for "Salicon", sold by K. A. Hughes Co., Boston, Mass.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broad-

casting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission March 4, 1935. (Nov. 13, 1935.)

01001. **Publisher—Malt-O-Meal.**—Evans Publishing Corporation, New York, N. Y., publisher of The Family Circle, published advertisements for MALT-O-MEAL sold by Campbell Cereal Co., Northfield, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Nov. 22, 1935.)

01002. **Broadcaster—"Salicon."**—The WGAR Broadcasting Co., the operator of Radio Station WGAR, Cleveland, Ohio, broadcast advertisements for "Salicon", sold by the K. A. Hughes Co., Boston, Mass.

In a stipulation filed with and approved by the Federal Trade Commission this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission March 4, 1935. (Nov. 26, 1935.)

01003. **Vendor-Advertiser—Medicinal preparation.**—The Eucathol Co., Inc., a corporation, Shawnee, Okla., vendor-advertiser, is engaged in selling a medicinal preparation for coughs, colds, etc., known as EUCATHOL, and in advertising represented:

EUCATHOL for All Insect Bites and Stings.

EUCATHOL is the most effective relief from SUNBURN known to modern science.

PILES AND HEMORRHOIDS. EUCATHOL will give you relief from these prevalent ailments.

Relief from ASTHMA, HAY FEVER, and CATARRH is brought about by the vapor method. Many sufferers of these dreaded diseases are rejoicing today over the discovery of EUCATHOL.

EUCATHOL TAKES THE PLACE OF HALF A DOZEN OTHER HOUSEHOLD REMEDIES.

Because of the quick action of EUCATHOL, the ordinary cold may be checked by simply applying EUCATHOL to chest, throat, and head.

All types of skin irritations such as Eczema, ring worm, and tetter may often be successfully treated with EUCATHOL.

A jar of EUCATHOL will keep your skin soft and will relieve the most stubborn cold or cough.

You all know the healing, penetrating qualities of Eucalyptus Oils. The oil from which EUCATHOL, that unexcelled household remedy derives its name. Now this wonderful oil is combined with other ingredients that makes it the most effective relief for minor ailments.

EUCATHOL will stop a child from coughing in one minute. EUCATHOL will break a cold in one night. EUCATHOL is positively unexcelled for scalds and burns. EUCATHOL is the quickest relief for insect bites and stings.

EUCATHOL is unexcelled for every purpose that it is recommended.

Insert a little up each nostril, rub a little on your forehead. You'll get instant relief from congestion of the nasal passages.

EUCATHOL relieves the worst cases of sunburn in less than ten minutes. Also mosquito, chigger, and other insect bites and stings. It quickly relieves prickly heat, poison ivy, most skin humors or diseases.

This is a bad season for hay fever and asthma, but persons suffering from these ailments will find grand relief in EUCATHOL.

Not only is it good for ailments such as those mentioned, but for colds, catarrh, and skin disorders.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the medical opinion rendered the Commission, the product would have some value as a counter-irritant but would not be a competent remedy for asthma, hay fever, catarrh, eczema, ringworm, tetter, boils, or hemorrhoids.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That EUCATHOL is a competent remedy in the treatment of skin disorders, asthma, hay fever, catarrh, eczema, ringworm, tetter, boils, piles, or hemorrhoids;

(b) That EUCATHOL takes the place of half a dozen other household remedies;

(c) That EUCATHOL is a remedy for colds or that it will check a cold by simply applying to chest, throat, and head;

(d) That EUCATHOL

1. Will stop a child from coughing in one minute; or
2. Is a remedy for all insect bites or stings; or
3. Will break a cold in one night; or
4. Is unexcelled for scalds and burns; or
5. Is the quickest relief for insect bites or stings; or
6. Relieves the worst cases of sunburn in ten minutes; or
7. Quickly relieves prickly heat, poison ivy, or most skin humors or diseases; or

8. Is the most effective relief from sunburn known to science; or
 9. Is a successful treatment for all types of skin irritations; or
 10. Relieves the most stubborn cold or cough; or
 11. Is either "penetrating" or the most effective relief for minor ailments; or
 12. Is unexcelled for every purpose for which it is recommended; or
 13. Is a grand relief for hay fever and asthma;
- and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Nov. 29, 1935.)

01004. **Vendor-Advertiser—Cleanser.**—B. T. Babbitt, Inc., a corporation, New York, N. Y., vendor-advertiser, is engaged in selling a cleanser for pots, basins, bath tubs, etc. known as Bab-O, and in advertising represented:

(1) Enter the Big BAB-O contest. You can win the great special EXTRA prize of ONE THOUSAND DOLLARS in cash. Other prizes are a beautiful \$620 Plymouth Auto * * * a gorgeous \$350 I. J. Fox Fur Coat * * * two Midas Movie Cameras and Projectors, and twenty-five Waltham Wrist Watches. * * * Listen later for details of the Big BAB-O contest. * * * Just write a statement of not more than thirty words telling "Why you use BAB-O" * * * Write your statement on the back of a BAB-O label or on a facsimile of a BAB-O label * * * And mail it. That's all you have to do. What's more you can send in as many statements as you desire. * * * The persons submitting the best statements about BAB-O will be awarded the prizes by the final decision of three impartial judges.

(2) BAB-O is kind to the hands. BAB-O is odorless * * * BAB-O banishes dull film, water-lines and the most stubborn dirt instantly.

(3) No more scouring * * * no more scratchy rubbing * * * no back-breaking scrubbing. BAB-O has ended all that. For BAB-O contains a special ingredient which *dissolves* grease. * * * such a fine powder will not harm hands or nail polish.

(4) Now scientists have discovered an utterly new way in pot and bathtub cleaning. A way that forever ends the rough, red hands and broken finger nails that come from pot scouring and bathtub scrubbing.

(5) It softens hands, keeps them pretty.

(6) Science's Amazing New Cleaner That Banishes All Scouring, All Scrubbing, All Rough, Red Hands.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are in part incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the product advertised is not a new scientific discovery and will not do all the things so claimed for it; that advertiser's contests were not conducted according to representations, in that three judges did not examine and pass upon all the answers submitted.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Bab-O banishes dull film, water-lines or the most stubborn dirt "*instantly*";

(b) That the use of Bab-O ends all scouring, rubbing and scrubbing;

(c) That Bab-O will not harm nail polish;

(d) That Bab-O was discovered by scientists or is a new discovery or is a new way in pot and bath tub cleaning;

(e) That Bab-O softens hands or keeps them pretty; and from making any other claims or assertions of like import.

Respondent further stipulates and agrees, in soliciting the sale of said commodity in interstate commerce, by means of contests in which prizes are to be awarded, to cease and desist from representing that the successful contestants will be determined by impartial judges unless all answers received in such contest be submitted to and passed upon by all the judges appointed for that purpose. (Dec. 3, 1935.)

01005. **Publisher—Medicinal Treatment.**—S. Rosenthal & Co., Inc., Cincinnati, Ohio, publisher of Independent Salesman Magazine, published advertisements for "Holford's Famous Inhaler" sold by The Holford Co., Minneapolis, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission, December 2, 1935. (Dec. 2, 1935.)

01006. **Publisher—Medicinal Treatment.**—How to Sell, Incorporated, Mount Morris, Ill., publisher of How to Sell Magazine, published advertisements for "Holford's Famous Inhaler" sold by The Holford Co., Minneapolis, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission, December 2, 1935. (Dec. 2, 1935.)

01007. **Publisher—Medicinal Treatment.**—Opportunity Publishing Co., Chicago, Ill., publisher of Opportunity Magazine, published advertisements for "Holford's Famous Inhaler" sold by The Holford Co., Minneapolis, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission, December 2, 1935. (Dec. 2, 1935.)

01008. **Vendor-Advertiser—Medicinal Treatment.**—William J. Fink, operating as The Holford Co., Minneapolis, Minn., vendor-advertiser, is engaged in selling Holford's Famous Inhaler, for colds, catarrh, hay fever, asthma, etc., and in advertising represented:

- (1) Holford's Famous Inhaler. Here's a proven winner. Nothing else like it. One to five sales every call.
- (2) Positively guaranteed. Relieves pain and congestion due to colds, catarrh, asthma, sinus, hay fever, headaches, etc.
- (3) Get a whiff of a magic money maker. A 30-second seller with 300% profit. Half a dollar in half a minute with this amazing quick seller and money maker. One sniff of this magic vial with the processed cork means an easy 50-cent sale with 33% profit and up.
- (4) Instant relief from distress of colds, headaches, catarrh, asthma, sinus, hay fever, etc.
- (5) Make up to a dozen sales a call. Easy sales to homes, offices, factories, stores.
- (6) "One whiff and it's sold."
- (7) "One whiff makes sale. A boon to sufferers from colds, catarrh, sinus, asthma, headaches, and other head troubles. Made from mysterious old Indian formula."
- (8) "No competition."
- (9) "Make \$35 to \$75 every week easily, relieving headaches, toothaches, colds, catarrh, asthma, sinus, hay fever with this amazing 30-second demonstration."
- (10) "Cold, catarrh, asthma, hay fever or sinus trouble. You could name dozens of others to whom headaches, toothaches, neuralgia, or disfiguring cold sores were almost daily tortures. This is why Holford's Famous Inhaler sells to everyone regardless of who they are, where they are, or what they do. With the handy vial in your vest pocket, you don't have to sell anything."
- (11) "It is the scientifically processed cork that does your whole selling job for you."
- (12) "For toothaches or pains close to the surface, or for cold sores, have your prospect rub the magic cork gently over the part infected. In a moment he can feel the gentle warmth striking into the very heart of the trouble, driving out the pain and soreness at once. Two or three applications of the cork will dry up the most inflamed cold sore without leaving a messy medicine stain."
- (13) "In his files today are literally thousands of letters from users in all parts of the World who write enthusiastically of the relief Holford's Inhaler has brought them from countless maladies."

(14) "Do you want a steady, year-round repeat business that will make you easily \$35 to \$75 a week or more? I know you can make that big money because I have taught others to make as much or more. Just imagine having every one you meet asking where they can buy the Inhaler. That is no pipe dream. Others are doing it and you can do as much or more."

(15) "New Double Dollar Deal doubles profits. My counter cards win attention on every store counter. You collect both direct and through dealers—gives you two chances at every prospect. I will make you District Manager when you qualify, with a profit of \$1.00 to \$1.50 per dozen on all your agents sell, and furnish you advertising literature to distribute over your name. You don't have to worry about competition when you sell Holford's Inhaler. There is positively nothing like it on the market."

(16) "Rush your order by return mail. Every day you wait someone will be making \$8.00 to \$20.00 because they rushed their order."

(17) "H. M. Keenan averaged better than \$60 every week. H. Silver has averaged better than \$53 every week for more than three years. D. J. O'Toole lets his customers sell their friends for him and his income never drops below \$70 to \$80 a week. Mrs. Carl Anderson tried Holford's Inhaler for her hay fever and when it relieved her trouble she ordered a dozen bottles. That was just a few months ago, but since that time she has averaged over \$50 a week steadily."

(18) "Needed by 90% of the people in the entire country. Out of more than 100,000,000 sufferers from colds, catarrh, neuralgia, sinus, asthma, hay fever, headaches, toothaches, etc., you will meet scarcely one who is not glad to pay you 50¢ for the instant relief this magic vial (Holford's Famous Inhaler) with the processed cork gives them."

(19) "Imagine this gigantic market, with those millions of sufferers waiting for you to come along and end their misery with a whiff of this magic vapor tried and proven for forty-five years without a single imitator of its miraculous results."

(20) "One Hundred Million Prospects."

(21) "Thousands right in your territory waiting to pay you up to \$75 a week and more. With such a miracle of direct selling it is nothing unusual for beginners to come back from a short day's work with profits of anywhere from \$4 up to \$10—\$15—\$20 for their fun. You have never seen such a tremendous profit maker and you will probably never see another like Holford's Famous Inhaler. You are going to read a startling offer in a few minutes that will make every promise you ever saw look tame. Imagine being given a new Ford V-8 absolutely free. But wait until you see all the beautiful gifts I have for you."

(22) "Holford's Famous Inhaler is exactly the same as the original Indian formula; improved by science but never cheapened."

(23) "Guaranteed Success. A single trial will 99 times out of 100, make you an enthusiastic Holford salesman for years to come. You don't risk losing a penny."

(24) "Haven't you often wished you could face the summer and fall without having hay fever attacks? Try Holford's Famous Inhaler and get relief."

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical opinion rendered the Commission, this product has very little, if any, therapeutic value for the conditions mentioned in the advertising.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and

specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly, or otherwise:

- (a) That Holford's Famous Inhaler is a proven winner;
- (b) That Holford's Famous Inhaler is a competent remedy in the treatment of colds, cold sores, coughs, catarrh, asthma, sinus, hay fever, headaches, toothaches, neuralgia; or that it affords instant relief from pain or distress incident to any or all of these ailments;
- (c) That an agent or sales person can sell Holford's Famous Inhaler in 30 seconds;
- (d) That "one whiff makes a sale";
- (e) That at one deep breath a wave of soothing, healing warmth penetrates every part of the head and lungs, instantly drying up running noses, stopping the sneezing, driving out headaches and neuralgia pains and making breathing a pleasure once more;
- (f) That Holford's Famous Inhaler retains its strength from six months to two years, or that it is a health protection;
- (g) That Holford's Famous Inhaler is exactly the same as the original Indian formula;
- (h) That Holford's Famous Inhaler is made from an Indian formula or that the ingredients used in its make-up are of Indian origin;
- (i) That there is nothing like Holford's Famous Inhaler; or that an agent or sales person can make one to five sales every call;
- (j) That Holford's Famous Inhaler is guaranteed;
- (k) That Holford's Famous Inhaler sells to every one; or that agents and sales persons have no competition; or that agents and sales persons can make up to a dozen sales per call;
- (l) That "the cork does the selling job" and an agent or sales person does not have to sell;
- (m) That Holford's Famous Inhaler—
 - (1) Strikes at the heart of the trouble; or
 - (2) Is an efficient remedy for countless maladies; or
 - (3) Will "banish" pain or end misery;
- (n) That "I will make you District Manager when you qualify" without stating the necessary steps to be taken by the agent or sales person in order to qualify as District Manager;
- (o) That respondent has never been asked to refund money to dissatisfied purchasers;
- (p) That Holford's Famous Inhaler is needed by 90% of the people, or by any definite proportion of the people not substantiated by reliable data;
- (q) That the "free" automobile and other "free" prizes offered to agents and sales persons by the respondent are not "free" but are contingent upon said agent or sales person selling a definite amount

of respondent's goods, and are given as a bonus or added compensation for the making of said sales;

(r) That the agent or sales person risks no money;

(s) That Holford's Famous Inhaler prevents hay fever attacks;

(t) That success is guaranteed to any and all agents and sales persons;

and from making any other claims or assertions of like import.

Respondent in soliciting sales persons or dealers in aid of the sales of such merchandise, stipulates and agrees:

(u) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondent's active full-time sales persons or dealers achieved under normal conditions in the due course of business;

(v) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondent's sales persons or dealers under normal conditions in the due course of business;

(w) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", "as high as" or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondent's sales persons or dealers under normal conditions in the due course of business; and

(x) That in future advertising where a modifying word or phrase is used in direct connection with a specific claim or representation of earnings, such word or phrase shall be printed in type equally conspicuous with, as to form, and at least one-fourth the size of the type used in printing such statement or representation of earnings.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him, and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 2, 1935.)

01009. **Publisher—Information Regarding U. S. Air Service.**—Street & Smith Publishing Corporation, publisher of Top Notch Magazine, published advertisements for a booklet dealing with the entrance requirements and the course of training in the U. S. Air Service, sold by E. M. Welch, operating as Flying Intelligence Bureau, Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 6, 1935. (Dec. 6, 1935.)

01010. **Publisher—Information Regarding U. S. Air Service.**—Street & Smith Publishing Corporation, publisher of Complete Stories magazine, published advertisements for a booklet dealing with the entrance requirements and the course of training in the U. S. Air Service, sold by E. M. Welch, operating as Flying Intelligence Bureau, Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 6, 1935. (Dec. 6, 1935.)

01011. **Publisher—Information Regarding U. S. Air Service.**—Street & Smith Publishing Corporation, publisher of Best Detective magazine, published advertisements for a booklet dealing with the entrance requirements and the course of training in the U. S. Air Service, sold by E. M. Welch, operating as Flying Intelligence Bureau, Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 6, 1935. (Dec. 6, 1935.)

01012. **Vendor-Advertiser—Information Regarding U. S. Air Service.**—E. M. Welch, operating as Flying Intelligence Bureau, Los Angeles, Calif., vendor-advertiser, is engaged in selling a booklet dealing with the entrance requirements and the course of training in the U. S. Air Service and in advertising represented:

"THE U. S. AIR CORPS

Takes in this year six hundred unmarried men between ages of 20 and 28 years, and gives them free flying training, consisting of two hundred solo hours, including cross country and night flying. Gives them special uniforms, transportation to the field, living expenses, and also pays each man \$75.00 a month for learning to fly. Plenty of Flying Here. The training costs absolutely nothing. Let us tell you how to get in; information about uniforms; rank; leave, and actual life at the new \$10,000,000 field. Send your name. Hand postman \$1.00 and postage when 9,000 word information comes. It is complete. Nothing else to buy. Flying Intelligence Bureau, Los Angeles, Calif., 401 Judson Jay Rives Building."

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the trade name used by respondent is misleading; the information contained in respondent's booklet regarding the course of training and requirements for enrollment in the United States Air Service is incomplete and inaccurate, and certain of the representations set forth in respondent's advertisement are inaccurate.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from:

(a) Publishing advertisements containing inaccurate information regarding training or enrollment in the United States Air Service;

(b) Representing in advertisements or otherwise, that the respondent's booklet contains complete information regarding training or enrollment in the United States Air Service;

(c) Representing in advertisements or otherwise, that respondent will furnish information regarding training or enrollment in the United States Air Service, unless and until the booklet sold by respondent contains accurate and adequate information;

(d) Using as a part of respondent's trade name the terms "Bureau" or "Intelligence Bureau", or any other term or terms which would import or imply that the business conducted by the respondent is a part of or connected with the United States government;

(e) Publishing any advertisements with the caption "United States Air Corps" or otherwise representing or implying that the business conducted by respondent is a part of or connected with the United States government;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 6, 1935.)

01013. Broadcaster—Remedies.—Western Broadcast Co., the operator of Radio Station KNX, broadcast advertisements for Sterling Royal Remedies, sold by John D. Myers, trading as John Sterling Remedy Co., Kansas City, Mo.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before

the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission August 22, 1935. (Dec. 6, 1935.)

01014. **Publisher—Medicinal Treatment.**—Specialty Salesman Magazine, Inc., publisher of Specialty Salesman, published advertisements for The Holford Co., Minneapolis, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 2, 1935. (Dec. 6, 1935.)

01015. **Publisher—Malt-O-Meal.**—Journal Printing Co., publisher of Minneapolis Sunday Journal, Minneapolis, Minn., published advertisements for Malt-O-Meal sold by Campbell Cereal Co., Northfield, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 6, 1935.)

01016. **Vendor-Advertiser—Correspondence Course in Music.**—H. H. Slingerland, an individual doing business under the trade name of the Chicago School of Music, Chicago, Ill., vendor-advertiser, is engaged in selling a Correspondence Course in Music, and in advertising represented:

We are glad that you heard our radio "School of music" program, telling of our special advertising offer giving a beautiful, professional, musical instrument absolutely free with a course of lessons.

We have some of the most wonderful courses of copyrighted "Easy to Learn" lessons and have purchased over ten thousand wonderful-toned, especially well-made professional May-Bell musical instruments from one of the world's largest musical instrument manufacturers. * * * We are going to give you absolutely free of charge your choice of one of these fine, full-size professional instruments as shown on the circular we are enclosing in order to advertise our "Easy to Learn" lessons and also give you a special low price on a course of twenty-four lessons. We give you your choice of one professional instrument free and it only costs you \$8.50 for a complete course of twenty-four lessons.

Remember \$8.50 pays in full for the twenty-four lessons and a professional instrument is given absolutely free. The twenty-four lessons are sent complete with instrument.

If you want piano lessons, you can have your choice of any one of the string instruments shown on the enclosed circular "absolutely free."

I am so well pleased with my violin that I must write and tell you. My friends are all astonished when I tell them that I got it free from the Chicago Correspondence School of Music.

How many of you folks out there would like to be able to play a fiddle, guitar, mandolin, five-string banjo, tenor banjo, or a Hawaiian-style guitar? Well, in just a few minutes I'm going to tell you how you can now easily and quickly learn to play any of these instruments right at home. More than that, I am going to tell you how you can get the instrument you want to learn to play absolutely free.

This course ordinarily sells for \$12.00, but for a limited time the School of Music is offering it for only \$3.50. Further, if you act at once, the School of Music will give you the instrument you want to learn how to play—a regular professional instrument absolutely free.

Let me repeat that to be sure you understand. If you enroll in the School of Music at once, you will get an instrument absolutely free with your course of lessons. That means you get the full course of twenty-four lessons which usually sells for \$12.00 and an instrument all for \$8.50, but you must act fast to get in on this special offer which may be withdrawn at any time. They guarantee to satisfy you or refund your money.

Send your name and address to the School of Music. * * * The School of Music will immediately mail you complete information about how you can get their twenty-four lessons and an instrument all for \$8.50, shipped to you on five days' free trial. Don't send a penny of your money.

The School of Music is offering their regular twenty-four lessons, which ordinarily sell for \$12.00, for only \$8.50. Further, for a limited time the School of Music will give you an instrument absolutely free with your course.

You and your work will receive at all times the closest attention and supervision.

At the head of the faculty of the Chicago Correspondence School of Music is a virtuoso of outstanding genius, Professor Albert H. MacConnell, who has devoted the past twenty years of his life to teaching. Under his masterful guidance you cannot fail to learn with reasonable practice of your lessons.

For having perfected his famous inductive system of violin study and his technique of the first position, Professor MacConnell is praised by the whole world of music. Formerly Director of the Band and Orchestra Department of Baker University and Director of the Arcadia School of Music of Des Moines, Iowa, Professor MacConnell later was appointed Director of Music at the Englewood Conservatory of Music in Chicago. Today, as Dean of the Chicago Correspondence School of Music, he is extending to thousands the benefits of new study, talent, and his experience.

This is one of the great teachers whose personal advice, counsel, and help are yours until you have completed the last lesson of your course. Compare the advantages of learning under masters who give to each and every pupil personal individual attention.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the instruments furnished by respondent with its correspondence course in music are not such as are used by professional musicians

nor are they given away FREE; nor is said course offered at a special price if applicant "acts at once"; nor is said course sent on a 5 days' trial without applicant sending a penny of his money; nor do students receive the closest personal attention and supervision of their study of said course under a master or masters in the musical profession "praised by the whole world."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the instruments furnished students of his course are given absolutely FREE and not included in the cost of said course;

(b) That the instruments furnished students with said course are of the type and standard used by professional musicians;

(c) That his course is offered applicants at a special price provided they enroll "at once";

(d) That his course and instruments are sent to students on a five days' trial and without their sending a penny of their money;

(e) That respondent is offering a \$12 course at the special price of \$8.50;

(f) That students enrolled in respondent's courses receive closest personal supervision, attention, and guidance from a master musician and teacher who has been praised by the whole world;

(g) That he has a faculty of several members of high professional ability,

and from making any other claims or assertions of like import. (Dec. 6, 1935.)

01017. **Publisher—Malt-O-Meal.**—Register and Tribune Co., publisher of Des Moines Register and Tribune, published advertisements for Malt-O-Meal sold by Campbell Cereal Co., Northfield, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935).

01018. **Publisher—Malt-O-Meal.**—Evening American Publishing Co., publisher of Chicago Evening American, published advertisements for Malt-O-Meal sold by Campbell Cereal Co., Northfield, Minn.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements,

disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser, such stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935.)

01022.¹ **Publisher—Astronumerology Chart and Dream Dope.**—Guide Publishing Co., Inc., publisher of Norfolk Journal and Guide, published advertisements for Alden H. Weed, jr., operating as Professor Abdullah and Swami Abdullah.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935.)

01023. **Publisher—Astronumerology Chart and Dream Dope.**—Pittsburgh Courier Publishing Co., Inc., publisher of The Pittsburgh Courier, published advertisements for Alden H. Weed, jr., operating as Professor Abdullah and Swami Abdullah, New York, N. Y.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935.)

01024. **Publisher—Astronumerology Chart and Dream Dope.**—Afro American Co., publisher of Afro-American, published advertisements for Alden H. Weed, jr., operating as Professor Abdullah and Swami Abdullah, New York, N. Y.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935.)

01025. **Publisher—Information Regarding U. S. Air Service.**—Popular Publications, Inc., publisher of Adventure magazine, pub-

¹ Stipulations 01019, 01020, and 01021 not released.

lished advertisements for the Flying Intelligence Bureau, Los Angeles, Calif.

In a stipulation filed with and approved by the Federal Trade Commission this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 6, 1935. (Dec. 23, 1935.)

01028.¹ **Publisher—Vikonite Crushed Herbs and Nu-Vitolyn.**—Bulletin Co., publisher of Philadelphia Evening Bulletin, published advertisements for Vikonite Crushed Herbs and Nu-Vitolyn sold by Vikonite Tonic Corporation, Brooklyn, N. Y.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publication of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser, such a stipulation having been signed by the advertiser and accepted by the Federal Trade Commission December 23, 1935. (Dec. 23, 1935.)

01029. **Publisher—Medicinal Tablets.**—Pathfinder Publishing Co., Inc., publisher of The Pathfinder, published advertisements for Dr. W. B. Mayo's Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01034.² **Vendor-Advertiser—Cereal.**—Campbell Cereal Co., Northfield, Minn., vendor-advertiser, is engaged in selling Malt-O-Meal, a cereal, and in advertising represented:

"83 MEN IN 100
Vote for TOASTED MALT flavor
in Hot Cereal,

when asked to choose their favorite from six different kinds."

Is there a hot cereal that men really like? And like to have it for breakfast regularly? An official of a great University determined to find out. He arranged to have served at the University tables a delicious new cereal called

¹ Stipulations 01026 and 01027 not released.

² Stipulations 01030, 01031, 01032, and 01033 not released.

Malt-O-Meal. Then asked the men who tried it to vote. 83 in 100 said they like its toasted malt flavor, and furthermore, liked it better than any other hot cereal they had ever tasted.

An official at a great University asked over 1,000 men which hot cereal they liked best for breakfast, and 83 in 100 voted Malt-O-Meal their favorite.

One package of Malt-O-Meal cooks up to 14 pounds of food, or the equal in cereals. Hence, it saves \$1.75 or more every time you buy and use a package.

A football coach at a great University has popularized among college athletes what is probably the first hot cereal that ever appealed to men in a big way—a cereal called Malt-O-Meal. He served this new type of breakfast food first at his training tables because it is a great energy food. Repairs the tired tissues of the muscles, and the squads went for it almost to a man. Yes, voted it their favorite. Preferred it to seven other brands that had been served.

Because it contains the concentrated value of wheat, one package of Malt-O-Meal cooks up to 14 pounds of food.

The cereal that leading colleges serve to football players at the training tables.

Malt-O-Meal . . . supplies the body a substance that builds up the muscles. That renews them. Gives the whole body increased muscular energy.

Malt-O-Meal . . . supplies the body a substance that goes right to the muscles and renews them.

Malt-O-Meal . . . supplies the muscles a substance that renews them—keeps them from tiring out.

Every one of your boys and girls listening in has a chance to develop alert minds and strong bodies by eating Malt-O-Meal.

Malt-O-Meal . . . Served at the training tables of leading colleges to the football players.

Malt-O-Meal is approved as an energy food by the world's largest organization of doctors.

9 men in 10 like Malt-O-Meal.

By actual vote the players at leading colleges and high schools said they like Malt-O-Meal better than any other hot cereal.

A noted football coach asked 1,000 players on different teams, "which hot breakfast food do you like best?" And more, yes, more players voted for Malt-O-Meal than for any other.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion rendered the Commission, Malt-O-Meal does not possess energizing or health-giving properties capable of building up or renewing muscles; nor does its increase in bulk in cooking result in unusual economic or food value, such increase being merely caused by the water in which it is cooked, as in the case of all cooked cereals; furthermore, the evidence submitted does not sustain the specific claims made as to the popularity of this product.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That 83 men in 100 prefer Malt-O-Meal to any other hot cereal they had ever tasted;

(b) That an official of a great University asked over 1,000 men which hot cereal they like best for breakfast and 83 in 100 voted Malt-O-Meal their favorite;

(c) That Malt-O-Meal has been voted the favorite of all-hot cereals by the athletes of leading high schools and colleges;

(d) That Malt-O-Meal possesses special qualities for giving energy or health; unless such representations specify that Malt-O-Meal "aids" in giving energy or health;

(e) That Malt-O-Meal will build and renew muscles; unless such representations specify that Malt-O-Meal "aids" in building and renewing muscles;

(f) That Malt-O-Meal, alone, will give boys and girls a chance to develop alert minds and strong bodies;

(g) That Malt-O-Meal is approved as an energy food by the world's largest organization of doctors;

(h) That 9 men in 10 like Malt-O-Meal.

(i) That Malt-O-Meal's increase of bulk in cooking results in unusual economic or food value; and from making any other claims or assertions of like import, unless substantiated by fact.

The respondent wishes to reserve the right to have tests of the palatability and popularity of Malt-O-Meal made by independent and unbiased investigators, and after having the results and methods used in making these tests sworn to by Certified Public Accountants or other competent investigating organizations, to publish the results of such tests in its advertising.

The respondent reserves the right to state the following specific results of an investigation on the taste preference of certain football players, as follows:

When a group of prominent athletic coaches asked 440 high school and college men which hot cereal they especially enjoyed for its flavor 354 or 80% named Malt-O-Meal.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01035. Vendor-Advertiser—Hair Tonic.—Lone Wolf Mfg. Co., Inc., Dallas, Tex., vendor-advertiser, is engaged in selling Lone Wolf Hair Tonic, and in advertising represented:

Take precaution against an infected scalp using Lone Wolf Hair Tonic regularly.

Lone Wolf Shampoo and Lone Wolf Hair Tonic * * * will positively eradicate your dandruff and restore the scalp to normal.

Lone Wolf Hair Tonic Removes Dandruff—Stops Falling Hair.

Lone Wolf Hair Tonic for Dandruff absolutely guaranteed to eradicate dandruff or money refunded.

Lone Wolf Dandruff Remover is recommended for dandruff, Eczema, Tettters, and all forms of scalp disorders.

Apply (Hair Tonic) 3 or 4 times a week until dandruff disappears; then once a week is all that is necessary.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion rendered the Commission, the product advertised will not do the things claimed for it; that it is really not a "tonic."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Lone Wolf Hair Tonic—

1. Is a competent remedy in the treatment of eczema, tetter, or all forms of scalp disorders; or
2. Will restore the scalp to normal; or
3. Will eradicate dandruff; or
4. Will stop falling hair.

(b) That the use of Lone Wolf Hair Tonic regularly is a precaution against an infected scalp.
and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to published any testimonial containing any representation contrary to the foregoing statement. (Dec. 23, 1935.)

01036. Vendor-Advertiser—Medicinal Preparations.—Plough, Inc., Memphis, Tenn., vendor-advertiser, is engaged in selling Penetro Nose and Throat Drops and Penetro Topical Dressing, and in advertising represented:

How long have you permitted that between-season cold to run on? Get rid of it now with Penetro Nose and Throat Drops. Penetro Nose and Throat Drops—It cuts away the mucous pains in the nasal passages and soothes and heals the tender inflamed membranes.

Try this for Hay Fever. Through scientific research Penetro Nose and Throat Drops has been found to possess extremely valuable ingredients which promptly retard Hay Fever secretions.

Use Penetro for dangerous insect bites. Rapid swelling, feverishness, pain and infection can develop from an insect bite or sting. Mosquitoes, flies, ants, wasps, bees, and red bugs all emit a highly toxic poison. Just apply Penetro, the mutton suet salve, very generously and its deep penetration of highly medicalized properties will kill the pain and serve to prevent infection.

Banish the spectre of sunburn torture. Use Penetro, the mutton suet salve.

Penetro Nose and Throat Drops quickly puts an end to head colds.

Catarrhal mucous often causes sinus infection. There is danger in sinus infection, as well as pain and trouble is often brought about by catarrhal mucous backing up in to the little sinus pockets. This can often be prevented by free drainage of the nasal passages. Penetro Nose and Throat Drops assures free drainage. It contains ephedrine which shrinks the swollen nasal tissues, ends mucous-clogged conditions.

Colds are menacing * * * dangerous. They lead the way to flu * * * pneumonia. Knock out dangerous deep-seated colds. Don't risk danger by putting off treatment or trusting to ordinary methods. Deal that cold a sure knock-out blow with Penetro Salve. The Penetro mutton suet base makes it penetrate and that is why you need deep penetration. What is more—Penetro contains 50% to 100% more medication than any nationally sold cold salve on the market today. Assure your children and your family of its double cold conquering action.

Prevent colds. Keep your nasal passages "Anti-cold" with balanced medication of Penetro Drops for the nose and throat.

Penetro. Its positive penetrating action carries the medication not only into but through the skin, making Penetro one of the greatest beneficial contributions made to medical products of this generation.

Rub on Penetro, the mutton suet salve, direct to the center of cold infection. It goes * * * to break up congestion and drive out that cold.

Penetro is quickest and deepest penetrating cold salve ever developed, because it has a base of highly refined mutton suet. Penetro carries its powerful medication deep within to drive out the cold and break up congestion before ordinary cold salves get started.

Goes in four times deeper to drive out children's colds quicker.

The deep, quick, positive, penetrating action of Penetro soothes inflammation, breaks up congestion, and drives out croupy colds of children quicker.

Penetro the mutton suet salve is the quickest, deepest penetrating cold salve ever developed.

Penetro penetrates four times deeper than ordinary salves.

It strikes direct at the center of cold infection with its powerful, medication, etc.

Penetro Nose and Throat Drops stops the spread of germs and prevents them from getting a hold.

Knock out deep-seated chest colds with Penetro the mutton suet salve. Penetrates four times deeper than ordinary cold salves to break up congestion and drive out colds quicker than anything you ever used.

Children's colds are usually way down deep; hard to reach with ordinary salves and methods of treatment. Easy to reach, however, with Penetro, the quickest and deepest penetrating cold salve ever developed.

To drive out colds quicker, use Penetro the mutton suet salve that penetrates four times quicker, because Penetro has a base of highly refined mutton suet.

It goes in to drive the cold out quicker than anything you ever used before.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That either of said products, Penetro Nose and Throat Drops or Penetro Topical Dressing, is an effective remedy for colds;

(b) That either of said products will rid one of a cold;

(c) That either of said products will end, conquer or prevent colds;

(d) That Penetro Nose and Throat Drops are a competent treatment for hay fever, unless confined to the palliation or relief of the symptoms of said ailment;

(e) That Penetro Topical Dressing is a competent treatment for dangerous insect bites;

(f) That Penetro Topical Dressing is a competent treatment for sunburn, unless confined to relief of the discomforts and minor results of sunburn;

(g) That Penetro Nose and Throat Drops "assure" free drainage of the nasal passage, or that said product "heals" inflamed membranes;

(h) Directly or by reasonable inference that the use of Penetro Topical Dressing will prevent influenza or pneumonia;

(i) That Penetro Topical Dressing will prevent infection;

(j) That Penetro Topical Dressing goes to the "center" of cold infections or that it acts "before ordinary cold salves get started";

(k) That the action of Penetro Topical Dressing is four times deeper or quicker than other salves or that it is the quickest or deepest in action;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01037. Vendor-Advertiser—Personal Advice.—I. Dabney Smith, Huntington, W. Va., vendor-advertiser, is engaged in selling advice by mail, purportedly based upon Astrology and Numerology, and in advertising represented:

I. DABNEY SMITH

SCIENTIFIC PERSONAL ADVICE AND TROUBLE EXPERT. I NEVER FAIL TO HELP YOU

When your personal troubles are more than you can stand, Why Worry?

When you can write and tell the trouble man—Uncle Dabney.

While ignorance may sometimes be bliss, it is folly of the rankest sort to be ignorant of the problems of life, love, and marriage.

What every man and woman should know but don't:

How to hold your husband's love,
 How to hold your wife's love,
 How to win the girl you love,
 How to win the man you love,
 How to make people admire you,
 Why men "Step out" and leave their wives alone,
 Why so many marriages end in despair,
 How to hold a woman's affection,
 How to keep a husband home at night,
 Why most women don't know how to make love,
 Things that turn men against you,
 How to make marriage a perpetual honeymoon,
 The "Danger Year" of married life,
 How to ignite love, How to keep it burning,
 How to rekindle if burned out,
 How to take care of the hunting instinct in men,
 How to attract the people you like,
 Why some men and women are always loving regardless of age,
 How to keep love young,
 Must all men either be "Saps", "Dubs", or "Devils"?
 How to increase your desirability in a man's eye,
 How to tell when some one really loves you,
 Things that make a woman cheap or common.
 How to make people do the things you want them to.

If you can answer the above questions—if you know all about winning a woman's heart or holding a man's affections, you don't need "My Scientific Service." But if you are in doubt—if you don't know just how to handle your husband, or satisfy your wife, or win the love and devotion of your boy or girl friend, you should write and tell me your troubles for you cannot afford to take chances with your happiness.

My scientific knowledge of personal trouble in all its phases enables me to render you expert service at all times.

If it is personal troubles, just tell it to me, and worry no more.

I will personally advise and instruct you in—

What to do,

How to do,

When to do,

and why,

And you will see an immediate change in your affairs.

I don't care what your troubles are, for no service is too large or small to consider.

All service Confidential and by Correspondence Only

Write Today

Send Stamp for Reply

Rates According to Service Desired

P. O. Box 1144

Huntington, W. Va.

I. DABNEY SMITH'S
 SCIENCE OF HUMAN BEHAVIOR
 I NEVER FAIL TO HELP YOU IN LIFE
Domestic Relation Service

If you are worried, unhappy, in doubt, discouraged in your personal home affairs, due to any kind of family trouble, such as husband and wife failing to

get along well, caused perhaps by misunderstanding, failure to agree, difference in temperament, jealousy, ill or mismated, neglect, infidelity, unfaithfulness, incompatibility, meddling of relatives, or the undue influence of others not so friendly to your personal domestic happiness, My Confidential Scientific Domestic Relation Service will certainly aid in your troubles. My Personal Scientific Instruction and advice will tell you—

What to Do
How to Do
When to Do
and Why.

And you, my friend, will experience a change for the better in from 24 to 72 hours after my Service starts, for my Scientific study, observation, training, and personal research of all domestic problems, affairs, or troubles enables me to render you expert service at all times.

If you are engaged or considering marriage, my Scientific Personal Analysis of your future husband or wife will certainly help you, for it will reveal them to you not as they "act" or "pretend" to be in your presence, but their true selves as they really are, their personality, disposition, advantages, requirements, and faults in life day by day, and it will save you many a cry, heartache, or regret later in life, yet while there are no hard and fast rules to matrimony the more you know of the person with whom you are to link your fate the better it is for you, and how often have you heard your friends or others say—"Had I known then what I know now, how different things might have been", which is a lot of "apple sauce" and "bunk" for you can certainly know beforehand if you want to. It is, of course, strictly up to you, and you only, to decide, but why be a "sap" in the game of matrimony? When you can avoid it.

"THE PERSONAL GOOD LUCK MAN"

If you are—

Undecided, in doubt, troubled or unhappy, consult the original, old reliable. I don't care what your personal troubles are, tell me, I never fail to help you.

I. DABNEY SMITH
PSYCHO ANALYST

Types, Colors, and Personalities of—

Brunettes—Men and Women.
Blondes—Men and Women.
Brown Skin—Men and Women.
Light Complexion—Men and Women.
Dark Complexion—Men and Women.
Dark Brown Skin—Men and Women.
Light Brown Skin—Men and Women.

Personal Physical Characteristics:

Tall	Medium	Slender	Plump
Stocky	Short	Stout	Obese

Your Personal Secret Advantages in Life.

Your Personal Faults and How to Correct Them.

Your Personal Characteristics as they affect you day by day.
 Your color and type in marriage for happiness.
 Your color and type in personal love affairs for happiness.
 Your personal secrets to keep your home happy.
 Women and girls that men forget and why.
 Personal secrets that you should know in life.
 Personal aids to your desires.
 Why you cannot keep your friends.
 Personal aid and secrets regarding your children.
 Your personal requirements in life.
 How to always have some money for your personal affairs.
 Tell me your personal troubles and desires—I will help you.
 Personal Analysis and the what, when, how, and why, of any personal affair,
 trouble, circumstance, or condition in your life.
 Divorce Aid or Prevention.
 Scientific aid to assist you either way you may desire.
 Scientific Analysis of Children.
 To assist you with any problem or trouble concerning your children.
 Confidential Law Aid Service.
 Confidential aid or advice in any lawsuit or trouble whatever.
 Personal Money Treatment.
 You will never again "be broke" or without some money in life.

Personal Health Advisory Service.
 Your personal diseases and ailments as they affect you in life.
 Good Luck in Personal Affairs.
 Scientific luck analysis, and good luck in any personal affair.

I. DABNEY SMITH, NUMEROLOGIST
 P. O. Box 1144, HUNTINGTON, W. VA.

Your birthdate number reveals to me
 the weave and web of human destiny.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That purchase of respondent's literature and service will enable one:

To hold a husband's love;
 To hold a wife's love;
 To win the girl one loves;
 To win the man one loves;
 To make people admire you;
 To hold a woman's affection;

To keep a husband home at night;
 To make marriage a perpetual honeymoon;
 To ignite love, to keep it burning, to rekindle if burnt out;
 To take care of the hunting instinct in men;
 To attract the people you like;
 To keep love young;
 To increase your desirability in a man's eye;
 To tell when some one really loves you;
 To make people do the things you want them to;

(b) That respondent's advice enables one to know:

What to do,
 How to do,
 When to do,
 and why,

in any instance or under any circumstances;

(c) That respondent's advice enables one to know one's future husband or wife as they really are, their personality, disposition, advantages, requirements and faults in life day by day, or that it will save one many a cry, heartache, or regret later in life, or will enable one to avoid being a "sap" in matrimony;

(d) That respondent's advice never fails to help one;

(e) That respondent's advice enables one, according to types, colors, personalities, physical characteristics, or in any manner to know:

Your Personal Secret Advantages in Life,
 Your Personal Faults and How to Correct Them,
 Your Personal Characteristics as they affect you day by day,
 Your color and type in marriage for happiness,
 Your color and type in personal love affairs for happiness,
 Your personal secrets to keep your home happy,
 Women and girls that men forget and why,
 Personal secrets that you should know in life,
 Personal secrets for the wife and husband,
 Personal Aids to your desires,
 Why you can not keep your friends,
 Personal aid and secrets regarding your children,
 Your personal requirements in life,
 How to always have some money for your personal affairs;

(f) That respondent's advice is competent in the problems of:

Divorce Aid or Prevention,
 Scientific aid to assist you either way you may desire,
 Scientific Analysis of Children,

To assist you with any problem or trouble concerning you
 children,
 Confidential Law Aid Service,
 Confidential aid or service in any lawsuit or trouble whatever,
 Personal money treatment, or
 That it will enable one to never again "be broke" or without
 some money in life,
 Personal Health,
 Personal diseases and ailments,
 Personal affairs;

(g) That respondent is a numerologist or a Psycho-Analyst; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01038. Vendor-Advertiser—Herb Compounds.—Vikonite Tonic Corporation, Brooklyn, N. Y., vendor-advertiser, is engaged in selling Vikonite Crushed Herbs, offered as a treatment for indigestion; and Nu-Vitolyn, an alleged concentrated food, and in advertising represented:

Helps maintain the regularity of the bowel movement;

Acts very favorably in the treatment of chronic constipation, and often seems to give tone to the relaxed bowel;

Allays intestinal griping;

Very valuable for the relief of constipation. The most stubborn cases react most favorably to the use of these herbs;

Use Vikonite Crushed Herbs formula consistently;

No injurious drugs;

Can you imagine anyone imbued with a spirit of kindness toward others when he, himself, is be-deviled by indigestion and a sluggish system. Its asking too much of human nature to think so. No, you've got to be rid of the poisons that's in your body before you can know the thrill of real kindness in your heart;

Stop eating the de-mineralized and devitalized groceries that are all too plentiful nowadays. Turn to fruits, vegetables, milk, cheese and nut meats * * * eat more salads and less meat. I'll wager that just a few days of this "return to nature" will make you feel miles better. And if you want to make still quicker work of it, call to your aid Vikonite CRUSHED HERBS.

The natural fragrant herb medicine that is so helpful to the entire digestive tract.

Take a small amount on the tip of your tongue, wash them down with a little water, and you're on the way to feeling better.

Perhaps it is the simple nature of these crushed herbs * * * or maybe the old belief that a nice tasting medicine can't be good * * * but whatever it is, I have had scores of folks tell me they were agreeably surprised how quickly effective CRUSHED HERBS are.

Well, said one man who stopped in the store a few days ago; "my former acquaintance with herbs led me to expect something that tasted bitter and nasty.

So when I found how pleasant Vikonite CRUSHED HERBS were I got suspicious. I felt sure it wouldn't help me. But it did. It helped me a lot and what is more I KNOW what I am taking, and I don't need to hesitate to take it whenever my digestion is a bit off."

It's not only good health policy but good economy * * * to take Vikonite CRUSHED HERBS.

She has such lovely skin and such a marvelous complexion. You may never win fame on the screen * * * never draw the kind of salary a famous star receives * * * but you CAN have the lovely figure and glamorous skin that is part of movie stardom. Now, if you want to follow these natural health rules that lead to vital, vibrant beauty * * * that clear up body poisons, and make your skin smooth, lovely, and white * * * I'll gladly help you. Stop in my store and ask me in person and I'll see that you get started right. I think you'd be well advised to follow the movie stars in another particular * * * that is to avoid laxative drugs which you do not know. You always take unnecessary chances when you take unknown drugs, and you may sacrifice your health to no purpose. The very best sort of intestinal medicine * * * like the best sort of food * * * is NATURAL and a medicine that you know thoroughly. Just what does that mean? It means that the medicine you take into your mouth should be an open book * * * you should know what you are taking and WHY! You DO know when you take Vikonite CRUSHED HERBS.

A very little bit of Agar-Agar grows amazingly when we have taken it, and thereby induces natural, normal intestinal activity.

Is your skin sallow or pasty looking? Are there little blotches beneath the surface? Do the whites of your eyes look cloudy? Are you inclined to yawn, stretch, and wish you could sleep instead of pursue your duties? Then by all means get after the pent-up systematic poisons which no doubt are at the root of this condition. And if you really need and must take a medicine * * * let it be a natural medicine * * * a medicine composed of nature's own herbs * * * a medicine of which you can truly say: "I Know what I am taking!"

The tendency of the mixture is to end sluggishness, excess body wastes which are largely responsible for the appearance of ugly skin sallowness, pastiness and blemishes. These same wastes make you feel loggy and tired and wretched even on these fine spring days. Get rid of them. Start today with Crushed Herbs and see how wonderful you feel after only a short course of this splendid stomach mixture. You'll probably wonder what became of those dull, headachy hours which used to plague you after meals * * * especially heavy meals. You'll delight in the new spring and energy in your stride when you go out doors, and the renewed appreciation you feel for the beauties of this lovely season. But the best of all you'll treasure the improvement in your complexion, once Crushed Herbs have taken care of those excess poisons.

Power your tired body with amazing new food! At last! Science brings you this vital element of life * * * works wonders for nervous tired run down people. Read the amazing story of lecithin, energizing ingredient of all living tissue.

Lecithin, the most powerful source of food energy known to science.

The builder, the energizer of all living organisms.

Now a great European discovery makes it available for your daily use.

For a long time diet authorities recognized phosphorus as the essential nerve food. This made it important because the nerves control the activities of every bodily organ and process. Every one knows that folks with a great reserve of nerve force are seldom ill, and that they retain their good looks, smooth skin and vigorous activity for years. It is the man or woman who has weakened nerves

who ages fast, whose skin gets a pasty, sallow color, and on whose face are lines that add immeasurably to the years. But the trouble with this element phosphorous was that all known forms were either unfit for use, or they appeared in foods where assimilation was very slow. Then, suddenly out of a clear sky, a new form of phosphorus was found * * * a form that was so quickly assimilated by the hungry system that results followed very rapidly. This form was called Lecithin, and it was found in almost every kind of animal and plant cell * * * eggs sperm, roe, and seeds. Needless to say, Lecithin was received with enthusiasm by thousands, and so successful were results in numerous cases of frazzled, over-wrought nerves that some scientists predicted it would soon wipe out aggravating cases of neurasthenia, or nervous breakdown. In a measure this Lecithin virtue has prompted hundreds to try Nu-Vitolyn—the original lecithin food beverage * * * and often without knowing their good fortune, these folks received doubly rapid benefits. Why? Well, they received the lecithin—and other splendid mineral benefits of Nu-Vitolyn itself * * *.

Gain a Shapely, Stunning Figure.—Do you want to add pounds of firm rounded flesh—to fill out female curves to gorgeous beauty? You will be amazed how quickly Nu-Vitolyn builds up your figure to lovely contours.

Builds Sturdy, Healthy Children.

Nu-Vitolyn adds to your daily diet an enriched supply of the most perfect food known.

Rich in Vitamins and Precious Minerals, too.

An amazing Source of Energy.

Well, my friends, I tell you that if you want to erase tell-tale nervous lines from your face that make you look years older, try thoroughly this Nu-Vitolyn feeding.

Make a definite three weeks' test—just as hundreds of other happy people have at my suggestion, and I'll wager that at the end of that time you'll look much younger, you'll feel so much more active and cheerful that your friends will wonder at the improvement.

You simply cannot receive so much super-nourishment—so generous a helping of high-power nerve food without showing its benefits.

Just another thought: Your children should be given Nu-Vitolyn, too * * * especially if they have a tendency to shy away from milk. The milk taste sometimes loses its attraction for youngsters, but just add Nu-Vitolyn and you'll find them taking it in gulps and coming back for more.

I have seen whole families delighted over the improved health and beauty which Nu-Vitolyn gave them, and I'd enjoy having you join the happy throng.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinions rendered the Commission these products will not do the things claimed for them.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Vikonite Crushed Herbs helps maintain the regularity of the bowel movement;

(b) That the most stubborn cases of constipation react favorably to Vikonite Crushed Herbs;

(c) That Vikonite Crushed Herbs may be used consistently without producing the laxative habit;

(d) That Vikonite Crushed Herbs will rid the body of poisons;

(e) That Vikonite Crushed Herbs are helpful to the entire digestive tract;

(f) That Vikonite Crushed Herbs act quickly and effectively in cases of indigestion or body poisons regardless of cause;

(g) That Vikonite Crushed Herbs will enable one to have the lovely figure and glamorous skin of a movie star; and otherwise improve the complexion;

(h) That the Agar-Agar in Vikonite Crushed Herbs induces natural or normal intestinal activity;

(i) That the lecithin in Nu-Vitolyn is the most powerful source of food energy known to science;

(j) That Nu-Vitolyn is a great European discovery;

(k) That Nu-Vitolyn will wipe out aggravating cases of neurasthenia or nervous breakdown;

(l) That Nu-Vitolyn will cause one to gain a shapely stunning figure—fill out female curves to gorgeous beauty or build up the figure to lovely contours;

(m) That Nu-Vitolyn builds healthy, sturdy children;

(n) That Nu-Vitolyn is the most perfect food known;

(o) That Nu-Vitolyn is rich in vitamins and precious minerals until sufficient ingredients are added to make such the fact;

(p) That Nu-Vitolyn will erase telltale nervous lines from the face and make one look years younger;

and from making any other claims or assertions of like import.

The respondent hereby further stipulates and agrees in soliciting the sale of its products in interstate commerce to cease and desist from the use of the term "Vitolyn", alone or as part of the trade name of any of its products, unless and until said product shall contain vitamins in therapeutic quantities.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing statement. (Dec. 23, 1935.)

01039. **Vendor-Advertiser—Cosmetics.**—National Toilet Co., Paris, Tenn., vendor-advertiser, is engaged in selling Nadinola Face Powder and Nadinola Bleaching Cream, and in advertising represented:

This enchanting blend of shading texture which gives such a vital spark to your skin is wind-proof, sun-proof, and moisture proof, a triple protection every woman loves;

Nadinola Face Powder gives you cool-summer beauty because it is moisture-proof.

If you are driving much this season, Nadinola Face Powder will protect your face from the wind and sun. At the end of a three or four hour drive, your skin will look as freshly powdered as if you had just powdered it.

At only fifty cents a box you can get powder that is made of pure imported ingredients, the sort of ingredients you find only in the finest French powders.

* * * As a consequence Nadinola Face Powder offers you a protection you never heard of before. After applying it will for three hours protect your skin from freckles and sunburn. This means that Nadinola Face Powder keeps your skin young years longer and prevents the wrinkles caused by drying * * * This is what it does. It forms a protection over your face keeping out the dust and dirt as well as the sun and wind.

We are glad to announce that Nadinola Face Powder offers you an entirely new kind of protection. This dainty powder fairly floats over your face in a fine, delicate mist which not only gives a fresh transparent charm to your skin but it will save your skin from freckles and sunburn.

This triple protection keeps your beauty safe.

NADINOLA BLEACHING CREAM:

End Freckles and Blackheads Quick.

No disappointments.

Famous Cream Ends Freckles, Blackheads—restores Clear, lovely skin.

Fine results positively guaranteed with NADINOLA—tested and trusted for nearly two generations.

Wonder Cream wipes away blackheads—dull, dingy skin.

No more Freckles; Weather Beaten Skin.

It is so easy now to have a lovely skin of satin-like texture; to have smooth, white flawless new beauty. Just begin tonight by using famous Nadinola Bleaching Cream, tested and trusted for over a generation.

The minute you smooth it on, Nadinola begins to whiten, smooth and clear your skin.

Whitens, Clears the Skin Quickest Way.

End blackheads and Sallow Skin Weeks Quicker.

Banish Freckles, Weather-Beaten Skin Weeks Quicker.

Smooth off ugly Freckles, Blackheads Nature's Way.

In from two to four nights Nadinola begins to draw the impurities from deep within the pores. Nadinola is actually helping, speeding nature in bringing out your natural smooth, clear, youthful skin.

Pimples, Acne and Eczema—First, cleanse the skin thoroughly as directed above. Now apply Nadinola to the affected surface, rubbing it in lightly. Use just enough to cover the skin. If the eruption is localized just place a bit of Nadinola Cream on the spot. Continue the treatment each night, using the same quantity of cream. If after a few nights you notice a slight tingling or redness, discontinue the use of the cream for two nights and apply a pure cold cream. Then continue. After the treatment is completed, keep your skin free from blotches. Use a small quantity of Nadinola Cream every other night.

Nadinola Cream is entirely different from ordinary creams because it is both a bleach and skin beautifier.

These directions, based on famous doctor's advice, must be carefully followed. You will be rewarded with wonderful smooth white skin—fresh, clear, youthful beauty—not attained through any other skin treatment.

Keeps skin beautifully clean, fresh, clear, blemish free. Miss R— C— Ft. Worth, Tex. "First thing every morning I smooth NADINOLA over my

face and leave it on while dressing, eating breakfast and straightening my room—perhaps an hour and a half in all. Then I smooth it off. This way I find Nadinola is the finest cleansing cream. It takes off deep-seated dirt from every pore. It keeps my skin line tonic, fresh and clear, smooth and free from every blemish.”

“Smooths out wrinkles, keeps skin young, lovely”. Miss B—— Y——, Greenville, South Carolina.

“I suppose I’ve used Nadinola for 35 years, ever since you’ve been making it. Friends never stop talking about my youthful complexion. I tell them Nadinola will smooth out wrinkles, and keep the skin from ageing, becoming dark and sallow. I use it regularly and it keeps my skin clear, fresh and smooth as if I was a young girl.”

The Federal Trade Commission, from an investigation made, has reason to believe that some of the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

Nadinola Face Powder:

- (a) That Nadinola Face Powder is wind-proof or moisture proof;
- (b) That Nadinola Face Powder will keep the skin young longer and prevent wrinkles;
- (c) That Nadinola Face Powder is compounded from such ingredients as are found “only” in the finest French powders;

Nadinola Bleaching Cream:

- (d) That Nadinola Bleaching Cream will permanently remove freckles or blackheads;
 - (e) That Nadinola Bleaching Cream will cause muddy or sallow complexion to “vanish”;
 - (f) That Nadinola bleaching Cream will remove or keep the skin free from pimples, acne, eczema, blemishes, wrinkles, or blotches;
 - (g) That the directions for the use of Nadinola Bleaching Cream are based on a “famous doctor’s advice”, which if followed will reward the user with “wonderful smooth white skin—fresh, clear youthful beauty—not attained through any other skin treatment;”
 - (h) That Nadinola Bleaching Cream will draw the impurities from deep within the pores;
- and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01040. **Vendor-Advertiser—Charms, Luck Pieces, Etc.**—Joseph N. Cirone, operating as Rajah Abdullah, Brooklyn, N. Y., vendor-advertiser, is engaged in selling a booklet designated, "The Books of Forbidden Knowledge", Secret Hindu Art, Charms, Luck Pieces, etc., and in advertising represented:

Secret Hindu Art Revealed For First Time. Formerly suppressed and now revealing for the first time the most intimate secrets of this Ancient Secret Art.

You can Charm Those You Meet and Love. You Can Obtain All Desired Things, Discern All Secrets and Invisible Things. Make yourself liked by others.

How to obtain money; how to win at anything. Makes persons at a distance think of you.

How to see what others cannot see. You can cause others to come to you, love you, and obey your every wish, etc., etc.

This information is a sure fortune.

Absolutely Free—My Astro-Numberscope with every order (Limited Number). Don't wait. Act Quick! It's a fortune!

The Improved Planetary Hour Indicator an Hourly Guide to Success!

Certain hours of the day are very favorable for some activities; some adverse for others.

You can learn YOUR good and adverse hours of every day by using the Planetary Hour Indicator and Hourly Guide which is as simple as telling the time of day by your watch.

Don't just wonder what your dreams mean—Find Out! Dreams do Foretell Future Events. Dreams that have actually been verified in hundreds of cases. You can easily tell your own fortune (and your friends) as well as any medium. Why grope in darkness when there is a beacon light that guides you in daily life?

The Citation of all Spirits.

To conjure and invoke Astral Spirits, the Spirit in the Burning Bush, "Helmet of Moses and Aaron", How to make "Healing Amulets", "Charms", and "Talismans." This rare book has been translated and published for the first time. Seals, Emblems, Talismans and Charms used by Moses, Aaron, Israelites, Egyptians, taken from the Mosaic Books of the Cabala and the Talmud.

Most mysterious, Wonderful and Valuable Arts and Remedies for men as well as Animals Ever Discovered. For Hundreds of Years, with Many Proofs of Their Virtue and Efficacy in Healing Diseases, etc.

This great book contains the true secret of happiness carefully and plainly explained in twelve wonderful lessons. Turn Sorrow into Happiness, Weakness into Supremacy, Failure into Success! Its teachings have helped thousands.

* * * One Dollar entitles you to a complete Five Dollar Astrological Forecast and Extensive Reading based on your date of birth.

Genuine magnetic Lodestone. The test of true lodestone is its magnetic power. Every piece of Lodestone will meet this test and will measure up to our representations.

Genuine Imported "Lucky" Isis Stone.

Valued for its magic qualities in restoring vitality to the generative organs, also to bring back and hold the love of a husband, wife or sweetheart. Guaranteed to satisfy or money back.

Your Destiny and The Stars. Your Destiny and the Stars contains for everyone a very complete and authentic character and vocational analysis showing the true course to greater and bigger things. The complete science of astrology is explained.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that no "charm", "luck piece", bauble or any similar device will enable one to "win at anything", "obtain all desirable things", "discern secret and invisible things, etc."

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That respondent's products are Secret Hindu Art or that they are revealed here for the first time;

(b) That respondent's products have ever been suppressed;

(c) That respondent's products are now revealing for the first time the "most intimate secrets of this Ancient Secret Art", or that they reveal any secrets whatsoever;

(d) That the products offered for sale by respondent will enable one to—

1. Charm those you meet and love; or
2. Obtain all desired things; or
3. Discern all secrets and invisible things; or
4. Make yourself liked by others; or
5. Make persons at a distance think of you; or
6. Cause others to come to you, love you, and obey your every wish;

(e) That the products offered for sale by respondent will enable one—

1. To obtain money; or
2. To win at anything; or
3. To see what others cannot see; or
4. To interpret dreams; or
5. To tell your own fortune and those of your friends.

(f) That the information contained in respondent's products is a sure fortune;

(g) That the Astro-Numberscope offered for sale by respondent is a fortune or is given "absolutely free" with every order, so long as said Astro-Numberscope is included in the price of the commodity; or that the number of Astro-Numberscopes is "limited", so long as they can be obtained in thousands, or more, lots from the printer;

(h) That the "Improved Planetary Hour Indicator" is an hourly guide to success, or that one can learn his good and adverse hours of every day by using this device;

(i) That "The Citation of All Spirits"—

1. Is a rare book; or
2. Has just been translated and published for the first time; or
3. Enables one to conjure and invoke Astral Spirits, the "Spirit in the Burning Bush", or "Helmet of Moses and Aaron"; or
4. Enables one to make "Healing Amulets", Charms and Talismans; or
5. Was taken from the Mosaic Books of the Cabala and Talmud; or
6. Enables one to turn Sorrow into Happiness; or
7. Weakness into Supremacy; or
8. Failure into Success;

(j) That the products offered for sale by respondent contain the Most Mysterious, Wonderful and Valuable Arts, and Remedies for Men as well as Animals, ever discovered, or that any proofs are available of Their Virtue and Efficiency in Healing Disease;

(k) That one dollar entitles you to a complete Five Dollar Astrological Forecast and Extensive Reading based on your date of birth; or that any such alleged forecast is complete;

(l) That the respondent's "Genuine Magnetic Lodestone" will bring good luck or money or success;

(m) That the bauble offered for sale by the respondent is either "genuine", "magnetic", or a "lodestone";

(n) That such thing exists as a "Genuine Imported 'Lucky' Isis Stone"; or that such alleged "Genuine Imported 'Lucky' Isis Stone" possesses magic qualities, or can restore vitality to the generative organs, or bring back and hold the love of a husband, wife, or sweetheart;

(o) That the booklet entitled, "Your Destiny and the Stars"—

1. Contains for everyone a very complete and authentic character and vocational analysis; or
2. Shows you the true course to bigger and better things; or
3. Completely explains the science of astrology.

(p) That respondent's products are "guaranteed" or that the purchase money is refunded to dissatisfied customers; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01041. Vendor-Advertiser—Astronumerology Information.—Alden H. Weed, jr., operating as Professor Abdullah and Swami Abdullah,

New York, N. Y., vendor-advertiser, is engaged in selling Astro-numerology Chart and Dream Dope, and in advertising represented:

\$ Be A Winner \$. Get One Straight. Send at once for Professor Abdullah's new and astounding Astro-Numerology Chart, the Mysterious Wonder Chart that tells you exactly how to get the Lucky Number for Any Day or Any Dream. Absolutely reliable. Absolutely Guaranteed. Only 30¢ (3 dimes). Get on the winning side of life at once. Order now. Professor Abdullah, Dept. 608-O, Box 47, Madison Square Station, New York City.

Dreams. Dream information? Is that what you need? Secret Confidential Dream Dope Day by Day. The Real Thing. Positively Guaranteed. Shows you exactly how to get the Dream Interpretation for any day in any section of the country. Only 30¢ (3 dimes). Order at once. Swami Abdullah, Dept. 25-B, 217 E. 34th St., New York City.

The author has delved into ancient mystic lore and located a system very much in favor thousands of years ago, which promises to be as good equally as any present day methods.

Astro-Numerology! The ancient Mystic Art of combining Numerology with the Science of Astrology. By a simple mathematical process you can determine your vital number. This number is more often called your 'Lucky Number' and when you act in accord with this number, your chances of success are greater.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that no charm, trinket or bauble can bring luck to the person owning and carrying the same and that astronomerology and "dream dope" do not enable one to win at anything or to interpret dreams or to determine a "lucky" or "vital" number.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Professor Abdullah's new and astounding Astro-Numerology chart—

1. Is either new or astounding; or
2. Is either mysterious or wonderful; or
3. Is absolutely reliable; or
4. Tells you how to get the lucky number for any day or any dream; or
5. Enables one to "get on the winning side of life at once";

(b) That there is any such thing as a "Lucky Number" that enables one to win, etc.

(c) That the "Secret Confidential Dream Dope" advertised by respondent is "the Real Thing" or shows you exactly how to get the Dream Interpretation for any day in any section of the country;

(d) That the author (respondent) has delved into ancient mystic lore and located a system very much in favor thousands of years ago;

(e) That there is such thing as a "Vital Number" or "Lucky Number" that enables one to get on the winning side of life, or that such a number can be determined by a simple mathematical process;

(f) That acting in accord with a so-called "Vital Number" or "Lucky Number" enhances one's chances of success;

(g) That respondent, by the assumption of fictitious titles and names, is either a Swami or a professor, or is of Oriental origin, and from making any other claims or assertions of like import. (Dec. 23, 1935.)

01042. **Vendor-Advertiser—Medicinal Compound.**—Noxacid Laboratories, Inc., Newark, N. J., vendor-advertiser, is engaged in selling a medicinal product designated "Noxacid", and in advertising represented:

Noxacid is the new scientific medical discovery that embodies a new principle for treating digestive distress due to hyperacidity, sour stomach, heartburn, flatulence, gas and belching.

Noxacid will do more for you than whatever you are taking at present for digestive distress due to hyperacidity, sour stomach, heartburn, flatulence, gas and belching. Noxacid not only gives relief but in addition, if taken regularly, will correct and prevent the condition.

Can you eat anything you like without getting indigestion, heartburn, gas or stomach pains afterward? If you cannot we claim that you will be able to if you will take a dose of Noxacid after you eat. Noxacid is the recent medical discovery that corrects and prevents all stomach troubles.

Noxacid was approved and designated by Phillips H. Lord, better known as "Seth Parker" of radio fame, as the best stomach treatment known today. Give this marvelous prescription a trial.

Noxacid positively will end your stomachy distress no matter how long standing your case may be.

Even though you may have resigned yourself to life-long misery from stomach distress, do not give up. Noxacid is performing miracles daily without the use of surgery.

Noxacid corrects and prevents all stomach troubles.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product is a competent treatment or an effective remedy for any stomach trouble, unless confined to the relief of ailments due to gastric hyperacidity;

(b) That said product is a new scientific discovery or that it embodies a new principle;

(c) That said product will prevent, correct or end any stomach trouble;

(d) That said product will be effective regardless of how long standing a case may be;

(e) That said product has been approved or designated by Phillips H. Lord, (Seth Parker) as "the best stomach treatment known today";

(f) That said product performs miracles or is effective in the treatment of any condition where surgery is ordinarily required; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01043. **Vendor-Advertiser—Medicated Salve.**—Samuel A. Sandberg and Max L. Kaufman, co-partners doing business under the firm name of Derma Laboratory Co., Chicago, Ill., vendor-advertiser, is engaged in selling Skurolin, offered as a remedy for skin diseases, and in advertising represented:

For many years has been used by physicians to relieve Skin Troubles.

Prescribed freely knowing its * * * healing action to be suited to delicate or irritated skins.

Blackheads * * * Soothing dressing for boils * * * sores, etc. * * * pimples.

Any kind of skin eruptions as pimples, blackheads, eczema, * * * rashes—buy a jar of Skurolin * * * and after a short time your face will be clear.

The best well known remedy for all skin eruptions.

If your skin is covered with pimples, eczema or other skin eruptions, use Skurolin. This salve will bring you certain relief.

Heals and removes all kinds of skin eruptions not only on the face but all over the body. It helps children as well as adults.

Why walk around with hideous skin eruptions, when for a small sum of money you can get rid of them?

I had pimples on my face . . . after using only one-half jar of this salve, my pimples disappeared.

For a long time I had pimples on my face. My friend recommended Skurolin, and after I used it * * * In fourteen days all my pimples disappeared like camphor.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission Skurolin is not an effective treatment or remedy for acne, blackheads, pimples, eczema, rashes, delicate and irritated skins; nor is it a palliative or remedy for all skin eruptions or diseases, boils, or skin sores.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Skurolin has been used by physicians for many years to relieve skin troubles;

(b) That Skurolin is freely prescribed for healing delicate or irritated skin;

(c) That Skurolin is a soothing dressing for all boils, sores, blackheads or pimples;

(d) That Skurolin is an effective remedy for freeing the skin of all skin eruptions and diseases including pimples, blackheads, eczema and rashes, or brings certain relief;

(e) That Skurolin is the best known remedy for all skin eruptions; and from making any other claims or assertions of like import.

The respondents hereby further stipulate and agree in soliciting the sale of said commodity in interstate commerce, to cease and desist from the use of the term "Laboratory" in its firm name, unless and until such time as it shall, in truth and in fact, maintain a laboratory for use in connection with the manufacture of products offered by it for sale in interstate commerce.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01044. **Vendor-Advertiser—Cosmetics.**—Boyer Chemical Laboratory Co., Chicago, Ill., vendor-advertiser, is engaged in selling cosmetics designated—

Muscle Oil Tissue Cream
Boyer Face Powder, and .
Boyer Powder Base Astringent

and in advertising represented:

Muscle Oil Tissue Cream;

Muscle Oil Tissue Cream No. 189—A "Night" cream. For Fatigue Lines and those tell-tale Tissue Lines, that no woman or girl wants. Used at night before retiring. Instantly popular.

Boyer Muscle Oil Tissue Cream is of great service for skin nourishment and lubrication.

Muscle Oil Tissue Cream—One of the most popular creams for building up Contours and Tissues.

Boyer Face Powder is Perspiration Proof.

Boyer Face Powder will not clog the pores.

Boyer Face Powder is the favorite of millions both here and abroad.

Boyer Face Powder Base Astringent will give you assurance against enlarged pores and wrinkles.

Through the courtesy of Boyer, the Society Perfumer, a special free offer is made to women interested in knowing the most efficient methods of caring for the skin. Madame Louise Delorme is privileged, for a limited time only, to offer you her personal advice on skin care and make-up. This service is entirely without cost or obligation. If you will write Mme. Delorme, stating your type of skin—whether normal, dry, oily, or if you are suffering from an acne condition, she will personally analyze your skin, and send you a letter outlining the proper care you should give it. Also, if you would like a personal letter on individual make-up best suited to your type of coloring, state in your letter whether you are blonde, brunette, or titian. Both personal letters from Mme. Delorme will be sent to you, together with a generous sample of Boyer Perspiration-Proof Face Powder.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical advice received by the Commission, "Muscle Oil Tissue Cream" will not reach the muscle tissue and cannot nourish the skin or remove lines or wrinkles or build up contours and tissues of the face; Boyer Face Powder is not perspiration-proof and will clog the pores; Boyer Powder Base Astringent will not give assurance against enlarged pores and wrinkles; and the respondent does not employ a Madame Louise Delorme for the purpose of giving women personal advice on skin care and make-up.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Muscle Oil Tissue Cream—

1. Will reach the Muscle Tissue or nourish the skin; or
2. Will remove lines and wrinkles from the face; or
3. Will build up the contours and tissues of the face;

(b) That Boyer Face Powder is perspiration-proof, or that it will not clog the pores;

(c) That Boyer Powder Base Astringent will give assurance against enlarged pores and wrinkles; and from making any other claims or assertions of like import.

The respondent hereby further stipulates and agrees in soliciting the sale of its said commodities in interstate commerce to cease and desist from representing, directly or otherwise, that it employs a Madame Louise Delorme, or any other person, to give personal advice on skin care and make-up, until such time as the said respondent does, in truth and in fact, employ such an individual or person, and does in truth and in fact render such a service.

The respondent hereby further stipulates and agrees in soliciting the sale of its said commodities in interstate commerce to cease and desist from the use of the words "Muscle" and "Tissue" either separately or together as a part of the name for its so-called Muscle Oil Tissue Cream.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 23, 1935.)

01045. **Broadcaster—Chewing Gum.**—The National Battery Broadcasting Co., the operator of Radio Station KSTP, broadcast advertisements for Clark Brothers Chewing Gum Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission March 4, 1935. (Dec. 23, 1935.)

01046. **Broadcaster—Skin Treatment.**—Orlando Broadcasting Co., Inc., the operator of Radio Station WDBO, broadcast advertisements for Litmo Laboratories, Inc., trading as The Brossier Twin's Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 1, 1935. (Dec. 23, 1935.)

01047. **Broadcaster—Skin Ointment.**—Oak Leaves Broadcasting Station, Inc., the operator of Radio Station WGES, broadcast advertisements for L. W. Paluszek, trading as the Vervena Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 9, 1935. (Dec. 23, 1935.)

01048. **Broadcaster—Medicinal Preparation.**—The WGAR Broadcasting Co., the operator of Radio Station WGAR, broadcast advertisements for G. B. McGlenn and C. A. Revell, co-partners, trading as Cleveland Regol Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 13, 1935. (Dec. 23, 1935.)

01049. **Broadcaster—Skin Treatment.**—Matheson Radio Co., the operator of Radio Station WHDH, broadcast advertisements for the Freedol Remedy Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 24, 1935. (Dec. 23, 1935.)

01050. **Broadcaster—Medicinal Compound.**—Western Broadcast Co., the operator of Radio Station KNX, broadcast advertisements for a medicinal compound offered for the treatment of asthma and hay fever, formerly designated Amagon and Wain's Compound, sold by Wain's Laboratory, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission October 3, 1935. (Dec. 23, 1935.)

01051. **Broadcaster—Medicinal Products.**—Western Broadcast Co., the operator of Radio Station KNX, broadcast advertisements for medicinal products sold by Dr. Louis L. Sherman, operating as "Clinic of the Air", designated as follows:

Liquid Ferrolax.

Calwhey.

Red Label Enterol.

Ah-Goo.

I. N. F. No. 38, Organic Iron.

Clinic of the Air Special Tea Tonic.
Regular Detoxicating Packages.
Junior Detoxicating Packages.
Sodium Bi Citro Phosphate.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission October 4, 1935. (Dec. 23, 1935.)

01052. **Broadcaster—Ointment.**—Western Broadcast Co., the operator of Radio Station KNX, broadcast advertisements for an ointment designated "Smad", sold by Dr. A. W. Daggett, S. M. Sweeney and E. C. Groves, co-partners, operating as The Smad Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission September 27, 1935. (Dec. 23, 1935.)

01053. **Broadcaster—Stomach Remedy.**—Bay State Broadcasting Corporation, the operator of radio station WAAB, broadcast advertisements for "Katro-Lek", sold by Katro-Lek Laboratories, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 3, 1935. (Dec. 23, 1935.)

01054. **Broadcaster—Stomach Remedy.**—Fifth Avenue Broadcasting Corporation, the operator of Radio Station WFAB, broadcast advertisements for "Katro-Lek", sold by Katro-Lek Laboratories, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 3, 1935. (Dec. 23, 1935.)

01055. **Broadcaster—Stomach Remedy.**—Howell Broadcasting Co., Inc., the operator of Radio Station WEBR, broadcast advertisements for "Katro-Lek", sold by Katro-Lek Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 3, 1935. (Dec. 23, 1935.)

01056. **Broadcaster—Stomach Remedy.**—The Matheson Radio Co., Inc., the operator of Radio Station WHDH, broadcast advertisements for "Katro-Lek", sold by Katro-Lek Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 3, 1935. (Dec. 23, 1935.)

01058.¹ **Publisher—"Liquid O2X."**—Bruce Publishing Co., publisher of North Western Druggist, published advertisements for "Liquid O2X", sold by J. George Hauser, Walter U. Hauser, and James J. Poole, copartners, doing business under the firm name of Hauser Laboratory.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Dec. 23, 1935.)

01059. **Publisher—Penetro.**—American Osteopathic Association, publisher of Journal of the American Osteopathic Association, published advertisements for Penetro, sold by Plough, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission,

¹ Stipulation 01057 not released.

and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Dec. 28, 1935.)

01060. **Publisher—Penetro.**—American Osteopathic Association, publisher of Osteopathic Magazine, published advertisements for Penetro, sold by Plough, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Dec. 28, 1935.)

01061. **Publisher—Penetro.**—The Crowell Publishing Co., publisher of The Country Home, published advertisements for Penetro, sold by Plough, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Dec. 28, 1935.)

01062. **Publisher—Penetro.**—Parent's Publishing Association, Inc., publisher of Parent's Magazine, published advertisements for Penetro, sold by Plough, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Dec. 28, 1935.)

01064.¹ **Vendor-Advertiser—Medicinal Products.**—J. Petrie, trading as Purity Products Co., Chicago, Ill., vendor-advertiser, is engaged in selling products designated as Minex (formerly Menstrua) and Hygeen, and in advertising represented:

¹ Stipulation 01063 not released.

WOMEN! DELAYED?

When Nature fails use safe reliable Menstrua.

So powerful Positively Forces Remarkably Speedy Results in many most stubborn unnatural delays, without pain, harm, or inconvenience.

Type Doctors Prefer.

Two Remarkable Products.—To bring Modern Woman Her Freedom at last—from the troublesome conditions these wonderful products are designed to insure against and correct.

Menstrua—For Ending Delayed Menstruation.

Marvelous Menstrua! The Ultra-Modern Triumph of Medical Science! When nature fails, use safe, reliable Menstrua! Designed to Powerfully and Positively Force Remarkably Speedy Results—without pain, harm, or inconvenience—in many of the most Stubborn Delays arising from the usual unnatural causes.

Amazingly Quick Acting! Pills and tablets are so hard they may take many hours to dissolve in the body, and sometimes they pass out of the body without dissolving and therefore have no effect whatsoever. Menstrua, however, is different! Produced by a wonderful scientific invention, it has usually dissolved in the body and entered the blood stream within ten minutes after taking. It is especially designed to bring desired results where ordinary regulators fail.

Because it is more quickly assimilated by the body, Menstrua is a Marvelous Monthly Regulator of a type greatly favored by physicians.

Renowned Physicians and Scientists recommend the pure vegetable ingredients contained in Menstrua for their effectiveness in above mentioned menstrual delays, irregularities, pain, and suppression.

Menstrua, Though Extremely Powerful in Forcing Results, is Absolutely Safe, acts without pain, and leaves no bad after effects.

However, you can be assured there is nothing that will be quicker acting than Menstrua. As a general rule, the longer the suppression has existed, the longer it may be necessary to take Menstrua before Nature reacts in bringing about the flow. But at that Menstrua is Far Quicker than inferior products!

Hygeen—For Antiseptic Safeguarding in Feminine Hygiene.

Hygeen Tablets—Decreed by Oxford University Physician's Tests as the Safest, Most Effective, Feminine Hygiene Product Known!

In accordance with a determination to give its customers the Best, The Purity Products Company is proud to present to American Womanhood its Hygeen Tablets, for Feminine Hygiene. They are designed for Dependable Yet Safe Antisepsis in absolutely safeguarding against inherent, innate, nonextraneous, infectious germ or bacteriological life in uterine and vaginal discharges and secretions in the vaginal canal.

Some time ago a group of prominent English physicians, thoroughly alarmed at the increasing variety and nature of various feminine hygiene products offered to the public—set about to determine which one was the safest and most effective.

These physicians realized that for a product to be merely ineffective was dangerous enough, when women depend on sterile sanitation. But for a product to be harsh, toxic, poisonous, and injurious to the delicate tissues, they considered to be of alarming danger!

So this group of English Physicians under the auspices of the English Medical Society, had the Oxford University, Department of Anatomy and Zoology, determine under Dr. John R. Baker—which was the safest and most dependable antiseptic product for women to use in feminine hygiene.

The Result of This Most Thorough Investigation Revealed This Same Hygeen Tablet Holds First Place Among All the Products Investigated.

What a Feminine Hygiene Product Should Be—At the outset these English Physicians laid down a set of ideal conditions that an ideal feminine hygiene product must possess.

In the vagina, close to the mouth of the womb, it quickly dissolves into a substantial Germ Destroying Foam—which expands, Creeps, Pushes, by effervescence, its terrific yet harmless germ destruction into every tiny fold and crevice where even douches so often fail to reach.

Directions.—Simply insert a genuine Hygeen Tablet close to the womb, and forget it. A bulge at one side and depression at the other side of the tablet make insertion by the tip of the finger easy. Upon contacting the natural moisture of the vagina, the tablet changes into a powerful germ destroying foam which remains active for many hours to sterilize every vestige of infectious uterine secretions and discharges in the vagina. After which the foam can be douched out with water. Being a rather dry foam it remains within the vagina. It is not felt nor does it interfere with any act, function, or fecunding of female nature.

The Astounding Wonder of Hygeen Tablets! They have $1\frac{1}{2}$ times the germ destroying power of carbolic acid per Rideal & Walker Phenol Coefficiency Test—yet are as harmless as milk to the delicate tissues and membranes! So harmless that a solution of the tablet is used to wash the eyes of new-born babies in a German Maternity Hospital. If accidentally swallowed by a child no harm can result.

European Physicians and Surgeons have given this tablet their printed and enthusiastic endorsement!

For Hygeen Tablets are also a deodorant for use after menstruation. Many a serious condition can arise from imperfect feminine hygiene, such as suppurations, (discharges), leucorrhoea, etc. By killing germ life with Hygeen Tablets, European Physicians testify to these and other discharges disappearing.

Three Other Products Did No Good—"I ordered from three different places and they were no good. Then I ordered yours and it did the work. I never had to go to bed and never had any pains."

A Doctor Told Me it Was Good—"Your remedy is the best. A doctor told me it was good. I find it fine and the best." Mrs. O. W. (Ill.).

Delayed Two Months, Flow Started in Nine Hours—"Last month I was relieved after a delay of two months, in nine hours, and I felt so much better. Please mail me another package for enclosed money." Mrs. G. M. (Ill.).

My Monthly Flow Started—"One hour after I mailed my order for a second box, my monthly flow started. I shall certainly pass a good word to my friends regarding your treatment, and shall continue to use it myself in the future." Mrs. F. M. (N. Y.).

I Had Quite A Display—"After taking only six doses I had quite a display. Will be in a position to recommend to friends in the future." Mrs. E. Y. (Ill.).

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Directly or by reasonable implication that Minex (formerly Menstrua) is an abortifacient;

(b) Directly or by reasonable implication that Hygeen tablets are a contraceptive;

(c) That either of said products is reliable;

(d) That either of said products will correct any feminine hygiene condition;

(e) That Hygeen Tablets have been decreed by Oxford University as the "safest" or "most dependable" of feminine hygiene products, or that said tablets are "ideal" for such purposes;

(f) That a solution containing Hygeen tablets is effective or harmless when used as an eye wash or that such a solution has been used in a German maternity hospital for such purposes;

(g) That Hygeen tablets are an effective treatment for suppurations or leucorrhea;

(h) That either of said products is endorsed or recommended by physicians or surgeons unless such representations are limited to the ingredients of which the products are composed;

(i) That Minex will relieve or end stubborn cases of delayed menstruation;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Dec. 28, 1935.)

01065. **Broadcaster—Cough Syrup and Drops.**—The Milwaukee Journal, the operator of Radio Station WTMJ, broadcast advertisements for Smith Brothers' cough syrup and Smith Brothers' cough drops, sold by Smith Brothers, Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission October 4, 1935. (Jan. 6, 1936.)

01066. **Broadcaster—"Pap-O-Dine" and "Kurto."**—Greenville News-Piedmont Co., the operator of Radio Station WFBC, broadcast advertisements for "Pap-O-Dine" and "Kurto", sold by M. L. Clein and Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission April 25, 1935. (Jan. 6, 1936.)

01067. Broadcaster—"Hyral."—Carter Publications, Inc., the operator of Radio WBAP, broadcast advertisements for "Hyral", sold by Hyral Distributing Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission April 12, 1935. (Jan. 6, 1936.)

01068. Broadcaster—"A. F.-3."—The Clearwater Chamber of Commerce and St. Petersburg Chamber of Commerce, operators of Radio Station WFLA, broadcast advertisements for "A. F.-3", sold by Litmo Laboratories, Inc., trading as The Brossier Twin's Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 1, 1935. (Jan. 6, 1936.)

01069. Broadcaster—"Katro-Lek."—WDRC, Incorporated, the operator of Radio Station WDRC, broadcast advertisements for "Katro-Lek", sold by Katro-Lek Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 3, 1935. (Jan. 6, 1936.)

01070. Broadcaster—"Regol."—Radio Air Service Corporation the operator of Radio Station WHK, broadcast advertisements for

"Regol", sold by G. B. McGlenn and C. A. Revell, co-partners, trading as Cleveland Regol Co.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission May 13, 1935. (Jan. 6, 1936.)

01071. **Broadcaster**—"Santiseptic Lotion."—The Oregonian Publishing Co., the operator of Radio Station KEX, broadcast advertisements for "Santiseptic Lotion", sold by Esbencott Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission June 5, 1935. (Jan. 6, 1936.)

01072. **Broadcaster**—"Santiseptic Lotion."—Oregonian Publishing Co., the operator of Radio Station KGW, broadcast advertisements for "Santiseptic Lotion", sold by Esbencott Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this broadcaster admits broadcasting such advertisements, disclaims any interest in the business of the advertiser or the broadcasting of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of a stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission June 5, 1935. (Jan. 6, 1936.)

01073. **Publisher**—**Stomach Treatment**.—Eugene Lorton, publisher of Tulsa World, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01074. **Publisher**—**Stomach Treatment**.—Buffalo Courier-Express, Inc., publisher of Buffalo Courier-Express, published advertisements for Dr. W. B. Mayo's Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01075. **Publisher—Stomach Treatment.**—Memphis Commercial Appeal, Inc., publisher of Memphis Commercial Appeal, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01076. **Publisher—Stomach Treatment.**—A. O. Anderson, publisher of Dallas Dispatch, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01077. **Publisher—Stomach Treatment.**—Enterprise Co., publisher of Beaumont Enterprise, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01078. **Publisher—Stomach Treatment.**—Enterprise Co., publisher of Beaumont Journal, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01079. **Publisher—Stomach Treatment.**—Post-Intelligencer Company, publisher of Seattle Post-Intelligencer, published advertisements for Dr. W. B. Mayo Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01080. **Publisher—Stomach Treatment.**—C. B. Blethen, publisher of Seattle Times, published advertisements for Dr. W. B. Mayo's Tablets, sold by Dr. W. B. Mayo Laboratories.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01081. **Vendor-Advertiser—Stomach Treatment.**—Dr. W. B. Mayo Laboratories, Los Angeles, Calif., vendor-advertiser, is engaged in selling a preparation for the treatment of stomach trouble known as Dr. W. B. Mayo's Tablets, and in advertising represented:

To correct these conditions, the symptoms of which are so common—Acid Stomach, Gas in Stomach, Indigestion, Distress from Overeating, Heartburn, "Sour Stomach", Bloating, Belching, Sleepless Nights, and even Constipation—I compounded a special tablet formula to which I have given my own name.

Personal experience in my own wide practice, which comes from every walk of life—from the day-laborer to business executives and stars of the stage and

screen—proved how effective my special tablet formula is in bringing relief to even severe and chronic cases of Stomach Distress caused by hyperacidity, which is so common to us all.

I took but one bottle of Dr. W. B. Mayo's Tablets, and they certainly put me back in my old form again. I've gained ten pounds and feel like a million.

I decided to at least give your Tablets a trial. You cannot imagine my delight when they afforded me immediate relief after my first treatment.

Here is health, comfort, relief from pain, and the full joy of life calling to you.

Sore and Inflamed Stomach-Bowels caused by overacidity, constipation, gas pains Relieved Within 15 Days. A great discovery by this well-known physician who has now perfected a special tablet formula that gives quick and positive relief from stomach pain.

I am a man 74 years old, have suffered the past seven years from what the doctors told me was stomach ulcers. Part of the time I suffered excruciating pains and had two hemorrhages. I saw your ad in a magazine and wrote you for a sample, which helped me so much I ordered a \$5.00 treatment and after using about half of the tretament the pains have all left me, and I can eat the things I like without any discomfort.

I tried your tablets and am taking this liberty to tell you that I had immediate relief and I feel like telling the world that your tablets are the only thing that has helped definitely.

I received the tablets on the fifth. I have taken them fifteen days, and they have almost completely healed the soreness in my stomach.

Your most amazing tablets have given me immediate relief and I sincerely recommend them.

I might say that I have taken numerous remedies and after trying you tablets I found immediate relief.

After taking a few of your tablets I was amazed at the immediate relief obtained.

I know how many try first this remedy and then that one in search of relief, only to meet with failure and become more skeptical. The more skeptical you are, the more I welcome this opportunity to bring you relief.

Results from Mayo Tablets are not a question of waiting many months—relief usually begins to come soon after you start taking the tablets.

The sooner you start taking Mayo Tablets, the sooner you will start to enjoy relief. Stomach ailments, unless they are taken care of, usually continue to get worse. They often lead to dangerous complications, added pain and suffering. You should not delay another day.

They do not contain injurious drugs that merely deaden pain but are compounded from the purest and finest ingredients that help you and help nature correct the cause of your trouble.

Points the way to permanent and positive relief.

In Mayo Tablets you will find welcome relief, from a scientific treatment that goes to the root of the stomach trouble and eliminates the cause. Harsh cathartics and the usual run of pills only give temporary relief. They may stop discomfort, but they do not permanently relieve.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion rendered the Commission this product is not an adequate remedy for the treatment of stomach

trouble generally or of hyperacidity, or of stomach and duodenal ulcers, and will not give immediate relief.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That one bottle, or any quantity, of Dr. W. B. Mayo's tablets will enable one to gain ten pounds and put him back in old form again;

(b) That half a \$5 treatment, or any quantity, of Dr. W. B. Mayo's Tablets causes all pain to leave and enables one to eat the things he likes without discomfort;

(c) That Dr. W. B. Mayo's Tablets will—

1. Afford immediate relief; or
2. Relieve gas pains within any definite time; or
3. Give quick or positive relief from stomach pain; or
4. Point the way to permanent or positive relief;

(d) That Dr. W. B. Mayo's Tablets is a scientific treatment, that it goes to the root of the stomach trouble, or that it eliminates the cause;

(e) That Dr. W. B. Mayo's Tablets is either a competent treatment, or an effective remedy for acid stomach, indigestion, sleepless nights, constipation, chronic hyperacidity, inflamed stomach or bowels, stomach or duodenal ulcers, stomach ailments.

and from making any other claims or assertions of like import.

Respondent further stipulates and agrees, in soliciting the sale of said commodity in interstate commerce, to cease and desist from using the words "laboratory" or "laboratories" in its trade name or advertising until such time as it actually owns, maintains, or operates a laboratory or laboratories.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it, and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 6, 1936.)

01082. **Publisher—Furniture.**—American Newspapers, Inc., publisher of The Washington Herald, published advertisements for furniture sold by William E. Miller Furniture Co., Inc.

In a stipulation filed with and approved by the Federal Trade Commission, this publisher admits publishing such advertisements, disclaims any interest in the business of the advertiser or the publishing of such advertisements that it cares to defend before the Commission, and agrees to observe and abide by the terms and provisions of

any stipulation signed by the advertiser and accepted and approved by the Federal Trade Commission or cease and desist order entered by the Federal Trade Commission in this matter. (Jan. 6, 1936.)

01083. **Vendor-Advertiser Furniture.**—Wm. E. Miller Furniture Co., Inc., Washington, D. C., vendor-advertiser, is engaged in selling New and Used Furniture, and in advertising represented:

Warehouse Furniture Sale
Save 50% to 80%
Out of Storage

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that there is no clear indication that the furniture advertised is used furniture and the amount of saving represented is based upon the difference between the price of new furniture and sale price of the used furniture.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

That said furniture is sold at a saving of any amount unless qualified to show that the represented saving is based on a comparison of the retail value of the used furniture and the amount at which it is offered for sale.

The respondent further stipulates and agrees to cease and desist from advertising used furniture unless future advertisements clearly state that the furniture has been used, and from making any other claims or assertions of like import. (Jan. 6, 1936.)

01084. **Vendor-Advertiser—Tires.**—United States Rubber Products, Inc., New York, N. Y., vendor-advertiser, is engaged in selling U. S. Royal Tires and in advertising represented:

For years the makers of the big majority of motor cars have equipped with U. S. Royals.

Guaranteed in writing against road hazards for 12 months by U. S. Rubber Products Co.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations

and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) By direct statement or reasonable implication that the majority of automobile manufacturers equip, or have equipped, all of their cars with tires sold by the respondent;

(b) That the tires sold by respondent are guaranteed for a definite period of time when such guarantee applies only to tires used on passenger cars, unless the representation is qualified to indicate this limitation;

(c) That the tires sold by respondent are guaranteed for a definite period of time, unless by the terms of such guarantee the purchaser is afforded redress, upon failure of the tire, for the entire period stated in the advertisement;
and from making any other claims or assertions of like import.
(Jan. 6, 1936.)

01085. Vendor-Advertiser—Radio Device.—The Bromwell Wire Goods Co., a corporation, operating as the Cincinnati Patent Engineering Co., Cincinnati, Ohio, vendor-advertiser, is engaged in selling Bromwell's "Radi-O-Trap" Aerial-Eliminator, and in advertising represented:

The Aero-Trap will give any radio, no matter what make or how powerful, amazing new power and volume, and reduce the annoying static to a minimum.

Every radio equipped with an outside aerial exposes its owner and his family to the deadly dangers of lightning striking the aerial and traveling into the room through the set.

The Aero-Trap eliminates this danger.

The Aero-Trap once installed * * * will last a lifetime and give perfect service without attention.

When you sell the Aero-Trap you are supplying the need of a safe, sure, highly efficient radio aerial * * * The Cincinnati Patent Engineering Corporation.

Inventor's discovery eliminates all radio aerials. Agents' chances to earn up to \$10.00 a day. New, different, sensational. Inventor's miracle discovery now eliminates all radio aerials, and gives any radio an amazing new power and clarity. Banishes forever the danger of lightning striking outside aerials * * * makes every radio portable without any inconvenience. Reduces static to a minimum, brings in distant stations as clear as locals. Easily attached to any radio in thirty seconds. No tools required. No holes to bore. Simple demonstration astounds prospects * * * Write for further details.

Bromwell's Radi-O-Trap aerial eliminator * * * eliminates the outside aerial entirely, but produces the same results as a 75-foot aerial * * * eliminates entirely the danger from storms and lightning.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to scientific opinion rendered the Commission the

device does not eliminate outside aerial, produce better tone, more selectivity, greater volume, and does not trap static or eliminate interference, and will not work on all types of radio.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the Radi-O-Trap or Aero-Trap—

1. Gives amazing new power, clarity, and volume to all types of radio; or
2. Reduces the annoying static to a minimum in all types of radio; or
3. Eliminates or banishes all danger of lightning; or
4. Will last a lifetime and give perfect service without attention;

(b) That the Radi-O-Trap or Aero-Trap is a "miracle discovery";

(c) That the Radi-O-Trap or Aero-Trap brings in distant stations as clear as locals;

(d) That the Radi-O-Trap or Aero-Trap will work on any and all types of radios;

(e) That the Radi-O-Trap or Aero-Trap eliminates the outside aerial entirely, but produces the same results as a 75-foot aerial; and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in the testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 6, 1936.)

01086. **Vendor-Advertiser—Medicinal Tea and Hair Dye.**—J. Palazzolo, New York, N. Y., vendor-advertiser, is engaged in selling the following commodities:

Mexican Laxative Tea, No. 79, offered as a remedy for constipation and other ailments;

Otello Water, offered as a remedy for restoring gray hair to its natural color, and in advertising represented:

Mexican Laxative Tea, No. 79:

Mexican Laxative Tea.

Mexican Tea No. 79.

A Special Formula compounded by J. Palazzolo.

Especially recommended for all intestinal irritations, constipation, and liver complaints.

Prevents obesity.

The Mexican Tea is essential for many things. For example:

- (a) Gas.
- (b) Acidity.
- (c) Constipation.
- (d) Swelling of the legs and feet.
- (e) Bad breath.
- (f) Insomnia.
- (g) Irritations of the gall bladder and kidneys.
- (h) Anemia.
- (i) Indigestion, etc.

Use this famous tea for all your troubles.

Scientifically made and prepared by Prof. J. Palazzolo.

It serves also to calm the nervous system.

It serves also to safeguard against disease.

If you want health use the famous Mexican Tea No. 79 always.

Otello Water:

Otello water for gray hair is not a tincture but a compound that restores gray hair to its natural color.

"L'Acqua Otello" is not a dye but is a preparation which gives your hair a natural color, vitality.

It ends dandruff, baldness.

Otello water is not a dye but a miraculous water which regenerates the hair bulb and brings back vitality.

It destroys dandruff, stops falling hair.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinions rendered the Commission neither of the said products will correct the conditions indicated or in the manner specified.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said products in interstate commerce to cease and desist from representing directly or otherwise:

(a) That the product designated, Mexican Laxative Tea, No. 79, is either a competent treatment or an effective remedy for any of the following:

1. Constipation.
2. Gas,
3. Acidity,
4. Swelling of the legs and feet,
5. Bad breath,
6. Insomnia,
7. Irritation of the Gall-bladder,
8. Irritation of Kidneys,

9. Anemia,
10. Indigestion,
11. Calming of the nerves;
12. Preventing Obesity,
13. Liver Complaint, or
14. Safeguarding against disease.

(b) That Otello Water is not a dye or a tincture;

(c) That Otello Water restores gray hair to its natural color or vitality;

(d) That Otello Water regenerates the hair bulb;

(e) That Otello Water ends dandruff or baldness;

(f) That Otello Water stops falling hair;

(g) That Otello Water is a miraculous WATER;

and from making any other claims or assertions of like import.

The respondent further stipulates and agrees, in soliciting the sale of his product, Mexican Laxative Tea, No. 79, in interstate commerce to cease and desist from the use of the word, "Mexican" as a part of the name of said product until said product, or the ingredients composing same, are imported from Mexico.

The respondent hereby further stipulates and agrees in soliciting the sale of his product, Otello Water, in interstate commerce, to cease and desist from the use of the word "Water" as a part of the name of said product.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 6, 1936.)

01087. Vendor-Advertiser—Tea.—John Kaslikowski, trading as Alpenol Herb Co., Springfield, Mass., is engaged in selling a tea designated as Alpenol Herb Tea, and in advertising represented:

If you are suffering from stagnancy of your Liver Bile or other remedies have failed you, use Alpenol Herb Tea.

Alpenol Herb Tea moves the bowels in rather a natural way.

A carefully selected and prepared combination of many different medicinal flowers, seeds, barks, roots, herbs, used as a laxative tonic.

When you are suffering from stomach disorders, inactivity of the liver, etc., use Alpenol Herb Tea. Alpenol Herb Tea is more effective because it is prepared so as to perform several functions at the same time to stimulate the liver and kidneys to greater activity.

It stimulates the digestive process.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product is an effective remedy or a competent treatment for liver, kidney, or stomach trouble;

(b) That said product causes a natural action;

(c) That said product is a tonic;

(d) That said product stimulates the liver, kidneys, or digestive organs;

and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 6, 1936.)

01097.¹ **Vendor-Advertiser—Nuts, Confections, etc.**—E. W. Berry and O. G. Kral, co-partners, trading as Drexel Service Co., Chicago, Ill., vendor-advertiser, is engaged in selling Salted Nuts, Confections, Drexel Ade, and other counter display products, and in advertising represented:

Our men make \$25 to \$100 per week on commission.

Most of our men are making from twenty-five to one hundred dollars per week.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to the evidence offered by respondents, their salespersons have not made the profits indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) Not to make unmodified representations or claims of earnings in excess of the average earnings of respondents' active, full-time salespersons or dealers achieved under normal conditions in the due course of business;

(b) Not to represent or hold out as a chance or an opportunity any amount in excess of what has actually been accomplished by one or more of respondents' salespersons or dealers under normal conditions in the due course of business;

¹ Stipulations 01088 to 01096, inclusive, not released.

(c) Not to represent or hold out as maximum earnings by the use of such expressions as "up to", as "high as", or any equivalent expression, any amount in excess of what has actually been accomplished by one or more of respondents' salespersons or dealers under normal conditions in the due course of business. (Jan. 6, 1936.)

01100.¹ **Vendor-Advertiser—Cosmetics, Curios, Etc.—Yogi Khan**, an individual, doing business under the trade name of Yogi Brothers, Chicago, Ill., vendor-advertiser, is engaged in selling cosmetics, and alleged holy oils, incense, lucky curios and other items of Yogi, Hindu and/or Eastern mysticism, and in advertising represented:

(1) On the pages you will find listed, goods gathered from the Holy Land and every section of the Orient. A-2.

(2) We highly recommend our products to give satisfaction where others have failed. They are superior and more powerful. They are genuine Hindu products. A-2.

(3) Ranee Vanishing Cream—A wonderful powder base, smooths and softens the skin. A-2.

(4) Peroxide Vanishing Cream—Beautifies the skin, gives a velvety look and helps prevent the pores from becoming coarse and relaxed. A-2.

(5) Ranee Magic Pink Vanishing Cream—Protects from the sun, wind, dust and cold. Gives the skin a healthy, rosy appearance.

(6) Ranee Cold Cream—Wonderful skin food, keeps it smooth and soft. A-2.

(7) Ranee Lemon Cleansing Cream—For cleansing the pores where soap and water cannot reach—wonder for pimples and blackheads. A-2.

(8) Ranee Rolling Massage Cream—Rolls the dirt out of pores. Excellent for lines and wrinkles—a little of our massage cream each day keeps the wrinkles away. A-2.

(9) Bleach Cream—Marvelous preparation for the removing of pimples, freckles, and skin blotches, ring worms, and for lightening and clearing the skin. A-2.

(10) Ranee Peroxide Bleach—To lighten the skin, remove all sallowness. Gives the skin a clear appearance. A-2.

(11) Bath Powder—Neutralizes the secretions from the skin, softens the skin. A-2.

(12) Sachet Powder—Imported—secured from real flowers of India. A-2.

(13) Hair Remover—A safe way to remove undesirable hairs. A-2.

(14) Ranee Mouth Wash * * * to strengthen the gums and destroy all germs that might accumulate in the mouth and throat. A-2.

(15) Ranee Oily Skin Lotion—Absorbs excessive oil that is secreted from the skin and makes the skin more healthful. A-2.

(16) Ranee Bay Rum—A general scalp tonic which prevents dandruff and stimulates the scalp. A-2.

(17) Hair Grower—Best preparation for falling hair; will enrich the scalp, giving the hair a chance to grow long and thick. Results guaranteed. A-2.

(18) Ranee Men's Hair Dressing—Recommended for dandruff and scalp diseases. A-2.

(19) Ranee Quinine Hair Tonic—Relieves itching, stops falling hair and gives the hair a chance to grow faster and with better looks. A-2.

(20) Hair Oil For Dry Scalp—Relieves dry scalp, eliminates dandruff and makes the hair soft. A-2.

¹ Stipulations 01098 and 01099 not released.

(21) Rancee Hair Oil—Imported from Calcutta, India. Genuine medicated hair oil. None better to stop falling hair and to make the hair grow. A-2.

(22) Temple Grower—For falling hair and bald places at the temples. A-2.

(23) Hair Dye—Standard two bottle dye, producing all colors from ash-blond to black, according to dilution. To keep that youthful appearance, use Hindu Girl Hair Dye. A-2.

(24) Otto Flower Oil—The pure imported oils that are 20 times as strong as the perfume. A-2.

(25) Incense and Incense Burners—used by so many people who are aware of its wonderful qualities that it possesses, such as purifying and deodorizing and perfuming the home, and keeping it in a sanitary and cheerful condition. A-2.

(26) Lucky Curios—made from 113 genuine oils of India. A-2.

(27) Holy Oil—Pure holy oil has been used for centuries in temples by Priests, Spiritual Readers and Masters in the Orient. A-2.

(28) Devil Shoe Strings—placed around the baby's neck when teething, it will help to ease the pain. A-2.

(29) Hindu Balm—unsurpassed for Colds, Hay Fever, Sore Throat, Whooping Cough, Tonsillitis, Influenza, Headaches, Inflammation and congestion of any kind. Splendid for stiff joints, sprains, and so soothing and relieving for burns and cuts. A-2.

(30) Rheumatism Liniment—Cannot be beat for Rheumatism, stiff joints, backache and tired, sore muscles. For quick relief and results this is the best. A-2.

(31) Hindu Herb Tea—A good laxative tea for constipation and thorough cleansing * * * good for listlessness and drowsy feelings; gives you pep, removes bad breath and bitter mouth taste. A-2.

(32) Hindu Herb Life Tonic—A health restorer for men, women and children * * * the most wonderful tonic for run down systems and general disabilities. A system toner. Used for stomach troubles, kidneys, blood, liver, nerves, etc. A-2.

(33) Gives you a healthy appetite, sound digestion, clear complexion, strength, vim, vigor and pep. Contains no harmful drugs; only those that mother nature meant for your system. A-2.

(34) Rancee Tissue Building Cream—A food for tissues of the Face, Neck and Arms. Very good for building up muscles. A-2.

(35) India Tooth Powder—has a distinct antiseptic action which purifies the breath, retards tooth decay and pyorrhea. A-2.

(36) Dandruff and Tetter Salve—For tetter, eczema and bad cases of dandruff. Best and most satisfactory results obtained when using Rancee quality. A-2.

(37) Curry Powder—Genuine India Curry Powder for wonderful seasoning in meats, vegetables and anything that has to be fried or boiled. A-2.

(38) Hindu Boquet Soap—For skin and complexion; a pure soap made from the purest materials obtainable. A-2.

(39) Female Tonic—A wonderful tonic for relief and cure of sufferers of Female Troubles. Get rid of the awful backache, headache and other misery by taking this tonic. No harmful drugs. Special care taken in selecting the ingredients. A-2.

(40) We offer our great book on the philosophy of living for the first time to the public. It contains 40 pages telling you How to eat, How to think, How to live, and How to obtain the things you desire. Secrets that have been kept and known by the Yogi of India, Scientists, physicians, and Holy men of the world, will be clearly explained to you. Read them and live. Know thyself and be successful and happy. Let this great guide to life be yours. A-2.

(41) Do you need money? Are you able to attract, hold loved ones? Are you successful? If not, let us help you to gain these three things. A-3.

(42) Are your dreams unlucky to you? Can you master them? Are you disappointed? Are things not well with you? Carry High John, the Conqueror Root, in your pocket. Many claim this masterpiece has Great Drawing power and Magic Charms. A-3.

(43) Thousands of people have been successful, Why not you? \$5.50 Lucky Piece at Special Offer \$1.00. A-3.

(44) Black Beads Good Luck Powder Incense Many believe this Original Extract removes evil influences and have Good Luck and Success at home. You can conquer your enemies. Prosperity can be yours. Nothing in the world should harm you. Sprinkle the powder around the house every morning and evening. It has been selling for \$2.00, but we have a Special Offer for only \$1.00. A-3.

(45) Yogi Good Luck Ring Marvelous secret. Wear this ring. Thousands have been amazed. Good fortune can come to you from many sources. Your friends will be kind to you. Conquer your enemies. Be successful in all affairs of life. Learn to enjoy your rightful inheritance of love, luck, and Happiness. Send your order now. This ring is worth \$5.00. Special Offer for \$1.10. A-3.

(46) Gifts for Players—Do you want to make quick money? Get this Hindu Lucky Number, Drawing John the Conqueror Powder Incense. You can be lucky in games, master your dreams, be successful in all walks of life. Be more lucky than ever before. Order now. It has been selling for \$2.00, but our Special Offer is only \$1.00. A-3.

(47) If you purchase all four of these Wonderful Articles we give you the special price of only \$3.10. This offer is for 21 days only. A-3.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that the products offered for sale by the respondent are not imported from India, the Holy Land, or any section of the Orient; nor are they genuine Hindu products; nor do any of respondent's powders, rings, incense, curios, books, etc., possess or enable one to possess mystic or magic powers enabling them to gain success in business, love, and other ventures and to ward off evil influences; nor will the cosmetics and alleged hair growers, hair removers, hair tonics, dandruff remedy, etc., accomplish the results claimed for same by the respondent; nor will respondent's alleged Hindu medicines act as competent remedies for rheumatism, colds, hay fever, sore throat, whooping cough, or any of the ailments indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said products in interstate commerce to cease and desist from representing directly or otherwise:

(1) That any of its products are imported from either India, the Holy Land, or anywhere in the Orient;

(2) That any of the articles offered for sale to the purchasing public are genuine Hindu products;

(3) That Ranee Vanishing Cream is a wonderful powder base and will smooth and soften the skin;

(4) That Peroxide Vanishing Cream beautifies the skin, giving it a velvety look that helps prevent the pores from becoming coarse and relaxed;

(5) That Ranee Magic Pink Vanishing Cream protects from the sun, wind, dust, and cold and gives the skin a healthy, rosy appearance;

(6) That Ranee Cold Cream is a wonderful skin food and keeps it smooth and soft;

(7) That Ranee Lemon Cleansing Cream cleanses the pores where soap and water cannot reach and works wonders for pimples and blackheads;

(8) That Ranee Rolling Massage Cream rolls the dirt out of the pores and is an excellent remedy for the removal of lines and wrinkles and a little each day will keep the wrinkles away;

(9) That respondent's Bleach Cream is a marvelous preparation for removing pimples, freckles, skin blotches, ring worms, and for lightening and clearing the skin;

(10) That Ranee Peroxide Bleach lightens the skin, removing all sallowness and giving the skin a clear appearance;

(11) That respondent's Bath Powder neutralizes the secretions from the skin and softens the skin;

(12) That respondent's Sachet Powder is an imported product secured from the flowers of India;

(13) That the use of respondent's Hair Remover will safely remove undesirable hairs;

(14) That Ranee Mouth Wash will strengthen the gums and destroy all germs that might accumulate in the mouth and throat;

(15) That Ranee Oily Skin Lotion will absorb excessive oil that is secreted from the skin and make the skin more beautiful;

(16) That Ranee Bay Rum is a general scalp tonic and will prevent dandruff and stimulate the scalp;

(17) That respondent's Hair Grower is the best preparation for falling hair and will enrich the scalp, giving it a chance to grow long and thick;

(18) That respondent guarantees the results claimed for its Hair Grower;

(19) That Ranee's Men's Hair Dressing is a competent and effective treatment for dandruff and scalp diseases;

(20) That Ranee's Quinine Hair Tonic relieves itching, stops falling hair, and gives the hair a chance to grow faster and with better looks;

- (21) That respondent's Hair Oil For Dry Scalp relieves dry scalp, eliminates dandruff, and makes the hair soft;
- (22) That Ranee Hair Oil is a genuine medicated hair oil imported from Calcutta, India, and that there are none better to stop falling hair and to make the hair grow;
- (23) That respondent's Temple Grower is a competent and effective remedy for falling hair and bald places at the temples;
- (24) That Hindu Girl Hair Dye is a product compounded by the Hindus enabling one to keep a youthful appearance;
- (25) That Otto Flower Oil is compounded from pure imported oils that are 20 times as strong as perfume;
- (26) That respondent's "Lucky Curios" are made from 113 genuine oils of India;
- (27) That respondent's Holy Oil is pure holy oil and has been used for centuries in temples by Priests, Spiritual Readers, and Masters of the Orient;
- (28) That respondent's Devil Shoe Strings when placed around a baby's neck when teething will help to ease the pain;
- (29) That respondent's Hindu Balm is unsurpassed as a competent and effective remedy for colds, hay fever, sore throat, whooping cough, tonsilitis, influenza, headaches, inflammation and congestion of any kind, stiff joints, sprains, and so soothing and relieving for burns and cuts;
- (30) That respondent's Rheumatism Liniment "cannot be beat" as a competent and effective remedy for rheumatism, stiff joints, backache and tired, sore muscles, giving quick relief and results in best known manner;
- (31) That respondent's Hindu Herb Tea is a good laxative for constipation and thorough cleansing and is a competent and effective remedy for listlessness and drowsy feelings, giving one pep, and removing bad breath and bitter mouth taste;
- (32) That respondent's Hindu Herb Life Tonic is a health restorer for men, women, and children and the most wonderful tonic for run down systems and general disabilities;
- (33) That respondent's Hindu Herb Life Tonic is a system toner used for stomach troubles, and ailments effecting the kidneys, blood, liver, nerves, etc.;
- (34) That respondent's Hindu Herb Life Tonic gives one a healthy appetite, sound digestion, clear complexion, strength, vim, vigor and pep and contains no harmful drugs, only those that Mother Nature meant for the human system;
- (35) That Ranee Tissue Building Cream is a food for the tissues of the face, neck, and arms and very good for building up muscles;
- (36) That respondent's India Tooth Paste has a distinct antiseptic action which purifies the breath, retards tooth decay and pyorrhea;

(37) That respondent's Dandruff and Tetter Salve is a competent and effective remedy in the treatment of tetter, eczema, and bad cases of dandruff;

(38) That respondent's curry powder is a genuine curry powder imported from India;

(39) That respondent's Female Tonic is a wonderful tonic for the relief and cure of female troubles, ridding one of awful backache, headache and other misery attendant upon female ailments, and containing no harmful drugs;

(40) That respondent is offering to the public for the first time his great book on the philosophy of living and that said book can tell one How to eat, How to think, How to live, and How to obtain the things you desire;

(41) That respondent's book on the philosophy of living will clearly explain secrets that have been kept and known by the Yogi of India, scientists, physicians, and Holy men of the world.

(42) That by reading respondent's book of the philosophy of living and letting said book be his guide one may live and know himself and be successful and happy;

(43) That respondent's High John the Conqueror Root; Black Beads Good Luck Powder Incense; Yogi Lucky Ring; and Hindu Lucky Number, Drawing John the Conqueror Powder Incense will enable one to obtain needed money, attract and hold loved ones, and be successful;

(44) That respondent's High John the Conqueror Root is a masterpiece having great drawing power and magic charms capable of overcoming unlucky dreams, disappointments or failures;

(45) That respondent has been able to make thousands of people successful with its \$5.50 Lucky Piece which it offers at a special price of \$1.10, when said price of \$1.10 is not a special price but the regular price of the article offered for sale;

(46) That by sprinkling respondent's Black Beads Good Luck Powder Incense around the house every morning and evening one removes evil influences from the home and brings in its stead Good Luck, success, and prosperity, so that one may conquer his enemies and nothing in the world should harm him;

(47) That by wearing respondent's good luck ring one enters into a marvelous secret that has amazed thousands, bringing them good fortune and success from many sources, making friends kind to them, conquering enemies and making them enjoy their rightful inheritance, of love, luck and happiness;

(48) That respondent's Hindu Lucky Number, Drawing John the Conqueror Powder Incense will enable one to make money quickly and be lucky in games, master their dreams and be successful in all walks of life;

(49) That respondent's products are offered at special prices when such is not the case in truth and in fact.

The respondent hereby further stipulates and agrees in soliciting the sale of its said commodities in interstate commerce, to cease and desist from including as a part of his trade name or as part of the trade name of any of his products the terms Hindu, India, Yogi or any other term or terms that may have the capacity or tendency to mislead or deceive prospective purchasers into the belief that said commodities are compounded, made or sold by a Yogi, or that they are imported from or composed of and/or manufactured from ingredients or materials imported from India, the Holy Land, the Orient, or are of Hindu origin or associated with Hinduism, until such time as such be the case in truth and in fact, and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01101. Vendor-Advertiser—Anacin.—The Anacin Co., Chicago, Ill., vendor-advertiser is engaged in selling Anacin, offered for headaches and periodic and rheumatic pains, and in advertising represented:

Anacin: for the relief of * * * colds, scientifically compounded * * * used by physicians and dentists to relieve pain * * * does not upset the stomach.

For the relief of periodic pains * * * to relieve the pain and shock caused by tooth extraction and other dental work.

To those who know what a really severe headache is or who appreciate the distress caused by the pain of rheumatism, which the medical and dental profession consider tremendously effective * * * Anacin.

Not a single pain relieving agent but a combination of four * * * with the other ingredients * * * becomes more effective than as it can alone.

Science's new discovery for the quick and complete relief of pain * * * has been used for years by physicians and dentists to relieve patients in distress.

A remedy that won't fail you * * * the fastest and most complete relief * * * you have ever experienced.

Anacin—not merely one relieving agent but four * * * many times faster and more effective than any one of them alone. Use it for the pains of rheumatism * * * relied upon by physicians and dentists.

Modern science discovered that headaches * * * would not yield to one pain relieving agent alone.

By combining four, one of which is aspirin—so much faster and more effective relief could be given as to be almost unbelievable.

Every person who has ever taken it will tell you that it has given relief where other ways have failed. The four-way Anacin formula does this.

The most favored pain remedy of the medical and dental professions. One of science's most important discoveries for the relief of headache's * * *

came as the result of intensive laboratory experiment.

The formula of Anacin is recognized throughout the world because it is safe and reliable in action and prompt in relieving pain.

Prescribed by dentists for the relief of pre- and post-operative dental pain.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission said preparation will not relieve pain more quickly or more effectively than a number of similar preparations on the market, and none of the four ingredients is free from possibility of harmful effects.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- a. That said preparation is a competent treatment or an effective remedy for colds, periodic pains or headaches unless limited to the relief or palliation of symptoms and pains due to such ailments;
 - b. That the medical and dental professions consider said preparation tremendously effective for any of the specified ailments unless limited to the relief or palliation of symptoms and pains due to such ailments;
 - c. That said preparation contains a combination of four pain relieving agents;
 - d. That said preparation is a new discovery of science;
 - e. That modern science has discovered that headaches would not yield to one pain relieving agent alone;
 - f. That said preparation has given relief where others have failed;
 - g. That the formula of Anacin is recognized throughout the world as safe or reliable in action or prompt in relieving pain;
 - h. That said preparation does not upset the stomach;
- and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01102. Vendor-Advertiser—Effervescent Tablets.—C-T-C Corporation, successor to The Haley M-O Co., Jersey City, N. J., vendor-advertiser, is engaged in selling Haley's C-T-C, offered as a treatment for colds and other ailments, and in advertising represented:

Haley's C-T-C, a remarkable new product for correcting over-acidity of the blood.

Doctors will tell you that most colds can be greatly relieved and more quickly cleared up by correcting an acid condition. • Haley's C-T-C, meaning Citrates, Tartrates, and Carbonates, will do this quickly and safely. It is an effervescent alkalizer which reaches the cause of the cold by neutralizing the acid in both your blood and your stomach. You will find it as pleasant to take as a glass of mineral water and an ideal corrective when laxatives are not required.

Too much eating, smoking or too little sleep results in an acid condition which in turn is the cause of most simple colds, headaches, sour stomach, or general tired run-down feeling. Keep fit with Haley's C-T-C.

Many women in their desire for slim hips and youthful figures have discovered that most reducing diets cause acids in blood, acids that make you feel tired and dull and weaken your system. Fortunately they too have found that Haley's C-T-C successfully counteracts this distressing acid condition. Just C-T-C and a glass of water for a clear head and healthful alkalinity.

Most common colds are accompanied by acidity causing headaches and dull lifelessness. Haley's C-T-C keeps the system alkaline, free from this excessive acidity. Also many have found Haley's C-T-C invaluable the morning after for clearing stuffy heads.

In Haley's C-T-C I have at last found and become acquainted with a preparation that will serve as an alkalizer and not at the same time act as a laxative * * * the acid condition was corrected by C-T-C which gradually eased away the spells of irritation, biliousness and mental and physical discomfort.

Haley's C-T-C is a non-laxative corrective for over-acidity.

Acidity usually accompanies any weakened condition of the system. That is why Haley's C-T-C is of such benefit to you when you are run down by a cold, loss of sleep or reducing * * * is a perfect alkalizer for correcting an acid condition.

Haley's C-T-C * * * not only relieves excess stomach acids, but acid in the blood as well.

Haley's C-T-C to prevent as well as correct simple headaches, colds, sour stomach, run-down feeling and lack of pep in the morning caused by an excessive acid in the blood as well as stomach which affects the entire system.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinions rendered the Commission, said product will not correct the conditions indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That C-T-C will correct over-acidity in the blood or will have an appreciable effect upon the alkaline reserve of the blood;

(b) That C-T-C is a competent and complete remedy for colds;

(c) That C-T-C will keep the system alkaline and free from acidity;

(d) That C-T-C will prevent or correct simple headache, sour stomach, run-down feeling and lack of pep in the morning caused by excessive acid in the blood, or by any condition other than gastric hyperacidity;

(e) That reducing diets cause acidity and that C-T-C will counteract or remedy such acid conditions;
and from making any other claims or assertions of like import.

The respondent asserts and affirms that it has discontinued advertising and selling in interstate commerce the product Haley's M-O and that all rights, title, and interest in said commodity have been sold to the Chas. H. Phillips Chemical Co.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01103. Vendor-Advertiser—Medicinal Preparation.—E. W. Craghill and W. E. Brunson, copartners trading as The Zulvar Co., Hollywood, Calif., vendor-advertiser, is engaged in selling Zulvar, for rheumatism, and in advertising represented:

Try Zulvar entirely at my own risk.

Zulvar has relieved arthritis, neuritis, and rheumatism suffering for others.
* * * People who once suffered as perhaps you are now and have experienced their first genuine relief, after using Zulvar.

It is used * * * as a tonic.

Zulvar not only quickly relieves immediate suffering but combats the trouble at its source * * * Tends to bring you definite and lasting relief and protection from recurring attacks of rheumatic conditions.

It contains no drugs.

Many physicians recommend Zulvar.

My special 30-day, no risk, trial offer * * * my money-back guarantee protects you * * * I am willing to send you a full 30-day treatment with the understanding that it does not cost you one penny, unless you are benefited. You are the sole judge. Send in your order right now * * * After receiving the Zulvar, use it for thirty days as per directions, and if you are not satisfied with the results, just return the empty bottles and in accordance with my printed money-back guarantee I will refund every cent of your money by return mail.

As long as some benefit is accomplished, you will be encouraged to continue the treatment until you are completely free of the ailment.

You cannot expect Zulvar to entirely correct your condition in just thirty days. Give Zulvar a fair chance by continuing to take the two baths a week and use the drinking water according to directions.

Do not skip a single treatment of either the Zulvar baths or the drinking water. When once you start, the good work should not be stopped or even delayed. It only retards your recovery.

The physician in charge of my case pronounced my trouble as arthritis. After treatments from local physicians and spending seven weeks in the hospital with

no beneficial results, and suffering the loss of some seventy pounds in ten weeks, I was brought home very weak and my right leg devoid of any feeling, also causing pains throughout my body. My last local physician returned in January, suggested that I try Zulvar, both internally and also as a bath. After using it some eight weeks I not only regained the use of my limb, discarded my crutch, but was able to drive my car and get about most satisfactorily.

I received an injury by falling. Results of which developed in oostero-arthritis of the spine and very painful. I could not sleep on account of pain, and finally my nerves went to pieces * * * I heard of Zulvar * * * I bought Zulvar. I took it and used it according to directions * * * in less than a month I feel like a new person.

I suffered with neuritis * * * I was finally told of the marvelous results of Zulvar and I secured several bottles and immediately took daily baths * * * After a week I began to sleep * * * in three weeks I had no pain day or night * * * since that time I have had no recurrence of the pain, do not find any need of Zulvar for that purpose, however, when I am quite fatigued I enjoy a Zulvar bath for it revives one as nothing else can do.

Thirty-five years ago I was pronounced an incurable, chronic rheumatic case * * * I began using Zulvar treatments several years ago and have not been without it since. At the present time I consider myself a normal healthy man. For the last three years I have not suffered any of the agonizing pains, nor constant colds so common to my previous rheumatic condition.

Zulvar has not only been instrumental in helping to restore health to sufferers from arthritis, neuritis, rheumatism, but it has also been a vital factor in the treatment of skin diseases. Among such diseases are acne, athlete's foot, eczema, psoriasis, and other less painful and troublesome diseases of the skin.

After having weeping eczema * * * for over a year on my feet * * * the doctor told me I could not be cured * * * Your agent came to my house and left me three bottles of Zulvar and I used it constantly on my feet, and took it, too. In four weeks I was cured.

After a hot day at the beach, over-exposure to the rays of the sun, a warm Zulvar bath is a most effective way of preventing serious sun burn.

Hot Zulvar packs applied to boils have been most efficient in drawing the poisons to the surface and quickly removing these most violent skin eruptions.

I purchased your three-months' treatment of Zulvar for my husband * * * his stomach does not trouble him any more * * * his neuritis has gone and his athlete's feet are all healed and well.

By using Zulvar * * * you supply nature with a vital element necessary to correct the condition which causes the agonizing and disheartening despair that accompanies such disorders as arthritis, neuritis, rheumatism, and many skin diseases.

* * * Trial sent free * * * If you are suffering agonizing pains, write today for free trial of Zulvar and full information * * * The Zulvar Company.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling

its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That said product when used either externally or internally is a competent treatment or effective remedy for:

Neuritis	Sunburn
Arthritis	Boils
Acne	Stomach trouble
Athlete's foot	Any skin disease
Eczema	Spinal trouble
Psoriasis	Colds;

(b) That said product neutralizes uric acid;

(c) That said product eliminates toxins and wastes or purifies the blood stream;

(d) That said product is a tonic;

(e) That said product combats any trouble at its source;

(f) That said product contains no drugs;

(g) That "many physicians recommend Zulvar";

(h) That said product will cure, heal, correct or prevent any ailment, or that it will free one of any ailment;

(i) That said product "revives";

(j) That said product aids in restoring health to anyone suffering with any ailment;

(k) That the trial offer is at no risk to the purchaser unless the purchaser receives the total amount expended for the product in addition to such expense as may be incurred in returning the product, including cost of packing and postage; and from making any other claims or assertions of like import.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01104. Vendor-Advertiser—Medicinal Preparation.—Percalx, Inc., Burley, Idaho, vendor-advertiser, is engaged in selling a preparation recommended for the treatment of Hay Fever, Asthma, chronic colds and sinus infections, known as Percalx, and in advertising represented:

This new method of developing resistance to Hay Fever grows out of the fact that in a large number of cases there seems to be a definite connection between Hay Fever attacks, and a deficiency of Calcium in the system. When this Deficiency Is Overcome, the Body Develops Its Own Natural Resistance to Asthma, Hay Fever and Chronic Colds. This new method therefore is simply the restoration of needed calcium to the system. This is made possible by Percalx Build-Up Units. Percalx is a white, tasteless, odorless form of concentrated calcium.

Build up your system now. Prevent or ease asthma attacks later.

Thus came this great discovery which has astounded the medical profession, relieving thousands of sufferers from Asthma, Sinus Infections, Chronic Colds, and Hay Fever.

Relief for 9 out of 10 who have Hay Fever, Asthma, Chronic Colds, or Sinus Infection by means of a marvelous new discovery which overcomes Calcium Deficiency.

Percalx is the amazing calcium concentrate recently discovered which is easily absorbed by the body and makes it possible to multiply by 4 times the daily intake of calcium, thereby correcting calcium deficiency;

Percalx should be looked upon more as a food than a medicine. It supplies, stimulates and hastens the absorption of calcium which the body requires—then Nature effects the relief or cure by giving the body normal resistance;

Two summers ago I took the Percalx treatment and after taking it for eight days I began getting relief. I have had permanent relief from hay fever through the Percalx treatment;

Although my sinus and head cold trouble is of long standing and very persistent, I have had remarkable results from Percalx;

For more than twenty-five years I have suffered from hay fever. It later also manifested itself in a form of eczema. I began taking Percalx, and upon the completion of the treatment I have had no hay fever and my skin has cleared up entirely. I have obtained complete relief without changing climate or living conditions;

I suffered from infection of the ethmoids, and I want to express to you the fine results I obtained through Percalx. Ever since last autumn and all winter I kept catching cold, one right after another. This was followed this spring by an infection of the ethmoids. Within 10 days or two weeks, after commencing to take Percalx, I obtained almost instant relief. I did not have much faith in Percalx before I began taking it, but I have plenty now. It is truly a wonderful preparation;

For the First Time Doctors Now Know That It Is These People, Deficient in Calcium, Who Usually Suffer from Asthma, Chronic Colds, Sinus Infections, and Hay Fever;

In some mysterious way, it fortifies the body. Resistance to attacks of asthma increases. Sometimes the results come with startling suddenness. Other times this resistance develops over a period of time—slowly but surely;

Already thousands of people have secured lasting relief, after suffering a lifetime from this scourge, after futilely trying dozens of different "remedies" or "cures", after spending hundred of dollars on doctor's bills.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Percalx—

1. Develops resistance to hay fever or colds; or
2. Builds up the system; or
3. Prevents or eases asthma attacks; or
4. Increases resistance to attacks of asthma; or
5. Gives lasting or permanent relief;

(b) That persons, deficient in calcium, usually suffer from asthma, chronic colds, sinus infections, or hay fever;

(c) That Percalx affords almost instant relief after being taken for ten days;

(d) That Percalx "should be looked upon more as a food than a medicine";

(e) That Percalx makes it possible to multiply by 4 times the daily intake of calcium;

(f) That Percalx has relieved thousands of sufferers from asthma, sinus infections, chronic colds, and hay fever, or affords relief to 9 out of 10 who suffer from these ailments;

(g) That there is a definite connection between hay fever attacks and a deficiency of calcium;

(h) That Percalx has afforded, or will afford, relief in cases where other remedies or cures have failed, or where treatment by physicians has been unsuccessful;

(i) That Percalx is an effective treatment or remedy for eczema or infection of the ethmoids;

(j) By direct statement or reasonable implication that there is a deficiency of calcium in the average diet, and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01105. Vendor-Advertiser—Medicated Skin Treatment.—J. George Hauser, Walter U. Hauser, and James J. Poole, copartners, doing business under the firm name of Hauser Laboratory, Minneapolis, Minn., vendor-advertiser, is engaged in selling an alleged remedy for athlete's foot, ringworm, eczema, and other skin disorders designated "Liquid O2X", and in advertising represented:

If you are troubled with any itching fungus skin disorder such as athlete's foot, ringworm, or certain forms of eczema, try Liquid O2X.

Even if you have tried other remedies, without permanent benefit, you will be surprised and delighted at the results you get with Liquid O2X.

It gets at and removes the real cause of the trouble.

Most cases are cleared up within a week.

If you have any itching skin infection with watery blisters or sore red spots or painful skin cracks, on any part of the body, get a bottle of Liquid O2X.

If you are one of the millions who suffer from that annoying itching between the toes, on the feet, hands, or other parts of the body.

Government reports show a rapid spread of skin infections caused by an almost invisible vegetable parasite or fungus.

In most cases, O2X brings lasting relief.

If you suffer from a form of itching fungus skin disorder Liquid O2X will quickly give you sure relief.

Painful itching skin eruption whether it has troubled you for days or months or years. We urge that you try the liquid medicine called O2X and give your skin this quick and sure and permanent relief.

For all fungus skin disorders that cause redness, burning, itching, dry cracked skin, or tiny blisters (often thought to be eczema) O2X is recommended.

Heal Ringworm any place it grows. Barber's itch on cheek or nose, Athlete's Foot on feet or toes. For every form of itching skin of any fungus origin. Use liquid O2X.

Has brought lasting relief to thousands of sufferers from a contagious and rapidly spreading skin infection commonly called athlete's foot, ringworm, barber's itch, and sometimes eczema.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to scientific opinion furnished the Commission, respondents' product is not an effective remedy for athlete's foot, eczema, ringworm, or any skin diseases due to fungi.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Liquid O2X is a competent remedy or treatment for all forms of fungus skin disorders;

(b) That Liquid O2X will give quick, sure, permanent, and lasting relief from or heal Ringworm, Barber's Itch, Athlete's Foot, Eczema, and every form of itching skin of any fungus origin, or any other skin disorders;

(c) That Liquid O2X will get at and remove the real cause of all skin disorders;

(d) That Liquid O2X can clear up most skin diseases within a week;

(e) That government reports show a rapid spread of skin infections caused by an almost invisible vegetable parasite or fungus, and from making any other claims or assertions of like import.

The respondents further stipulate and agree to cease and desist from the use of the term "Laboratory" in their firm name, until such time as they shall, in truth and in fact, own, conduct and operate a laboratory.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01106. Vendor-Advertiser—Cylinder and Valve Compound.—Nelson E. Woolman and Lyle G. Jackson, copartners, doing business under the firm name of Power Seal Co., Los Angeles, Calif., vendor-advertiser, is engaged in selling "Power Seal", an engine dope, and in advertising represented:

Restores Power.

Seals up leaky rings and valves.

Fills up valve pits and abrasions.

Makes valve seat perfectly.

Power Seal restores efficiency to your motor.

Saves money in oil and gas.

Power Seal Restores Compression.

Bring back power and pep with Power Seal.

Which, \$20 to \$40 for Ring and Valve job or "Power Seal" at \$2 installed.

Increases Power—Speed—Mileage.

Eliminates Sloppy rings.

Reduces Oil Pumping.

A rare compound which expands and plates under heat, refined and blended in our laboratory, and formed into convenient Pellets.

Power Seal expands plating the cylinder walls and sealing the valves. It is guaranteed to restore power and compression.

Ends all need for valve and ring jobs.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to scientific opinion furnished the Commission "Power Seal" will not restore power, raise compression, seal up leaky rings and valves, fill up valve pits and restore efficiency in motors or save oil and gas.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That "Power Seal" will—

(1) Restore power;

(2) Raise compression;

(3) Seal up leaky rings and valves, ending all need for valve and ring jobs;

(4) Fill up valve pits; and

(5) Restore efficiency to motors;

(b) That "Power Seal" will save oil and gas, bringing back and increasing power—speed—mileage and "pep" in engines; and from making any other claims or assertions of like import.

The respondents hereby further stipulate and agree in soliciting the sale of said commodity in interstate commerce to cease and desist from representing, directly or otherwise, that it operates a "laboratory" until such time as it shall, in truth and in fact, operate a laboratory.

The respondents assume all responsibility for any and all representations appearing in testimonials published by them and stipulate and agree that they will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01107. Vendor-Advertiser—Massage Device.—James Brown, an individual, doing business under the trade name of Prostaïd-National, Marshall, Mich., vendor-advertiser, is engaged in selling Prostaïd, offered as a prostatic massage device, and in advertising represented:

Your prostate, is it weak, inflamed or enlarged? Strengthen and invigorate this vital gland by prostatic massage.

Your prostate gland! Is it strong, healthy and vigorous? Are all the forces and functions of this vitally important gland in healthful and harmonious accord? Or is it weak, congested, and painful and you feel distress in many ways, such as lack of pep, lame or weak back, pains in the legs, feet and sides; dull, dead feeling and soreness in the pelvis and groins, symptoms of which appear to be sciatica, rheumatism, lumbago, kidney or bladder trouble? Do you know these are signs of prostate trouble and that the seat and source of prostate trouble is all in One central spot, easily reached and which can be covered by a silver dollar?

* * * Take this man to man letter as your introduction to a new, direct, and Drugless treatment for relief from many of the troubles and weaknesses that most men past forty, experience as a result of weak, congested, or enlarged prostate gland.

The enclosed matter shows how the prostate gland controls its allied functions; and the easy, sensible Spot-Reaching manner in which direct prostate massage may change your weakness into prostate strength and vitality.

My plain proposition is just exactly this; I want to prove to You, absolutely and conclusively in the privacy of your room, that prostatic massage is the Right treatment for prostatic weakness and congestion; and that Prostaïd actually massages, awakens and invigorates the prostate gland and seminal vesicles.

If you want prostatic strength and vigor and absolute and personal proof in ten minutes that you may look, feel and Act ten years younger, send for your Prostaïd today.

And in further contrast to medicines, can't you safely conclude that if Prostaïd delivers All its action and effectiveness to the prostate, right where it is needed, Prostaïd is in reality 100% effective and efficient?

Prostaïd is a Direct method of treatment that goes to its task like an arrow to its mark.

Every pressure of the hand bulb forces out the old, inactive circulation and stimulates the secretive ducts. When the hand bulb pressure is released, new blood comes into the prostate—and the continued pressure and release of the hand bulb accomplishes the massage of the prostate gland.

Yet, prostatic massage is and for years has been, a standard and reliable remedy for prostatic weakness and inactivity.

Prostaid is an honest method of treatment, fairly and honestly represented and offered to men who want prostatic health and strength. We expect it to prove itself to you as it has to thousands of other men.

Guaranteed to last and give you good service for life.

The special and direct effectiveness of Prostaid is due to three distinctive features in its construction and design:

1. The Length of the pipe itself, it really reaches the Spot—the vitally important nerve centers at the Top of the prostate gland, as well as the seminal vesicles.
2. The Size and Shape of the pipe, making it easy and pleasant to insert. (Prostaid has been used with benefit and success as a non-rigid rectal dilator in many forms of piles.)
3. An auxiliary Air Vent near the top of the pipe, which allows smooth, even inflation and recession of the massaging air cushion.

No other instrument combines all these three vitally important features which are necessary for successful prostatic massage.

Now then; when pressure is applied against the prostate, the same thing happens as when you apply pressure to a wet sponge; the excess fluid is pressed out of it.

And a weakened, inactive, congested prostate, under proper massage and pressure, is relieved of its congestion of fluids—the tiny ducts and channels are cleansed and emptied. As the hand bulb pressure is released, new circulation flows into the gland; and the result of a series of proper prostatic massages is an awakened, strengthened, and invigorated prostate.

Treat yourself at home.

Prostaid is an honest treatment, fairly and honestly described and represented, and honestly offered to men who stand in need of prostatic health and strength.

Use Prostaid—and learn what other men have learned about this new and better way of regaining prostatic vigor and vitality through this easy, home method of air-cushioned prostatic massage that means action and results that you can feel and enjoy.

Nowadays the accepted method of toning and vitalizing the prostate is prostatic massage. And just because I know that Prostaid really reaches and massages the prostate gland—and furthermore because so many men have written good reports after using it, I am convinced that in the majority of cases of prostatic weakness, inactivity, or enlargement, Prostaid will prove helpful and beneficial.

Good doctors and specialists are using Prostaid instead of the finger method for the simple reason that Prostaid reaches the Spot at the Top of the prostate gland, which cannot always be reached by the finger method.

Now, then, if you agree that a strong, healthy, vigorous prostate gland is worth the slight effort you may make to treat Yourself in the privacy of your room and at your convenience when and where you wish (using Prostaid is as easy as combing your hair), I ask you to try Prostaid.

Consider the prostate as the central powerhouse of pelvic energy and you will know why congestion or weakness of this gland reduces your vital force. Proper prostatic massage relieves this congestion, cleanses the ducts and channels, and stimulates the controlling nerve centers. No other treatment reaches the prostate gland exactly the same as prostatic massage.

If you now have frequent or regular prostatic massage, Prostaid will appeal to you as an economical and convenient means of self-treatment. If you never have had prostatic massage, learn from the enclosed matter the definite points of superiority of massage over drug or medical treatments; and how this direct spot reaching the Spot Touching Prostaid applies to the relief of prostatic weakness, congestion, and inflammation.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to scientific opinion rendered the Commission, respondent's device is ineffectual as a method of prostatic massage and is capable of producing harmful effects in some cases.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Prostaïd is a 100% effective, efficient and harmless device for prostatic massage in all cases of weakened, inflamed, or enlarged prostate gland;

(b) That the use of Prostaïd as a massager will strengthen, invigorate and/or vitalize the prostate gland;

(c) That Prostaïd may be used as an effective and competent treatment for piles;

(d) That Prostaïd may be used as an effective and competent treatment for lack of pep, lame or weak back, pains in the legs, feet and sides, dull, dead feeling, and soreness in the pelvis and groins, symptoms of which appear to be sciatica, rheumatism, lumbago, kidney, or bladder trouble and are due to prostatic trouble;

(e) That Prostaïd is a new device for the direct massage of the prostate gland;

(f) That most men past forty experience ailments due to weak, congested and/or enlarged prostate gland;

(g) That Prostaïd may be used at home by anyone without danger or harm;

(h) That Prostaïd is capable of reaching the seminal vesicles;

(i) That ten minutes' use of Prostaïd will make one look, feel and act ten years younger;

(j) That the use of Prostaïd will cause new blood to come into the prostate and relieve weakness, inactivity and/or congestion of the prostate gland by relieving the congestion of the fluids and causing the tiny ducts and channels to be cleansed and emptied, resulting in the flow of new circulation;

(k) That all good doctors and specialists are using Prostaïd as a massager for the prostate gland instead of the digital method;

(l) That Prostaïd will give good service for a lifetime, and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testi-

monial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01108.¹ **Vendor-Advertiser—Medicated Powder.**—French Clinical Laboratory and Supply Depot, San Antonio, Tex., vendor-advertiser, is engaged in selling FFP No. 22, a foot powder offered as a remedy for Athlete's Foot, and in advertising represented:

The prevention of Athlete's Foot by French's Foot Powder FFP No. 22.

The treatment of this irritating condition can be divided into two classes: The old and unsatisfactory method and the new, modern, and satisfactory method by the use of FFP No. 22. For years numerous preparations have been presented to the public for the cure of this intensely irritating condition; * * * some of these preparations would actually cure the infection of the feet, but they failed to keep the feet cured because they failed to prevent reinfection of the feet as soon as the treatment was stopped.

French's foot powder No. 22—the new, modern, and scientific treatment for "Athlete's Foot" has solved this problem.

After a great deal of study and investigation it was discovered that the reason why the feet did not remain cured was because the feet were re-infected as soon as they were put into the infected footwear * * * as soon as this discovery was made, the problem presented itself to destroy the germs in the footwear without injuring or damaging the footwear, even to the finest of sheer hosiery * * *. It was believed * * * that this object could be accomplished by the use of a foot powder, providing such a powder could be discovered; * * * four years were spent in a skin clinic, actually testing different powder preparations before one was obtained which would actually accomplish the following results:

1. Cure the infection of the feet;
2. Kill the infection of footwear;
3. Cause no irritation to the feet;
4. Do no damage to even the finest hosiery, shoes, etc.
5. Accomplish these results at one and the same time with just one preparation.

This powder * * * starts in immediately to kill the infection of the feet and footwear.

It also produces a checking influence in the excessive sweating cases of the feet, and is therefore a most excellent remedy for sweaty and smelly feet.

By dusting FFP No. 22 into the shoes once a day after the feet have been cured, the re-infection of the shoes and feet is prevented, even though the feet come in contact with infected places.

¹ A substitute stipulation entered into subsequent to the period covered by this volume and dealing with the same respondent and subject matter sets forth—

Respondent's representation in advertising said FFP French's Foot Powder that ordinary cases of athlete's foot were usually cured in a few days; vendor advertiser's representation as above set forth in paragraph beginning "After a great deal of study", etc., and that as a result there was discovered a powder that would cure the infection and accomplish such results above referred to at once and with just one preparation, and that FFP was sure and that to assure quick and permanent relief in treatment of athlete's foot and all foot odors "ask for French's Foot Powder";

Respondent's admission that while said FFP No. 22 is the 22nd formula tried out and the only one now advertised and sold and which is claimed to be a competent remedy for said ailment and one which will prevent infection or reinfection, used as directed, it is not a cure nor permanent in its effects but must be used as frequently as danger of infection or odors obtain; and

Respondent's agreement to cease and desist from representing that said preparation will "cure" said ailment and other infection at once, within a few days, or at all; or assure quick and permanent relief in the treatment thereof and of all foot odors; or that it is a "sure" remedy for athlete's foot, or for all foot odors; and from making other claims or assertions of like import.

Use FFP Foot Powder * * * for the prevention * * * of Athlete's Foot and all foot odors.

FFP * * * prevents re-infection by disinfecting the shoes * * *.

FFP * * * stops the itching * * * kills infection in the shoes * * *.

French's Foot Powder * * * prevents re-infection by killing infection of the feet and in the shoes * * *.

FFP * * * is safe * * * is sure.

To assure quick and permanent relief in the treatment of Athlete's Foot and all foot odors, ask for French's Foot Powder.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that medical opinions furnished the Commission state that respondent's product is not an effective remedy for the foot ailments indicated.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That FFP No. 22 will prevent Athlete's Foot;

(b) That FFP No. 22 will cure Athlete's Foot and other infections at once, within a few days, or at all;

(c) That FFP No. 22 will prevent re-infection of feet once cured of Athlete's Foot;

(d) That FFP No. 22 will destroy germs in footwear that cause Athlete's Foot, without damaging the footwear or the finest sheer hosiery;

(e) That FFP No. 22 will cause no irritation to the feet;

(f) That FFP No. 22 will assure quick and permanent relief in the treatment of Athlete's Foot and all foot odors;

(g) That FFP No. 22 is a safe and sure remedy for Athlete's Foot and other foot ailments;

and from making any other claims or assertions of like import. The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01109. Vendor-Advertiser—Herb Tea.—L. B. Ford, York, Nebr., vendor-advertiser, is engaged in selling Van-Nae Herb Tea, offered as a fat reducing tea and in advertising represented:

* * * you fat people. Don't you feel as though life for you is a complete failure. That you are so unhappy with that overloaded fat, that you just become desperate at times * * * But those people who have been fat, but now have healthy, slim trim figures, have listened to the voice of science and reduced in.

any easy sensible manner. Van Nae Herb Reducing Tea is the answer of science to the enemy fat, and what a boon it has proved and is proving to millions of unhappy fat people throughout the land. You do not have to take drastic purgatives that drain your body of all strength to reduce, nor do you have to strenuously exercise, that at times have been fatal to very fat people. You do not have to starve or go on a rigid diet, but on the contrary you can eat practically what you like while reducing. You simply drink this reducing tea with your meals just as you would drink tea, coffee, milk, or other beverages * * * Or if you prefer, you can drink your favorite beverage with your meals and drink this reducing tea between meals. Fat just seems melting away.

* * * you fat folks who find the winter months easier for you than the hot months of spring and summer. In the winter as well as in the summer you suffer from your excess load of fat. A fat person does not enjoy life as a person does who has a normal, healthy body, * * * But this condition can now be relegated into the discard, as science has at last come to the rescue of people who are suffering from an over abundance of horrid fat * * * But now, my dear fat friends, you can at last reduce that fat and have a healthy normal body. Fat is not caused from over-eating, but is caused from a body ailment, and when this ailment is corrected that fat will simply melt away. Van-Nae Herb Reducing Tea will help you to happy health and a slim trim figure * * *.

If you, too, are fat, if you are in misery from all that surplus weight that you are carrying around with you, why not take advantage of this new wonderful scientific discovery, Van-Nae Herb Reducing Tea, and travel along with that happy parade of slender well-formed people.

* * * Usually you begin to lose weight with the first cup of tea, but in some very stubborn cases it is necessary to take the first package to get to the seat of the trouble, as fatness is not from what you eat, but is caused by some bodily ailment, and the quicker this ailment is removed, the quicker you can enjoy good health, and have a body that you can be proud of * * *.

Use the tea until you have reduced to your proper weight, then simply discontinue taking the tea, as it is not necessary to keep drinking it after you have taken off the amount of weight that you desire to lose.

Fat is caused by a diseased bodily condition, and until that condition is removed you will continue to be fat * * * now it is in the power of any sensible fat person to get rid of that terrible fat, thanks to science * * * Van-Nae Herb Reducing Tea is the answer of science to the enemy fat * * *.

* * * when your package arrives just follow the easy simple directions that come with each package, and it won't be long until you too can be happy in the knowledge that you are regaining that slim trim figure that every woman craves. In very stubborn cases of fat it may take a little longer to eliminate the condition but if you will be true to yourself you too can have Van-Nae results.

Nor do you have to go on a rigid diet or starve yourself until you are so weakened from lack of nourishment that your body loses its power of resistance against disease and is left as a safe breeding ground for disease germs of every kind and type. Van-Nae Herb Reducing Tea will take away that excess body moisture and poisons that are in the body. It will cause the puffiness and bloat to disappear, the wheezing and shortness of breath will be gone, and that miserable fat just seems to start melting away. * * * the quicker you eliminate the condition that creates fat the quicker you can have a healthy normal body, a slim trim figure again * * * fat people can reduce in a safe, sane, and sensible manner by using Van-Nae Reducing Tea.

We have hundreds of letters from people who were fat who lost as high as twelve pounds the first week.

Just enclose \$1.10 and address Dr. Ford, c/o KGBZ, York, Nebr.

If you wish to have a normal healthy body, why not quit trying with methods that weaken and undermine your system, and reduce in an easy sensible manner * * * and have a well formed figure that nature intended you to have. For only \$1.10 we will send to you postpaid to any address two regular full-sized \$1.50 packages of Van-Nae Herb Reducing Tea.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to scientific opinion furnished the Commission respondent's product is not capable of producing the results claimed therefor.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Van-Nae Herb Tea is more than a mere laxative and diuretic;

(b) That Van-Nae Herb Tea will act as a fat reducer without dieting or strenuous exercise;

(c) That Van-Nae Herb Tea will correct any body ailment or diseased condition of the body causing excess fat;

(d) That Van-Nae Herb Tea will give one a healthy, normal, slender, well-formed body;

(e) That Van-Nae Herb Tea is a "new wonderful scientific discovery" for reducing fat;

(f) That Van-Nae Herb Tea is non-habit forming;

(g) That Van-Nae Herb Tea will give strength where strength is needed and does not have a weakening effect upon the system causing loss of resistance to disease;

(h) That Van-Nae Herb Tea will cause one to begin to lose weight with the first cup;

(i) That one may cease drinking Van-Nae Herb Tea after reducing to a desired weight and still retain said weight without continuing to drink said tea;

(j) That the drinking of Van-Nae Herb Tea is a sensible, safe, and sane method of reducing fat;

and from making any other claims or assertions of like import.

The respondent hereby further stipulates and agrees in soliciting the sale of said commodity in interstate commerce, to cease and desist from using the title of Doctor or representing, directly or indirectly, that he is a doctor of medicine.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates

and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01122.¹ **Vendor-Advertiser—Medicinal Preparation.**—Mark Laboratories, Inc., Pittsburgh, Pa., vendor-advertiser, is engaged in selling Mark-4, a medicinal preparation offered as a remedy for Athlete's Foot and in advertising represented:

Mark-4—A new rapid remedy * * * For Athlete's Foot.
Heals in a Hurry.

Do your feet burn like wild fire * * * just about the time you are ready for bed at night? Sounds like Athlete's Foot. And Athlete's Foot is no joke. It is downright serious. Better try Mark Four, the tried and proven remedy.

Get rid of Athlete's Foot. Use Mark Four.

Mark-Four clears up those inflamed feet overnight.

Mark-Four clears up most cases of Athlete's Foot overnight.

Mark-Four the finest remedy on the market.

If Mark Four doesn't heal Athlete's Foot—you get your money back at once.

Poison Ivy! Athlete's Foot! and other skin infections * * * spoil more vacations than bad weather—Mark Four the powerful germicide clears up Athlete's Foot and Poison Ivy without harm to the most tender skin.

Mark-Four heals those cracks, blisters overnight.

Mark-Four refreshes tired, aching feet immediately

Mark-Four is the arch-enemy of callouses and blisters.

Mark-Four soothes and heals those nasty cracks between the toes.

It is also a miraculous remedy for Poison Ivy.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that according to medical opinion furnished the Commission respondent's product is not an effective remedy in all cases of athlete's foot, ringworm, poison ivy, or other skin infections as claimed therefor.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Mark-4 is an effective remedy for all cases of Athlete's Foot, Ringworm, Poison Ivy, or all types of skin infection, or inflamed feet;

(b) That Mark-4 will clear up inflamed feet or other skin eruptions overnight;

(c) That Mark-4 is an effective remedy for callouses;

(d) That Mark-4 will refresh tired, aching feet immediately, irrespective of the cause of the condition;
and from making any other claims or assertions of like import.

¹ Stipulations 01110 to 01121, inclusive, not released.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by it and stipulates and agrees that it will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 10, 1936.)

01123. **Vendor-Advertiser—Medicinal Treatment.**—E. A. Rush, operating as Beeman's Laboratories, Atlanta, Ga., vendor-advertiser, is engaged in selling a treatment for all kinds of skin diseases, denominated "B. G. O." and in advertising represented:

If you come home tonight with * * * aching feet * * * get instant relief. Just call your drug store and ask for a jar of B. G. O.

Beeman's Greaseless Ointment is * * * valuable remedy for athlete's foot.

B. G. O. is a soothing medicated ointment recommended by your doctor for the treatment of corns and callouses, burning and blistered feet, and athlete's foot.

B. G. O. is wonderfully healing for a blistered condition of the feet.

The best remedy for bringing instant relief to tired burning feet is B. G. O., a soothing, medicated ointment recommended by your doctor for the treatment of a blistered condition of the feet and athlete's foot.

B. G. O. good for athlete's foot and all skin diseases.

Athlete's foot—greatest relief.

The only known relief that will stop the odor of smelling feet; stops itching, tired, aching, burning, sore, sweaty, and blistered feet or any body odor; for the treatment of piles, tetter, itch, eczema, burns, sores, pimples, blackheads.

Remember the reliable relief for aching feet and any skin troubles—B. G. O.—Beeman's Greaseless Ointment.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical opinion rendered by the Food and Drug Administration, this product will not do the things claimed for it in the advertisements.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

- (a) That B. G. O. possesses healing properties;
- (b) That B. G. O. is a competent remedy in the treatment of hemorrhoids, tetter, itch, blackheads, burns, prickly heat, poison ivy, corns and callouses, sores, pimples, or all forms of eczema;
- (c) That B. G. O. will give instant relief for any form of suffering;
- (d) That B. G. O. is the greatest relief for Athlete's Foot;
- (e) That B. G. O. is recommended by your doctor for the treatment of corns and callouses, burning and blistered feet, and Athlete's Foot;

(f) That B. G. O. is the only known remedy that will stop the odor of smelling feet;

(g) That B. G. O. is a competent remedy in the treatment of "all skin diseases" or of "aching feet";

(h) That B. G. O. is a "greaseless" ointment, and from making any other claims or assertions of like import.

The respondent assumes all responsibility for any and all representations appearing in testimonials published by him and stipulates and agrees that he will not publish or cause to be published any testimonial containing any representation contrary to the foregoing agreement. (Jan. 8, 1936.)

01130.¹ **Vendor-Advertiser—Medicinal Preparation.**—Lewyn Drug, Inc., Hollywood, Calif., vendor-advertiser, is engaged in selling a preparation recommended for the treatment of delayed menstruation designed as—

DR. HALLER'S FAMOUS PRESCRIPTION 5000

and in advertising represented:

One French Woman Tells Another—

In Europe women are not distressed about unnatural delay * * * when the calendar passes the danger mark. They use Dr. Haller's famous Prescription 5000, and end delay safely, quickly, dependably. Hundreds of thousands of treatments are sold there yearly. For almost half a century Prescription 5000 has also been dispensed to American women through ethical channels. Now you may buy this highly scientifically improved combination treatment direct from us. Mrs. A. K., Milwaukee, says: "It sure is wonderful and does the work." Mrs. C., Santa Ana, Calif., writes: "I believe it is the only successful treatment on the market." No interference with your work. Attention: Nothing else to buy besides * * * no so-called half strengths or third strengths. Knowing that you cannot afford to waste time, we offer you our very best and complete combination treatment in the first place, at a very moderate price. End delay now by getting Prescription 5000 at once and be done with it. Dr. Haller's Prescription 5000 successfully relieves some of the longest and most stubborn cases and is absolutely guaranteed to function or your money refunded. Shipped same hour that order is received, in plain sealed box. Send five dollars for complete combination treatment to D. G. Lewyn Drug, Inc., 1928 Taft Avenue, Los Angeles, Calif., or pay the postman, plus a few cents postage on delivery. Write Today. P. S. We also offer you our reliable Full Strength Prescription 2000 * * * at \$2.00 per box.

We guarantee our products to comply with the Federal Food and Drug Act.

Dear Madam:

We have your letter in which you advise that Prescription 5000 has failed to help in your particular case, which seems to be an unusual one.

So much depends upon the proper time at which Prescription 5000 is taken and so confident are we of satisfactory results from the proper use of Prescription 5000, we suggest, rather than the return of your money, you use the contents of another package which you are entitled to under our guarantee and which we have

¹ Stipulations 01124 to 01129, inclusive, not released.

sent you today free of charge * * * if this package should be successful, as we are sure it will be, we would appreciate your testimonial to that effect. Your name will never be used in this connection.

Dear Madam:

We take pleasure in acknowledging your order received today and wish to thank you for the opportunity of serving you. Dr. Haller's Prescription 5000 * * * has been sent to you today.

After the appearance of our advertisement we found it advisable to alter our guarantee as shown on the enclosed order blanks. Judging from past experience, this optional guarantee has proven more satisfactory to our customers. If, for any reason, you are not satisfied with the guarantee as stated in the order blanks, simply refuse the package sent you.

The Federal Trade Commission, from an investigation made, has reason to believe that the foregoing statements are incorrect, exaggerated, and misleading, having the capacity and tendency to mislead and deceive prospective purchasers to the injury of competitors, in that, according to medical opinion rendered the Commission, this preparation will not do the things claimed for it in a majority of cases and is very dangerous to use and capable of doing great harm to the user.

In a stipulation filed and approved by the Federal Trade Commission this vendor-advertiser admits making such representations and specifically stipulates and agrees in soliciting the sale of and selling its said product in interstate commerce to cease and desist from representing directly or otherwise:

(a) That Dr. Haller's Prescription 5000—

1. Will end delay safely, quickly, dependably; or
2. Has been dispensed to American women through ethical channels; or
3. "Does the work"; or
4. "Successfully relieves some of the longest and most stubborn cases"; or
5. Complies with the Federal Food and Drugs Act; or

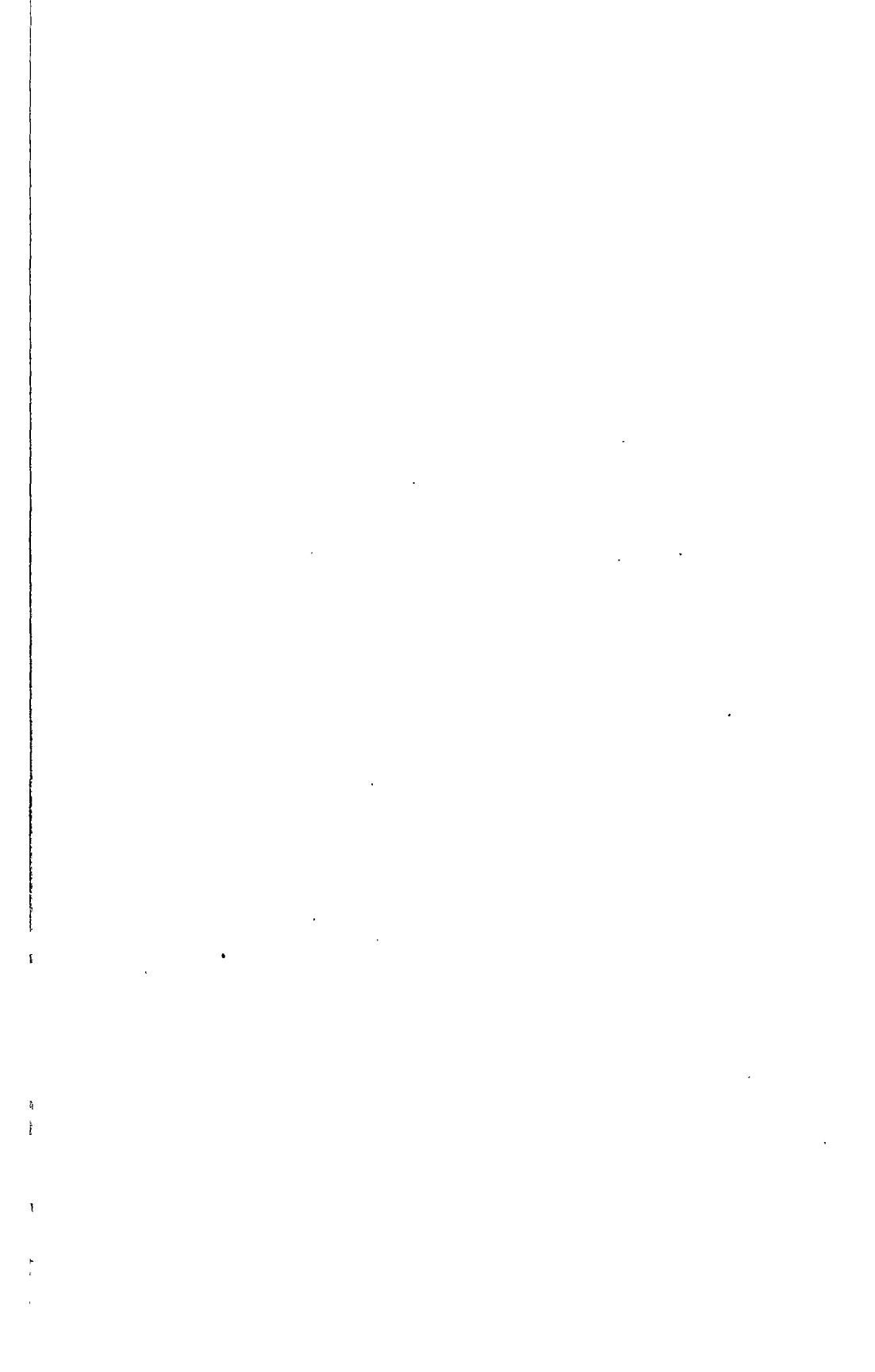
(b) That money is refunded the purchaser if the remedy is not satisfactory, so long as respondent insists on sending a second treatment instead of refunding the money;

(c) That hundreds of thousands of treatments are sold yearly in Europe.

(d) That "this remedy can be used with safety";

(e) That Dr. Haller's Famous Prescription 5000 is "guaranteed to function."

The respondent agrees that it will not reprint, publish, or cause to be published any testimonial containing any statements or phrases identical with those contained in the foregoing agreement, subdivisions (a) to (e) inclusive. (Jan. 8, 1936.)



DECISIONS OF THE COURTS

IN CASES INSTITUTED AGAINST OR BY THE COMMISSION

WALTER H. JOHNSON CANDY CO. v. FEDERAL TRADE COMMISSION

No. 5406

(Circuit Court of Appeals, Seventh Circuit. June 29, 1935. Re-hearing denied September 21, 1935)¹

LOTTERY MERCHANDISING SCHEMES—CANDY LOTTERY ASSORTMENTS—EVIDENCE—UNFAIRNESS—TESTIMONY OF PARENTS, ETC., RE PURCHASE BY DENOMINATIONAL SCHOOLS, AND WHOLESOME EFFECT ON CHILDREN, AND MANUFACTURERS RE LACK THEIR OBJECTIONS—RELEVANCE.

Testimony of parents and educators that lottery candy packages were purchased extensively by religious denominational schools for resale to children and that lottery packages had wholesome rather than deleterious effect on children, and testimony of candy manufacturers that they had no moral or other objection to manufacturing and selling such candy, *held* properly excluded by Federal Trade Commission in proceeding to suppress manufacture and sale of such lottery candy packages.

LOTTERY MERCHANDISING SCHEMES—CANDY LOTTERY ASSORTMENTS—EVIDENCE—PUBLIC INTEREST—TESTIMONY OF PARENTS, ETC., RE PURCHASE BY DENOMINATIONAL SCHOOLS, AND WHOLESOME EFFECT ON CHILDREN, AND MANUFACTURERS RE LACK THEIR OBJECTIONS—RELEVANCE.

Testimony of parents and educators that lottery candy packages were purchased extensively by religious denominational schools for resale to children and that lottery packages had wholesome rather than deleterious effect on children, and testimony of candy manufacturers that they had no moral or other objections to manufacturing and selling such candy, *held* not admissible to show that proceeding by Federal Trade Commission to suppress manufacture and sale of such lottery packages was not brought in public interest, as required by Federal Trade Commission Act (Federal Trade Commission Act, Sec. 5; 15 USCA, Sec. 45).

(The syllabus, with substituted captions, is taken from
78 F. (2d) 717)

Petition by the Walter H. Johnson Candy Company for review of order of Commission. Order affirmed.

[718] *Irving H. Fathchild, J. E. Beach, Charles J. Schofield, Jr., and L. A. Smoler*, all of Chicago, Ill., for petitioner.

¹ Reported in 78 F. (2d) 717. Case before the Commission reported in 19 F. T. C. 203. Petition for rehearing denied Sept. 21, 1935.

W. T. Kelley, chief counsel, Federal Trade Commission, Martin A. Morrison, assistant chief counsel, and Henry C. Lank, all of Washington, D. C., for respondent.

Before ALSCHULER, SPARKS, and FITZHENRY, Circuit Judges.

FITZHENRY, *Circuit Judge*:

This matter comes before the court on a petition for review filed by the Walter H. Johnson Candy Company from an order issued by the Federal Trade Commission to cease and desist certain practices held to constitute an unfair method of competition.

The Commission found that petitioner was engaged in the manufacture and sale of candy in interstate commerce; that among the candies manufactured by it are certain boxes of candy known as lottery, prize or draw packages which are so assembled and packed as to be resold to the purchasing public, principally children, by lot or chance; that this constitutes a lottery or gaming device; that many competitors of petitioner regard such method of sale as morally bad and encouraging gambling among children and therefore refuse to sell candy so packed and assembled and are thereby put to a disadvantage in competing. The Commission held the use of such methods by petitioner to be injurious to the public and to competitors and that it has resulted in the diversion of trade to petitioner and is a restraint upon, and a detriment to, the freedom of fair and legitimate competition in the candy industry. On the basis of these findings of fact, it issued the order to cease and desist which this court is asked to vacate in these proceedings.

It is contended by petitioner that the order which it challenges rests upon a record from which much of the evidence offered by petitioner was improperly excluded. The evidence excluded consisted, in large part, of the testimony of parents, educators, etc., that these confections were purchased extensively by religious denominational schools for resale to children and that they had a wholesome rather than a deleterious effect upon the moral development of the children. Other evidence which was excluded was the testimony of manufacturers of candy that they had no objection, moral or otherwise, to manufacturing and selling this candy.

The Commission properly excluded this evidence as irrelevant to the issues before it. Several manufacturers had testified that they felt the practice of selling these candies to be unscrupulous and that they could not descend to such a practice and were therefore put to an unfair disadvantage in their business. That not all manufacturers believed the practice to be dishonest or that these manufacturers were mistaken in their beliefs was clearly immaterial and irrelevant. The very recent case of *Federal Trade Commission v. Keppel & Bro.*, 291 U. S. 304, involved facts strikingly similar to those here. The court there said:

* * * a trader may not, by pursuing a dishonest practice, force his competitors to choose between its adoption or the loss of their trade. A method of competition which casts upon one's competitors the burden of the loss of business unless they will descend to a practice which they are under a powerful moral compulsion not to adopt, even though it is not criminal, was thought to involve the kind of unfairness at which the statute was aimed.

In support of this contention it cites the cases of *Federal Trade Comm'n v. Winsted Hosiery Co.*, 258 U. S. 483, and *Federal Trade Comm'n v. Algoma Lumber Co.*, 291 U. S. 67.

Nor could the evidence have properly been admitted as proof that the proceeding was not brought in "the interest of the public." In the Keppel case, *supra*, the Supreme Court held in respect to this same practice of sale and manufacture that it was of the sort which the common law and criminal statutes have long deemed contrary to public policy. The court said:

For these reasons a large share of the industry holds out against the device, despite ensuing loss in trade, or bows reluctantly to what it brands unscrupulous. It would seem a gross perversion of the normal meaning of the word, which is the first criterion of statutory construction, to hold that the method is not "unfair."

In another part of the same opinion the court said:

If the practice is unfair within the meaning of the act, it is equally clear that the present proceeding, aimed at suppressing it, is brought, as Section 5 of the Act (15 USCA, Sec. 45) requires, "to the interest of the public".

The other points raised by petitioner in its brief and upon oral argument have been [719] carefully considered and this court finds that the questions raised were decided adversely to petitioner in the Keppel case, *supra*.

The order of the Commission is affirmed.

FEDERAL TRADE COMMISSION v. CIVIL SERVICE TRAINING BUREAU, INC.¹

No. 7049

(Circuit Court of Appeals, Sixth Circuit. June 29, 1935)

INTERSTATE COMMERCE—CORRESPONDENCE SCHOOLS.

Selling of service by a correspondence school in interstate transactions held to constitute "commerce among the several States" within Federal Trade Commission Act and hence to be within the jurisdiction of the Federal Trade Commission to regulate (Federal Trade Commission Act, Sec. 4, 15 USCA, Sec. 44).

¹ Reported in 79 F. (2d) 113. The case before the Commission is reported in 19 F. T. C. 166. Petition by Commission for rehearing relative to court's modification of parts of Commission order denied on Oct. 10, 1935.

**UNFAIR METHODS OF COMPETITION—JURISDICTIONAL CRITERIA—PREREQUISITES—
MONOPOLY—CORRESPONDENCE SCHOOLS.**

That unfair competition of correspondence school did not result in practical monopoly in trade *held* not to deprive Federal Trade Commission of jurisdiction to issue cease and desist order, since jurisdiction for such purpose depended only on whether methods complained of were unfair, whether they were methods of competition in interstate commerce, and whether proceeding by Commission to prevent use of such methods appeared to be in interest of public (Federal Trade Commission Act, Sec. 5, 15 USCA, Sec. 45).

FINDINGS OF COMMISSION—WHERE SUPPORTED BY EVIDENCE.

Findings of Federal Trade Commission are conclusive if supported by evidence.

UNFAIR METHODS OF COMPETITION—MISREPRESENTATION—TRADE OR CORPORATE NAMES—GOVERNMENTAL CONNECTION—CORRESPONDENCE SCHOOLS.

Order of Federal Trade Commission prohibiting use by correspondence school of terms "civil service" and "bureau" or any similar term in its name and prohibiting representations that it could assist its students in getting Government positions, other than by assisting them in preparing for examinations, *held* proper where it appeared that such practices had operated to create false impression that institution had governmental connection.

UNFAIR METHODS OF COMPETITION—MISREPRESENTATION—OPPORTUNITIES FOR USING OFFERING—CORRESPONDENCE SCHOOLS—CIVIL SERVICE COURSES—KINDS OF POSITIONS.

Evidence *held* to sustain finding of Federal Trade Commission that while correspondence school claimed to offer instruction qualifying its students to take civil service examinations fitting them for certain positions, no examinations for such positions were held, and to justify order prohibiting school from designating any course offered by any term other than corresponding classification used by Civil Service Commission.

UNFAIR METHODS OF COMPETITION—MISREPRESENTATION—OPPORTUNITIES FOR USING OFFERING—CORRESPONDENCE SCHOOLS—CIVIL SERVICE COURSES—EMPLOYEES NEEDED.

Order of Federal Trade Commission prohibiting correspondence school preparing students for civil service examinations from advertising existence of government jobs or that persons were wanted to fill such jobs *held* proper only to extent that it prohibited untruthful advertisements.

ORDERS OF COMMISSION—WHERE PRACTICE LONG DISCONTINUED AND PRESUMABLY ABANDONED.

Federal Trade Commission was without authority to issue cease and desist order as to practices of correspondence [114] school which had been long discontinued and as to which there was no reason to apprehend renewal.

(The syllabus, with substituted captions, is taken from
79 F. (2d) 113.)

On application for enforcement of an order of Commission, order of Commission modified and, as modified, affirmed, and compliance with order as modified and affirmed, directed.

H. D. Michael and *M. A. Morrison*, both of Washington, D. C. (*W. T. Kelley* and *James W. Nichol*, both of Washington, D. C., on the brief), for petitioner.

J. C. Spear, of Cleveland, Ohio (*R. J. Davis*, of Cleveland, Ohio, on the brief), for respondent.

Before MOORMAN, SIMONS, and ALLEN, Circuit Judges.

ALLEN, Circuit Judge:

This is an application for the enforcement of a cease and desist order of the Federal Trade Commission issued under Section 5 of the Federal Trade Commission Act, Title 15, U. S. C., Section 45. The respondent, a correspondence school, engaged in the sale and distribution of courses of study to prepare students for civil service examinations, makes three contentions in its answer:

(1) That the Commission was without jurisdiction for the reason that it was constituted for the purpose of dealing with cases involving the sale of commodities in interstate commerce, and that while the respondent conducted an interstate business, it was not dealing in commodities, but was selling a service.

(2) That Section 5 of the Federal Trade Commission Act contemplates that the methods of unfair competition declared unlawful must be such as to result in a practical monopoly in the trade, and that no such unfair competition has been shown to exist.

(3) That the evidence adduced before the Commission is insufficient to support the order.

The first contention is untenable. The act applies to unfair methods of competition "in commerce", commerce being defined as including "commerce among the several States". Title 15, U. S. C., Section 44. In *International Textbook Co. v. Pigg*, 217 U. S. 91, 107, the court held that intercourse or communication between persons in different States by means of correspondence through the mails is commerce among the States within the meaning of the Constitution, especially where such intercourse and communication relate to regular continuous business and to the making of contracts and the transportation of books, papers, etc., pertaining to such business. That decision squarely involved the selling of service by a correspondence school in interstate transactions, and is controlling here.

The second contention is also without merit.

The jurisdiction of the Commission to issue a cease and desist order depends upon the existence of three prerequisites: (1) That the methods complained of are unfair; (2) that they are methods of competition in interstate commerce, and (3) that the proceeding by the Commission to prevent the use of the methods appears to be in the interest of the public. *Federal Trade Commission v. Raladam Co.*, 283 U. S. 643; *Federal Trade Commission v. Royal Milling Co.*, 288 U. S. 212, 216.

Neither the statute nor the decisions require that unfair methods of competition must constitute practically a monopoly in the trade in order to fall within the prohibitions of the act.

With reference to the third contention, having in view the rule that the findings of the Commission are conclusive if supported by evidence (Federal Trade Commission Act, Section 5, Title 15, U. S. C., Section 45; *Federal Trade Commission v. Winsted Hosiery Co.*, 258 U. S. 483, 491; *Federal Trade Commission v. Algoma Lumber Co.*, 291 U. S. 67, 73), we think the evidence sufficient to sustain the findings [115] upon which are based paragraphs 1, 2, 3, and 5 of the Commission's order.¹

As to paragraphs 1 and 3, the respondent admits that it still uses the words "Civil Service" and "Bureau" in its name. The Commission found in substance that the name of the respondent has a tendency to create, and has actually created, the belief that it represents or has an official connection with the United States Civil Service Commission, or that it is a bureau or agency of the United States Government.

The similarity of the name "Civil Service Training Bureau, Inc.," with that of the United States Civil Service Commission in itself operates to create the false impression that this private institution has a governmental connection. A number of witnesses testified in substance that the name made them think that the school was an adjunct of the Government. These facts justified the Commission in issuing that part of its order embodied in paragraphs 1 and 3.

The requirement of paragraph 2 of the order was based upon the Commission's finding that while the respondent claimed to offer instruction for the civil service, qualifying its students to take examina-

¹"It is ordered that respondent * * * cease and desist from the following practices, to wit:

"1. The use of the term 'Civil Service' and the word 'Bureau', or either of them, in the name under which said business is conducted as aforesaid, or of any other word or expression therein which implies or suggests any connection with the Civil Service Commission or the United States Government, or the use of any such representation made in any other manner.

"2. Designating any course offered by any term other than by such a term as may correspond to some classification used by the United States Civil Service Commission at the time such course is offered and for which examinations are held by said Commission.

"3. Representing that respondent can assist its students in getting Government positions other than by assisting them in preparing for examinations.

"4. Representing the number of civil-service employees, the number of appointments made or to be made, the time, number or certainty of civil-service examinations, or the period of duration of civil-service jobs other than as such representations may represent the actual facts as they exist at the time such representations are made.

"5. The use of any advertisement which by its wording or by the heading under which it is placed, or otherwise, represents or implies that Government jobs are offered or are to be had or that persons are wanted to fill such jobs, or that the advertisement is that of the United States Government or of a representative or agent thereof.

"6. The use of any contract form which represents or implies that a Government job is guaranteed."

tions fitting them for certain positions, no examinations for those positions were held. Testimony was given to the effect that few, if any, civil service examinations were held in the lines in which respondent gave instruction, and hence applicants were misled. Numerous witnesses stated that no examination or examinations for which they had qualified had ever been held. This paragraph of the order was based on findings sustained by ample evidence.

As to the requirement in paragraph 5, misleading and "blind" advertisements had been used, implying that there were Government jobs available, and that the respondent was an agent or representative of the Government. While this practice was modified, the answer shows that "blind" advertisements were still being used after the filing of the complaint. However, this part of the order should be modified so as to prohibit only untruthful representations as to the existence of Government jobs or that persons are wanted to fill such jobs. There may be times in the future when such representations can truthfully be made. With this modification, the facts adduced justify the issuance of paragraph 5 of the order.

With reference to paragraphs 4 and 6, the practices described in these paragraphs which were admitted to have been carried on formerly by the respondent were demonstrated by uncontroverted evidence to have been discontinued in 1932. The misrepresentations as to the number of civil service employees, the nature of the positions available, etc., were made by respondent's salesmen, aided in their interviews by an inaccurate booklet. Respondent suppressed the booklet and warned the salesmen not to use the in[116]formation. A misleading guaranty of refund which had been employed in respondent's contract form was actually interpreted as constituting the guaranty of a Government job. This was altered, and these practices were discontinued by respondent prior to September 16, 1933, when the proceeding before the Commission was instituted. The Commission is not authorized to issue a cease and desist order as to practices long discontinued, and as to which there is no reason to apprehend renewal. *L. B. Silver Co. v. Federal Trade Commission* (C. C. A.), 292 Fed. 752; cf. *United States v. U. S. Steel Corp.*, 251 U. S. 417, 445.

The order of the Commission is modified by the elimination of paragraphs 4 and 6, and paragraph 5 is modified so as to prohibit untruthful representations that Government jobs are offered or are to be had, or that persons are wanted to fill such jobs, and is otherwise affirmed. Paragraphs 1, 2, and 3 of the order are affirmed. The respondent, its officers, directors, agents, representatives, servants and employees are ordered to comply with the order of the Commission as modified and affirmed.

ARMAND CO., INC., ET AL. *v.* FEDERAL TRADE COMMISSION¹

No. 195

(Circuit Court of Appeals, Second Circuit. July 1, 1935)

FINDINGS OF COMMISSION—COURT'S LIMITATIONS.

Court must accept Federal Trade Commission's fact findings if supported by evidence and should not merely weigh evidence to see if court would reach same conclusion.

DISCONTINUANCE OF UNFAIR METHODS—EFFECT.

In proceeding under Trade Commission Act, mere discontinuance of unfair competitive methods is no defense (Trade Commission Act, Sec. 5, 15 USCA, Sec. 45).

RESALE PRICE MAINTENANCE—AGREEMENTS—CUTTING OFF PRICE CUTTERS—FINDINGS OF COMMISSION.

Evidence *held* to support Federal Trade Commission's finding that cosmetic manufacturer maintained prices by agreements with dealers and prevented sale of products to cut-price dealers.

RESALE PRICE MAINTENANCE—PRIVATE REDRESS AGAINST PRICE CUTTERS.

Where manufacturer tries to maintain resale prices by restrictions marked on products or otherwise communicated to retailer, violation thereof gives manufacturer no cause of action either at common law or under copyright or patent laws.

RESALE PRICE MAINTENANCE—LEGALITY—CONTRACTS—COMBINATIONS OR CO-OPERATIVE EFFORTS—ANTITRUST LAWS.

Where manufacturer seeks to maintain resale prices by system or policy of contracts, combinations, or cooperative efforts, such system or policy violates antitrust laws.

PUBLIC INTEREST—PRIVATE RIGHTS—NONVIOLATION BY PRACTICE.

That allegedly unfair competitive practice violates no private right does not necessarily preclude existence of public interest within protection of Federal Trade Commission.

RESALE PRICE MAINTENANCE—COSMETICS—WHOLESALE AND RETAIL PRICES.

Cosmetic manufacturer's policy of maintaining wholesale and retail prices *held* unlawful as tending to stifle competition.

(The syllabus, with substituted captions, is taken from
78 F. (2d) 707)

Petition by the Armand Company, Inc., and others to review an order of Commission against petitioner. Affirmed.

Charles Wesley Dunn, of New York City, for petitioners.

W. T. Kelley, chief counsel, Federal Trade Commission, *Martin A. Morrison*, assistant chief counsel, and *James W. Nichol*, all of Washington, D. C., for respondent.

Before MANTON, SWAN, and CHASE, Circuit Judges.

¹ Petition for rehearing denied August 2, 1935. Petition for certiorari denied Dec. 9, 1935.

MANTON, *Circuit Judge*:

This petition seeks a review of an order of the Federal Trade Commission directing petitioners to cease and desist from (1) entering into or procuring, either directly or indirectly, from wholesale or retail dealers, contracts, agreements, understandings, promises or assurances that respondent's products, or any of them, are to be resold by such wholesale or retail dealers at prices specified or fixed by petitioner; (2) entering into or procuring either directly or indirectly from wholesale dealers contracts, understandings, promises or assurances that petitioner's products are not to be resold by such wholesalers to price-cutting retail dealers.

The complaint was filed against the petitioner, an Iowa corporation, and others, June 27, 1925, charging the maintenance of resale prices for its products fixed at arbitrary levels through the medium of expressed or implied agreements. Section 5, Trade Commission Act, 38 Stat. 719 (15 USCA, Sec. 45). After extensive hearings and consideration, the order appealed from was entered, January 27, 1933, reciting a finding that the petitioner was engaged in interstate commerce and that its practices were to the prejudice and injury of wholesale and retail dealers and the public and are unfair methods of competition in commerce.

If the evidence supports the finding of the Commission as to the facts, they must be accepted by us. *Fed. Trade Comm. v. Algoma Lumber Co.*, 291 U. S. 67, 73; *Fed. Trade Comm. v. Balme*, 23 F. (2d) 615 (C. C. A. 2); *Harriet Hubbard Ayer, Inc. v. Fed. Trade Comm.* (C. C. A.) 15 F. (2d) 274. We are not merely to weigh the evidence [708] to see if we would reach the same conclusion as did the Commission. *Fed. Trade Comm. v. Pacific States Paper Trade Asso.*, 273 U. S. 52; *Eastern States Retail Lumber Dealers' Asso. v. United States*, 234 U. S. 600.

Petitioner's business is manufacturing and selling toilet articles and cosmetics. It sells its products to wholesale and retail dealers throughout the United States and by the use of various means of advertising has built up a large and substantial demand for its products by the public.

In November, 1919, petitioner adopted a plan or policy of suggesting to dealers who purchased its products, the resale prices therefor, and at that time made its first public announcement of its policy in writing, and caused such to be published and circulated among the wholesale and retail druggists of the United States. Since that time its policy has been expressed orally as well as in writing through its representatives who communicated the conditions of its policy in regard to resale of its product by word of mouth. Petitioner's policy, reduced to writing and circulated, has been unchanged since 1919, and states that the petitioner, in the interest

of fairness and justice to all concerned, suggests fair resale prices for its products and declines to sell to dealers who effect any other unfair trade practices in the merchandising of its products. As an evidence of the petitioner's appreciation of a purchaser's "continued and active interest" in the merchandising of petitioner's products, its policy was found declared to be to include certain free goods as a "generous dividend." Another feature of petitioner's merchandising policy was to have the resale of its products confined to the wholesale and retail drug trade, at least as far as such confinement was possible. At all times the petitioner has made it at least an unwritten part of its merchandising policy, to suggest to wholesale dealers that they do not sell petitioner's products to department stores.

Beginning with the year 1920, petitioner requested all dealers who wished to buy its products—the request being made either directly or through petitioner's salesmen—to make a written and signed "declaration of intention" as to the manner in which it was proposed to resell petitioner's products, and all dealers received a model form of declaration of intention, which was required to be signed by the dealers and returned to the petitioner. This form stated that it was the purpose of the dealer who signed it to observe the fair resale prices suggested by the petitioner for its products, and that the declaration of intention was made freely and voluntarily and was not to be understood as either an express or implied obligation or agreement on the part of the dealer. It was further declared that the intention to observe petitioner's suggested resale prices was in recognition of petitioner's right to refuse to sell to dealers who did not charge petitioner's suggested retail prices. The declaration of intention was further stated to be that the dealer would sell petitioner's products only within the dealer's own store and that the dealer would not sell the products to any other dealer. By a circular letter in 1920, petitioner's salesmen were instructed that they might lawfully inquire, prior to sale, whether a dealer intended to resell at the prices suggested by the petitioner and that they might suggest to a dealer that he write a declaration of intention to that effect according to the form sent. The salesmen were likewise directed not to make "any agreement with the dealers as to the resale prices."

Since the first publication in 1919 of its merchandising policy, the petitioner has from time to time republished it to the wholesale and retail dealers, informing them that the petitioner declined to sell its products to dealers who did not charge petitioner's suggested retail prices. It has also been the practice of the petitioner to inform dealers that upon receipt of a satisfactory declaration of their inten-

tion as to the prices at which they would sell petitioner's products, petitioner would give "prompt and interested attention to their orders."

In 1922 the petitioner discontinued its practice of obtaining signed declarations of intention from its dealers, and in April, 1923, dealers were informed that declarations of intention signed by them would be considered null and void. But mere discontinuance of unfair competitive methods, however, is no defense. *Fed. Trade Comm. v. Wallace* (C. C. A.) 75 F. (2d) 733, 738; *Butterick Co. v. Fed. Trade Comm.* (C. C. A.) 4 F. (2d) 910; *Fox Film Corp. v. Fed. Trade Comm.* (C. C. A.) 296 Fed. 353; *Guarantee Veterinary Co. v. Fed. Trade Comm.* (C. C. A.) 285 Fed. 853. And the discontinuance of this practice did not [709] bring about a discontinuance of its policy as to resale prices. The record is replete with evidence that although declarations of intention were no longer obtained or required, agreements or understandings were entered into between the petitioner and certain dealers whereby dealers, in consideration of the sale by petitioner of its products to said dealers, agreed to refuse to resell petitioner's products to retail stores which did not, upon resale, charge the retail prices suggested by the petitioner. Secret instructions were given to salesmen to follow this plan as late as September, 1923. And as late as September, 1927, petitioner's president reiterated the same method. In 1923, the petitioner entered into an agreement with a drug company of Seattle, Wash., whereby the drug company agreed not to sell petitioner's product to retail dealers who resold the products at a price less than that suggested by the petitioner. In pursuance of this agreement, and in cooperation with the petitioner, the drug company has kept a list of those retail dealers in its sales territory who are known to be price cutters, and it has consistently refused since entering into that agreement, to sell petitioner's products to such dealers because they were price cutters. In 1924 a similar agreement was entered into with a firm in Louisville, Ky., whereby the latter agreed to resell the petitioner's products at the prices suggested by the petitioner in consideration of the fact that petitioner would thereafter sell its goods to the drug company. Other agreements were made by the petitioner with other firms throughout the country for the years after 1922, the details of which it is unnecessary to state here.

Agreements with these firms, and others, indicated clearly a desire to have a tacit or oral agreement for the fixing of prices on resale or price maintenance. At petitioner's suggestion it caused those wholesale dealers, to whom it sold its products, to police their territory through their salesmen so as to discover what retail dealers

were selling petitioner's products below the prices fixed by the petitioner, and thereby prevent any such retailers from obtaining goods from the petitioner. "Salesmen" were taught and trained in the petitioner's merchandising policy, and their specific duty was to instruct dealers, both wholesale and retail, in that policy. Through salesmen and by circularized literature, the entire drug trade has been plainly informed by the petitioner that any dealer who failed to sell at petitioner's suggested retail prices would be unable to obtain petitioner's products in the future. Wholesale dealers were informed that they would be unable to purchase petitioner's products if they resold them to any retail dealer who failed to resell at petitioner's suggested prices. In many instances such price cutters were refused sales and were dropped from petitioner's list of customers, but later reinstated upon satisfying the petitioner of their willingness to comply with petitioner's policy, and that thereafter they would maintain prices.

It was found as a fact by the Commission that the chief objective of petitioner's merchandising policy was the maintenance of the wholesale and retail prices suggested by the petitioner for its products, and that the direct effect of petitioner's practices had been and now is to suppress competition among wholesalers and between retail dealers engaged in the distribution and sale of petitioner's products. The further effect was the constraint imposed upon wholesale and retail dealers in selling petitioner's products at prices fixed by the petitioner, and the preventing of sale by such dealers of petitioner's products at prices which such dealers desired, thereby depriving the ultimate purchasers of petitioner's products of that advantage of price which otherwise would be theirs in a natural and unobstructed flow of commerce under free competition.

The Commission concluded that the petitioner's practices were to the prejudice and injury of the public and constituted unfair methods of competition in commerce and a violation of section 5 of the Trade Commission Act. The findings of the Commission are amply supported by the evidence. The evidence supports the finding that by agreements between petitioner and its dealers it maintained prices and prevented those who would not do so from securing petitioner's products.

Where a manufacturer tries to maintain the resale prices of his goods, by restrictions marked on the goods or otherwise communicated to the retailer, a violation of these restrictions does not create a cause of action in favor of the manufacturer either at common law or under the copyright or patent laws, and where resale prices are sought to be maintained by a system or policy of contracts, combinations, or cooperative efforts, such system or policy is illegal and in

violation of the [710] antitrust laws. *Fed. Trade Comm. v. Beech-Nut Packing Co.*, 257 U. S. 441; *Fed. Trade Comm. v. Gratz*, 253 U. S. 421, 427; *United States v. Colgate & Co.*, 250 U. S. 300; *Dr. Miles Medical Co. v. John D. Park & Sons Co.*, 220 U. S. 373. Public interest may exist although the practice deemed unfair does not violate any private right. *Fed. Trade Comm. v. Klesner*, 280 U. S. 19; *Fed. Trade Comm. v. Beech-Nut Packing Co.*, *supra*; *Fed. Trade Comm. v. Winsted Hosiery Co.*, 258 U. S. 483.

This petitioner dealt with 39,000 retail druggists out of a total of 56,000, and 247 wholesale druggists out of a total of 550. The wholesalers and retailers were in competition with each other in the sale of petitioner's products. This is a kind of competition between wholesalers and retailers of a product of a single manufacturer which was intended by the decisions of the courts to be free and open. The policy in question had a tendency to stifle competition and was unlawful.

Order affirmed.

FEDERAL TRADE COMMISSION v. HIRES TURNER GLASS COMPANY

No. 5591

(Circuit Court of Appeals, Third Circuit. July 11, 1935)¹

TRADE TERMINOLOGY—SECONDARY MEANING—"COPPER-BACK MIRROR".

In proceeding for enforcement of Federal Trade Commission's cease and desist order, evidence held to support findings that term "copper-back mirror" had acquired secondary meaning prior to its use by defendant corporation which manufactured mirrors which were described as copper-back mirrors, and that such mirrors did not contain essentials of genuine copper-back mirrors (Federal Trade Commission Act Sec. 5, 15 USCA Sec. 45).

ENFORCEMENT APPLICATIONS—COURT'S LIMITATIONS AND DUTY—COMMISSION FINDINGS.

On application for enforcement of Federal Trade Commission's cease and desist order, court must sustain commission if there is any substantial evidence upon which its findings are based.

UNFAIR METHODS OF COMPETITION—SALE AS AND FOR COPPER BACK MIRRORS OF PRODUCT WITH SHELLAC AND POWDERED COPPER BACKING.

Purchaser who orders copper-back mirror in justifiable belief that he will receive mirror with backing which consists of solid sheaf of copper electrolytically applied to reflecting medium, but who receives instead mirror with backing of shellac and powdered copper, is prejudiced within meaning of act prohibiting unfair competition.

¹ On petition for modification of judgment, Dec. 20, 1935. Rehearing denied Feb. 3, 1936. Reported in 81 F. (2d) 362. Case before Commission reported in 18 F. T. C. 69.

TRIAL EXAMINER'S REPORT—AS PART OF RECORD—MOTION FOR CERTIFICATION, ABSENT SHOWING OF FINDINGS NOT SUPPORTED BY EVIDENCE.

On application for enforcement of Federal Trade Commission's cease and desist order, in absence of proof that Commission's fact findings were not supported by evidence, motion for certiorari for diminution of record ordering Commission to certify to reviewing court report of trial examiner would be denied, since Commission's findings of fact were conclusive if supported by any evidence.

(Upon Petition for Modification of Judgment)

TRADE TERMINOLOGY—CEASE AND DESIST ORDERS—COURT'S LIMITATIONS, PENDING COMMISSION ACTION.

Federal Trade Commission Act does not authorize Circuit Court of Appeals to make rulings as to what name or names comply with cease and desist order prior to action thereon by Federal Trade Commission.

CEASE AND DESIST ORDERS—"COPPER-BACKED" FOR MIRRORS NOT ELECTROLYTICALLY SHEAFED—PROPRIETY—WHERE TERM QUALIFIED.

Cease and desist order preventing manufacturer from designating mirrors with protective coating, consisting of mixture of shellac and powdered copper, as "copper-backed" mirrors or by expression of like import, was modified to authorize manufacturer to use such designations as were accompanied by qualifying terms clearly signifying that copper backing on mirrors was not electrolytically applied.

(The syllabus, with substituted captions, is taken from
81 F. (2d) 362)

On application by Commission for enforcement of an order directing respondent to cease and desist from certain practices as constituting unfair competition under Federal Trade Commission Act, and motion of respondent for writ of certiorari for diminution of the record, order modified, and writ denied.

Mr. Robert E. Healy, Mr. Harry D. Michael, and Mr. Martin A. Morrison, all of Washington, D. C., for petitioner.

Mr. Leon Edelson, of Philadelphia, Pa., for respondent.

Before WOOLLEY, DAVIS, and THOMPSON, Circuit Judges.

THOMPSON, *Circuit Judge*:

The Federal Trade Commission, the petitioner, charged Hires Turner Glass Company, the respondent, with unfair competition in interstate commerce in violation of Section 5 of the Federal Trade Commission Act (15 USCA Sec. 45) and issued the following cease and desist order:

[363] * * * It is ordered that respondent, Hires Turner Glass Company, a corporation, its officers, directors, agents, representatives, servants, and employees in connection with the sale, offering for sale, or distribution in interstate commerce, of mirrors having thereon a protective coating consisting of a mixture of shellac and powdered copper, cease and desist from designating

the same as "copper-back" mirrors, "copper-backed" mirrors, mirrors "backed with copper", or by other word, words, or expression of the same meaning or like import. * * *

The respondent refused to comply with this order. The petitioner thereupon filed an application for an enforcement order in this court. The respondent contends that there is no evidence that the terms "copper-back", "copper-backed", or "backed with copper" are not properly descriptive of its mirrors; or that trade is diverted to the respondent because of its use of the prohibited terms; or that such use tends to deceive the trade and purchasing public.

In approaching these issues, we bear in mind the admonition in *Federal Trade Commission v. Algoma Lumber Co.*, 291 U. S. 67, 73, where the Supreme Court said:

The findings of the Commission as to facts, if supported by testimony, shall be conclusive. (15 USCA Sec. 45.) The Court of Appeals (64 F. (2d) 618), though professing adherence to this mandate, honored it, we think, with lip service only. In form the court determined that the finding of unfair competition had no support whatever. In fact what the court did was to make its own appraisal of the testimony, picking and choosing for itself among uncertain and conflicting inferences. Statute and decision (*Federal Trade Commission v. Pacific States Paper Trade Assn.*, 273 U. S. 52, 61, 63) forbid that exercise of power.

What facts did the petitioner find? Are these facts supported by testimony? We summarize the findings of fact:

The respondent is a Pennsylvania corporation engaged in the manufacture of mirrors and in their sale in interstate commerce. In 1930 the respondent began to manufacture in commercial quantities and to sell in interstate commerce mirrors having a protective coating or backing consisting of a mixture of shellac and powdered copper. The mixture was applied by brush or spray either immediately next to the reflecting medium or separated therefrom by an intervening coating of ordinary mirror-backing paint, in accordance with a process owned by the Peacock Laboratories, Inc. The respondent was the first licensee of the Peacock Laboratories, Inc., to advertise and sell mirrors as "copper-back", "copper-backed", and "backed with copper", when prepared by the above process. The same terminology was used by the respondent, its officers, agents, and representatives in letters, invoices, communications and conversations with the trade. Prior to the respondent's use of this process, those terms had acquired a fixed meaning in the trade and signified mirrors backed with a solid sheath or film of copper deposited upon the reflecting medium by an electrolytic or electroplating process. The mixture of shellac and powdered copper does not form a solid metallic copper coating or film. The metallic element is not continuous nor are the particles of copper in metallic contact, since each particle of copper is surrounded by a film of

shellac and no part of the copper is adherent to or in metallic contact with the reflecting medium. The respondent's type of mirror sells for slightly more than ordinary mirrors and for considerably less than electrolytic copper-back mirrors since its manufacture does not require special equipment. The use of the prohibited terms when applied to the respondent's mirrors, has a tendency and capacity to confuse, mislead and deceive the trade and public and to divert trade to the respondent.

The following is a summary of the testimony upon which the petitioner based its findings:

Electrolytic copper-back mirrors had been known since 1858 and had been imported in large quantities from England, France, Belgium, and Holland from 1900 until the World War and thereafter in lesser quantities. The terms generally used to describe and designate these imported mirrors were "copper-back", "copper-backed", or "backed with copper", literal translations of the French "dos cuivre" and the German "verkupfert". English mirrors, on which were stamped "copper-backed" and which were similar to those imported between 1902 and 1914, were offered in evidence. Electrolytic copper-back mirrors [364] had been manufactured in the United States for approximately forty years. In 1925 the Pittsburgh Plate Glass Company began the production of electrolytic copper-back mirrors on a large commercial scale. It placed a label containing the term "copper-back mirror" on every such mirror manufactured by it. It used this terminology in advertising, circulars and magazine articles, as well as in correspondence, invoices and orders. The only use of this terminology, prior to its use by the respondent, had been in its application to electrolytic copper-back mirrors. Trade was diverted from the makers of electrolytic copper-back mirrors because of the comparatively low price of the respondent's mirror, and from the makers of ordinary mirrors because of the general belief that copper-back mirrors are superior to painted back mirrors.

It may well be that, had this court been a fact-finding tribunal, it might have reached conclusions other than those reached by the petitioner. The petitioner, however, had before it ample evidence upon which to find that the terminology had acquired a secondary meaning, prior to its use by the respondent, and that the respondent's mirrors did not contain the essentials of genuine copper-back mirrors. Inasmuch as it is the duty of the Commission to determine the facts, it is our duty to sustain the Commission if there is any substantial evidence upon which its findings are based. *Federal Trade Commission v. Artloom Corporation* (CCA) 69 F. (2d) 36.

Even though there was no evidence of actual deception, the natural and probable result of the use of descriptive names, which do not properly describe the respondent's product, has the tendency and

capacity to deceive. *Federal Trade Commission v. Balme* (CCA) 23 F. (2d) 615. *Notaseme Hosiery Co. v. Straus* (CCA) 201 Fed. 99. As was said by the Supreme Court in *Federal Trade Commission v. Algoma Lumber Co.*, *supra*:

The consumer is prejudiced if upon giving an order for one thing, he is supplied with something else * * *. In such matters, the public is entitled to get what it chooses, though the choice may be dictated by caprice or by fashion or perhaps by ignorance.

So, if the purchaser orders a copper-back mirror in the justifiable belief that he will receive a mirror with a backing consisting of a solid sheath of copper electrolytically applied to the reflecting medium and receives, instead, a mirror having a backing of shellac and powdered copper, he is prejudiced.

The order of the Federal Trade Commission is affirmed. An enforcement order may be entered in accordance with the prayer of the petition.

There is pending before us the respondent's motion for a writ of certiorari for diminution of the record. We are asked to order the Federal Trade Commission to certify to this court the report of the trial examiner. As we have indicated, the Commission's findings of fact are conclusive if supported by any evidence. In the absence of proof that the fact findings are not so supported, there is no substantial ground for the granting of the respondent's motion. It is accordingly denied.

Upon Petition for Modification of Judgment
(December 20, 1935)

Before DAVIS and THOMPSON, Circuit Judges.

THOMPSON, *Circuit Judge*:

The Federal Trade Commission Act confers authority upon this court to enforce, set aside or modify orders of the Commission (Sec. 5, 15 USCA 45), but, we think, does not confer authority upon the court to make rulings as to what name, or names, comply with the cease and desist order prior to action thereon by the Commission. If, however, the Commission's order is so comprehensive as to prevent respondent from using such designations for its mirrors as are accompanied by qualifying terms which clearly signify that its copper backing is not electrolytically applied, it may be modified to that extent.

The Commission's cease and desist order is accordingly modified by adding thereto the following:

Provided, however, that the respondent may use such designations as are accompanied by qualifying terms which clearly signify that the copper backing on its mirrors is not electrolytically applied.

FEDERAL TRADE COMMISSION *v.* MAISEL TRADING
POST, INC.¹

No. 976

(Circuit Court of Appeals, Tenth Circuit. August 28, 1935)

ORDERS OF COMMISSION—MISREPRESENTATION—NATURE OF MANUFACTURE—
MACHINE OR HAND-MADE—"INDIAN" OR "INDIAN-MADE" JEWELRY.

Federal Trade Commission's order that seller of "Indian" or "Indian-made" jewelry should represent that process of manufacture was performed by Indians and should specify steps in which modern machinery was used, was modified so as to require seller to specify method of manufacture only so far as machinery was substituted for hand hammering, shaping, or ornamenting jewelry.

(The syllabus, with substituted captions, is taken from
79 F. (2d) 127)

On rehearing on application for enforcement of order of Commission, former judgment modified. (See 77 F. (2d) 246.)

Mr. Eugene W. Burr, of Washington, D. C. (*Mr. W. T. Kelley*, chief counsel, and *Mr. Martin A. Morrison*, assistant chief counsel, for Federal Trade Commission, both of Washington, D. C., on the brief), for petitioner.

Mr. John F. Simms, of Albuquerque, N. M. (*Mr. Donald M. Bushnell*, of Albuquerque, N. M., on the brief), for respondent.

Mr. Harris K. Lyle, of Gallup, N. M., for Indian Traders' Ass'n, *amicus curiae*.

Mr. William C. Lewis, of Oklahoma City, Okla. (*Mr. Harry W. Blair*, Assistant Attorney General, and *Mr. Charles E. Collett*, of Washington, D. C., on the brief), as *amici curiae*.

Before LEWIS and McDERMOTT, Circuit Judges, and KENNEDY, District Judge.

PER CURIAM:

Briefs and argument on rehearing have clarified the dispute and narrowed the issues. Petitioner now expressly asserts that machinery used in manufacturing the raw material—the slugs or blanks—with which the Indian starts his artistry is outside the scope of the hearing or the order; that the order is not concerned with the dimensions of the raw material; that the order is designed to confine the term "Indian-made" to those who heat and hammer the slug or blank before ornamentation, and that the order does not define the amount of such heating or hammering. So construed, the order is

¹For previous opinion and decision of the court in this matter on May 1, 1935, see 77 F. (2d) 246.

applicable only to so much of respondent's jewelry, if any, as is not heated and hammered at all before ornamentation.

Both sides complain of the complexity and the difficulty of complying with our modification of petitioner's order; petitioner's order is complex and has already given rise to much misunderstanding. The second paragraph of petitioner's order will be modified to read as follows:

It is now ordered that respondent, its agents, representatives, and employees, shall cease and desist from designating, describing, or offering any of its silver jewelry products for sale in interstate commerce as "Indian" or "Indian-made" jewelry, where in substantial part machinery (other than hand tools, or nonmechanical equipment, or buffing wheels for polishing) shall be substituted for hand-hammering, shaping or ornamenting the same, unless the label, stamp, catalogue, or advertising shall clearly, expressly and legibly state the method of such manufacture in immediate context with the descriptive terms.

A decree will be entered vacating our former modification of the Commission's order, affirming the order of the Commission as now modified, each party to pay its own costs.

FEDERAL TRADE COMMISSION *v.* WALKER'S NEW RIVER MINING CO.¹

No. 3882

(Circuit Court of Appeals, Fourth Circuit. October 8, 1935)

COURT REVIEW—FINDINGS OF COMMISSION—WHERE SUPPORTED BY TESTIMONY.

Federal Trade Commission's fact findings, if supported by testimony, are conclusive (Federal Trade Commission Act Sec. 5, 15, USCA Sec. 45).

GEOGRAPHICAL NAMES—WHERE POSSESSED OF PECULIAR TRADE SIGNIFICANCE—APPLICATION TO PRODUCT OF DIFFERENT ORIGIN.

Where geographical origin has acquired peculiar trade significance, use of term descriptive of such article cannot be applied to product of different origin, even though such product may be of identical quality.

GENERIC OR GEOGRAPHICAL NAMES—WHERE SECONDARY MEANING—UNFAIR COMPETITION—RELIEF.

Suit for unfair competition is maintainable in case of use of name that has acquired secondary significance, though name is not good trade-mark because of its generic or geographical nature.

TRADE AND CORPORATE NAMES—GEOGRAPHICAL NAMES—WHERE SECONDARY MEANING—"NEW RIVER" FOR PRODUCT NOT FROM "NEW RIVER" DISTRICT—RELIEF.

Use of words "New River" in corporate name and trade-name, and offering for sale its coal as "New River coal" by corporation whose mines were 75 to 100 miles distant and separated by mountain range from district widely known as "New River district" and from which only best coal was sold as "New River coal", held "unfair competition" within Federal Trade Commission Act justifying cease and desist order.

¹Reported in 79 F. (2d) 457. Case before Commission reported in 18 F. T. C. 176.

COURT REVIEW—TESTIMONY BEFORE COMMISSION—APPRAISAL—LIMITATIONS OF COURT.

In unfair competition case, Circuit Court of Appeals cannot make its own appraisal of testimony or substitute judgment of court for that of Federal Trade Commission.

PUBLIC INTEREST—SALE OF PRODUCT UNDER NAME CHARACTERIZING PRODUCT OF DIFFERENT ORIGIN—"NEW RIVER" FOR COAL NOT FROM "NEW RIVER" DISTRICT.

Prevention by Federal Trade Commission of use of words "New River" in corporate name and trade-name and of offering for sale its coal as "New River coal" by corporation whose mines were 75 to 100 miles distant from district known as "New River district", from which only best coal was sold as "New River coal" held "in interest of public" as required by Federal Trade Commission Act.

(The syllabus, with substituted captions, is taken from
79 F. (2d) 457)

On application for enforcement of order of Commission, order affirmed, and enforcement order granted.

Mr. James M. Brinson, special attorney, Federal Trade Commission, of Washington, D. C. (*Mr. W. T. Kelley*, chief counsel, *Mr. Martin A. Morrison*, assistant chief counsel, Federal Trade Commission, and *Mr. James W. Nichol*, all of Washington, D. C., on the brief), for petitioner.

Mr. George Cochran Doub, of Baltimore, Md. (*Parker, Carey & Doub*, of Baltimore, Md., on the brief), for respondent.

Before PARKER and NORTHCOTT, Circuit Judges, and CHESNUT, District Judge.

NORTHCOTT, *Circuit Judge*:

This is a proceeding under the provisions of the Federal Trade Commission Act, Section 5 (15 USCA Sec. 45), seeking the affirmance and enforcement of an order entered by the Commission on the first day of February 1934, requiring the respondent, Walker's New River Mining Company, a corporation, to cease and desist from certain practices, found by the Commission to constitute unfair methods of competition forbidden by the act.

In April 1932 the Federal Trade Commission, hereinafter referred to as the Commission, filed and served complaint [458] against the respondent, charging "unfair methods of competition in interstate commerce" in violation of said Section 5 of the Federal Trade Commission Act. Respondent's answer to the complaint was filed in May 1932 and after the complaint was amended, in an immaterial respect, evidence was taken before an examiner of the Commission and a number of witnesses were examined. The matter was then heard before the Commission and after consideration the following order was entered:

This proceeding having been heard by the Federal Trade Commission upon complaint of the Commission, the answer of respondent, the testimony and evidence, briefs and arguments of counsel for the Commission and counsel for respondent, and the Commission having filed its report stating its findings as to the facts and its conclusion that the respondent has violated the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes—

It is now ordered that respondent Walker's New River Mining Company, in or in connection with, offering for sale or selling coal in interstate or foreign commerce or in commerce between the State of West Virginia and the District of Columbia or in the District of Columbia, cease and desist directly or indirectly from—

(1) Describing or designating said coal as "New River" coal or by the abbreviation "N. R.", or by any other abbreviation, letters or words of the same or similar import unless such coal originates, is produced or mined in that portion of West Virginia lying, being or situated within the territory generally known as the "New River" field or district.

(2) Using in its corporate name the words "New River" or words, or abbreviations of the same or similar import unless coal so offered for sale or sold originates or is produced or mined in the "New River" field or district as described in paragraph one hereof.

It is further ordered that respondent file a report in writing with the Commission within 60 days from and after service of this order, setting forth in detail the manner and form of its compliance therewith.

After the entry of this order and on March 23, 1934, the respondent tendered an offer of compliance with the order which, in August 1934 the Commission notified the respondent was not satisfactory and, in its answer to the application before us, the respondent withdrew that offer and requested a determination of the validity of the order of the Commission without reference to this offer of compliance.

The respondent is a West Virginia corporation and has since the year 1927, and is now, engaged in the business of mining coal from mines situated at Flint in the county of Randolph in the State of West Virginia, in the vicinity of the town of Elkins, where it has its principal office and place of business. The company sells its coal in various States of the United States in competition with various producers and sellers of coal in interstate commerce, including producers of coal in what is known as the New River coal field, producing and selling "New River" coal.

Coal has been mined in southern West Virginia in territory contiguous or adjacent to New River since the year 1872, and this territory has for a number of years been known or designated as the New River field or district. Coal is mined in this New River district from several seams, principally, the Sewell, the Beckley, the Fire Creek, and the Welch. These seams extend beyond the boundaries of the so-called New River field, both in a northerly and southerly direction. The Sewell seam extends to the north into Pennsylvania and in that State is known as the Sharon. Coal from all these seams named as being mined in the New River field are classified in geological literature as "New River Group of the Pottsville Series." Mining operations in what was originally known as the New River field were extended from time to time until that field, as it is now known, embraces substantial parts of the counties of Fayette, Raleigh, and Greenbrier in the State of West Virginia.

There are 63 producers of coal in what is properly known as the New River field, and for more than 25 years last past coal from this field has been and is now being sold as New River coal. It has been and is the policy of the coal operators in the New River field to offer for sale as New [459] River coal only coal of the highest grade mined in the New River district, irrespective of the particular seam from which it has been extracted. Coal found in any seam in the New River field of an inferior quality is not sold by the producers of coal in that field as New River coal. Coal producers of the New River field have for many years past spent large sums of money in advertising such high-grade product of their mines as "New River" coal. The result has been that wholesale and retail dealers in coal and the consuming public have associated the words "New River" with coal of a distinctively and uniformly high-grade character and quality, produced in what is known as the New River field proper. The words "New River" have therefore acquired a value in the coal business, and the use of the words "New River" is of unquestioned advantage in that business.

The mines of the respondent are situated in a region from 75 to 100 miles distant from what is recognized in the coal business as the New River field or district, a region separated from the New River field not only by distance but by a range of mountains. The mines of the respondent are situated in what is known as the Cheat Mountain Coal field, and the Commission found as a fact that coal produced from respondent mines is not New River coal as known by the purchasing public.

Respondent enjoys a more favorable freight rate for the transportation of its coal to certain sections in the northeast of the United States than producers of coal in the New River district.

At the time of its organization as a company, respondent adopted the words New River and incorporated them in its company name and has used and now uses said words in connection with offering for sale and selling its coal in interstate commerce and has caused the words to be conspicuously displayed in advertising its product. Respondent describes the coal it sells as "New River" coal and invoices it as such.

As the result of respondent's practices, dealers in coal have bought its product and sold it to consumers as New River coal.

From all this the Commission reached the conclusion in its opinion that the practice of respondent in using the words "New River" in its corporate and trade name and offering for sale and selling its coal as New River coal resulted in misleading and deceiving the public into the handling and use of its coal as New River coal, when in fact it was not New River coal as generally recognized for a number of years in the coal trade, and that the effect of these practices of the respondent has been to divert trade to respondent from competitors selling coal produced in the New River district and from competitors selling coal from other districts or fields in the United States, including the Cheat Mountain district.

The sole question presented here is whether the Commission was warranted in reaching the conclusion that the respondent has not the right to use the words "New River" in its business, and if respondent has not this right whether the proceeding before the Commission was in the "interest of the public" as required by the statute.

The findings of the Commission as to facts, if supported by testimony, are conclusive. (15 USCA Sec. 45; *Federal Trade Commission v. Algoma Lumber Co.*, 291 U. S. 67). Here the Commission has found that the efforts of the coal operators, in what is geographically known as the New River field, to distinguish New River coal from other grades of coal and to give it a recognized reputation for quality, have been successful; that New River coal is widely known in the trade as a coal of high quality; that this result has been brought about by the expenditure of large sums of money by the coal operators in what is geographically known as the New River field; and that not all coal mined in the New River field is regarded or sold as New River coal, only that of the best quality mined there being so sold. We are of the opinion that all of these findings are correct and that they are supported by the testimony taken before the Commission.

The Commission, in its opinion held, that, while there can be no exclusive trade appropriation of a geographical term, where a geographical origin has acquired a peculiar trade significance the use of a term descriptive of such article cannot be applied to a product of a different origin, even though such a product may be of identical

quality; and that it was misleading to pretend to the trade [460] and the public that a geographical test of quality is being offered, when in truth the test offered is a geological one. We agree with this holding.

In *French Republic v. Saratoga Vichy Spring Co.*, 191 U. S. 427 the court said: "True the name is geographical; but geographical names often acquire a secondary signification indicative not only of the place of manufacture or production, but of the name of the manufacturer or producer and the excellence of the thing manufactured or produced, which enables the owner to assert an exclusive right to such name as against every one not doing business within the same geographical limits; and even as against them, if the name be used fraudulently for the purpose of misleading buyers as to the actual origin of the thing produced, or of palming off the productions of one person as those of another."

Suit for unfair competition may be maintained in the case of the use of a name that has acquired a secondary significance, even though the name be not a good trade mark, on account of its generic or geographical nature. *Elgin National Watch Co. v. Illinois Watch Case Co.*, 179 U. S. 665.

That the brand "New River" coal has acquired a particular significance in the coal trade, both to the dealer and the consumer, cannot be doubted; that this result has been brought about, as found by the Commission, by the expenditure of large sums of money by the coal operators in the New River field (geographically) is undisputed. This being true, these operators have acquired something of value and are entitled to be protected in the use of it. That the use of these words is of value is shown not only by the testimony, but is to be presumed from the fact that the respondent has shown itself so anxious to use and continue to use the words New River in its business without having in any way contributed to the efforts which gave the words their peculiar value in the coal trade. That such a course on the part of the respondent constitutes an unfair method of competition is plain.

The law with respect to unfair business methods has been well settled by the decisions of the various courts, especially those of the Supreme Court of the United States. In *Federal Trade Commission v. Winsted Hosiery Co.*, 258 U. S. 483, the court discusses the unfairness of the methods of competition which passes off one product as and for another product, and this decision has been followed by the courts without exception. *Federal Trade Commission v. Algoma Lumber Co.*, 291 U. S. 67. *Federal Trade Commission v. Artloom Corporation* (C. C. A.) 69 F. (2d) 36. *Federal Trade Commission v. Balme* (C. C. A.) 23 F. (2d) 615.

In *Federal Trade Commission v. Algoma Lumber Co.*, *supra*, Mr. Justice Cardozo lays down the unquestioned rule that the Circuit Court of Appeals is not at liberty to make its own appraisal of the testimony or to substitute the judgment of the court for that of the Commission. Here we feel that the conclusion of the Commission was not only supported by testimony but was the proper one.

Even were the product of the respondent identical in quality with New River coal, that would not justify the use of the words "New River." In *Federal Trade Commission v. Royal Milling Co. et al.*, 288 U. S. 212, the court said: "If consumers or dealers prefer to purchase a given article because it was made by a particular manufacturer or class of manufacturers, they have a right to do so, and this right cannot be satisfied by imposing upon them an exactly similar article, or one equally as good, but having a different origin."

That the public interest is involved cannot be doubted. It is manifestly in the interest of the public to prevent the continuance of an unfair practice which tends to deceive the public and divert trade from competitors. *Federal Trade Commission v. Winsted Hosiery Co.*, *supra*. *Federal Trade Commission v. Raladam Co.*, 283 U. S. 643.

While it is true that what is now known as the New River coal field may properly, in the development of the coal business in that region, be extended to include sections not now included, clearly that field may not now be considered to include the section in which the respondent's mines are located, distant as they are from 75 to 100 [461] miles from the New River field and being separated from it by a mountain range.

The order of the Commission was fully warranted by the facts and the law; was made by an experienced body created by Congress for the purpose of deciding questions of this character and the order to cease and desist is affirmed. An enforcement order may be entered in accordance with the prayer of the petition.

Affirmed.

FEDERAL TRADE COMMISSION v. AVIATION INSTITUTE OF U. S. A., INC.

No. 6527

(Court of Appeals for the District of Columbia. October 9, 1935)

CORPORATE NAMES—USE OF MISLEADING AS IMPLYING GOVERNMENT CONNECTION.

Application by Commission to enforce its order in Docket 1834, 15 F. T. C. 249, directing respondent, among other things, to cease and desist from using as a part of its trade or corporate name, letters "U. S. A.", etc., dismissed, it appearing that corporate name has been changed to Aviation Institute of America, Inc., as hereinbelow set forth.

Mr. W. T. Kelley, Chief Counsel, Federal Trade Commission, *Mr. Martin A. Morrison*, Assistant Chief Counsel, and *Mr. James W. Nichol*, for the Commission.

Mr. George K. Perkins, of Washington, D. C., for respondent.

ORDER

Application for the enforcement of an order of the Federal Trade Commission.

This cause came on to be heard on the transcript of the record from the Federal Trade Commission, and counsel for the respective parties, in open court, having informed the court that the corporate name of the respondent, Aviation Institute of U. S. A., Inc., has been changed to Aviation Institute of America, Inc., to meet the requirements of the order to cease and desist entered by the Federal Commission in this proceeding, which change in corporate name has been accepted by said Commission as a compliance with its said order; and the parties, by their counsel, in open court, on the basis of this change in respondent's corporate name, having agreed that this proceeding may be dismissed.

On consideration whereof, it is now here ordered and adjudged by this Court that this proceeding be, and the same is hereby, dismissed.

BATTLE CREEK APPLIANCE COMPANY, LTD., *v.* FEDERAL TRADE COMMISSION

No. 6998

(Circuit Court of Appeals, Sixth Circuit. October 14, 1935)

MISREPRESENTING PROPERTIES AND RESULTS OF PRODUCT AND FACTS RELATING THERETO—GOITRE PREPARATIONS.

Order of court affirming Commission's order in Docket 2017, 19 F. T. C. 381, directing respondent, its agents, etc., to cease and desist representing in advertisements and through testimonials, etc., in connection with offer or sale of its liquid and other preparations and treatments for goitre that goitre can be and has been correctly diagnosed by respondent by mail and respondent can or has successfully treated said ailment in this way, and that its medicines or treatments will cure or remove goitre, etc., as in said order specified in detail.

Mr. John A. Nash, of Chicago, Ill., for respondent.

Mr. W. T. Kelley, Chief Counsel, Federal Trade Commission, *Mr. Martin A. Morrison*, Assistant Chief Counsel and *Mr. E. J. Hornbrook*, for the Commission.

ORDER

Before: MOORMAN, HICKS, and SIMONS, Circuit Judges.

The court being of opinion that the findings of fact made by the respondent, Federal Trade Commission, are supported by the evidence introduced before the Commission, and further, that such findings are legally sufficient to support the order complained of;

It is ordered that the order of the Commission be affirmed.

FEDERAL TRADE COMMISSION *v.* NATHAN HOFFMAN,
DOING BUSINESS UNDER THE TRADE NAME HOFF-
MAN ENGINEERING COMPANY

No. 14353

(Circuit Court of Appeals, Second Circuit. November 7, 1935)

MISREPRESENTING PROPERTIES OF PRODUCT—AUTOMOTIVE DEVICES.

Decree affirming order of Commission in Docket 2207, 20 F. T. C. 205, directing respondent, his agents, etc., to desist misrepresenting in newspapers, etc., properties or results of automotive devices sold by it *re* easier starting, greater power, etc., and directing compliance with court's affirming decree as hereinbelow set forth.

Mr. W. T. Kelley, Chief Counsel, Federal Trade Commission, *Mr. Martin A. Morrison*, Assistant Chief Counsel, and *Mr. James W. Nichol*, for the Commission.

Mr. S. S. Guthman, of Washington, D. C., for respondent.

DECREE

The Federal Trade Commission, petitioner herein, having filed with this court on, to wit, October 17, 1935, its application for the enforcement of an order to cease and desist issued by it against the respondent, under date of March 18, 1935, under the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (38 Stat. 719, 15 U. S. C. A., sec. 45); and said petitioner having also certified and filed herein, as required by law, a transcript of the entire record in the proceeding lately pending before it, in which said order to cease and desist was entered, including all the testimony taken and the report of said petitioner; and respondent having subsequently filed his answer to said application for enforcement, in which answer respondent stated he was not willing to contest said application for enforcement or the

proceedings based thereon, and in which answer said respondent consented that this court might, upon said application and respondent's answer thereto, and upon the pleadings, testimony, and proceedings set forth in the transcript aforesaid, make and enter its decree affirming said order to cease and desist and commanding respondent, his agents, representatives, and employees to comply therewith.

Now, therefore, it is hereby ordered, adjudged, and decreed, That said order to cease and desist, issued by the Federal Trade Commission, petitioner herein, under date of March 18, 1935, be and the same hereby is affirmed.

And it is hereby further ordered, adjudged, and decreed, That the respondent Nathan Hoffman, doing business under the trade name Hoffman Engineering Co., or under his own or any other trade name, his agents, representatives, and employees, in the sale and offering for sale in interstate commerce of amplifying units or appliances for use in connection with the ignition system of automobile engines, do:

Cease and desist from representing or causing it to be stated or represented to dealers or others, or to members of the public, directly or indirectly, either verbally or in advertisements in newspapers, circulars, or other publications, or on labels, or by means of the radio, that the appliance or device designated Super-Fyre Amplifying Unit, or by any other name, will, when used in connection with the ignition system of an automobile engine, affect the operation of the spark plugs of the ignition system so as to cause the engine to have more power and speed, to be smoother in its running, to have less accumulation of carbon and less mechanical trouble from accumulation of carbon, to cause the engine to start more readily, and to save gas in the operation of the engine, and that by the use of the said appliance or device more mileage can be obtained from a certain quantity of gas than would be obtained without the use of the said appliance or device; unless and until the said appliance or device is in fact so constructed and so adjusted to the resistance of fouled spark plugs of an ignition system with which it is sold to be used, that the appliance or device will interrupt the electric current of the ignition system to the extent necessary to cause the fouled spark plugs to fire, which, before the appliance or device was used, would not fire.

And it is hereby further ordered, adjudged, and decreed, That the respondent, Nathan Hoffman, shall, within 30 days after the service upon him of a copy of this decree, file with the Federal Trade Commission a report in writing, setting forth in detail the manner and form in which he has complied with said order to cease and desist, and with this decree.

FEDERAL TRADE COMMISSION v. WARD J. MILLER,
TRADING AS AMBER-ITA

No. 7236

(Circuit Court of Appeals, Sixth Circuit. December 3, 1935)

MISREPRESENTING PROPERTIES AND RESULTS OF PRODUCT AND FACTS RELATING
THERE TO—DIABETES PREPARATION.

Decree affirming order of Commission in Docket 2103, 19 F. T. C. 57, directing respondent, his agents, etc., in connection with the advertisement, offer for sale, and sale of product Amber-Ita or any substantially similar product, to cease and desist from representing through testimonials, etc., that said preparation constitutes a safe and effective treatment for diabetes, etc., as hereinbelow set forth.

Mr. W. T. Kelley, Chief Counsel, Federal Trade Commission, *Mr. Martin A. Morrison*, Assistant Chief Counsel, and *Mr. James W. Nichol*, for the Commission.

Mr. Jacob A. Dalm of Jackson, Fitzgerald & Dalm, of Kalamazoo, Mich., for respondent.

DECREE

Before: MOORMAN, SIMONS, and ALLEN, JJ.:

The Federal Trade Commission, petitioner herein, having filed with this court on, to wit, October 21, 1935, its application for the enforcement of an order to cease and desist issued by it against the respondent, under date of June 12, 1934, under the provisions of Section 5 of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (38 Stat. 719, 15 U. S. C. A., sec. 45); and said petitioner, having also certified and filed herein, as required by law, a transcript of the entire record in the proceeding lately pending before it, in which said order to cease and desist was entered, including all the testimony taken and the report of said petitioner; and respondent having subsequently filed his answer to said application for enforcement, in which answer respondent stated he was not willing to contest said application for enforcement or the proceedings based thereon, and in which answer said respondent consented that this court might, upon said application and respondent's answer thereto, and upon the pleadings, testimony, and proceedings set forth in the transcript aforesaid, make and enter its decree affirming said order to cease and desist and commanding respondent, his agents, employees, and representatives to comply therewith.

Now, therefore, it is hereby ordered, adjudged, and decreed, That said order to cease and desist, issued by the Federal Trade Commission, petitioner herein, under date of June 12, 1934, be and the same hereby is affirmed.

And it is hereby further ordered, adjudged, and decreed, That the respondent, Ward J. Miller, his agents, employees, and representatives, in connection with the advertising, offering for sale, and sale in interstate commerce, or in the District of Columbia, of the commodity Amber-Ita, or any other product of the same or substantially the same ingredients or compound, cease and desist from representing in any manner, including by or through the use of testimonials or endorsements, that the use of Amber-Ita in conjunction with diet, or otherwise, constitutes a safe, efficacious, or proper treatment for diabetes, or that it will cure or aid in the cure of diabetes, or remove or relieve the symptoms thereof, or that it has any therapeutic value whatever in the treatment of diabetes, or that it is a proper tonic to be used by those afflicted with diabetes.

And it is hereby further ordered, adjudged, and decreed, That the respondent, Ward J. Miller, shall, within 60 days after the service upon him of a copy of this decree, file with the Federal Trade Commission a report in writing setting forth in detail the manner and form in which he has complied with this decree.

FAIRYFOOT PRODUCTS COMPANY *v.* FEDERAL TRADE COMMISSION¹

No. 5426

(Circuit Court of Appeals, Seventh Circuit. December 23, 1935)

UNFAIR METHODS OF COMPETITION—MISREPRESENTATION OF BUNION PLASTER—PROPERTIES OR QUALITIES OF PRODUCT.

Evidence *held* to support Federal Trade Commission's finding that bunlon plaster seller's advertising matter stating that by use of seller's plaster bunion were dissolved, that pain stopped instantly, that permanent relief followed, that foot again resumed its natural appearance and shape, that bunion suffering was ended completely, that normal functions were stimulated, and that the absence of irritation and continuous massage of plaster plus seller's special formula gradually reduced bunlon hump, constituted unfair trade competition.

CEASE AND DESIST ORDERS—WHERE PREDICATED ON FINDINGS SUPPORTED BY EVIDENCE—COURT'S LIMITATIONS.

Where Federal Trade Commission's findings are supported by evidence, its order properly predicated thereon may not be disturbed by courts (15 U. S. C. A. sec. 45).

[685] STIPULATIONS WITH COMMISSION—WHERE PURPORTED ACCEPTANCE QUALIFIED—EFFECT ON SUBSEQUENT PROCEEDINGS.

Where seller, when first notified by Federal Trade Commission of asserted impropriety in seller's advertising matter, expressed willingness to comply with Commission's wishes, but in making stipulation to discontinue objectionable practices stated that if within six months any competitor used

¹ Reported in 80 F. (2d) 684.

representations or statements equivalent to barred statements, seller would feel at liberty to resume use of phrases contained in stipulation, condition held to neutralize stipulation as undertaking to discontinue alleged unfair trade practices as regards seller's contention that proceeding against seller was contrary to Commission's practice, where stipulation for discontinuance had been made.

CEASE AND DESIST ORDERS—DISCONTINUANCE OF PRACTICE—WHERE NO DEFINITE ASSURANCE OF NON-RENEWAL—EFFECT.

Mere discontinuance of unfair competitive practice cannot serve to bar cease and desist order of Federal Trade Commission based on that discontinued practice, particularly in absence of definite assurance that it will not be renewed.

"MONEY-BACK" SALES—WHERE MISREPRESENTATION IN OFFERING—EFFECT.

That sales were made on stipulation that if after seven days' trial customer was not satisfied he could return unused portion of article purchased and obtain refund of entire purchase price held not to indicate absence of unfair trade practice, since unfairness was not in sales, but in competition in trade.

UNFAIR METHODS OF COMPETITION—GOOD FAITH OF RESPONDENT—EFFECT.

Unfair competitive practice may exist even if one accused of practice is in entire good faith in its employment.

(The syllabus, with substituted captions, is taken from
80 F. (2d) 684)

On petition to review cease and desist order of Commission, order affirmed.

Mr. Harris F. Williams and Mr. Burrell J. Cramer, both of Chicago, Ill., for petitioner.

Mr. W. T. Kelley, Mr. Martin A. Morrison, Mr. Rob't N. McMillen, and Mr. James W. Nichol, all of Washington, D. C., for respondent.

Before EVANS and ALSCHULER, Circuit Judges, and STONE, District Judge

ALSCHULER, *Circuit Judge*:

Petitioner seeks review of a "cease and desist" order¹ of the Federal Trade Commission upon its holding that petitioner had

¹ "It is now ordered that the respondent, Fairyfoot Products Co., its officers, agents, and employees, forthwith cease and desist from representing in advertising matter, circular letters, by means of radio broadcast, or otherwise, in or in connection with selling or offering for sale in interstate commerce, its device or preparation known as 'Fairyfoot' bunion remedy treatment:

"That the treatment is approved by leading physicians and surgeons; that by the use of Fairyfoot bunion dissolvers, pain is stopped instantly, or almost instantly, and permanent relief follows; the foot again resumes its natural appearance and shape; bunion suffering is ended completely, the normal functions are stimulated; the absence of irritation and the continuous massage of the plaster plus the special 'Fairyfoot' formula gradually reduces the bunion hump; that 'Fairyfoot' gently dissolves the swelling caused by inflammation and should restore the foot to its normal appearance; it brings sure and certain relief from bunion suffering and the user can know the pleasure of bunion-free feet; and cease and desist from representing in any other or similar manner or words that its said device or preparation works a cure for, or gives permanent relief from, bunions, or attribute to it or its medicinal formula any result or effect other than that which may be derived from a mechanical device that relieves the pressure or irritation of the shoe at the affected part and temporarily relieves pain."

transgressed the Federal Trade Commission Act by its unfair competition in the advertising of a bunion plaster.

There is no question but that petitioner, in the marketing in interstate commerce of its bunion plaster, had employed the advertising methods condemned by the Commission's order. Petitioner maintains, however, that this matter was not properly objectionable, but was largely justified by the facts, and that where exaggeration appeared it was only such "puffing" of the article as is not violative of the law. Petitioner further contends and the evidence fairly establishes, that long prior to the filing of the Commission's complaint petitioner had been informed by the Commission that the advertising matter was objectionable, and was asked to refrain from [686] further employment of it; that thereupon petitioner modified its advertisements by eliminating the alleged objectionable features, destroying its plates which contained them, and preparing new advertising matter which was submitted to the Commission and was thereafter used; and that petitioner entered into an obligation to the Commission that the alleged objectionable matter would not again be, and that it was not thereafter, employed; that it was the practice of the Commission in such cases to accept this assurance, and not begin any proceeding based on the practices objected to which had been in good faith abandoned and were not thereafter renewed; that for over two years next preceding the commencement of the proceeding against the petitioner the matters called to its attention by the Commission as objectionable had been entirely eliminated, and were not used; that nevertheless, contrary to the practice of the Commission, the proceeding against petitioner was begun, predicated entirely upon the advertising matter which had long been discontinued; and that the findings of the Commission and its cease and desist order were based wholly upon the abandoned advertising matter.

That petitioner's plaster has virtue may, for the purposes hereof, be conceded. Indeed, it would be quite unreasonable to assume that one putting out a purported remedy for an affliction would not employ some ingredients or means calculated to benefit some cases at some stage. But this would not justify such sweeping claims as the condemned items of this advertising matter disclose, which were evidently intended to induce in the public mind the belief that here was an absolute and unfailing panacea for bunions of all kinds and degrees.

Just where lies the line between "puffing", which is not unlawful and unwarranted, and misleading representations in advertising, is often very difficult of ascertainment. But in our judgment this case does not present such embarrassment, since the advertising here condemned is well beyond any "puffing" indulgence.

We are satisfied that the record discloses substantial evidence to support the Commission's findings that the condemned advertising matter constituted unfair trade competition. In general, where the Commission's findings are thus supported, its order properly predicated thereon may not be disturbed by the courts. 15 U. S. C. A. sec. 45; *Federal Trade Comm. v. Algoma Lumber Co.*, 291 U. S. 67; *Federal Trade Comm. v. Pacific States Paper Trade Assn.*, 273 U. S. 52; *Federal Trade Comm. v. Winsted Hosiery Co.*, 258 U. S. 483.

It seems that after the Commission first notified petitioner of the asserted impropriety in the advertising matter, petitioner, while maintaining the propriety of its advertising, expressed a willingness to comply with the Commission's wishes in the matter; and thereafter there was sent from the Commission to petitioner a form to be filled out, which embodied an undertaking to discontinue and not renew the methods of competition objected to as unfair. This form petitioner filled out and signed and forwarded to the Commission. Probably this would have ended the matter but for the communication which petitioner sent the Commission with the executed form, stating:

If within six months from date any competitor publishes or uses in any form of printed matter words or phrases such as we have been barred from using, or any representations or statements equivalent thereto, in form or substance, we shall then feel at full liberty to resume any and all part of such phrases or words as are contained in the stipulation.

The Commission made no reply to this communication, but about two years later filed the complaint. Thereafter, in replying to petitioner's contention that the objectionable advertising had been long and permanently discontinued, and an undertaking to that effect sent to the Commission, it was stated to petitioner on behalf of the Commission:

This condition made the acceptance of your stipulation impossible and the Commission declined to approve it, and then ordered that the complaint against you be issued and served.

While it would have been in line with good practice and gracious conduct for the Commission to notify petitioner that no such conditional stipulation could be or would be accepted, we are of the view that the imposition of the condition neutralized the stipulation as an undertaking to discontinue the alleged unfair trade practices. Besides, it has been often held that the mere discontinuance of an unfair competitive practice cannot serve to bar a "cease and desist" order based on that discontin[687]ued practice, particularly where there is no definite assurance that it will not be renewed. *Federal Trade Comm. v. Wallace* (C. C. A.) 75 F. (2d) 733; *Federal Trade Comm. v. Good-Grape Co.* (C. C. A.) 45 F. (2d) 70; *Lighthouse Rug Co. v. Federal Trade Comm.* (C. C. A.) 35 F. (2d) 163; *Arkansas Wholesale*

Grocers' Assn. v. Federal Trade Comm. (C. C. A.) 18 F. (2d) 866;
Moir v. Federal Trade Comm. (C. C. A.) 12 F. (2d) 22.

It is contended for petitioner that all its sales were made upon the stipulation that if after seven days' trial the customer is not satisfied with the remedy he may return the unused portion of it and the whole purchase price will be unconditionally refunded, and that this of itself indicates the absence of unfair trade practice. The unfairness alleged is not in any sale or sales, but in competition in the trade. If without any refund offer the methods to induce purchase of the articles are unfairly competitive, it is immaterial what the seller may propose to do in case the customer becomes dissatisfied. The unfairness, if any, lies in the methods of securing the order as against competitors, regardless of what thereafter may happen. In *Harrison v. United States* (C. C. A.) 200 Fed. 662, which petitioner cites with evident reliance, no such question was involved. In that case there were indictments for using the mails in furtherance of a scheme to defraud in the sale of washing machines and vacuum cleaners. It was held that a bona fide offer to refund in case of a buyer's dissatisfaction would have important and possibly controlling bearing upon the question of fraudulent scheme. But no question of fraud is here involved. Indeed, a given unfair competitive practice may exist even if the one accused of the practice is in entire good faith in its employment. *Federal Trade Comm. v. Algoma Lumber Co.*, *supra*, p. 79; *Federal Trade Comm. v. Balme* (C. C. A.) 23 F. (2d) 615.

While the Commission's findings whereon its order herein is predicated are phrased in the present as well as in the past tense, we do not understand that these findings to any extent impugn or condemn the advertising matter employed by petitioner after its discontinuance of the advertising matter first complained of; nor that the order under review includes within its scope any of petitioner's advertising matter used after such discontinuance; and it is upon such construction of the order that we conclude the order is in this respect, as well as otherwise, not objectionable.

The order of the Commission is affirmed.

IN THE MATTER OF LOUIS LEAVITT

(Circuit Court of Appeals, Second Circuit. December 24, 1935)

CONTEMPT PROCEEDINGS—VIOLATION OF SECTION 5—COURT DECREES OR ORDERS ENJOINING—MISREPRESENTATION OF PAINTS.

Court order, fining respondent for violation of court's prior order in *Louis Leavitt v. Federal Trade Commission*, 16 F. (2d) 1019, affirming order of Commission in Docket 1160, 9 F. T. C. 221, directing respondent, his

agents, etc., to cease and desist applying to his product terms "White Lead" unless product in question actually contains sulphate of lead or carbonate of lead as its principal ingredient, etc., as in said order specified.

Mr. W. T. Kelley, Chief Counsel, Federal Trade Commission; *Mr. Martin A. Morrison*, Assistant Chief Counsel; and *Mr. James W. Nichol*, for the Commission.

Mr. Isidor J. Kresel and *Mr. William P. Morin*, of New York City, for respondent.

ORDER

A motion having been made herein by counsel for the Federal Trade Commission to punish the above-named Louis Leavitt for contempt of the decree of this court entered December 16, 1926, in a proceeding entitled "Louis Leavitt, petitioner, v. Federal Trade Commission, respondent", to review an order of the Federal Trade Commission theretofore issued against Louis Leavitt.

Upon consideration thereof the court hereby orders that said Louis Leavitt pay one thousand dollars (\$1,000.00) fine and that if the same be not paid within ten days from the date of this order, said Louis Leavitt be committed to the County Jail of the County of New York, in the State of New York, and confined therein until the same be paid.

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Proprietary preparations offered as cure-alls or remedies or specifics for large numbers of ailments have been indexed under their trade or proprietary names rather than under the numerous ailments and conditions for which held out, e. g., "Digestive remedy," "Kidney remedy," "Stomach remedy," etc.

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