

IN THE MATTER OF
COOK-MASTER, INC.,¹ THEODORE N. GOULD, 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 5567. Complaint, June 9, 1948—Decision, Feb. 13, 1950

Where an officer of a corporation which was engaged, prior to its withdrawal from business, in the interstate sale and distribution of "Cook-Master" stainless steel cooking utensils, in competition with others engaged in sale and distribution of utensils made from steel and other materials, and the policies and practices of which he formulated;

In selling said products through representatives who personally solicited the general public and gave demonstrations before groups of prospective purchasers, at which various pamphlets, leaflets, advertising circulars, and other written matter were exhibited and distributed, accompanied by sales talks taken from sales manuals supplied by or under his direction—

- (a) Represented that Cook-Master cooking utensils provided a means of cooking food which was especially conducive to and did promote good health; and
- (b) Represented that other means of cooking destroyed minerals and vitamins in food, and that by the use of his utensils they would be preserved;

The facts being that cooking in Cook-Master utensils would not promote health any more than the cooking of food in any other sanitary utensils; mineral content of food is not destroyed or materially affected by heat; and if the cooking water is utilized and not thrown away there is no significant loss of minerals in any of the procedures commonly employed in cooking;

¹ The Commission on the same date issued an order dismissing the complaint as to Cook-Master, Inc., as follows:

This matter coming on to be heard by the Commission upon a motion filed June 22, 1948, on behalf of the respondents Cook-Master, Inc., and Theodore N. Gould, requesting that the complaint herein be dismissed as to said respondents, and the answer to such motion filed by counsel in support of the complaint; and

It appearing from said motion and from an affidavit attached thereto, executed by Phillip Markey as vice president of the respondent, Cook-Master, Inc., that the respondent, Cook-Master, Inc., at the time of the issuance of the complaint had ceased the sale and distribution of cooking utensils, that it did not then and does not now have either such utensils to sell or sales representatives or agents, and, further, that the corporation is in process of being liquidated and will soon be dissolved; and

It further appearing from the motion and from the record as a whole that the respondent, Theodore N. Gould, is now an employee of the American Stainless Steel Kitchen Co., Inc., but that he was, during the time of the operation of the corporation, Cook-Master, Inc., responsible for the policies, activities and practices of said corporation against which the complaint was directed; and

The Commission being of the opinion that in the circumstances a continuation of this proceeding as against the corporation, Cook-Master, Inc., would not be in the public interest, but that no sufficient reason has been advanced for dismissal as to the individual respondent, Theodore N. Gould:

It is ordered, That the complaint herein be, and it hereby is, dismissed as to the respondent Cook-Master, Inc.

It is further ordered, That the respondents' motion for dismissal of the complaint as to Theodore N. Gould be, and it hereby is, denied.

