

understandings, combinations and conspiracies therein referred to occurred more than 10 years ago under economic conditions which differed materially from those now prevailing; and

It further appearing that the record does not show that the rules, regulations and requirements designated in the amended complaint as "uniform standards of so-called fair commercial practices" and alleged to have been imposed or enforced upon all members of the furniture industry were distributed by any of the respondents after March 18, 1936, and does not clearly establish the extent to which said "standards" have been imposed or enforced upon the members of the industry since said date, or the extent to which the respondents' activities since 1936 have restricted or restrained interstate trade in furniture products or affected competition between and among the respondents or tended to create in the respondents a monopoly in the sale of furniture products; and

It further appearing that counsel in support of the complaint have in effect conceded that the allegations of the amended complaint with respect to the respondents' formulation, adoption and putting into operation of a so-called "Trade Relations Movement," one of the alleged purposes of which was to deprive employees of large industrial and commercial organizations of the opportunity of buying furniture and associated products from or through the facilities of their respective employees, have not been sustained by the greater weight of the evidence thereon; and

The Commission being of the opinion that in the circumstances the public interest will be better served by a dismissal of the amended complaint than by a continuation of the proceeding, it being understood, however, that this action does not constitute an adjudication of any of the issues involved or prejudice the right of the Commission to conduct a further investigation into the respondents' business practices and to take such further action as the Commission may consider warranted as the result of such investigation, or otherwise:

Accordingly, it is ordered, That the respondents' appeal from the ruling of the hearing examiner be, and it hereby is, granted.

It is further ordered, That the amended complaint in this proceeding be, and it hereby is, dismissed without prejudice to the right of the Commission to take such further action against the respondents at any time in the future as may be warranted by the then existing circumstances.

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

Mr. George W. Williams and *Mr. Rufus E. Wilson* for the Commission.

Davies, Richberg, Beebe, Landa & Richardson, of Washington, D. C., for National Retail Furniture Association, its officers and members of the Board of Directors.

Mr. Leo J. Heer, of Chicago, Ill., also represented National Retail Furniture Association.

Covington, Burling, Rublee, O'Brian & Shorb, of Washington, D. C., for The American Retail Federation, its officers and members of the Executive Committee and trustees.

Mr. Deneen A. Watson, of Chicago, Ill., for Illinois Federation of Retail Associations, its officers and members of the Board of Directors.

Miller, Daus & Schwenger, of Cleveland, Ohio, for Cleveland Retail Furniture Association, its officers, various members of the Executive Committee and members.

Halle, Haber, Berick & McNulty, of Cleveland, Ohio, also represented B. W. Marks and Mayer Marks Co.

Reed, Smith, Shaw & McClay, of Pittsburgh, Pa., for Trade Relations Council of Western Pennsylvania and Retail Merchants Association of Pittsburgh, its officers, various members of the Board of Directors and members.

Mr. Herbert C. Moore and *Mr. William C. Rogers*, of Baltimore, Md., for Retail Furniture Association of Baltimore, Inc., its officers and members of the Board of Directors.

Willard, Allen & Mulkern and *Russell, Plumer & Rutherford*, of Boston, Mass., for The Retail Trade Board of the Boston Chamber of Commerce, its officers, members of the "Governing Council", and members.

Hutchins & Wheeler, of Boston, Mass., also represented George Hansen and Chandler & Co., Inc.

Hemenway & Barnes, of Boston, Mass., also represented Jordon Marsh Co. and C. F. Hovey Co.

Choate, Hall & Stewart, of Boston, Mass., also represented R. H. White Corp.

Weil, Gotschal & Manges, of New York City, for New York Council on Retail Trade Diversion, Inc., various officers and members of the Executive Committee.

Gould & Wilkie, of New York City, for J. E. Davidson.

Marlow & Lincoln, of New York City, for John Wood.

Zelby & Burstein, of New York City, for Associated Furniture Dealers of New York, Inc., its officers and members of the Board of Governors.

Mr. Edwin S. Malmed, of Philadelphia, Pa., for Philadelphia Trade Relations Council, its officers and members of the Board of Directors.

Beaumont, Smith & Harris, of Detroit, Mich., for Retail Merchants Association of Detroit, its officers, members of the Board of Directors and members.

Mr. L. E. Oliphant, Jr., and *Mr. J. A. Lind*, of Chicago, Ill., also represented R. Hunsinger and Montgomery Ward & Co.

Goulston & Storrs, of Boston, Mass., also represented Sears, Roe-

buck & Co., Scott Furriers, Inc., Jays, Inc., Kay Jewelry Co., Lehb-
burger & Asher, Inc., Liquor Mart, Inc. and Raymond's, Inc.

Morrissey & Conley, of Providence, R. I., for Retail Trade Board of
Providence Chamber of Commerce, its officers, members of the Board
of Directors and members.

Swan, Keeney & Smith, of Providence, R. I., for Jesse L. Johnson.

MIL-KAY ORANGE CORP. OF AMERICA. Complaint, June 26, 1950.
Order, December 10, 1951. (Docket 5788.)

CHARGE: Advertising falsely or misleadingly and assuming or
using misleading trade or corporate name as to composition of prod-
uct and furnishing means and instrumentalities of misrepresentation
or deception through supplying false and misleading display cards;
in connection with the sale of a beverage concentrate, an acid solution
and a special color designated respectively as "Mil-K Fruit Base",
"Citric Acid Solution" and "Special Mil-K Botl Color", which it sells
and distributes to bottling plants for use in the preparation of a
carbonated beverage designated as "Mil-Kay".

COMPLAINT: Pursuant to the provisions of the Federal Trade Com-
mission Act and by virtue of the authority vested in it by said Act,
the Federal Trade Commission having reason to believe that Mil-Kay
Orange Corp. of America, a corporation, hereinafter referred to as
respondent, has violated the provisions of said Act and it appearing
to the Commission that a proceeding by it in respect thereof would
be in the public interest hereby issues its complaint, stating its charges
in that respect as follows:

PARAGRAPH 1. Mil-Kay Orange Corp. of America is a corporation
organized and existing under and by virtue of the laws of the State
of Missouri with its principal place of business located at 3012 Locust
Street, St. Louis, Mo.

PAR. 2. Respondent is now and for more than one year last past
has been engaged in the sale and distribution of a beverage concen-
trate, an acid solution and a special color designated respectively as
"Mil-K Fruit Base," "Citric Acid Solution" and "Special Mil-K
Botl Color," which it sells and distributes to bottling plants located
in various States of the United States for use in connection with the
preparation of a carbonated beverage designated as "Mil-Kay."

Respondent causes its said products when sold to be transported
from its place of business in Missouri to purchasers thereof in various
other States. When the beverage drink "Mil-Kay" has been pre-
pared by the use of respondent's said products, it is frequently shipped
by bottlers to retailers located in States other than the State in which
such shipments originated.

Respondent maintains and has maintained a course of trade in its

products between and among the various States of the United States and its volume of business has been substantial.

PAR. 3. In the course and conduct of its business respondent has disseminated and has caused the dissemination of various advertisements concerning the beverage "Mil-Kay" made by the use of its products by the United States mails and by various other means in commerce, as "commerce" is defined in the Federal Trade Commission Act; and respondent has also disseminated and caused the dissemination of advertisements concerning said beverage "Mil-Kay" by various means for the purpose of inducing and which would likely induce, directly or indirectly, the purchase of said beverage "Mil-Kay" in commerce, as "commerce" is defined in the Federal Trade Commission Act. Among and typical of the advertisements disseminated and caused to be disseminated as hereinabove set forth are the following counter display cards used by bottlers and retailers in advertising and promoting the sale of "Mil-Kay" as follows:

Drink MIL-KAY
It is Good For You

These words are printed upon a picturization of a whole orange.

A picture of a bottle of "Mil-Kay" bearing the following lettering:

MIL K BOTL
CONTAINS VITAMIN B,
REFRESHING
JUST SAY
MIL-KAY
THE VITAMIN B,
DRINK
INVIGORATING
MIL-KAY
SOLD IN BOTTLES ONLY

The picture of the bottle with its inscriptions is printed upon a picturization of an exploding orange.

PAR. 4. By means of the display cards bearing the picturizations thereon set out in Paragraph Three herein, respondent represented and placed in the hands of bottlers and retailers means and instrumentalities by and through which they may and have represented that the principal and characteristic ingredient of the beverage "Mil-Kay" is orange juice.

PAR. 5. The aforesaid statements and picturizations are misleading in material respects and constitute "false advertisements" as that term is defined in the Federal Trade Commission Act. In truth and in fact, "Mil-Kay," while simulating the odor, appearance, and taste of a product composed principally of orange juice, derives its odor, appearance, and taste chiefly from imitation ingredients and is in fact an imitation orange product.

PAR. 6. The use by the respondent of the aforesaid false advertisements had the tendency and capacity to mislead a substantial portion of the purchasing public into the erroneous and mistaken belief that the picturizations contained therein are true and caused a portion of the purchasing public to purchase substantial quantities of the product "Mil-Kay" because of such erroneous and mistaken belief.

PAR. 7. The aforesaid acts and practices of the respondent, as herein alleged, are all to the prejudice and injury of the public, and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER closing case without prejudice follows:

The respondent in this proceeding having executed and tendered to the Commission a proposed stipulation of facts and agreement to cease and desist from the acts and practices alleged in the complaint to have been in violation of the Federal Trade Commission Act; and

The hearing examiner having recommended that said stipulation and agreement to cease and desist be accepted and that the case be closed without prejudice to the right of the Commission to reopen the same and resume trial thereof if the respondent again engages in said acts or practices; and

It appearing to the Commission that the complaint charges the respondent with having falsely represented, through the use of certain advertising display cards, that a beverage designated as "Mil-Kay, the Vitamin B₁ Drink," prepared from ingredients sold by the respondent, is composed principally of orange juice; and

It further appearing that prior to the issuance of the complaint the respondent abandoned the use of said advertising display cards, and that it has now deleted from its corporate name the word "Orange," thus negating any implication that may have been inherent in the use of said corporate name that the beverage "Mil-Kay, the Vitamin B₁ Drink," is composed principally of orange juice; and

The Commission being of the opinion that in the circumstances the public interest does not require a continuation of this proceeding at this time:

It is ordered, That the proposed stipulation and agreement to cease and desist executed by the respondent on September 29, 1950, be, and it hereby is, accepted.

It is further ordered, That the case growing out of the complaint herein be, and it hereby is, closed, without prejudice, however, to the right of the Commission to reopen the same or to take such further or other action against the respondent at any time in the future as may be warranted by the then existing circumstances.

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

Mr. John L. York and *Mr. Jesse D. Kash* for the Commission.

Freedman & Levy, of Washington, D. C., for respondent.

BOND STORES, INC. Complaint, September 2, 1949. Order, January 10, 1952. (Docket 5697.)

CHARGE: Advertising falsely or misleadingly as to composition, manufacture or preparation, prices, source or origin and value of products, using misleading product name or title as to composition and source or origin of product and misrepresenting prices; in connection with the sale of men's, women's and children's clothing.

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Bond Stores, Inc., a corporation, hereinafter referred to as respondent, has violated the provisions of said Act and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Bond Stores, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Maryland with its office and principal place of business at 380 Fifth Avenue, New York, N. Y.

PAR. 2. Respondent is now and for several years last past has been engaged in the retail sale of men's, women's and children's clothing, some of which clothing is and has been manufactured by respondent in factories owned and operated by it in New Brunswick, N. J., Rochester, N. Y., Buffalo, N. Y., Glen Falls, N. Y., and Meridian, Miss. Other clothing sold by respondent at retail is purchased by it from other manufacturers.

Respondent ships and has shipped the clothing manufactured by it and purchased by it from other manufacturers from its factories and from factories of other manufacturers from which respondent buys and has bought clothing to 68 retail stores owned and operated by it, which retail stores are located throughout the various States of the United States and in the District of Columbia. In many instances the retail stores to which such clothing is shipped by respondent are located in States other than the State in which such shipments have or had their origin.

Respondent's retail stores are engaged in the sale of clothing as above described and the shipment of certain thereof in commerce, as "commerce" is defined by the Federal Trade Commission Act, to purchasers located in States other than that in which such shipments have or had their origin, and to customers residing within the District of Columbia.

Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said clothing in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its business as aforesaid, and for the purpose of inducing the purchase of its said clothing in commerce, as "commerce" is defined in the Federal Trade Commission Act, respondent made certain statements and representations in newspapers and circulars concerning, among other things, the quality and value of its clothing, the prices at which such clothing is offered for sale and the savings resulting from its purchase at such prices. Among and typical, but not all inclusive, of the statements and representations so made are the following:

(a) "Shetland and Genuine Kerrys made of imported wool . . ." "Cameron Worsteds" "Sizzling Bond Special men's suits \$50. quality pure wool Cameron Coverts \$37.75."

(b) "\$25.—Verified \$34.50 value" "Set your alarm! Get here early! Bond repeats a SELL-OUT MORE Rochester-Tailored top coats worth every cent of \$50.—\$37.75."

(c) "SPECIAL PURCHASE Usual price would be \$19.95—\$14.95"

(d) "Regularly \$10.50 triple decker bold look easy price \$8.95 Bootmaker hand finished . . ." "Today at Bond's $\frac{1}{3}$ off—leather-lined luxury zip coats! You save \$24.—\$45.95. Regularly \$69.95." "Today $\frac{1}{4}$ off. Bond slices \$20. from gabardine \$79.95 zip coats "59.95." "SALE! \$10.50 men's shoes \$8.95 Recognized \$10.50 quality."

(e) "Super-Quality broadcloth pajamas Bond-Priced below manufacturer's usual wholesale price! \$2.98."

PAR. 4. Respondent, through the use of the aforesaid statements appearing in the advertisements set out and quoted under the numbered subparagraphs above, represented:

(a) That the articles of clothing designated "Shetland," "Kerrys" and "Cameron" were made from fabrics imported from the Shetland Islands, Ireland, and Scotland, respectively.

(b) That the clothing offered for \$25 was of the value of \$34.50 and that the clothing being offered at \$37.75 was actually worth and was of the value of \$50.

(c) That the usual and regular price for the clothing offered at \$14.95 was \$19.95 and the difference between such prices represented a saving to the purchaser from the regular price.

(d) That the regular price for the shoes offered at \$8.95 was \$10.50 and that the difference between such prices represented a saving to the purchaser from the regular price; that said shoes were hand finished. That the regular price of the coats offered for \$45.95 and \$59.95 was \$69.95 and \$79.95, respectively, and that the differences represented savings to the purchaser of \$24 and \$20, respectively, from the regular prices.

(e) That the price of \$2.98 asked for pajamas was below the manufacturer's usual wholesale price.

PAR. 5. The statements in said advertisements are false, misleading and deceptive in the following respects:

(a) The articles of clothing designated "Shetland", "Kerrys" and "Cameron" were not made from fabrics imported from the Shetland Islands, Ireland, and Scotland, respectively.

(b) The clothing offered for \$25 was not of the value of \$34.50 and the clothing offered at \$37.75 was not actually worth and was not of the value of \$50, based upon the price of comparable merchandise sold by other retailers in the same trade territory.

(c) The usual and regular price for the clothing offered at \$14.95 was not \$19.95. In truth and in fact, respondent's regular selling price for such clothing did not exceed \$14.95 and a purchase at that figure did not result in a saving from respondent's regular price.

(d) The regular price for the shoes offered at \$8.95 was not \$10.50. In truth and in fact, respondent's regular selling price for said shoes did not exceed \$8.95 and a purchase at that figure did not result in a saving from respondent's regular price, and said shoes were not "hand finished." The regular prices of the coats offered for \$45.95 and \$59.95 were not \$69.95 and \$79.95, respectively. In truth and in fact, respondent's regular selling prices for said coats did not exceed \$45.95 and \$59.95, respectively, and a purchase of said coats at such prices did not result in savings in any amount from the regular prices.

(e) The price of \$2.98 asked for pajamas was not below the manufacturer's usual wholesale price.

PAR. 6. The use by respondent of the foregoing false, misleading and deceptive statements and representations, and others similar thereto, had the tendency and capacity to mislead a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements and representations were true, and to induce a substantial portion of the purchasing public, because of such mistaken and erroneous belief, to purchase the clothing sold by respondent through its retail stores.

PAR. 7. The aforesaid acts and practices of respondent, as herein alleged, are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

COMPLAINT DISMISSED without prejudice by the following order:

It appearing to the Commission that counsel in support of the complaint and counsel for the respondent, Bond Stores, Inc., have reached an agreement on a proposed informal stipulation; and

It further appearing that under the terms of said stipulation and agreement the respondent agrees, without admitting having violated the Federal Trade Commission Act, not to use certain of the acts and practices complained of, as therein more particularly set forth; and

It further appearing that under the terms of said stipulation and agreement the Commission's approval thereof does not in any way

prejudice the right of the Commission to resume formal proceedings against the respondent if at any time in the future such action may be deemed warranted; and

The Commission being of the opinion that in the circumstances the public interest will be best served by the settlement of this proceeding through the approval of the proposed stipulation and agreement, and that settlement by stipulation of the matters here involved would not violate the Commission's stated policy of encouraging law observance through cooperation in certain types of cases where there has been no intent to defraud or mislead:

It is ordered, That the proposed stipulation and agreement executed by the respondent on November 20, 1951, be, and it hereby is, approved and accepted.

It is further ordered, That the complaint herein be, and it hereby is, dismissed, without prejudice, however, to the right of the Commission to institute a new proceeding against respondent or to take such further or other action in the future as may be warranted by the then existing circumstances.

Mr. Edward F. Downs for the Commission.

Goldberg & Grossman, of New York City, for respondent.

RICHMOND-CHASE Co., EDMUND N. RICHMOND, CHARLES M. O'BRIEN, BURNELL E. RICHMOND AND GEORGE A. RICHMOND. Complaint, August 6, 1948. Order, January 11, 1952. (Docket 5578.)

CHARGE: Discriminating in price through the paying or granting of commissions, brokerage, or other compensation, or allowances and discounts in lieu thereof, on sales of respondents' food products to direct buyers, in violation of subsection (c) of section 2 of the Clayton Act, as amended by the Robinson-Patman Act.

COMPLAINT: The Federal Trade Commission having reason to believe that the parties respondent named in the caption hereof, and hereinafter more particularly designated and described, since June 19, 1936, have violated and are violating the provisions of subsection (c) of section 2 of the Clayton Act (U. S. C. title 15, sec. 13), as amended by the Robinson-Patman Act, approved June 19, 1936, hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Richmond-Chase Co. is a corporation organized and existing under the laws of the State of California, with its principal office and place of business located at 817 West Santa Clara Street, San Jose, Calif. The respondent corporation is engaged in the business of selling canned fruits and vegetables, processed dried fruits and frozen foods (all of which are hereinafter designated as "food products"), which it packs, processes, and cans at five canning plants which it operates in the State of California, one at

San Jose, the second at Stockton, a third at Mountain View, a fourth at Edenvale, and a fifth at San Leandro. The respondent corporation is a substantial factor in the distribution and sale of food products, selling approximately \$25-million worth of such commodities each year. Such sales are made to buyers located in various sections of the United States, Alaska, the Territory of Hawaii, the Island of Puerto Rico, and many foreign countries.

PAR. 2. Respondent Edmund N. Richmond is an individual with his principal office and place of business located at 817 West Santa Clara Street, San Jose, Calif. He is now president of Richmond-Chase Co. and has been a substantial stockholder and an officer of said corporation since some time after June 19, 1936. After becoming an officer, and at the present time, and for some time past as president, respondent Edmund N. Richmond has exercised, and still exercises, a substantial degree of authority and control over the business conducted by said corporation, including the direction of its distribution and sales policies.

PAR. 3. Respondent Charles M. O'Brien is an individual with his principal office and place of business located at 817 West Santa Clara Street, San Jose, Calif. He is now first vice president of Richmond-Chase Co. and has been a substantial stockholder and an officer of said corporation since some time after June 19, 1936. After becoming an officer, and at the present time, and for some time past as first vice president, respondent Charles M. O'Brien has exercised, and still exercises, a substantial degree of authority and control over the business conducted by said corporation, including the direction of its distribution and sales policies.

PAR. 4. Respondent Burnell E. Richmond is an individual with his principal office and place of business located at 817 West Santa Clara Street, San Jose, Calif. He is now second vice president of Richmond-Chase Company and has been a substantial stockholder and an officer of said corporation since some time after June 19, 1936. After becoming an officer and at the present time, and for some time past as second vice president, respondent Burnell E. Richmond has exercised, and still exercises, a substantial degree of authority and control over the business conducted by said corporation, including the direction of its distribution and sales policies.

PAR. 5. Respondent George A. Richmond is an individual with his principal office and place of business located at 817 West Santa Clara Street, San Jose, Calif. He is now secretary-treasurer of Richmond-Chase Co. and has been a substantial stockholder and an officer of said corporation since some time after June 19, 1936. After becoming an officer and at the present time, and for some time past as secretary-treasurer, respondent George A. Richmond has exercised, and still

exercises, a substantial degree of authority and control over the business conducted by said corporation, including the direction of its distribution and sales policies.

PAR. 6. Respondent corporation, as aforesaid, is now and has been since June 19, 1936, engaged in the business of packing, processing, selling, and distributing food products. Each of said individual respondents through said corporate respondent has likewise been engaged in said business. Said respondents and each of them in the course and conduct of their business as aforesaid have sold and distributed, and now sell and distribute their food products to buyers located in the several States of the United States and the Territories and insular possessions thereof and other places under the jurisdiction of the United States, including sales to buyers in the State of California. Said respondents cause such food products, when sold, to be transported from their places of business in California to the buyers thereof in the State of California and also to the customers of such buyers located in the several States of the United States, the Territories, insular possessions thereof, and other places under the jurisdiction of the United States. There has been since June 19, 1936, a constant current of trade and commerce conducted by each of said respondents in such food products between and among the various States of the United States, the Territories and insular possessions thereof and other places under the jurisdiction of the United States.

PAR. 7. Respondents, and each of them, through said respondent corporation, now sell and distribute, and since June 19, 1936, have sold and distributed, their food products in commerce through two separate and distinct methods: (1) By selling some such food products to buyers through brokers or agents; and (2) by selling some such food products directly to other buyers without the intervention of a broker or agent, and paying such buyers a commission or brokerage fee on such purchases.

First: The first method is by selling food products to buyers through brokers. A broker of food products, as considered herein, may be defined as a sales agent who negotiates the sale of food products for and on account of the seller as principal and whose compensation is a commission or brokerage fee paid by the seller. Such brokers act as respondents' sales agents, soliciting and obtaining orders for the respondents' food products at respondents' prices and on respondents' terms. Such brokers generally transmit such purchase orders to the respondents who thereafter invoice and ship the food products to respondents' customers. The respondents pay such brokers for their service in negotiating and making such sales for the respondents' account commissions or brokerage fees which are customarily based on a percentage of the invoice sales price of the food products sold.

Such brokers are not traders for profit and do not take title to nor have any financial interest in the products sold and neither make a profit nor suffer a loss on the transaction. This phase of respondents' business is not challenged herein.

Second: A second method, which is challenged by this complaint, is respondents' sale in the course of the aforesaid commerce of food products direct to buyers who are paid directly or indirectly commissions or brokerage fees on purchases made for their own account. All such buyers referred to herein are "direct buyers." In transactions between respondents and such buyers, the respondents do not use brokers. Some of such direct buyers purchase respondents' food products in the course of the aforesaid commerce for resale to their customers located in the several States of the United States. Other of respondents' direct buyers who are classified as "export brokers" purchase some of respondents' food products in the course of the aforesaid commerce for resale to their customers located in the several States of the United States and in Territories, insular possessions, or other places under the jurisdiction of the United States.

Such direct buyers generally transmit their own purchase orders for food products directly to the respondents. The respondents thereafter invoice and ship such food products directly to such buyers or to the customers of such buyers. Respondents collect the purchase price of the food products from the buyers and not from the buyers' customers. The respondents, among their several methods of sales, pay such buyers commissions or brokerage fees on such purchases, usually by deducting or allowing from the invoice price of the food products purchased an amount which is equal or approximately equal to the commissions or brokerage fees paid by the respondents to their brokers, as illustrated in the first method. On sales made by the respondents to buyers whom the respondents classify or who classify themselves as "export brokers," such commissions or brokerage fees are generally designated by respondents as "export discounts."

Contrary to the manner in which brokers operate (as described in the first method above), such buyers are traders for profit, purchasing and reselling such food products in their own names and for their own accounts, taking title to the food products and assuming all risk incident to ownership. Such resales are not made at the prices and on the terms dictated by respondents but at the prices and on the terms determined by the respective buyer who makes a profit or suffers a loss thereon, as the case may be. This phase of respondents' business is challenged by this complaint.

PAR. 8. The respondents, and each of them, since June 19, 1936, in connection with the sale of their food products in commerce, as illustrated in the second method set out in paragraph 7 herein, have been

and are now paying or granting and have paid and granted, directly and indirectly, commissions, brokerage or other compensation or allowances and discounts in lieu thereof to buyers on purchases of respondents' food products made for their own account for resale.

PAR. 9. The acts and practices of the respondents, and each of them, in promoting the interstate sale of their food products, since June 19, 1936, by paying or granting to buyers, directly or indirectly, commissions, brokerage or other compensation or allowances or discounts in lieu thereof by the second method set forth in paragraph 7 herein, are in violation of subsection (c) of section 2 of the Clayton Act, as amended.

COMPLAINT DISMISSED without prejudice by the following order:

This matter came on to be heard by the Commission upon the complaint; respondents' answer thereto; a stipulation as to the facts entered into by and between counsel in support of the complaint and counsel for the respondents which provides, among other things, that the stipulation as to the facts may be considered in this proceeding in lieu of evidence in support of and in opposition to the charges in the complaint; recommended decision of the hearing examiner and respondents' exceptions thereto; and briefs and oral argument of counsel.

The complaint herein charges the respondents with violation of subsection (c) of section 2 of the Clayton Act, as amended by the Robinson-Patman Act, through the paying or granting of commissions, brokerage, or other compensation, or allowances and discounts in lieu thereof, on sales of respondents' food products to direct buyers.

It appears that the respondents discontinued 1 of the 2 types of transactions challenged in the complaint about 2 years prior to the issuance of the complaint and there is no indication that they will again engage in such transactions. The Commission is of the opinion that further corrective action with respect to such transactions is not required at this time. The Commission is of the further opinion that the allegations in the complaint with respect to the other type of transactions are not sustained.

The Commission having duly considered the matter, and being now fully advised in the premises:

It is ordered, That the complaint herein be, and it hereby is, dismissed without prejudice to the right of the Commission to institute further proceedings should the facts warrant such action.

Before *Mr. Everett F. Haycraft*, hearing examiner.

Mr. Edward S. Ragsdale and *Mr. C. G. Miles* for the Commission.

Bell & Ehrlich, of Washington, D. C., for respondents.

H. G. HORNIBROOK AND APEX OIL PRODUCTS Co. Complaint, October 13, 1939.¹ Order, February 8, 1952. (Docket 3888.)

CHARGE: Misrepresenting qualities and comparative merits in connection with the sale and distribution of lubricating oil for motors designated "Film-X Motor Oil."

AMENDED AND SUPPLEMENTAL COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that H. G. Hornibrook, an individual, and Apex Oil Products Co., a corporation, hereinafter referred to as respondents, have violated the provisions of the 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 amended and supplemental complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent H. G. Hornibrook is an individual formerly trading as Apex Oil Products Co., and having his office and principal place of business at 100-200 17th Avenue, North, in the city of Minneapolis, State of Minnesota. Respondent Hornibrook in his individual capacity was for more than 1 year prior to May 1, 1939, engaged in the sale and distribution of a lubricating oil designated Film-X Motor Oil.

Respondent Apex Oil Products Co. is a corporation organized and existing under the laws of the State of Minnesota and having its office and principal place of business at 100-200 17th Avenue, North, Minneapolis, Minn. Said corporate respondent is now, and has been since the date of its incorporation on or about May 1, 1939, engaged in the sale and distribution of the lubricating oil designated Film-X Motor Oil. Said respondent corporation succeeded to the business of respondent H. G. Hornibrook and the said H. G. Hornibrook is president and general manager of said respondent corporation. Respondents have sold and distributed said product to wholesalers, retailers and other purchasers thereof.

In the course and conduct of their business as aforesaid, the respondents caused said product, when sold, to be transported from their aforesaid place of business in the State of Minnesota to the purchasers thereof at their respective points of location in various States of the United States, other than the State of Minnesota, and in the District of Columbia. Respondents maintained, at all times mentioned herein, a course of trade in said product in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of his said business, respondent H. G. Hornibrook, trading as Apex Oil Products Co., was engaged in

¹ Amended and supplemental.

the practice of falsely representing the qualities and properties of his said lubricating oil by means of false and misleading statements and representations on labels on the containers in which said product was sold and by various other means, all of which statements and representations were distributed to members of the purchasing public situated in various States of the United States and in the District of Columbia. Among and typical of the statements and representations disseminated as aforesaid are the following:

FILM-X Motor Oil is guaranteed to remove carbon from the motor.

FILM-X has several times the film strength of any other natural oil. Actual tests have demonstrated that motors using FILM-X show less than one-tenth the wear of motors using ordinary oil.

Through the use of the aforesaid statements and representations, together with other statements of similar import and meaning not herein set out, respondent H. G. Hornibrook represented to prospective purchasers situated in various States of the United States and in the District of Columbia that the use of his lubricating oil in motors removes carbon therefrom; that his lubricating oil has several times the film strength of any other natural oil and is therefore superior to all other natural oils; and that motors using said respondent's oil wear less than one-tenth as much as motors using other oil.

PAR. 3. In the course and conduct of its business the corporate respondent Apex Oil Products Co. has been, and is now, engaged in the practice of falsely representing the qualities and properties of its said lubricating oil by means of false and misleading statements and representations on labels on the containers in which said product is sold and by other various means, all of which statements and representations are distributed to members of the purchasing public situated in various States of the United States and in the District of Columbia. Among and typical of the statements and representations disseminated as aforesaid is the following:

FILM-X Motor Oil is guaranteed to remove carbon from the motor.

Through the use of the aforesaid statement and representation, together with other statements of similar import and meaning not herein set out, the corporate respondent Apex Oil Products Co. represents to prospective purchasers situated in various States of the United States and in the District of Columbia that the use of its lubricating oil in motors will remove carbon therefrom.

PAR. 4. The aforesaid statements and representations by the respondents are grossly exaggerated, false and misleading.

In truth and in fact respondents' oil will not remove carbon from motors. The aforesaid advertisements containing statements that

respondents' oil has several times the film strength of any other natural oil unduly exaggerate the importance of the film strength of oils and serve as a representation that other oils of less film strength are inferior to respondents' oil. The film strength of lubricating oil is not a true criterion of quality or superiority. Motors which are lubricated with respondents' oil do not wear less than one-tenth as much as motors lubricated with other oil. Any decrease in the wear of a motor effected through the use of respondents' lubricating oil is not substantially greater than the decrease in the wear produced through the use of any high-quality lubricating oil. There is no substantial difference in the wear of a motor in which respondents' lubricating oil is used and the wear of a motor in which any high-quality lubricating oil is used.

PAR. 5. The use by the respondents of the aforesaid false and misleading statements and representations has had, and now has, the capacity and tendency to, and does, mislead and deceive a substantial number of the purchasing public into the erroneous and mistaken belief that such false and misleading statements and representations are true, and into the purchase of respondents' products because of said erroneous and mistaken belief.

PAR. 6. The aforesaid acts and practices of the respondents, as herein alleged, are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

AMENDED COMPLAINT DISMISSED without prejudice by the following order:

This matter has come before the Commission upon the motion of counsel supporting the complaint to close this case without prejudice. No answer to this motion has been filed by respondents, each of whom has been duly served with a copy of said motion.

It appearing from the record herein that all of the alleged false and misleading representations complained of in the amended complaint were discontinued many years ago; and

It further appearing that in 1950 persons other than the individual respondent herein assumed ownership and control of the corporate respondent; and the Commission having no reason to believe that the alleged false and misleading representations which have been discontinued by respondents will be resumed, and it being of the opinion that in the circumstances the public interest does not require further corrective action in this matter at this time:

It is ordered, That the amended complaint herein be, and it hereby is, dismissed without prejudice to the right of the Commission to institute a new proceeding or to take such further or other action at any

time in the future with respect to the subject matter of said amended complaint as may be warranted by the then existing circumstances.

Before *Mr. Miles J. Furnas*, *Mr. Lewis C. Russell* and *Mr. Edward E. Reardon*, hearing examiners.

Mr. Joseph Callaway for the Commission.

Mr. George Nordlin, of Minneapolis, Minn., for respondents.

HIRAM E. BARBER TRADING AS MOTOR EQUIPMENT SPECIALTY CO.
Complaint, March 23, 1942. Order, February 13, 1952. (Docket 4737.)

CHARGE: Advertising falsely and misleadingly that goods would be shipped promptly upon receipt of order accompanied either by payment in full or by one-third of the purchase price, that shipment would be made the day of receipt of remittance by telegraph shipment, and that goods so sent would be new and in usable condition; in connection with the advertising for prospective agents and salesmen to engage in the sale and distribution of his three devices known as "Mesco Fender Roller," "Universal Wheel Check," and "Tire Remover."

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Hiram E. Barber, hereinafter referred to as respondent, has violated the provisions of said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Hiram E. Barber, is an individual, trading and doing business under the name Motor Equipment Specialty Co., and having an office and principal place of business in Beaver City, Nebraska.

PAR. 2. Respondent is now, and has been for more than three years last past, engaged in the business of manufacturing, selling, and distributing three devices known as "Mesco Fender Roller," "Universal Wheel Check," and "Tire Remover." The roller is designed and intended to be used for the removal of dents from automobile fenders, bodies, and tops, the wheel check to determine the alinement of automobile wheels, and the tire remover to remove automobile tires from the rims or wheels. In the course and conduct of his business, respondent causes said devices, when sold, to be transported from his aforesaid place of business in the State of Nebraska to purchasers located in the various States of the United States and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said devices in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of his business, and for the purpose of inducing the purchase of said devices by salesmen purchasing for resale, and others, respondent has advertised for salesmen to engage in the distribution of his devices in newspapers and magazines and other periodicals of general circulation, particularly among prospective agents and salesmen for devices of this general nature who sell direct to the ultimate consumer, and has caused letters and circulars to be sent to prospective agents and salesmen in various parts of the United States through the United States mails. Among and typical of the claims and representations made in said advertisements, letters, and circulars are the following:

Get your samples and get going.

If you are in a real hurry, then wire the money, Western Union, to Beaver City, Nebraska, via McCook, Nebraska.

Or if you are in a real rush, then wire the money, Western Union, to Beaver City, Nebraska, via McCook, Nebraska, and we will ship the same day.

Send this slip with money order or draft for \$12.50 and I will send you the fender rollers and include the wheel check immediately. Or \$14.00 gets the tire remover also.

Cash with order is cheapest, but we will ship C. O. D. if one third accompanies order.

Through the use of the aforesaid statements, and others similar thereto not set out herein, respondent has represented that he will ship the goods ordered by prospective salesmen or agents, promptly upon receipt of the order, accompanied either by payment in full or by one-third of the purchase price, that when remittance is by telegraph shipment will be made the day of its receipt, and that the goods so sent will be new and in usable condition.

PAR. 4. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business were misleading and untrue. In truth and in fact, respondent, although well aware that salesmen and agents could not sell said devices without proper samples thereof, and that delay in the shipment thereof would be highly detrimental to such persons, did not ship samples to persons sending orders by telegraph, accompanied by the amount of money required by the respondent, the same day that the remittance was received, nor did he ship samples to those ordering by mail with reasonable promptitude after receipt of such orders. In many instances he sent samples of said devices which were defective or second hand.

PAR. 5. In many instances, after the receipt of the goods ordered by prospective salesmen and agents had been unreasonably delayed by respondent's failure to ship them seasonably, such salesmen and agents notified respondent of the cancellation of their orders, instructed him to make no shipment, and demanded the return of the money paid to respondent. It was the practice of respondent under such circum-

stances to disregard such instructions, to ship the goods, and to refuse the demand for refund.

PAR. 6. In many instances respondent has delivered to persons who purchased his said devices through his salesmen or agents, goods which were defective or second hand.

PAR. 7. Among and typical of claims and representations made by respondent with respect to the fender roller, in the manner set forth in paragraph 3 hereof, are the following:

. . . they are neat, handy, easily operated
. . . equipment that will slip these dents out quickly and easily.

This outfit really lifts the dent out of the fender. It does the job quickly, easily. . . .

Works so easily that it is just a swing of the wrist. . .

Through the use of the aforesaid statements, and others similar thereto not set out herein, respondent has represented that the technique of the operation of his said fender roller is easily acquired.

PAR. 8. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business were misleading and untrue. In truth and in fact, it is not possible to operate the fender roller satisfactorily without a considerable amount of practice, the proper technique is not readily acquired even by persons having some mechanical aptitude and skill, and large numbers of those who purchased said device for resale were wholly unable to use it successfully. A satisfactory demonstration is in almost every instance necessary to effect sales. Respondent's representations were made to prospective salesmen or agents, and no disclosure that a study of the operation of the device, and a considerable amount of practice therewith, was necessary as a preliminary to attempting to sell it, until after the prospective salesman or agent had paid for his sample.

PAR. 9. Among and typical of other claims and representations made by respondent with respect to his fender roller in the manner set forth in Paragraph Three hereof, are the following:

These products are what 95% of the garage and fleet owners must have
They are indispensable.

Modern tools for modern cars.

That is why these tools sell so well.

. . . something that practically every shop needs and very few have.

. . . the finishing tools have been doubling in sales each week for the past few weeks. That means just one thing. They are what practically every garage ought to have and they are finding it out.

So you see why these tools are so popular.

Body and fender men who have spent years in learning to do perfect work with old fashioned equipment find that Mesco rollers do the work better, easier, and many times quicker.

That is just what these new tools are. They are finely engineered tools, made and developed through years of experience, and work on the most modern cars.

Through the use of the aforesaid statements, and others similar thereto not set out herein, respondent has represented that there was a great and growing need for and demand for the said rollers, that they were readily salable, that they were adopted for use on current and recent automobile models, that they were extremely efficient, and were finely engineered to accomplish and would accomplish the purpose for which they were intended, and were highly meritorious.

PAR. 10. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business were misleading and untrue. In truth and in fact, there are many other methods of and tools for removing dents from fenders, the demand for respondent's device was almost negligible, was not increasing, and it was not readily salable. The tool is not well adapted to the large, high-crown fenders of automobiles of recent years, and the device is for practical use, almost entirely without merit.

PAR. 11. Among and typical of other claims and representations made by respondent with respect to all his devices, in the manner set forth in paragraph 3 hereof, is the following:

We have never done much advertising because we didn't need to. These tools sell readily . . . and we had all the salesmen we could use. However, we have enlarged our output. . . .

Through the use of the aforesaid statement and others similar thereto not set out herein, respondent has represented that he had done little advertising for salesmen, because he had enough to sell his former output, but that his production had recently been enlarged.

PAR. 12. The aforesaid representations so made and disseminated by the respondent in the course of his aforesaid business were misleading and untrue. The respondent's advertising for salesmen had been extensive and continuous. The tools did not sell readily, the respondent never had enough salesmen to dispose of his output, and his facilities for production were never increased.

PAR. 13. Respondent has also engaged in the practice of representing to prospective salesmen that certain territory was open, when in fact exclusive rights to sell in such territory, in whole or in part, had been granted by respondent to others.

PAR. 14. Among and typical of other claims and representations made by respondent with respect to the opportunities for the sale of his devices, in the manner set forth in paragraph 3 hereof, is the following:

Every mechanic a prospect, 95% virgin.

Through the use of the aforesaid statement, and others similar thereto not set out herein, respondent has represented that little effort has been made to sell the said devices, and that they have never been offered to the vast majority of prospective purchasers.

PAR. 15. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business were misleading and untrue. In truth and in fact, efforts to sell said devices have been made by a large number of people over a large part of the United States, and they have been offered to great numbers of prospective purchasers.

PAR. 16. Respondent has also engaged in the practice of inserting in the advertising matter referred to in paragraph 3 hereof, what purport to be copies of favorable testimonials from users of his devices.

In truth and in fact such testimonials, were never given by the persons by whom they were represented to have been given.

PAR. 17. Respondent has also engaged in the practice of representing, by means of letters sent through the United States mails, to prospective salesmen and others in various States of the United States, that his devices, and his representations with respect thereto, have been submitted to and approved by the Federal Trade Commission and the United States Post Office Department and that the devices have been approved by and are in use by departments and agencies of the United States Government. Such representations were made by statements such as:

We have already shown the Postal Inspectors and the Federal Trade Commission that they do everything we say . . .

The Federal Trade Commission and Postal authorities . . . both have been here and looked over our merchandise, investigated its operation and construction, and our claims in our literature. The most they have done is to suggest some changes in the wording of some of our statements. . . . We consider this our best recommendation.

. . . these tools are in the use of the United States Government.

PAR. 18. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business are misleading and untrue. In truth and in fact neither the postal authorities of the United States nor the Federal Trade Commission has passed upon the merits of respondent's devices or approved them or the claims made by respondent for them. None of the tools are used by any department or agency of the United States Government.

PAR. 19. Among and typical of claims and representations made by respondent with respect to his wheel check in the manner set forth in paragraph three hereof, are the following:

The Universal has been tested beside machines costing \$375.00 and it is every bit as accurate. In fact it is more accurate than any machine we have had the privilege of testing it with.

There is nothing to break or get out of order. Put the heaviest truck on it and it won't be injured in the least.

Through the use of the aforesaid statements, and others similar thereto not herein set out, respondent has represented that the device

will disclose faulty alignment of automobile wheels with a greater accuracy than other devices intended for the same purpose, that the construction is such that the device will not break or get out of order, and that it may be used to test the heaviest vehicles without injury.

PAR. 20. The aforesaid representations so made and disseminated by respondent in the course of his aforesaid business are misleading and untrue. In truth and in fact the said wheel check is not accurate, and is inferior in accuracy to other devices used for the same purpose. It frequently gets out of order, and is damaged when used under heavy vehicles. It is poorly constructed and is of little practical merit.

PAR. 21. The use by respondent of the statements and representations, as set forth herein, in connection with the offering for sale and sale of his said devices, has had the tendency and capacity to mislead and deceive purchasers and prospective purchasers thereof into the false and erroneous belief that such claims and representations were true, and to induce them to purchase such devices on account thereof.

PAR. 22. The aforesaid acts and practices of the respondent, as herein alleged, are all to the prejudice and injury of the public, and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

Complaint dismissed without prejudice by the following order:

This matter has come before the Commission upon the motion of counsel supporting the complaint to dismiss the complaint without prejudice. No answer to said motion has been filed by respondent, upon whom a copy of said motion has been duly served.

It appearing from said motion that respondent has not been engaged in the business to which the complaint in this matter relates for many years, and the Commission being of the opinion that in the circumstances the public interest does not require further corrective action in this matter at this time:

It is ordered, That the complaint herein be, and it hereby is, dismissed without prejudice to the right of the Commission to institute a new proceeding or to take such further or other action at any time in the future with respect to the subject matter of said complaint as may be warranted by the then existing circumstances.

Before *Mr. J. Earl Cox*, hearing examiner.

Mr. Randolph W. Branch for the Commission.

AMERICAN COUNCIL ON PUBLIC AFFAIRS ET AL. Complaint, August 24, 1949. Order, February 15, 1952. (Docket 5695.)

CHARGE: Representing falsely and misleadingly, through use of substitute titles, that books and pamphlets are new works, in connection with the publication, sale, and distribution of new issues of

works previously published by others, mainly United States Government agencies.

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that American Council on Public Affairs, a corporation, and Morris B. Schnapper, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of the 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. American Council on Public Affairs is a corporation existing and doing business under and by virtue of the laws of the District of Columbia with its office and principal place of business located at 2153 Florida Avenue, Washington, D. C. Said corporation also does business under the trade name of Public Affairs Press. Respondent Morris B. Schnapper is the executive secretary of said corporate respondent with his office and principal place of business located at 2153 Florida Avenue, Washington, D. C., and controls and directs the acts, policies and business affairs of said corporation, particularly in respect to the acts and practices alleged herein. The respondents are now, and have been for more than 1 year last past, engaged in the publication, sale and distribution of books in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 2. Respondents cause and have caused said books when sold to be shipped from their said place of business located in the District of Columbia to purchasers thereof located in the various States of the United States and in the District of Columbia.

Said respondents maintain, and at all times mentioned herein have maintained, a course of trade in their said books in commerce among and between the various States of the United States and in the District of Columbia. Their volume of business in such commerce is substantial.

PAR. 3. In the course and conduct of their said business and for the purpose of inducing the sale of their books, respondents have engaged, subsequent to March 21, 1938, in the practice of advertising, selling and distributing books and pamphlets, previously published by others, under names or titles different from the names or titles under which said books or pamphlets were previously published.

The books and pamphlets so advertised, sold and distributed by respondents include, but are not limited to:

"American Names" previously published by the United States Department of the Interior under the title: "The Origin of Certain Place Names in the United States."

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"Fishery Resources of the United States" previously published as Senate Document No. 51, 79th Congress, and printed and sold by U. S. Government Printing Office under the title: "Fishery Resources of the United States: Letter of the Secretary of the Interior transmitting pursuant to law, a report on a survey of the fishery resources of the United States and its provinces."

"Guide to American Business Directories," previously published by the United States Department of Commerce, are printed and sold by U. S. Government Printing Office under the title: "American Business Directories."

"Endless Horizons" previously published by the United States Government Printing Office under the title: "Science, the Endless Frontier."

"Dictionary of Guided Missile Terms" previously published by the National Military Establishment Research and Development Board under the title: "Glossary of Guided Missile Terms."

"Mineral Resources of the United States" previously published by the United States Government Printing Office under the title: "Mineral Position of the United States" as an appendix to "Hearings before a Subcommittee of the Committee on Public Lands, United States Senate, Eightieth Congress."

PAR. 4. Through the use of the titles aforesaid, and other substitute titles not specifically set out herein, respondents have represented, directly and by implication, that the books and pamphlets so titled by them are new works.

The said representation is false and misleading. In truth and in fact, the said books and pamphlets are not new works but are new issues of works previously published by others.

PAR. 5. Through the use of the words "American Council on Public Affairs" in the name of the corporate respondent, respondents have represented, directly and by implication, that the said respondent is in some fashion connected with the United States Government, that it is a body elected or otherwise constituted as an advisory body on public affairs, is an assembly for consultation and advice on public affairs or has some status other than that of a book publisher and seller and functions as an educational or public service organization.

The said representations are false and misleading. In truth and in fact, respondent American Council on Public Affairs has no connection whatever with the Government of the United States, is not a body elected or otherwise constituted as an advisory body on public affairs, is not an assembly for consultation and advice on public affairs. It is engaged in the business of selling and distributing books and is not an educational or public service organization.

PAR. 6. The aforesaid acts and practices of respondents, as herein alleged, are all to the prejudice and injury of the public and constitute unfair acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER granting respondents' appeal from initial decision of hearing examiner, and decision of the Commission dismissing complaint without prejudice, follows:

This matter came before the Commission upon respondents' appeal

from the hearing examiner's initial decision, respondent Morris B. Schnapper's statement and supplemental statement in support of the appeal, and the brief filed in opposition to the appeal by counsel supporting the complaint.

The principal ground relied on by respondents in support of their appeal is that the hearing examiner's findings as to the unfair and deceptive nature of the titles of their publications are not supported by the record. No appeal has been taken from the hearing examiner's ruling dismissing the allegations of the complaint relating to the use of the corporate respondent's name.

The hearing examiner found that respondents have published and sold books and pamphlets under names different from those under which they had previously been published by the Government; that by the use of such substitute titles respondents have represented that these books were new works; that their use of such substitute titles has the tendency and capacity to, and does, mislead prospective purchasers into believing the publications are new works; that persons are thereby induced to purchase respondents' books; and that such acts and practices of the respondents constitute unfair and deceptive acts and practices in commerce in violation of the Federal Trade Commission Act.

The complaint alleges respondents' use of substitute names on publications containing previously published material is an unfair practice only to the extent that the substitute names have the tendency and capacity to cause the purchase of the new publications by persons who would not have purchased them had they realized the new publications consisted of the same material as that contained in the original publications. The Commission is of the opinion that these allegations are not supported by the evidence of record. The evidence relating to those publications which were specifically found by the hearing examiner to have such misleading titles is as follows:

1. "Fishery Resources of the United States, edited by Lionel A. Walford." The contents of respondents' book so entitled were originally published as a Senate document with the title "Fishery Resources of the United States." This material was later republished by the Government with the heading "Fishery Resources of the United States of America, by Fish and Wildlife Service, edited by Lionel A. Walford." The latest Government edition of this material is advertised by the Government Printing Office as "Fishery Resources of the United States." Respondents' publication gives credit to the Fish and Wildlife Service. There is no appreciable difference between any of these titles and there exists no reasonable basis for anyone familiar with the Government publication being misled by respondents' title.

2. "Endless Horizons, by Vannevar Bush." The contents of re-

spondents' volume so entitled have not previously been published in this form. As it clearly reveals in its acknowledgments, this publication contains materials chiefly drawn from the author's previous writings and speeches. The Government publication "Science the Endless Frontier, Report to the President on a Program for Postwar Scientific Research," found by the hearing examiner to be identical to respondents' publication, in fact contains material which comprises only approximately one-fourth of the material contained in respondents' publication. As it is a new publication, this volume was properly given a new title.

3. "American Names, by Henry Gannett." Respondents' volume so named on the cover contains a title sheet reading "A Guide to the Origin of Place Names in the United States—American Names—By Henry Gannett." The contents of this volume are essentially the same as those contained in a bulletin compiled by the United States Geological Survey entitled "The Origin of Certain Place Names in the United States, by Henry Gannett." This bulletin was first published in 1904 and has been out of print since 1905. Any possibility of a purchaser being misled to his injury by the difference in these names is reduced to insignificance by the fact that the earlier publication has been out of print for almost 50 years.

For similar reasons, the Commission is of the opinion that the evidence of record does not sustain the allegations of the complaint relating to the titles of other publications of the respondents and is of the further opinion that in the circumstances the public interest does not require any further action in this matter at this time.

It is ordered, Therefore, that respondents' appeal from the hearing examiner's initial decision be, and it hereby is, granted.

It is further ordered, That the complaint herein be, and it hereby is, dismissed without prejudice to the right of the Commission to institute a new proceeding or to take such further or other action at any time in the future with respect to the subject matter of said complaint as may be warranted by the then existing circumstances.

Before *Mr. Clyde M. Hadley*, hearing examiner.

Mr. Jesse D. Kash for the Commission.

AMERICAN TELEVISION LABORATORIES, INC., ET AL. Complaint, May 20, 1944. Complaint, August 18, 1944.¹ Order, March 20, 1952. (Docket 5161.)

CHARGE: Falsely advertising as to free services, educational qualities, job and employment opportunities, terms and conditions, etc., in connection with the sale and distribution of correspondence courses in the field of television, radio and communications.

¹ Amended.

AMENDED COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that American Television Laboratories, Inc., a corporation, and Ulises A. Sanabria, Samuel R. Rabinoff, Elmer D. Carter, Lee de Forest, A. J. Cole, and J. M. Shaddrick, individually and as officers and directors of American Television Laboratories, Inc., hereinafter referred to as respondents, have violated the provisions of said act and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its amended complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent American Television Laboratories, Inc., is a corporation, organized and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business at 433 East Erie Street, Chicago, Ill. Said corporate respondent also has an office and place of business at 5612 Sunset Boulevard, Los Angeles, Calif.

Respondents Ulises A. Sanabria, Elmer D. Carter, A. J. Cole, and J. M. Shaddrick, individuals, have their office and principal place of business at 433 East Erie Street, Chicago, Ill. Respondents Samuel R. Rabinoff and Lee de Forest have their office and principal place of business at 5612 Sunset Boulevard, Los Angeles, Calif. Respondents Ulises A. Sanabria, Elmer D. Carter and Samuel R. Rabinoff are the stockholders and directors of said corporate respondent. Respondents Ulises A. Sanabria, Lee de Forest, A. J. Cole, J. M. Shaddrick, and Samuel R. Rabinoff are officers of said corporate respondent. Said individual respondents, as directors and officers of said corporate respondent, are in active control of its management, and formulate, control and direct its policies and practices.

PAR. 2. For more than 2 years last past, respondents have been engaged, and are now engaged, in the sale and distribution of courses of instruction in the field of television, radio, and communications, to members of the public. In the conduct and course of said business, respondents have caused, and now cause said courses of instruction, together with materials and equipment furnished therewith, when sold, to be transported from their place of business in the State of Illinois, to numerous purchasers thereof located in various States of the United States and in the District of Columbia. Purchasers pursue said courses by correspondence through the medium of the United States mail, and, as a part thereof or in addition thereto, some take laboratory training at said place of business of respondents. Respondents, heretofore, and at all times mentioned herein, have maintained, and now maintain, a course of trade in said courses of instruction, materials and equipment among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the conduct and course of said business and for the purpose of inducing the purchase by members of the public of said courses of instruction, together with said materials and equipment furnished therewith, respondents, by means of advertisements in magazines, periodicals, and newspapers and by means of letters and circulars, and also by means of personal solicitations of salesmen under the direction of said respondents, have made and make various representations with respect to said corporate respondent, its courses of instruction, the materials and equipment furnished therewith, its personnel, the television industry, the opportunities for employment therein, and other matters in connection with said courses of instruction. Among and typical of the representations thus made are the following:

(1) That corporate respondent offers a free training course in television and radio and will accept suitable young men for such course, to provide the television industry with trained television engineers, and that it maintains a training division for such purpose, by reason of (a) its being an industrial laboratory and manufacturer interested in the expansion of the television industry; (b) its having taken on the task for the television industry of providing said industry with trained engineers and technicians as needed upon such expansion; (c) its head engineers having assured the Government and the television industry that it would make available large numbers of well trained men for key positions in the television industry; (d) the Government having approved commercial television only after receiving such assurances; and (e) for various other reasons calculated to interest young men in employment in the television industry, without, however, disclosing that its business is that of operating a correspondence school and a laboratory training school, and that such free course is offered only for the purpose of obtaining students who will pay it for its regular tuition course.

(2) That corporate respondent's training courses are given to train men who will accept employment in the television industry and for no other purpose.

(3) That the men who enter corporate respondent's training agreements become its "associates" and such agreements constitute "working" agreements or arrangements.

(4) That positions as television engineers and technicians (at certain salaries) are available and will be available in the television industry to all men who are accepted by corporate respondent to take, and who will devote themselves to, its television courses.

(5) That the television industry is rapidly expanding and will expand rapidly, and that trained television engineers are needed in such industry and will soon be needed in large numbers.

(6) That corporate respondent's free training course in television is

a complete engineering course which will qualify the man who devotes himself to it for a position as a trained television engineer in the television industry.

(7) That corporate respondent's course, herein referred to as its "tuition course," is a complete engineering course which will qualify the man who devotes himself to it for a position as a trained television engineer in the television industry, calling such course when referring to it as its "engineering course," its "Television Engineering Training" and its "Engineering Course in Television," and at such times for comparison, calling its free training course in television its "technicians course," its "Technicians Training," its "technical training" and as its "Radio Communications Training."

(8) That students taking such correspondence courses and laboratory training are instructed and trained personally by its engineers Lee de Forest and Ulises A. Sanabria.

(9) That the student who is enrolled in corporate respondent's free training course, upon enrolling in its course, herein referred to as the "tuition course," will continue to receive instruction free and all that the student has to do is to pay for the equipment furnished by it with the latter course; also representing to other prospective students for such tuition course who have not first enrolled in said free course, that the student in such tuition course pays only for the equipment furnished with such course and that the corporate respondent gives the instruction therein free.

(10) That corporate respondent is engaged in giving, and gives free courses of instruction and training in television, radio, communications, and other subjects, without at the same time making it equally clear that it is engaged in the business of operating a school on a tuition basis, of the type commonly called a "correspondence school," and not in pursuance of, nor in aid of, any manufacturing, research, or government activities, and that it is engaged in giving, and gives such free courses only for the purpose of obtaining students who will enroll in, and pay for the correspondence courses which it gives on a tuition basis, commonly called "correspondence school courses" and for no other purpose, and particularly not for the purpose of providing industry or the government with trained television, radio, communications, or other engineers and technicians.

(11) That corporate respondent will determine, or has determined, or its engineering staff or department will determine, or has determined, from an examination of data submitted by the student on work done by him on such free course and from other data furnished by him whether he is qualified to undertake designated work in engineering.

(12) That in connection with its regular tuition course corporate

respondent will deliver to the student certain equipment which will become his property.

(13) That the manufacturers' net "group" price of the equipment furnished by corporate respondent with its tuition course is equal to a certain amount (comparing such price with the amount of its tuition).

(14) That in connection with said free course and said regular tuition course corporate respondent will furnish certain residence laboratory training.

(15) That in connection with its regular tuition course, the student will be given and furnished by corporate respondent, certain instructions, training, and equipment.

(16) That anyone with "reasonable" qualifications can become a trained television, radio and communications engineer and technician by taking such free course.

(17) That a student who has been "accepted" by corporate respondent to take its regular tuition course of instruction and training is a person whom it has determined has the qualifications to take such course and become a trained television, radio and communications engineer and technician.

(18) That corporate respondent's regular tuition correspondence course is different from its free course.

PAR. 4. The representations set out in subparagraphs 1 to 5 inclusive, of paragraph 3, aforesaid, and others of similar import and meaning heretofore made by respondents, give the false and erroneous impression, and have the capacity of causing, and have caused many persons, many of whom have entered into tuition and other contracts with the corporate respondent, to have the false belief, that corporate respondent is engaged in giving training courses to provide the television industry with trained television engineers and technicians; whereas, as a matter of truth, its purpose in obtaining and accepting students for its courses, together with everything that it does in that connection, as aforesaid, is to enable it to operate its school at a profit, and for no other purpose, regardless of any incidental benefit to some student, industry, or the government.

By the use of the terms "associates" and "working agreements" and similar terms, as referred to in subparagraph 3 of paragraph 3 aforesaid, and by the use of the representations hereinabove set out and others of similar import and meaning heretofore made by respondents, respondents have given, and give prospective students for corporate respondent's tuition courses, the false and erroneous impression that the men who take such courses are not students of, or in a school, but are men who are working for, and under an arrangement with, a television laboratory and manufacturing establishment whereby acceptable

men are trained to fill positions, as television engineers and technicians, in the television industry, and particularly, positions, as trained television engineers and technicians, in connection with the design, construction, installation and operation of television equipment and facilities designed and manufactured by corporate respondent.

The representations set out in subparagraphs 4 and 5 of paragraph 3, aforesaid, and others of similar import and meaning made by respondents, are false and deceptive and have the capacity to cause, and have caused many persons, many of whom have entered into tuition and other contracts with the corporate respondent, to believe that such representations are true. In truth, there were and are no reliable facts upon which to base a representation, or to assume that television engineers or technicians of the kind that the corporate respondent proposes to train by its courses are now needed or will be needed in sufficient numbers, or at any ascertainable salaries, to warrant the representations made by respondents as to the present and future needs of the television industry and its possibilities for employment.

The representations set out in subparagraphs 6 and 7 of paragraph 3 aforesaid, and others of similar import and meaning made by respondents, are false and deceptive in that the corporate respondent's courses of instruction and training described aforesaid, and represented by respondents to be engineering courses, are in no sense complete or true engineering courses, as the term "engineering course" is used generally and understood by engineers, and by students and teachers of engineering, and cannot be relied upon by a student who devotes himself to such courses in the manner directed by the corporate respondent, and according to its method and plan of instruction, to qualify him for a position as a trained engineer or technician in the television industry, because of the lowness of its entrance requirements for the students which such respondent accepts and offers to accept for such courses, and because of the inadequacy of its plan and method of instruction and training and of its system of grading.

Respondents' representations that the corporate respondent's correspondence courses, as well as its laboratory training work, are given under the personal direction of its engineers de Forest and Sanabria, referred to in subparagraph 8 of paragraph 3 aforesaid, and others of similar import and meaning heretofore made by respondents, are gross exaggerations and deceptive. Personal instruction, either by correspondence or in the laboratory, by either de Forest or Sanabria is too limited to warrant such representations. In fact, the corporate respondent's correspondence courses are little more than a series of printed booklets and the lessons therein are graded in a more or less mechanical manner. To a large number of the students, whom the corporate respondent offers to accept and does accept in such course,

such lessons beyond the initial ones, could not possibly be, and are nothing more than fruitless, although perhaps, interesting reading, and certainly could not be, and are not, of any benefit to them as a course in engineering, for the reason that they are wholly unprepared educationally to undertake studies in engineering, and could not, and do not understand, or solve the engineering problems contained in the corporate respondent's lesson-booklets. The fact is that said respondent, after getting students interested in its free course as a course in engineering, itself later represents to such students that such course is only a "technician's" course and not an "engineering" course, in order to induce such students to take its tuition course which it then states is its engineering course.

The representations set out in subparagraph 9 of paragraph 3 aforesaid, and others of similar import and meaning heretofore made by respondents, are false and deceptive in that corporate respondent's instruction in any course in which it receives any money from a student is not "free," regardless of the value or price of any equipment which it may agree to furnish such student in connection with such course. The fact is that the corporate respondent depends on money thus received from students on contracts entered into with students covering such instruction, herein called "tuitions," for the operation of its school, and for the profits, if any, derived from such operation. The further fact is that, in many instances, such equipment is never delivered to the student, although a large portion, or even all of the tuition is paid. The fact is that the corporate respondent has taken from many students tuition contracts, and installment payment thereon, and insisted on receiving such payments at times when it could not deliver the equipment agreed by it to be delivered to such students, and when it was in possession of no facts upon which it could reasonably or validly base an assumption that it would be able to deliver such equipment as called for by such contracts or at any other time.

In truth and in fact, it is deceptive and grossly misleading for respondents to represent that any course that the corporate respondent gives is "free," because under its plan and method of obtaining students for its "tuition courses," its purpose is not to give a student a "free" course, but to get him to start its tuition course on a free basis, and then, by its well-laid plan, to induce him to permit it to convert the course thus ostensibly started as a "free course" into a "tuition course," and to sign a contract for its "tuition course," without, in many instances, changing in any substantial way the course started, and without becoming obligated itself to furnish any additional material or equipment, unless, and until, the student has taken a large number of lessons. The fact is that the latter contingency may never be reached, in view of the fact, that such student, like many

students, may never reach such point in the course, although, like all students who are thus induced to sign contracts for such "tuition courses," he thereupon agrees under the terms of such contract to pay for the course in full. The use of the word "free" under such circumstances is a trick and an unfair scheme on the part of the corporate respondent to deceive prospective students for its "tuition courses," and such use has the tendency to deceive and does deceive a large number of students who are induced thereby to enroll in said respondent's so called "free course."

While the corporate respondent, in instances where a student "subscribes" to said "free course," but does not thereafter enroll in said "tuition course," may furnish the remaining lessons of such "free course" without charge; yet the fact is that respondents' representations with reference to the corporate respondent's giving such free course were and are all used by them as a means of selling and distributing, and in connection with the sale and distribution by the corporate respondent in commerce of its tuition courses, and as thus used were and are false and deceptive. Likewise, respondents have used, and use false and deceptive representations concerning the quality of the corporate respondent's free course, falsely representing it as an engineering course, together with false and deceptive representations regarding the corporate respondent, the nature and extent of its free course, and its reasons for offering such free course, its engineers, and its activities, its business, and its interests and obligations, in order to obtain favorable notice by prospective students for its tuition course and finally to obtain from them their contracts for such tuition course. For the same reason, respondents have deceived and deceive such prospective students for the corporate respondent's tuition course by failing to inform them that the corporate respondent is a correspondence school, that it operates such school as a business, and that its courses are given as a part of and in pursuance of its correspondence school business, and also by failing to inform them regarding many other pertinent matters, known to respondents, necessary for a clear and complete understanding of the contracts covering said tuition courses which the corporate respondent has induced and does induce said students to sign. The corporate respondent's use of representations that it is a laboratory and a manufacturer, and interested in the expansion of television, and like representations, has the tendency to create, and does create the erroneous impression in the minds of its prospective students for its tuition course that it gives its courses as a part of a laboratory and manufacturing business, and because, being in such business, it is interested in the expansion of the television industry.

The representations set out in subparagraphs 10 to 18, inclusive, of paragraph 3, aforesaid, and others of similar import and meaning here-

tofore made by respondents, are false and deceptive, and have the capacity to deceive, and do deceive many persons, many of whom have entered into tuition and other contracts with the corporate respondent, by reason of the failure of respondents to disclose at the time of the making of such representations facts necessary to a clear and complete understanding of the representations thus made by them, and, for the reasons indicated above, and others known to respondents, were likely to induce and did induce courses of action desired by the corporate respondent on the part of its prospective and enrolled students, including the signing by such students of contracts for "tuition courses" which would not have been obtained, if such facts had been disclosed by respondents.

The aforesaid representations and implications made and published by respondents as aforesaid were and are grossly exaggerated, false, misleading and deceptive.

PAR. 5. The foregoing acts and practices used by respondents in connection with the offering for sale, and the sale and distribution, in commerce, of the corporate respondent's courses of instruction, have misled and deceived, and have the capacity and tendency to, and do, mislead and deceive, purchasers of said courses into the erroneous and mistaken belief that the representations and implications alleged aforesaid are true, when, in fact, they are not true, and to induce them to purchase and pursue said courses on account thereof.

PAR. 6. The aforesaid acts and practices of the respondents as herein alleged are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

COMPLAINT DISMISSED by the following order:

Respondents American Television Laboratories, Inc., Ulises A. Sanabria, Samuel R. Rabinoff, and Elmer D. Carter by their attorneys, on August 28, 1950, filed with the Commission a motion that this proceeding be dismissed without prejudice to the Commission's right to reinstate the same if the public interest should so require at some future time, upon the ground that the proceeding is not in the public interest.

The Commission having duly considered the matter and being now fully advised in the premises and being of the opinion that there is no present public interest sufficient to warrant carrying this proceeding further:

It is ordered, That the complaint herein be, and the same hereby is, dismissed without prejudice to the right of the Commission to institute such other and further proceedings as future facts warrant.

Before *Mr. George Biddle* and *Mr. Clyde M. Hadley*, hearing examiners.

Mr. D. E. Hoopingarner and *Mr. J. R. Phillips, Jr.*, for the Commission.

Willard & Bloche, of Oak Park, Ill., and *Mr. I. Harvey Levinson*, of Chicago, Ill., for respondents.

JACK KLEINMAN ET AL. DOING BUSINESS AS BON DANA SPORTSWEAR CO. Complaint, March 26, 1951. Order, May 22, 1952. (Docket 5864.)

CHARGE: Misbranding in violation of the Wool Products Labeling Act through substituting for manufacturers' tags others carrying deceptive information as to fiber content.

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, and by virtue of authority vested in it by said acts, the Federal Trade Commission, having reason to believe that Jack Kleinman, Louis Ezratty, and Irving Zaneoff, individually, and as co-partners, trading under the name Bon Dana Sportswear Co., hereinafter referred to as respondents, have violated the provisions of said acts and rules and regulations promulgated under the Wool Products Labeling Act of 1939, 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. Respondents Jack Kleinman, Louis Ezratty, and Irving Zaneoff, are copartners doing business under the name Bon Dana Sportswear Co. and have their office and principal place of business located at 1359 Broadway, New York, N. Y.

PAR. 2. Subsequent to June 21, 1950, respondents manufactured for introduction into commerce, introduced into commerce, offered for sale in commerce, and sold and distributed in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, wool products as "wool products" are defined therein. The said wool products included ladies' skirts which were made by respondents from a fabric designated as "Parker-Wilder 1121," purchased from Strand Woolen Co. on or about June 21, 1950.

PAR. 3. Upon the labels affixed to the said skirts appeared the following:

Bon Dana Sportswear
5082
50% Wool
50% Rayon

PAR. 4. The said skirts were misbranded within the intent and meaning of the said act, and the rules and regulations promulgated thereunder in that they were falsely and deceptively labeled with respect to the character and amount of their constituent fibers. In

truth and in fact, the said skirts were not 50 percent wool, as "wool" is defined in said act, but contained substantial amounts of "reused wool" and "reprocessed wool" as those terms are defined in said act; the aggregate of the woolen fibers therein constituted less than 50 percent of the said skirts and they contained more than 50 percent of rayon. The said articles were further misbranded in that the labels affixed thereto did not show the percentage of the total fiber weight thereof, exclusive of ornamentation not exceeding 5 percent of said total fiber weight, of: "reused wool" and "reprocessed wool," as those terms are defined in said act and the aggregate of all other fibers, each of which constituted less than 5 percent of such total fiber weight.

PAR. 5. The person by whom the piece goods, from which said skirts were made by respondents, were manufactured for introduction into commerce affixed thereto labels and tags as required by said act containing information with respect to its fiber content as follows:

20% Wool
30% Reprocessed Wool
50% Rayon

Respondents have further violated the provisions of the Wool Products Labeling Act of 1939 by substituting for said tags and affixing to the said skirts tags and labels containing information set forth in paragraph 3 herein with respect to the content thereof which was not identical with the information with respect to such content upon the tags and labels as affixed to the wool product from which said skirts were made by the person by whom it was manufactured for introduction into commerce.

PAR. 6. The aforesaid acts and practices of respondents as herein alleged were in violation of the Wool Products Labeling Act of 1939 and the rules and regulations promulgated thereunder, and constituted unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER denying appeal from initial decision of hearing examiner and decision of the Commission dismissing complaint without prejudice follows:

This matter came on to be heard by the Commission upon the appeal of counsel supporting the complaint from the hearing examiner's initial decision dismissing the complaint herein without prejudice.

The complaint in this matter alleges that respondents sold in commerce wool products, including certain ladies' skirts, which were made by respondents from a fabric designated as "Parker-Wilder 1121" purchased from the Strand Woolen Co. on or about June 29, 1950, which fabric was composed of 50-percent rayon, 20-percent wool and

30-percent reprocessed wool. Said complaint further alleges that said skirts were misbranded in that they were labeled 50-percent wool and 50-percent rayon. The hearing examiner in his initial decision held that there is no evidence that any skirt made by respondents from the "Parker-Wilder 1121" fabric was ever sold or offered for sale labeled as 50-percent wool and 50-percent rayon. He further held that respondents had through inadvertence misbranded a few dozen sample skirts made from an unknown fabric. These skirts were of a total value of approximately \$480 as compared with respondents' annual sales of \$3,500,000. Upon this record the hearing examiner in his initial decision held that the allegations of the complaint had not been sustained and ordered that the complaint be dismissed without prejudice.

From this initial decision counsel supporting the complaint brings this appeal upon the ground that the record proves that the misbranded skirts were made from the "Parker-Wilder 1121" fabric. In support of this position counsel supporting the complaint urges that this fact is shown by respondents' cutting records and by a visual comparison of the "Parker-Wilder 1121" fabric and the misbranded skirts. In fact, respondents' cutting records only show that the "Parker-Wilder 1121" fabric was made into style 8037 skirts. The misbranded skirts are labeled style 5082. It is true that styles 8037 and 5082 are the same except that 8037 is used for garments containing wool and 5082 is used for garments which are nonwool and that as the misbranded skirts are part wool the number 5082 is clearly erroneous. Therefore, upon these records it is possible that the misbranded skirts could be style 8037 garments made from the "Parker-Wilder 1121" fabric which had been erroneously marked not only as to style number but also as to wool content. However, such a conclusion is pure conjecture and has not been proved. The contention of counsel supporting the complaint that the Commission could determine if the fabrics are identical by a visual comparison is of no merit. Proof of identity of such fabrics by visual comparison requires a degree of expertness in this particular field not possessed by the Commission.

As contrasted with the evidence showing a possibility that the misbranded skirts were made of the "Parker-Wilder 1121" fabric is the sworn testimony of respondent Kleinman that all of the garments made of the "Parker-Wilder 1121" fabric were correctly labeled as 50-percent rayon, 20-percent wool and 30-percent reprocessed wool. Respondents explain the misbranded skirts as being a small sample run which was erroneously marked through inadvertence. This contention is supported by the fact that even the style number on these skirts was clearly erroneous.

Respondents manufactured a large number of garments from the "Parker-Wilder 1121" fabric. If this record had connected the mis-

branded skirts to this fabric it would have indicated a deliberate and serious violation of the Wood Products Labeling Act. On the absence of such proof the record only shows that respondents in one isolated case sold a small number of garments which were accidentally misbranded.

Upon this record the Commission is of the opinion that the appeal of counsel supporting the complaint is of no merit and that the hearing examiner's initial decision is appropriate in all respects to dispose of this proceeding.

It is ordered, therefore, That the appeal of counsel supporting the complaint from the initial decision of the hearing examiner be, and it hereby is, denied.

It is further ordered, That the initial decision of the hearing examiner shall on the 22d day of May 1952, become the decision of the Commission.

INITIAL DECISION BY WEBSTER BALLINGER, TRIAL EXAMINER

Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said acts, the Federal Trade Commission on March 26, 1951, issued and subsequently served its complaint in this proceeding upon the respondents Jack Kleinman, Louis Ezratty, and Irving Zaneoff, individually, and as copartners doing business as Bon Dana Sportswear Co., charging them and each of them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of those acts. After the issuance of said complaint and the filing of an answer thereto in which all respondents joined, hearings were held at which testimony and other evidence in support of, and in opposition to, the allegations of said complaint were introduced before the above-named trial examiner theretofore duly designated by the Commission, and said testimony and other evidence were duly filed in the office of the Commission. Upon the submission of all evidence, counsel for respondents moved to dismiss the complaint upon the following grounds: (1) failure of proof to sustain the charges therein contained, and (2) lack of public interest, which motion was taken under advisement by the examiner to be disposed of in his initial decision. Thereafter, the proceeding regularly came on for final consideration by said trial examiner on the complaint, the joint answer thereto, testimony and other evidence, proposed findings as to the facts and conclusions submitted by respective counsel, oral argument not having been requested; and said trial examiner, having duly considered the record herein, makes the following findings as to the facts, conclusion drawn therefrom and order:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondents Jack Kleinman, Louis Ezratty, and Irving Zaneoff are copartners doing business under the name Bon Dana Sportswear Co. and have their office and principal place of business located at 1359 Broadway, and maintain a factory at 253 West 26th Street, New York, N. Y.

PAR. 2. Subsequent to June 21, 1950, respondents manufactured for introduction into commerce, introduced into commerce, offered for sale in commerce, and sold and distributed in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, wool products as "wool products" are defined therein. The said wool products included ladies' skirts which were made by respondents from a fabric designated as "Parker-Wilder 1121," purchased from Strand Woolen Co. on or about June 21, 1950.

PAR. 3. The fabric designated as "Parker-Wilder 1121" purchased from the Strand Woolen Co. when received by respondents had labels affixed thereto showing the fiber content as "20% wool, 30% re-processed wool, 50% rayon."

The specific and only charge in the complaint is that respondents misrepresented the wool content of skirts made out of said fabric by substituting labels, which were attached to the skirts when sold, containing the following representation:

Bona Dana Sportswear
5082
50% Wool
50% Rayon

There is no evidence that any skirt made by respondents from the fabric purchased from the Strand Woolen Co. and designated "Parker-Wilder 1121" was ever sold or offered for sale by respondents with a tag attached thereto containing the words and figures "5082, 50% wool, 50% rayon" and the charge is not sustained.

PAR. 4. Respondents made various styles of women's dresses, each style being designated by a number. Different fabrics were made into skirts of the same style, all being given the same style number. The books and records of the respondents made and kept in the regular course of business in conformity with the Wool Products Labeling Act of 1939 and the invoices conclusively show the following:

The fabric purchased from the Strand Woolen Co. and designated "Parker-Wilder 1121" was, by respondents, cut into 56 two-piece garments consisting of a skirt and jacket, the cut number being 6499 and the style number, 901. The garments were sold and shipped on September 14, 1950, or within 24 hours thereafter.

On October 26 or 27, 1950, more than a month after the skirts made from the fabric purchased from the Strand Woolen Co. and designated

as "Parker-Wilder 1121" had been made into garments and sold and delivered to the purchasers, an investigator for the Commission called at respondents' factory, examined their books and records and the labels on finished garments then in the factory. The books disclosed that the fabric designated as "Parker-Wilder 1121" had been cut into garments of the style No. 901. In the showroom he found several racks of garments labeled style 901, "55% wool, 45% rayon." He made no inquiry to ascertain the fabric from which the garments were made or from whom purchased, but concluded that as they bore the style number 901 they were made from the fabric purchased from the Strand Woolen Co. and designated "Parker-Wilder 1121" and were mislabeled. The evidence conclusively shows he was mistaken. There is no evidence that these garments were mislabeled.

PAR. 5. Respondents have been manufacturing women's wearing apparel since 1943, their annual business aggregating \$3,500,000 per annum. From the inception of this proceeding respondents have frankly admitted that during the year 1950 some 6 dozen (the exact number not being known) sample skirts of the approximate value of \$480 and containing wool were made in their factory and without their knowledge and solely through inadvertence on the part of employees were misbranded. Respondents' books and records do not disclose from what source the material, out of which the sample skirts were made, was purchased. There is, however, no evidence that connects these sample skirts, or two skirts made and sold by respondents and offered in evidence, with the fabric purchased from the Strand Woolen Co. and designated "Parker-Wilder 1121."

CONCLUSION

The violation of the Wool Products Labeling Act of 1939 with which the respondents are charged in the complaint and which forms the basis for the charge of violation of the Federal Trade Commission Act is not sustained.

ORDER

It is ordered, That the complaint in this proceeding be, and the same is, dismissed without prejudice to the right of the Commission to institute further proceedings should other and future facts warrant.

Before *Mr. Webster Ballinger*, hearing examiner.

Mr. Jesse D. Kash for the Commission.

Florea & Florea, of New York City, for respondents.

MOSES WEISS ET AL. TRADING AS MOGLEN MANUFACTURING CO. Complaint, December 20, 1945. Order, June 2, 1952. (Docket 5409.)

CHARGE: Advertising falsely as to maker through use of a picture previously connected with competitor's product; using the word

“manufacturing” in trade name improperly; and failing to disclose rayon content; in connection with the sale and distribution of scarfs embroidered with the seal or insignia of a branch of the United States Armed Forces.

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Moses Weiss, Irving Weiss, Fay Weiss, and Ann Weiss, individuals trading as Moglen Manufacturing Co., hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof should be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The respondents, Moses Weiss, Irving Weiss, Fay Weiss, and Ann Weiss, are individuals trading and doing business as Moglen Manufacturing Co., with their principal office and place of business at 1170 Broadway, New York, N. Y. Respondents are now and for more than 1 year last past have been engaged in the offering for sale, sale and distribution of scarfs which have embroidered thereon the seal or insignia of one of the various branches of the United States Armed Forces.

Respondents have caused and are now causing said scarfs when sold by them to be transported from their place of business in the State of New York to purchasers thereof at their various points of location in the various States of the United States other than New York, and in the District of Columbia. Respondents maintain and at all times mentioned herein have maintained a course of trade in said scarfs in commerce among and between various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of their business as aforesaid, respondents have been and are in competition with other corporations and individuals and with firms and partnerships selling and distributing scarfs in commerce between and among the various States of the United States and in the District of Columbia. Among such competitors is the firm of Beau Brummel Ties, Inc., of Cincinnati, Ohio.

PAR. 3. Beau Brummel Ties, Inc., of Cincinnati, Ohio, some time during 1942, created a scarf identified with the armed forces of the United States by means of an emblem or insignia. Said concern sold and now sells its scarfs and other products almost exclusively to retail accounts, such as post exchanges and ships services, where said products were and are purchased by substantial numbers of the military forces. The packaging, advertising and counter displays which accompanied said products not only identified them by the name of “Victory Insignia Scarfs,” a product of Beau Brummel Ties, Inc.,

but also through the use on circular matter of the featured picturization of a girl over whose head and shoulders were distinctly draped a scarf bearing an emblem or insignia including a spread eagle and the word "Army."

PAR. 4. In the course and conduct of their business and for the purpose of inducing the purchase of their scarfs, the respondents began to disseminate advertising or printed matter among military establishments in various States of the United States in or about August 1943, and which advertising or printed matter bore the trade name "Moglen Manufacturing Company." It also featured the pictorial representation of a girl having a scarf arranged over her head and shoulders and the picturization was an exact likeness of that used by Beau Brummell Ties, Inc., referred to in paragraph 3 hereof.

PAR. 5. The use by the respondents of the aforesaid misleading and deceptive picturization on their advertising or printed matter simulating that which, through prior use, has become associated in the minds of purchasers as identifying scarfs of the aforesaid Beau Brummell Ties, Inc., has had and now has the tendency and capacity to mislead and deceive purchasers and prospective purchasers as to the source and origin of said scarfs and causes a substantial portion of said purchasing public because of such erroneous and mistaken belief to believe that such scarfs are manufactured by Beau Brummell Ties, Inc., and because of such belief to purchase a substantial quantity of said scarfs.

PAR. 6. In the course and conduct of their business as aforesaid, respondents, by the use of the word "manufacturing" as part of their trade name which appears on their letter order blanks, have conveyed the impression or belief that said respondents make or manufacture said scarfs or that the scarfs are made or manufactured in premises which the said respondents actually own or operate or directly and absolutely control.

PAR. 7. The aforesaid representation is false, misleading and deceptive. In truth and in fact respondents do not own, operate or control any plant or factory for the manufacture of the products offered for sale and sold by them as aforesaid, but are engaged in the sale and distribution of said scarfs made, processed, and manufactured by, and purchased from others.

PAR. 8. There is a marked preference on the part of purchasers for resale and a substantial portion of the purchasing public for dealing directly with and buying products from the manufacturer thereof.

PAR. 9. The use by the respondents of the aforesaid false, misleading and deceptive representation with respect to their said scarfs, as alleged in paragraph 6, has had and now has the tendency and capacity to mislead and deceive and has misled and deceived purchasers and prospective purchasers into the erroneous and mistaken belief that

such representations are true and causes a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase substantial quantities of said scarfs.

PAR. 10. Among the products offered for sale and sold by the respondents, in commerce as aforesaid, are some which are composed wholly or in part of rayon.

PAR. 11. Rayon is a chemically manufactured fiber which may be manufactured so as to simulate natural fibers in texture and appearance and fabrics manufactured from such rayon fibers simulate natural fiber fabric in texture and appearance. Garments manufactured from such rayon fabrics have the appearance and feel of natural fiber garments, and many members of the purchasing public are unable to distinguish between such rayon garments and garments manufactured from natural fibers. Consequently such rayon garments are readily accepted by some members of the purchasing public as natural fiber products.

PAR. 12. Products manufactured from silk, the product of the cocoon of the silk worm, have for many years been held and still are held in great public esteem because of their outstanding quality and there has been for many years and still is a public demand for such products.

PAR. 13. The respondents sell in commerce, as aforesaid, scarfs composed wholly or in part of rayon, which scarfs simulate in texture and appearance scarfs composed wholly or in part of silk, the product of the cocoon of the silk worm. Respondents do not inform the purchasing public of the fact that the scarfs which resemble silk in texture and appearance are made wholly or in part of rayon and not of silk.

PAR. 14. The practice of respondents in offering for sale and selling said scarfs manufactured wholly or in part of rayon which resemble in texture and appearance scarfs manufactured from silk, in commerce as aforesaid, without disclosing in words familiar to the purchasing public the fact that the said scarfs are composed wholly or in part of rayon, is misleading and deceptive and many members of the purchasing public are thereby led to believe that said garments are composed wholly or in part of silk, the product of the cocoon of the silk worm.

PAR. 15. The use by the respondents of the acts and practices, as alleged in paragraph 13, has had and now has the capacity and tendency to and does mislead and deceive purchasers and prospective purchasers as to the fiber content of their said product and as a result of this said deception, substantial quantities of respondents' products are purchased in the belief that they are composed of silk, the product of the cocoon of the silk worm.

PAR. 16. The aforesaid acts and practices of the respondents, as

herein alleged, are all to the prejudice and injury of the public and respondents' competitors and constitute unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

COMPLAINT DISMISSED by the following order:

This matter came on to be heard by the Commission upon the complaint, respondents' answer thereto, testimony and other evidence taken before a hearing examiner of the Commission theretofore duly designated by it, recommended decision of the hearing examiner recommending dismissal of the complaint, and a memorandum from the Chief, Division of Litigation of the Commission's Bureau of Anti-deceptive Practices, stating that counsel for respondents and counsel supporting the complaint both concur in the recommendation of the hearing examiner and further stating that respondents have discontinued the sale of the products involved in this proceeding.

The complaint herein alleges that in connection with the sale of scarfs, in commerce, respondents have engaged in the following unfair methods of competition and unfair and deceptive acts and practices which have had the tendency and capacity to cause a substantial portion of the purchasing public to purchase their scarfs because of the erroneous beliefs caused by such unfair acts, practices, and methods: (1) used in their advertisements a picture of a girl wearing a scarf, which picture through prior use had become identified in the minds of the purchasing public with the products of a competitor; (2) used the word "manufacturing" as a part of their trade name although the said products are manufactured by others; and (3) failed to inform the purchasing public that said scarfs, which simulated silk in texture and appearance, were in fact rayon.

The record shows that the only similarity between respondents' advertising and that of the competitor, Beau Brummell Ties, Inc., was respondents' use of a picture of a girl wearing a scarf, which picture had previously been used by Beau Brummell Ties, Inc., in its advertising. Respondents' use of this picture was limited to its order blanks, which blanks were sent only to dealers. All of these order blanks state in bold type that they are literature of the "Moglen Manufacturing Company." There is no evidence that this picture has become identified in the minds of purchasers with scarfs by Beau Brummell Ties, Inc. Nor is there anything so unique or unusual about the picture as to cause and likelihood of it becoming so identified or fixed in the minds of purchasers. Furthermore, inasmuch as this picture was only used by respondents on their order blanks sent to dealers, any possibility of deception is largely limited to such dealers. And inasmuch as these blanks can only be used to order scarfs from the Moglen Manufacturing Co., it is difficult to see how any

dealer could prepare such an order and continue to be deceived as to the source of the scarfs ordered. The Commission, therefore, is of the opinion, that the allegations of the complaint that respondents' use of this picture has had the tendency and capacity to mislead purchasers as to the source of said scarfs is not sustained by this record.

The record further shows that with the exception of the embroidering of the insignia on the scarfs and the occasional use of outside help when their plant capacity was overtaxed, respondents did perform all of the manufacturing processes required to produce their scarfs. Therefore, the allegations of the complaint as to their use of the word "manufacturing" in their trade name are not sustained.

The record further shows that respondents' scarfs were composed of rayon, that they did simulate silk in texture and appearance, and that respondents did not mark or otherwise identify said scarfs as being made of rayon until nine months prior to the issuance of the complaint herein. Starting at that time respondents, by printed matter accompanying each scarf and appearing upon each box in which said scarfs were packed, disclosed the rayon content of their scarfs. The Commission has been advised that since the time of the hearings held herein, respondents have discontinued the sale of said scarfs and are now engaged in another business. The Commission has no reason to believe that respondents will resume the sale of unmarked rayon products which simulate silk and, therefore, is of the opinion that in the circumstances the public interest does not require further corrective action in this matter at this time.

It is ordered, Therefore, that the complaint herein be, and it hereby is, dismissed.

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

Mr. J. W. Brookfield, Jr. for the Commission.

Mr. S. John Block, of New York City, for respondents.

THE ANGOSTURA-WUPPERMANN CORP. Complaint, September 12, 1950. Order, June 26, 1952. (Docket 5809.)

CHARGE: Advertising falsely that product was made solely from lemons or from lemon juice, and the flavor derived wholly from lemons, in connection with the sale and distribution of its powdered beverage flavoring preparation "Drylem."

COMPLAINT: Pursuant to the provisions of the Federal Trade Commission Act and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that The Angostura-Wuppermann Corp., a corporation, hereinafter referred to as respondent, has violated the provisions of said act, and it appearing to the Commission that a proceeding by it in respect thereof would

be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, the Angostura-Wuppermann Corp., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 157 Chambers Street in the city of New York, N. Y.

PAR. 2. Respondent is now and for more than one year last past has been engaged in the sale and distribution of a beverage flavoring preparation designated as "Drylem," the ingredients of which are dehydrated lemon juice, dehydrated whole ground lemon, lemon oil from lemon rind, corn sirup solids, citric acid, calcium phosphate, and U. S. certified color. It is a powder, which for use is intended to be dissolved in water, 10 ounces of powder to approximately 1 gallon of water.

Respondent causes its said product, when sold, to be transported from its place of business in New York to purchasers thereof located in other States of the United States and in the District of Columbia. Respondent maintains and at all times mentioned herein has maintained a course of trade in said flavoring preparation in commerce between and among the various States of the United States and in the District of Columbia. Respondent's volume of business in such commerce is substantial.

PAR. 3. In the course and conduct of its aforesaid business subsequent to March 21, 1938, respondent has disseminated, and has caused the dissemination of various advertisements concerning its said product, "Drylem," by United States mails, by their insertion in periodicals having a general circulation, and also by circulars and other printed matter, all of which were distributed in commerce as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of its said product; and has disseminated, and has caused the dissemination of advertisements concerning its said product by various means for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of its said product in commerce, as "commerce" is defined in the Federal Trade Commission Act. Among and typical of the statements and representations contained in said advertisement disseminated and caused to be disseminated, as aforesaid, are the following:

True flavor of 110 fresh lemons in 10-oz. bottle.

A lemon juice base any barman can use with confidence.

Drylem, a high quality almost uniform product that captures the true flavor of fresh lemons.

Drylem is prepared from dehydrated lemon juice so your customers get true lemon flavor and you save 70 to 75% of the cost of fresh lemons.

Produced by a special process which captures and imprisons the fresh flavor of fresh lemons.

Now at last a lemon juice base you can use with confidence . . . not a synthetic . . . not an "acid mixer." It's the real McCoy backed by a quality house.

Drylem is a lemon mix made with fresh fruit as a base. When you serve Drylem you get true lemon flavor but you save 60 to 70% of the cost of fresh lemons.

Drylem is not a synthetic or ersatz or a so-called emulsion "acid mixer." It is an actual concentrate in powder form which captures and imprisons the fresh flavor of fresh lemons.

PAR. 4. Through the use of the advertisements containing the statements hereinabove set forth, and others similar thereto not specifically set out herein, and the name "Drylem," respondent has represented directly and by implication that its product is made solely from lemons, is made solely from lemon juice, and that the flavor is derived wholly from lemons and is the flavor of fresh lemons.

PAR. 5. The aforesaid advertisements are misleading in material respects and constitute "false advertisements," as that term is defined in the Federal Trade Commission Act.

In truth and in fact, respondent's product "Drylem" is not made solely from fresh lemon juice or lemons, nor is its flavor derived solely from lemons and is not the flavor of fresh lemons.

PAR. 6. The use by the respondent of the aforesaid false advertisements has had and now has the tendency and capacity to mislead a substantial portion of the purchasing public into the erroneous and mistaken belief that the statements contained therein are true, and have caused a portion of the purchasing public to purchase substantial quantities of respondent's product because of such erroneous and mistaken belief.

PAR. 7. The aforesaid acts and practices of respondent, as herein alleged, are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER approving stipulation and dismissing complaint without prejudice, follows:

It appearing to the Commission that the respondent, The Angostura-Wuppermann Corp., has executed and tendered to the Commission an offer of settlement of this proceeding in the form of a proposed stipulation as to the facts and agreement to cease and desist; and

It further appearing that said stipulation and agreement cover substantially all the acts and practices charged in the complaint as violations of the Federal Trade Commission Act; and

The Commission being of the opinion that in the circumstances the public interest does not require further corrective action at the present time:

DISMISSALS—ANGOSTURA-WUPPERMANN CORP.—ORDER 1605

It is ordered, That the said stipulation as to the facts and agreement to cease and desist be, and the same hereby is, accepted and approved.

It is further ordered, That the complaint herein be, and the same hereby is, dismissed without prejudice to the right of the Commission to issue another complaint and institute such other and further proceedings as future facts warrant.

Before *Mr. William L. Pack*, hearing examiner.

Mr. J. W. Brookfield, Jr. for the Commission.

STIPULATIONS

DIGEST OF STIPULATIONS¹ EFFECTED AND HANDLED THROUGH THE COMMISSION'S DIVISION OF STIPULATIONS²

0340.³ Products and Devices for Leg Ailments—Therapeutic and Preventive Qualities.—Clyde W. Cook and Freda C. Rath, copartners trading as Viscose Co., with their principal office and place of business located in Chicago, Ill., engaged in the business of offering for sale and selling drug products and devices composing the "Viscose Home Method," entered into an agreement to cease and desist from disseminating or causing to be disseminated any advertisement for the products or any other products of substantially the same compositions or possessing substantially the same properties whether sold under those names or any other names which:

(a) Represents in any manner that any of the products, or any combination thereof, is effective as a treatment for or will prevent, correct, relieve, heal or cure swollen legs not due to venous congestion, fever leg, phlebitis or inflamed veins;

(b) Represents in any manner that any of the products, or any combination thereof, has any significant effect as a treatment for preventing, correcting, healing or curing varicose ulcers, leg ulcers or ulcerations, leg sores, varicose eczema or dry or scaly leg rash except in some instances where through the combination of such effect as they may have in temporarily reducing venous congestion, their anti-pruritic action and their protective effect such results may be accomplished;

¹ The digests published herewith cover those accepted by the Commission during the period covered by this volume, namely, July 1, 1951, to June 30, 1952, inclusive. Digests of previous stipulations of the kind herein involved accepted by the Commission may be found in vols. 10 to 47 of the Commission's Decisions.

² Under a reorganization of the Commission's internal structure, effective June 1, 1950 (see annual report for that year at p. 6), the former Bureau of Trade Practice Conferences and the Bureau of Stipulations were consolidated into the Bureau of Industry Cooperation, and a Division of Stipulations was created, under said Bureau, to handle such work.

For an account of a prior reorganization, effective August 12, 1946, under which the Division of Stipulations, then created, was charged with the handling of all matters considered appropriate for settlement by stipulation, including both such matters as had theretofore culminated in the false and misleading advertising stipulations effected through the Commission's Radio and Periodical Division, as it theretofore functioned, and those theretofore effected through the Trial Examiner's Division, see footnote in volume 45 at p. 845.

³ Substitute.

(c) Represents in any manner that any of the products, or any combination thereof, (1) will restore circulation in the legs or (2) relieve the effects of poor circulation except insofar as they may temporarily reduce venous congestions;

(d) Represents in any manner that any of the products, or any combination thereof, (1) has any significant effect on pain or (2) relieves itching except where the source of the itching is accessible to local application;

(e) Represents in any manner that the Viscose Paste Boot, of itself, or in combination with any other of the products, is effective as a treatment for or will prevent varicose veins, vein weakness or swollen legs due to venous congestion or has any beneficial effect on such conditions except to temporarily reduce venous congestion and the swelling accompanying venous congestion;

(f) Represents through use of the words "Dr. Clason," or in any other manner, that a person by that name is connected with the sale of the products or that any person is connected with their sale when such is not a fact.

It is understood and agreed that this stipulation is in substitution of those previously in effect in this matter, they being those executed by C. W. Cook as trustee of the common-law trust under which the business was formerly operated and which were approved by the Federal Trade Commission on September 12, 1932, and December 1, 1937, respectively. (1-5971, Apr. 8, 1952.)

3658.¹ Tarpaulins—Size.—Stipulation 3658 has been amended so that it now reads:

Crawford Manufacturing Co., Inc., a corporation, engaged in the sale and distribution of canvas goods including tarpaulins, or canvas coverings, in interstate commerce, in competition with other corporations and with individuals and concerns likewise engaged, entered into the following agreement to cease and desist from the alleged unfair methods of competition in commerce as set forth therein.

Crawford Manufacturing Co., Inc., in connection with the offering for sale, sale or distribution of tarpaulins, or canvas coverings, in commerce, agreed to cease and desist from the use of any label, brand, tag, advertisement, writing or representation which purports to designate or indicate the size or dimensions of any of such products that does not plainly disclose the actual size or dimensions thereof at the time of completion of manufacture. Such size shall be designated "finished size" and shall be accompanied by a statement clearly indicating that such "finished size" is the size at the time of completion of manufacture and revealing the fact, when such is the case, that the product is subject to shrinkage due to varying climatic conditions and possible

¹ Amended. See 36 F. T. C. 1063.

retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture) : 8 ft. by 10 ft.

(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.)

Provided, however, Nothing herein shall be construed as prohibiting truthful disclosure of the cut-size of such product when such cut-size is shown in conjunction with, and with no greater conspicuousness than, any marking of the "finished size" and when explanation is made of the meaning of "cut-size." The term "cut-size" as used herein shall mean the size or dimensions of a tarpaulin, or canvas covering, before the making of its seams, hems or reinforcement turnovers. Any conjunctive statement or markings of finished and cut-size dimensions shall be accompanied by a statement clearly indicating that the product is subject to shrinkage due to climatic conditions and possible retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture) : 8 ft. by 10 ft.

Cut size (size before making seams, hems, and reinforcement turnovers) : 8 ft. 6 in. by 10 ft. 6 in.

(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.)

Crawford Manufacturing Co., further stipulated and agreed that, as thus amended, all terms and conditions of stipulation No. 3658 shall remain in full force and effect. (1-17110, Dec. 13, 1951.)

3659.¹ Tarpaulins—Size.—Stipulation No. 3659 has been amended so that it now reads:

Crawford-Austin Manufacturing Co., a corporation, engaged in the sale and distribution of canvas goods including tarpaulins, or canvas coverings, in interstate commerce, in competition with other corporations and with individuals and concerns likewise engaged, entered into the following agreement to cease and desist from the alleged unfair methods of competition in commerce as set forth therein.

Crawford-Austin Manufacturing Co., in connection with the sale and distribution of tarpaulins, or canvas coverings, in commerce as defined by the Federal Trade Commission Act, agreed forthwith to cease and desist from the use of any label, brand, tag, advertisement, writing or representation which purports to designate or indicate the size or dimensions of any of such products that does not plainly disclose the actual size or dimensions thereof at the time of completion of manufacture. Such size shall be designated "finished size" and shall be accomplished by a statement clearly indicating that such "finished size" is the size at the time of completion of manufacture and revealing the fact, when such is the case, that the product is sub-

¹ Amended. See 36 F. T. C. 1064.

ject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture): 8 ft. by 10 ft.
(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.)

Provided, however, Nothing herein shall be construed as prohibiting truthful disclosure of the cut size of such products when such cut-size is shown in conjunction with, and with no greater conspicuousness than, any marking of the "finished size," and when explanation is made of the meaning of "cut-size." The term "cut-size" as used herein shall mean the size or dimensions of a tarpaulin, or canvas covering, before the making of its seams, hems or reinforcement turnovers. Any conjunctive statement or markings of finished and cut-size dimensions shall be accompanied by a statement clearly indicating that the product is subject to shrinkage due to climatic conditions and possible retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture): 8 ft. by 10 ft. Cut Size (size before making seams, hems, and reinforcement turnovers): 8 ft. 6 in. by 10 ft. 6 in.

(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.)

Crawford-Austin Manufacturing Co. further stipulated and agreed that, as thus amended, all terms and conditions of stipulation No. 3659 shall remain in full force and effect. (1-17899, Aug. 7, 1951.)

3662.¹ Tarpaulins—Size.—A. L. Clifton, an individual trading as Clifton Manufacturing Co., with his principal place of business located in Waco, Tex., engaged in the sale and distribution of canvas goods including tarpaulins, or canvas coverings, in interstate commerce, entered into the following amendment agreement to forthwith cease and desist:

From the use of any label, brand, tag, advertisement, writing or representation which purports to designate or indicate the size or dimensions of any of such products that does not plainly disclose the actual size or dimensions thereof at the time of completion of manufacture. Such size shall be designated "finished size" and shall be accompanied by a statement clearly indicating that such "finished size" is the size at a time of completion of manufacture and revealing the fact, when such is the case, that the product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture): 8 ft. by 10 ft.

¹ Amended. See 36 F. T. C. 1065.

(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.)

Provided, however, Nothing herein shall be construed as prohibiting truthful disclosure of the cut-size of such products when cut-size is shown in conjunction with, and with no greater conspicuousness than, any marking of the "finished size," and when explanation is made of the meaning of "cut-size." The term "cut-size" as used herein shall mean the size or dimensions of a tarpaulin, or canvas covering, before the making of its seams, hems, or reinforcement turnovers. Any conjunctive statement or markings of finished and cut-size dimensions shall be accompanied by a statement clearly indicating that the product is subject to shrinkage due to climatic conditions and possible retraction from tension applied in the course of manufacture, as for example:

Finished Size (size at time of completion of manufacture):
8 ft. by 10 ft. Cut Size (size before making seams, hems, and reinforcement turnovers): 8 ft. 6 in. by 10 ft. 6 in.

(This product is subject to shrinkage due to varying climatic conditions and possible retraction from tension applied in the course of manufacture.) (1-17904, Aug. 7, 1951.)

7836.¹ Hypnotism Booklet—Nature and Qualities.—Stipulation 7836 has been amended so that it now reads:

Melvin Schwartz, an individual trading as Melvin Powers and as Powers Institute of Hypnotism, with his principal place of business located in Los Angeles, Calif., advertiser-vendor, engaged in the business of offering for sale and selling a booklet or publication designated "Hypnotism Revealed," in interstate commerce, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from:

(1) Using the word "Institute" as a part of or in connection with his trade name; or using the word "Institute" in any manner which connotes that the business conducted by him is for the promotion of learning such as philosophy, art or science, or has the equipment and facilities of an institute;

(2) Representing, directly or inferentially, that said booklet or publication is a home-study course of instruction;

(3) Using phrases such as—"HYPNOTIZE ANYONE—Yes, anyone in 5 seconds," "Learn to Hypnotize. Yes, anyone—self-hypnosis, * * *" or in any other manner from exaggerating the ease with which hypnotism can be learned or practiced, or from representing, directly or inferentially, that persons reading or studying such booklet or publication will thereby be enabled to overcome excessive

¹ Amended. See 45 F. T. C. 897.

smoking, drinking, nail-biting, nervousness, insomnia, stuttering, inferiority complexes or stagefright, or acquire an improved memory.

It is further stipulated and agreed. That, as thus amended, all terms and conditions of Stipulation No. 7836 shall remain in full force and effect. (1-21763, June 26, 1952.)

8151. Shoes—Healthful and Corrective Qualities.—Curtis-Stephens-Embry Co., Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal office and place of business located in Reading, Pa., engaged in offering for sale and selling in commerce, shoes designated “Pro-tek-tive” Shoes, entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing directly or by implication:

- (a) That the wearing of the shoes affords health insurance;
- (b) That the shoes overcome or correct pronation or toeing out of the feet;
- (c) That the shoes keep the ankles straight or that they prevent pronation; provided, however, that this shall not be construed as an agreement not to represent that they help keep the ankles from turning in;
- (d) That the shoes cause one to walk straight or that they keep one walking straight;
- (e) That the shoes promote or effect normal foot development or normal postural development;
- (f) That the shoes will keep the feet healthy or that they will prevent foot troubles after maturity;
- (g) That the shoes improve circulation in the feet; provided, however, that this shall not be construed as an agreement not to represent that they minimize interference with such circulation. (1-21526, June 26, 1951.)

8152. Shoes—Healthful and Corrective Qualities and Custom Made.—Knapp Brothers Shoe Manufacturing Corp., a Delaware corporation, with its principal office and place of business located in Brockton, Mass., engaged in the business of offering for sale and selling in commerce, shoes, entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, it will cease and desist from:

- (a) Representing by use of “corrective” or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes are arch corrective footwear;
- (b) Representing by use of “correct” or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes correct foot ills;
- (c) Representing by use of “prevent” or any word, words or phrases

of similar import or meaning, or in any other manner, that the shoes prevent foot ills;

(*d*) Representing by use of "eliminate" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes eliminate pressure on bunions;

(*e*) Representing by use of "equal" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes provide equal distribution of weight;

(*f*) Representing by use of "complete" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes provide complete foot comfort;

(*g*) Representing by use of "assured" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes provide assured foot comfort;

(*h*) Representing in any manner that the shoes possess orthopedic heels or meet one's foot health requirements or that they are orthopedic or health shoes or possess health features or orthopedic features;

(*i*) Representing in any manner that the wearing of the shoes will effect a cure of calluses;

(*j*) Representing by use of "assured" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes provide assured relief from foot pains or sore, tired, aching or burning feet or calluses or bunions;

(*k*) Representing by use of "complete" or any word, words or phrases of similar import or meaning, or in any other manner, that the shoes provide complete relief from foot pains or sore, tired, aching or burning feet or calluses or bunions;

(*l*) Representing in any manner that a shoe is custom made when it is not built or made upon the specific order of, and to the individual requirements of, the purchaser. (1-23827, June 26, 1951.)

8153. Shoes—Healthful and Corrective Qualities and Waterproof.—Charles A. Eaton, a Massachusetts corporation, with its principal place of business located in Brockton, Mass., and C. Chester Eaton and Charles C. Eaton, Jr., individually and as officers thereof, engaged in offering for sale and selling in commerce, shoes designated "Etonic Tred Orthopedic Shoes," also known as "Etonic All-Weather Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, they, and each of them, will cease and desist from representing:

(1) That the shoes are orthopedic or corrective shoes, embody orthopedic construction, or provide orthopedic support for the feet or arches;

(2) That the shoes have an orthopedic heel or any other orthopedic or corrective feature;

- (3) That the shoes keep the feet healthy or insure foot health;
- (4) That the shoes provide exact inner control at the arch, correct improper foot balance, throw the balance of the foot to the outside, cause the wearer to walk correctly or eliminate wearing complaints;
- (5) That the shoes are waterproof, keep water out or keep the feet dry. (1-23698, June 26, 1951.)

8154. Shoes—Healthful and Corrective Qualities.—Irving-Margolin Shoe Corp., a Wisconsin corporation, with its principal place of business located in Milwaukee, Wis., and Joseph Margolin, Max Margolin and Irving Margolin, individually and as corporate officers, engaged in the business of offering for sale and selling in commerce, shoes designated “American Health Step” Shoes and “Helt-O-Pedic” Shoes, entered into an agreement that in connection with the offering for sale, sale and distribution of the aforesaid shoes, they will cease and desist from representing in any manner:

- (a) That the shoes constitute or are orthopedic or health shoes;
- (b) That use of the shoes will prevent the development of disorders, abnormalities, or deformities of the feet, or correct any disorder, abnormality, or deformity of the feet. (1-23780, June 26, 1951.)

8155. Shoes—Healthful and Corrective Qualities.—Farr Brothers Co., a Pennsylvania corporation, with its principal place of business located in Allentown, Pa., engaged in offering for sale and selling in commerce, shoes designated “Farr’s Arch Perfector,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing:

- (1) That the shoes are health shoes or orthopedic shoes or that they are made over health or orthopedic lasts or that they will keep the feet healthy or prevent, correct or cure any disorder, deformity or abnormality of the feet;
- (2) That the shoes will aid in the restoration of foot health;
- (3) That the shoes will correct or prevent foot ailments or weak feet.
- (4) That the shoes will provide individual foot correction.

(1-23725, June 26, 1951.)

8156. Shoes—Healthful and Corrective Qualities.—Hubler Shoes, Inc., a Pennsylvania corporation, with its principal place of business located in Auburn, Pa., engaged in offering for sale and selling in commerce, shoes designated “Mill-O-Pedic,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, they will cease and desist from representing, directly or by implication:

1. Through the use of the term “foot correctors,” or otherwise, that these shoes will correct defects or deformities of the feet;
2. That these shoes are “hand lasted” unless such parts as are actually hand lasted are indicated in direct connection therewith in an equally conspicuous manner. (1-23615, June 26, 1951.)

8157. Shoes—Healthful and Corrective Qualities and “Hand Lasted.”—Lititz Shoe Co., Inc., a Pennsylvania corporation, with its principal place of business located in Lititz, Pa., engaged in the business of offering for sale and selling in commerce, shoes designated “Mill-O-Pedic,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, they will cease and desist from representing, directly or by implication:

1. Through the use of the term “foot correctors,” or otherwise, that these shoes will correct defects or deformities of the feet;

2. That these shoes are “hand lasted” unless such parts as are actually hand lasted are indicated in direct connection therewith in an equally conspicuous manner. (1-23615, June 26, 1951.)

8158. Shoes—Healthful and Corrective Qualities and “Hand Lasted.”—Lewis W. Millen and Edward C. Millen, copartners, trading as Millen Bros. Shoe Co., with their principal place of business located in New Haven, Conn., engaged in the business of offering for sale and selling in commerce, shoes designated “Mill-O-Pedic,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes that they, and each of them, will cease and desist from representing, directly or by implication:

1. Through the use of the term “foot correctors,” or otherwise, that these shoes will correct defects or deformities of the feet.

2. That these shoes are “hand lasted” unless such parts as are actually hand lasted are indicated in direct connection therewith in an equally conspicuous manner. (1-23615, June 26, 1951.)

8159. Shoes—Healthful and Corrective Qualities and Prescription Designed.—Old Colony Shoe Co., a Massachusetts corporation, with its principal place of business located in Brockton, Mass., engaged in the manufacture of shoes and in offering for sale and selling said shoes in commerce, entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, it will cease and desist from:

(a) Representing in any manner or placing in the hands of another the means of representing in any manner that the shoes are orthopedic shoes, or

(b) Representing through use of a simulation of the symbol “Rx” or in any other manner or placing in the hands of another the means of representing in any manner that the shoes are specially designed and constructed to meet the requirements of a prescription by a member of the medical profession for the use of a particular individual. (1-23895, June 26, 1951.)

8160. Shoes—Healthful and Corrective Qualities and Prescription Designed.—Samuel K. Pedrick, an individual trading as Samuel K. Miller, with his principal place of business located in Philadelphia, Pa., engaged in offering for sale and selling in commerce, shoes,

entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, he will cease and desist from:

(a) Representing in any manner that the shoes are orthopedic shoes, or

(b) Representing through use of a simulation of the symbol "Rx," or in any other manner that the shoes are specially designed and constructed to meet the requirements of a prescription by a member of the medical profession for the use of a particular individual. (1-23895, June 26, 1951.)

8161. Shoes—Healthful and Corrective Qualities.—Pediforme Shoe Co., Inc., a New York corporation, with its principal place of business located in New York, N. Y., The Pediforme Shoe Co. of New Jersey, a New Jersey corporation, with its principal place of business located in East Orange, N. J., and Albert A. Cobb, individually and as an officer of the aforementioned corporations, engaged in offering for sale and selling in commerce, shoes designated "Pediforme" shoes, entered into an agreement in connection with the offering for sale, sale and distribution of stock Pediforme Shoes they, and each of them, will cease and desist from:

1. Representing, through the use of the word "Orthopedic" or "modified orthopedic" to describe "Pediforme" stock shoes, or the words "orthopedically correct" to describe certain characteristics thereof, or in any other manner, that regular stock shoes are especially designed and constructed to, or will prevent and correct deformities, diseases and disorders of the feet;

2. Representing that the shoes strengthen the arches;

3. Representing that the shoes maintain correct joint articulation;

4. Representing that the shoes prevent nerve impingement;

5. Representing that the shoes assure correct foot development or correct postural development;

6. Representing that the shoes provide correct distribution of body weight;

7. Representing that the shoes prevent foot-ills, or keep the feet healthy, correct or prevent disorders or abnormalities of the feet;

8. Representing that the shoes conform to the natural shape of the normal foot, permit proper position and action of every bone and muscle in the foot, maintain the inner-longitudinal arch or provide maximum support for foot muscles. (1-23389, June 26, 1951.)

8162. Shoes—Healthful and Corrective Qualities.—Allen Edmonds Shoe Corp., a Wisconsin corporation, with its principal place of business located in Belgium, Wis., engaged in offering for sale and selling in commerce, shoes, designated as "Allen Edmonds Shoes" and as "Osteo-path-ik Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from:

(a) Representing in any manner that the shoes provide natural support to the feet or to the muscles of the feet;

(b) Representing in any manner that the shoes (1) provide support without confinement of the feet, or (2) strengthen foot muscles, or

(c) Representing through use of "Osteo-path-ik" as a brand name for the shoes, as descriptive of their construction, or in any other manner, that wearing the shoes will accomplish results in any way comparable to the adjustments or manipulations of an osteopathic physician. (1-23446, June 26, 1951.)

8163. Shoes—Healthful and Corrective Qualities.—Brown Shoe Co., Inc., a New York corporation, with its principal place of business located in St. Louis, Mo., engaged in the offering for sale and selling in commerce, shoes designated "Buster Brown Tread Straight Pediatric Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing directly or by implication:

1. By the use of the word "pediatric" in the brand name "Buster Brown Tread Straight Pediatric Shoes" or by any other means, that the shoes are pediatric shoes;

2. That the shoes possess "orthopedic," "corrective" or "health" features or are "orthopedic," "corrective" or "health" shoes;

3. That the shoes correct or prevent weak ankles, toeing-out, foot weakness, pronation or undue strain on feet or legs;

4. That the shoes cause or enable a child to tread straight or to walk as nature intended;

5. That the shoes keep the ankles straight;

6. That the shoes promote or effect normal foot or postural development or prevent poor posture habits;

7. That the shoes keep the feet healthy;

8. That the shoes prevent or correct any disorders or abnormalities of the feet. (1-23436, June 26, 1951.)

8164. Shoes—Healthful and Corrective Qualities.—Craddock-Terry Shoe Corp., a Virginia corporation, with its principal place of business located in Lynchburg, Va., engaged in the offering for sale and selling in commerce, shoes designated "Billiken" shoes, entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing directly or by implication:

(1) That Billiken Shoes build better posture or promote or effect correct foot or postural development;

(2) That the wearing of Billiken Shoes insures sound or healthy feet, keeps the feet healthy, or prevents any disorders or abnormalities of the feet. (1-23430, June 26, 1951.)

8165. Shoes—Healthful and Corrective Qualities.—E. T. Wright & Co., Inc., a Massachusetts corporation, with its principal place of business located in Rockland, Mass., engaged in offering for sale and selling in commerce, shoes designated “Wright Arch Preserver Shoes,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from:

(a) Representing in any manner that the shoes (1) afford natural support, (2) cause or enable the feet to walk as nature intended, (3) enable the arches to function as they do when one is walking barefoot, or (4) restore the natural tread base.

(b) Representing in any manner that the shoes (1) possess foot health features, (2) will keep the feet strong, healthy, or normal, (3) will keep one walking normally, or (4) prevent or eliminate foot fatigue.

(c) Representing in any manner that the wearing of the shoes assures foot comfort.

(d) Representing in any manner that when the shoes are worn, all of the weight will be carried on the outside longitudinal portion of the foot.

(e) Representing through use of the word “orthopedic” as descriptive thereof, or in any other manner, that the shoes herein mentioned as having been so described are in fact orthopedic shoes, or that any other shoes are orthopedic shoes, when such is not a fact. (1-23405, June 26, 1951.)

8166. Shoes—Healthful and Corrective Qualities.—Baris Shoe Co., Inc., a New York corporation, with its principal office and place of business located in New York, N. Y., and Alexander L. Baris and Sylvia H. Baris, individually and as corporate officers thereof, engaged in the business of offering for sale and selling in commerce, shoes designated “Chas. L. Kahler Health Shoes,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, they will cease and desist from representing directly or by implication:

(a) That the shoes constitute or are “health” shoes;

(b) That use of the shoes will keep feet healthy, prevent the development of abnormalities or deformities of the feet or correct any disorder, deformity, or abnormality of the feet. (1-23266, June 26, 1951.)

8167. Shoes—Healthful and Corrective Qualities.—Monarch Shoe Co., an Illinois corporation, with its principal place of business located in Chicago, Ill., engaged in offering for sale and selling in commerce, shoes designated “Little Monarch Health Shoe” and “Little Monarch-Foot Director-Health Shoe,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid

shoes it will continue to cease and desist from representing directly or by implication:

(1) That the shoes constitute or are "health" shoes;

(2) That use of the shoes will keep feet healthy, prevent the development of abnormalities or deformities of the feet, or correct any disorders or abnormalities of the feet. (1-23267, June 26, 1951.)

8168. Shoes—Healthful and Corrective Qualities.—Doyle Shoe Co., Inc., a Massachusetts corporation, with its principal place of business located in Brockton, Mass., engaged in offering for sale and selling in commerce, shoes designated "Ralston Health Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing directly or by implication:

(a) That the shoes constitute or are "health" shoes.

(b) That use of the shoes will keep feet healthy, prevent the development of abnormalities or deformities of the feet or correct any disorder, deformity, or abnormality of the feet. (1-23268, June 26, 1951.)

8169. Shoes—Healthful and Corrective Qualities.—Eby Shoe Corp., a Pennsylvania corporation, with its principal place of business located in Ephrata, Pa., engaged in offering for sale and selling in commerce, shoes designated "Fleet-Air-Shoes" otherwise known as "Fleet-Air Health Shoes," "Fleet-Air Normal Arch Shoes," and "Fleet-Air Normal Arch Health Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes it will cease and desist from representing directly or by implication:

(1) That the shoes constitute or are "health" shoes;

(2) That the use of the shoes will keep feet healthy, prevent the development of abnormalities or deformities of the feet, or correct any disorders or abnormalities of the feet. (1-23269, June 26, 1951.)

8170. Shoes—Healthful and Corrective Qualities.—Heywood Boot and Shoe Co., a Massachusetts corporation, with its principal place of business located in Worcester, Mass., engaged in offering for sale and selling in commerce, shoes designated "Matrix," entered into an agreement in connection with the offering for sale, sale and distribution of Matrix shoes it will cease and desist from representing directly or by implication:

(1) That the Matrix shoe supports or cradles or conforms to every curve in the sole of the foot, or is exactly the shape of the bottom of the foot;

(2) That the design of the Matrix shoe assures comfort, eliminates painful breaking-in or ends shoe troubles. (1-23381, June 26, 1951.)

8171. Shoes—Healthful and Corrective Qualities.—Artisan Shoe Corp., a New York corporation, with its principal office and place of business

located in Rochester, N. Y., engaged in offering for sale and selling in commerce, shoes among them being those designated "Juvenile Fut-Builder Health Shoe," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes it will cease and desist from representing in any manner that the shoes constitute or are health shoes or that they will keep the feet healthy or correct or prevent any disorder, deformity, or abnormality of the feet. (1-23843, June 26, 1951.)

8172.¹ Shoes—"Custom-Made."—Joseph Burger, an individual trading under his own name, with his principal office and place of business located in New York, N. Y., engaged in offering for sale and selling in commerce, shoes designated Staturaid's Shoes, entered into an agreement in connection with the offering for sale, sale and distribution of shoes, he will cease and desist from representing directly or by implication, that shoes are custom-made when they are not made upon the specific order of and to the individual measurements or specifications of those purchasing them.

It is also agreed that this stipulation shall be supplemental to Stipulation No. 3787, executed by Joseph Burger and approved by the Federal Trade Commission December 27, 1943,² and that all of the terms and conditions of Stipulation No. 3787 shall remain in full force and effect. (1-15617, June 26, 1951.)

8173. Shoes—Therapeutic and Preventive Qualities.—P. W. Minor & Son, Inc. and Treadeasy Shoes Inc., New York corporations, with their principal places of business located at Batavia, N. Y.; and Paul Schwartz, Charles B. Taft and LeRoy E. Phelps, stockholders, officers and directors of Treadeasy Shoes, Inc., engaged in offering for sale and selling in commerce, shoes designated "Treadeasy Shoes," entered into an agreement that in connection with the offering for sale, sale and distribution of the aforesaid shoes they, and each of them, will cease and desist from representing directly or by implication:

(1) That Treadeasy Shoes furnish needed support to the arches;
(2) That Treadeasy Shoes prevent foot fatigue, assure foot comfort, exercise the foot muscles, or keep the feet healthy. (1-23628, July 17, 1951.)

8174. Shoes—Corrective and Preventive Qualities.—J. Edwards & Co., Inc., a Pennsylvania corporation, with its principal place of business located in Philadelphia, Pa., engaged in offering for sale and selling in commerce, shoes, designated "Edwards Shoes," "Edwards Arch Grower Shoes," and "Edwards Corrected Shoes," entered into an agreement in connection with the offering for sale, sale and distri-

¹ Supplemental.

² See 37 F. T. C. 761.

bution of the aforesaid shoes, it will cease and desist from representing:

(1) That its shoes are "orthopedic" or "corrective," or possess "health" or "corrective" features;

(2) That its shoes keep the feet healthy, meet all requirements for foot health, provide "healthy" support or promote or effect control or healthy foot development;

(3) That its shoes correct, prevent or guard against pronation, weak feet, weak ankles, weak arches or fallen arches;

(4) That its shoes correct, prevent or guard against poor posture or assist in proper posture;

(5) That its shoes conform to the natural shape or natural contour of the foot;

(6) That its shoes help transfer weight naturally in walking or provide natural or proper distribution or direction of body weight;

(7) That its shoes permit complete freedom of movement or cause or enable children's feet to function as nature intended; and

(8) Through the use of the term "Arch Grower" in the brand name "Edwards Arch Grower Shoes" or by any other means, that such shoes promote or effect growth of arches. (1-23620, July 17, 1951.)

8175. Shoes—Corrective and Therapeutic Qualities.—Virginia Shoe Co., Inc., a Virginia corporation, with its principal office and place of business located in Fredericksburg, Va., engaged in the business of offering for sale and selling in commerce, various brands of shoes, entered into an agreement in connection with the offering for sale, sale and distribution of shoes, it will cease and desist from:

(a) Representing through use of the designation "Foot Corrector," or in any other manner, that the shoes will correct defects or deformities of the feet;

(b) Representing in any manner that the shoes will effect healthy foot growth or keep the feet healthy. (1-23665, July 17, 1951.)

8176. Shoes—Corrective and Healthful Qualities and Manufacture.—Stacks Shoe Co., an Ohio corporation, trading as Model Shoe Stores, with its principal office and place of business located in Cincinnati, O., engaged in the business of offering for sale and selling in commerce various brands of shoes among them being those branded "Foot Corrector" and "Kendal Moc," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from:

(a) Representing through use of the designation "Foot Corrector," or in any other manner, that the shoes will correct defects or deformities of the feet;

(b) Representing in any manner that the shoes will effect healthy foot growth or keep the feet healthy;

(c) Representing in any manner that the shoes designated "Kendal Moc," or any others, are hand sewn except as to such part or parts as may be sewn by hand;

(d) Representing in any manner that the shoes exercise every foot muscle. (1-23665, July 17, 1951.)

8177. Shoes—Corrective, Therapeutic, and Preventive Qualities.—O'Donnell Shoe Corp., a Tennessee corporation, with its principal place of business located in Humboldt, Tenn., engaged in offering for sale and selling in commerce, shoes designated "Clara Barton Shoes" and "Propr-Bilt Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes it will cease and desist from representing:

- (1) That Clara Barton Shoes possess "orthopedic" features;
- (2) That Clara Barton Shoes enable the wearer to remain mentally alert after a strenuous day's activities;
- (3) That Clara Barton Shoes have any significant beneficial effect upon mental alertness;
- (4) That Propr-Bilt Shoes are "orthopedic," "orthopedically correct," or "health" shoes;
- (5) That Propr-Bilt Shoes keep the feet healthy;
- (6) That Propr-Bilt Shoes give balanced posture;
- (7) That Propr-Bilt Shoes prevent or correct poor posture, pronation, pointing out of the toes, weak feet, weak ankles, or the tendency to excessive wear on the inner margin of soles and heels;
- (8) That Propr-Bilt Shoes hold the feet, arches, or ankles in correct position;
- (9) That Propr-Bilt Shoes strengthen the arch structure;
- (10) That Propr-Bilt Shoes promote or effect correct foot or postural development;
- (11) That Propr-Bilt Shoes correct or prevent any postural defects or foot abnormalities;
- (12) By the statement that 3 out of 4 children suffer from weak feet, or that 76 percent of all foot troubles begin during the years of childhood, or by any similar statement in words or figures, that reliable statistics have been compiled showing any definite proportion of children to have weak feet, or any definite proportion of foot troubles to be incurred during any given period, if and when the statistics indicated do not exist. (1-23527, July 10, 1951.)

8178. Reupholstering—Prices.—Custom Upholstering & Carpet Co., Inc., a Maryland corporation, with its principal place of business located in Baltimore, Md., and with branches in Philadelphia, Pa., and Washington, D. C., engaged in the business of offering for sale and selling living room furniture and slip covers; making, reupholstering and repairing living room furniture; and of shipping living room furniture, slip covers and upholstering in interstate commerce,

entered into an agreement to cease and desist from disseminating any advertisement offering upholstering or reupholstering at prices which are not bona fide prices but which are advertised solely as a means of inducing the purchase of upholstering or reupholstering at prices higher than the prices advertised. (1-23677, July 3, 1951.)

8179. **Boots and Shoes—Corrective, Healthful, and Preventive Qualities.**—The B. F. Goodrich Co. is a New York corporation. Hood Rubber Co. is a division of the B. F. Goodrich Co. with its principal place of business located in Watertown, Mass. The B. F. Goodrich Co. through its division, Hood Rubber Co., engaged in offering for sale and selling in commerce, rubber and canvas boots and shoes designated “‘P-F’ Hunting Boots” and “‘P-F’ Canvas Shoes,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid boots and shoes, or other boots or shoes of substantially similar construction, it will cease and desist from representing directly or by implication:

(1) That the said boots and shoes give orthopedic or orthopedically correct support to the foot or to the bones of the foot, keep the bones of the foot in proper alignment or in their natural or normal positions, prevent collapse of the bony arch, or guard against or prevent flat feet.

(2) That the said boots and shoes keep normal feet healthy, or promote or effect good posture;

(3) That the said boots and shoes prevent foot or leg fatigue or leg muscle strain, or give the wearer more pep, speed or energy. (1-23061, July 10, 1951.)

8180. **Sheepskins—Nature and Prices.**—The Abel Corp., an Ohio corporation, with its principal place of business in Columbus, Ohio, engaged in the business of selling automobile supplies and other miscellaneous merchandise through leased departments which it operates in department stores located in several States of the United States, involving the constant flow of its merchandise in commerce, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from:

(1) Using the word “chamois,” alone or in conjunction with any other word or words, in any manner whatever, to describe, designate or refer to such sheepskins;

(2) Representing directly or by implication that such sheepskins act or feel like chamois;

(3) Representing directly or by implication that such sheepskins were made to sell for \$3.95, and from otherwise representing that their value is far in excess of the customary and usual retail price. (1-23630, July 10, 1951.)

8181. **Imitation Grape-Flavored Beverage Concentrate—Nature and Composition.**—Stonewall Jackson Cormany, Jr., an individual, trading as

Million Dollar Grape Co. and as Million Dollar Grape Manufacturing Co., with his principal place of business in Mt. Vernon, Ill., engaged in the business of manufacturing and selling an imitation grape flavor concentrate used by bottlers in making a beverage, said concentrate being called by him Million Dollar Grape Concentrate and such beverage being called "Million Dollar Grape," entered into an agreement, in connection with the dissemination of advertisements relating to that product, to cease and desist from:

(1) Representing that the product, its flavor or color are derived chiefly from the natural juice or fruit of the grape;

(2) Using or authorizing the use by others of the name "Million Dollar Grape" or the word "Grape" or any word or words of similar import to designate or describe the aforesaid product or any beverage made therefrom, without giving clear and adequate notice that the aforesaid product or any beverage made therefrom is imitation grape. (1-23343, July 10, 1951.)

8182. Ore—Detecting Device—Functional Effectiveness and Manufacture.—Fisher Research Laboratory, Inc., a California corporation, with its principal place of business located in Palo Alto, Calif., engaged in the business of offering for sale, selling and distributing a device for detecting metal-bearing ores and metallic objects beneath the surface of the earth, said device being designated "M'Scope," in interstate commerce, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from representing, directly or by implication:

(1) That such device works positively or in any kind of ground;

(2) That it has a stability not found in any competitive apparatus;

(3) That the detector-meter with which such device is equipped contributes to the stability or sensitivity of the device;

(4) That such device has a depth range of 20 feet under "average ground condition" or that it has the "required" detection range;

(5) That such device has any specified detection range unless in connection therewith the dependent factors and conditions are clearly set forth;

(6) That the device is equipped with the latest type tubes, when such is not a fact. (1-23656, July 24, 1951.)

8183. Paint Products—Comparative Merits, Relevant Facts, Protective Qualities.—Rust-Oleum Corp., an Illinois corporation, with its principal place of business located in Evanston, Ill., engaged in the business of offering for sale and selling paint products designated "Rust-Oleum," "R-9" and "Clear Sele," in interstate commerce, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from representing directly or by implication:

(1) That Rust-Oleum, applied to a rusted surface, will utilize the rust, making the paint film more protective than if no rust were present;

(2) That Rust-Oleum on most jobs will last 2 to 10 times longer than other paints; or that it will last any period of time longer than other types of paint unless limited to application to a rusted surface;

(3) That Rust-Oleum stops rust where ordinary paints fail; or that, because of its fish oil content, it is superior to other types of paints as a rust preventive, unless limited to cases where the said products are applied to a rusted surface;

(4) That Rust-Oleum seals rustable metal against all rust-causing conditions; that it is immune to the effects of salt water or salt air; that it affords absolute protection against time and the elements and that it will not peel or blister under every condition of use;

(5) That R-9 provides protection under all rust-producing conditions;

(6) That Clear-Sele will waterproof concrete, stucco, brick or similar walls or surfaces unless specifically limited to walls and surfaces that contain no cracks. (1-23673, July 24, 1951.)

8184. **Resin Plasticizer—Improving and Economizing Properties and Value.**—American Liquid Plastics, Inc., a Connecticut corporation with its principal office and place of business located in New Haven, Conn., engaged in the business of offering for sale and selling a resin plasticizer designated "Satinize," in interstate commerce, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from representing directly or by implication:

1. That the use of such product prevents mildewing of garments;
2. That the use thereof doubles or increases by any definitely stated length of time the life of nylon hose or any other fabric;
3. That the use thereof makes nylon hose five times more resistant to snags or otherwise exaggerating the snag resistance property it imparts to hosiery;
4. That a pint of the product is equal to \$5 worth of ordinary liquid starches, or otherwise exaggerating the relative value thereof;
5. That use thereof cuts ironing costs 25 percent or by any other definitely stated percentage. (1-23548, July 24, 1951.)

8185. **Hearing Aids—Manufacture, Composition, and Business Status.**—Telex, Inc., a Minnesota corporation, with its principal place of business located in Minneapolis, Minn., engaged in the business of offering for sale and selling hearing aid devices, in commerce, entered into an agreement, in connection with the dissemination of advertising relating to that product, to cease and desist from representing, directly or by implication:

(1) Through the use of such words and terms as "hear secretly," "hidden hearing" and "invisible hearing," or otherwise, that no part of its hearing aid devices, as worn, is visible or can be seen;

(2) That the Telex 200 hearing aid has a sealed battery compartment;

(3) That Telex, Inc., is the creator of the polystyrene printed circuit;

(4) That the content of gold or silver in its hearing aid devices is greater than is actually the fact. (1-19101, Aug. 14, 1951.)

8186. Scissors, etc.—Composition.—The Henkel-Clauss Co., an Ohio corporation, with its principal place of business located in Fremont, Ohio, engaged in business of offering for sale and selling shears, scissors and letter openers, in interstate commerce, entered into an agreement in connection with the offering for sale, sale and distribution thereof to cease and desist from:

(1) Using the words "Chrome" or "Nickel" in advertisements, price lists, catalogs or elsewhere to describe or as a designation of chrome-plated or nickel-plated articles of merchandise unless such words are qualified to show that such articles of merchandise are plated;

(2) Stamping, branding or in any other manner affixing the words "Chrome" or "Nickel" on chrome-plated or nickel-plated articles of merchandise unless such words are qualified to show that such articles of merchandise are plated. (1-23565, Aug. 14, 1951.)

8187. Rabbits—Productive Qualities, Profits, Misleading Trade Name.—Earl Wilson, an individual trading as Cal-Cross Hybrids, Cal-Cross Enterprises, Federated Angora Breeders, Associated Angora Breeders and Wilson's Advertising, with places of business located in Stanton and Garden Grove, Calif., engaged in offering for sale and selling rabbits designated Cal-Cross Hybrid and Angora rabbits, in commerce, entered into an agreement in connection with the offering for sale, sale and distribution thereof, to cease and desist from representing directly or by implication:

(1) That Cal-Cross Hybrid Rabbits produce 6 to 7 litters a year, produce eight 4 to 5 pound fryers in 8 weeks, or in any other manner, that Cal-Cross Hybrid Rabbits have any productive potentialities not in accordance with the facts;

(2) By use of phrases such as "Angoras cheaply and easily raised," "* * * raising Angoras is so simple * * * that anyone with a sixth grade education need have no fear of entering into the business," or in any other manner, that Angora rabbits may be easily raised;

(3) That Angora rabbits can be fed for \$1.75 per year or for any other definitely stated amount which is not in accordance with the facts;

(4) That a definite net profit per animal can be realized;

(5) By use of the terms "Federated Angora Breeders" or "Associated Angora Breeders," or in any other manner, that the business is other than an individual proprietorship conducted for profit, or that persons become members of a federation or association of rabbit breeders as a result of purchases from him.

Earl Wilson further agreed to forthwith cease and desist from using phrases such as "OTHERS NO SMARTER THAN YOU, ARE MAKING \$500 to \$5,000 A YEAR IN ANGORA RABBITS," "The Angora Rabbit business is highly profitable," "Your own big money business," or in any other manner, from exaggerating the profits which may be realized by raising Angora rabbits. (1-23109, Aug. 30, 1951.)

8188. Model Engine—Price, Durability, and Operation.—Gotham Hobby Corp., a New York corporation, with its principal place of business located in New York, N. Y., and Robert Weinstein and Harry Weinstein as officers thereof, engaged in the sale and distribution, in commerce, of a small model engine designated "Deezil," entered into an agreement in connection with the dissemination of advertising relating to that product, to cease and desist from representing, directly or by implication:

(1) Using the words "complete," "completely assembled" or any other words in connection with the stated selling price of the aforesaid engine which import or imply that for payment of the stated selling price a purchaser will receive an operating engine which requires no additional parts;

(2) Representing directly or by implication—

(a) That the aforesaid engine is rugged, runs for years, or that it possesses any other durable characteristic which has not been established to be a fact;

(b) By use of the words "starts quickly" or any other words of similar meaning, that the engine can be put into operation without delay or difficulty. (1-24064, Sept. 6, 1951.)

8189. Foot Device—Therapeutic Qualities.—The Stabilizer Co., a California corporation, with its principal place of business located in Los Angeles, Calif., engaged in the offering for sale and selling, in commerce, a device designated "Cuboid Stabilizer," entered into an agreement in connection with the dissemination of advertising that device, to cease and desist from representing directly or by implication:

(1) That its device is scientifically correct to aid ailing feet;

(2) That its device stops pains, aches, swellings, cramps in feet, legs, knees, thighs, back, neck or shoulders or prevents foot strain or discomfort;

(3) That its device gives permanent relief, keeps the feet fit, or reduces strain or fatigue;

(4) That its device stabilizes the feet, balances the heel, body or foot, or promotes normal weight distribution;

(5) That an accurate fit is assured. (1-22853, Sept. 11, 1951.)

8190. **Crib Mattresses—Healthful and Waterproof Qualities.**—Simmons Co., a Delaware corporation, located in New York, N. Y., engaged in offering for sale and selling crib mattresses, under the trade name "Babybeauty," in commerce, entered into an agreement in connection with the dissemination of advertising thereof, to cease and desist from representing directly or by implication:

(1) That the products materially affect the posture, correct or assist in correcting defects of posture or improve the posture of users thereof;

(2) That the products develop, shape or strengthen a user's back or insure the development of a stronger back and better posture;

(3) That any of the products are waterproof unless and until such time as the complete outer covering thereof shall be impervious to water or moisture for the life of the products. (1-21840, Sept. 18, 1951.)

8191. **Paint Remover—Effectiveness and Unique Qualities.**—Universal Paint & Varnish Co., Inc., and Universal Technical Products Co., Inc., California corporations, each having its principal place of business located in Huntington Park, Calif., and John M. Phillips, Marjorie Phillips, Lowell W. Phillips and Marie Phillips as officers of said corporations; Tecote Products Co., Inc., an Illinois corporation, with its principal place of business in Skokie, Ill., and George Banton, John M. Phillips and Lowell W. Phillips, officers of Tecote Products Co., engaged in offering for sale and selling in commerce, a product for use in removing paint, varnish, shellac, lacquer and baked enamel designated "Universal Remover," entered into an agreement in connection with the offering for sale, sale and distribution of that product, to cease and desist from representing directly or by implication:

(1) By depiction or through the use of phrases such as, "Remove Old Paint in 7 Seconds," "eliminates scrapping—just brush on—old paint curls up * * * ready to be wiped off" or in any other manner that the aforesaid product will remove paint, varnish, shellac, lacquer or baked enamel film with any degree of rapidity or ease which is not in accordance with the facts;

(2) That the said product is a brand new kind of paint, lacquer, shellac, varnish or baked enamel remover or in any other manner that the said product is unique or of unusual formulation. (1-23227, Sept. 27, 1951.)

8192. **Water Filter—Effective and Protective Qualities, Durability, etc.**—Mansfield Aqua-Mite Home Water Filter Co., an Illinois corporation, with its principal place of business in Chicago, Ill., and E. Harry Mansfield and Mary F. Mansfield individually and as officers of said corporation, engaged in offering for sale, sale and distribution, in

commerce of a device for filtering water and for attachment to a faucet, designated "Aqua-Mite," entered into an agreement in dissemination of advertising relating to that device, to cease and desist from representing, directly or by implication:

(1) That such device filters out all algae and fish eggs that may be present in drinking water, or that it is effective in filtering out germs or bacteria;

(2) That such device will give any protection against typhoid, cholera, gastro-neuritis, dysentery, or water-borne disease;

(3) That such device will be effective for an unlimited time in removing chlorine taste and odor;

(4) That such device softens water. (1-23842, Sept. 27, 1951.)

8193. **Women's Coats—Wool Content.**—Jack Rousso and Martin Gilbert, co-partners, trading as Rochelle Garment Co., with their principal place of business in New York, N. Y., engaged in the manufacture of women's coats and other garments and in the sale thereof in commerce, entered into an agreement in connection with the manufacture, offering for sale, sale, transportation, delivery for transportation, or distribution of coats or any other wool products, to cease and desist from misbranding such products by:

(1) Falsely or deceptively stamping, tagging, labeling, or otherwise identifying any of such products as to the character or amount of the constituent fibers therein;

(2) Failing to securely affix to or place on such products a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding 5 percent of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is 5 percent or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, transportation, distribution, or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939. (1-24033, Oct. 4, 1951.)

8194. **Shoes—Health Qualities and Doctors' Recommendations.**—Vaisey-Bristol Shoe Co., Inc., a New York corporation, with its principal office and place of business located in Rochester, New York, and Samuel B. Vaisey and Robert A. Bristol, individually and as corporate officers, engaged in offering for sale and selling in commerce, shoes

designated "Jumping-Jacks Shoes," entered into an agreement that in connection with the offering for sale, sale and distribution of the aforesaid shoes, each of them will cease and desist from representing in any manner:

(a) That the shoes (1) cause a child to walk straight, (2) hold the heel bones or the feet in correct position, (3) keep the feet or the ankles straight, (4) promote or effect straight foot or ankle development, (5) assure that a child will have straight ankles or perfect feet, (6) develop good posture in children or assure sufficient support for the feet, (7) keep the feet healthy, (8) promote the development of foot or leg muscles, or (9) assure, promote, or develop correct or healthful walking;

(b) That the shoes have all of the features which doctors recommend for incorporation in children's shoes;

(c) That all doctors recommend the shoes. (1-23603, Oct. 9, 1951.)

8195. **Women's Coats—Wool Content.**—J. M. Silverstein, Marvin Silverstein, and David Silverstein, copartners, doing business as Silverstein Bros., with their principal place of business in Birmingham, Ala., engaged in the sale, at wholesale, of women's coats and other garments, in commerce, entered into an agreement in connection with the offering for sale, sale, transportation, delivery for transportation or distribution of coats or any other wool products to cease and desist from misbranding such products by:

(1) Falsely or deceptively stamping, tagging, labeling, or otherwise identifying any of such products as to the character or amount of the constituent fibers therein;

(2) Failing to securely affix to or place on such products a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding five percentum of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, transportation, distribution or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939. (1-24067, Oct. 9, 1951.)

8196. **Cleaning Preparation—Sterilizing and Moth-Proofing Qualities.**—James Varley & Sons, Inc., a Missouri corporation, with its principal place of business in St. Louis, Mo., engaged in offering for sale and selling in commerce, a cleaning preparation designated “San-I-Suds,” entered into an agreement, in connection with the offering for sale, sale and distribution of that preparation to cease and desist from disseminating any advertisement in regard thereto which represents directly or by implication:

That “San-I-Suds” (or any other product of similar or approximately similar composition or formulae), when used as directed, kills all germs, bacteria, moths and moth larvae in or on rugs and floors, thereby sterilizing and moth-proofing rugs and sterilizing floors. (1-23835, Oct. 9, 1951.)

8197. **Electric Water Heating Devices—Effectiveness and Safety.**—Paul Smith and Arthur G. Smith, copartners, doing business under the trade name Johnson Smith & Co., with their principal place of business in Detroit, Mich., engaged in the business of offering for sale, and selling in commerce, immersion-type electric water heating devices designated “Lux Water Heater” and “Steam Cloud Water Heater,” and a faucet-type electric water heater designated “Superior Water Heater”; the Lux and Steam Cloud heaters consist of an electric element with a nondetachable cord, in use, the heating portion of the device is immersed in a vessel of water and the nondetachable cord, which consists of heavily insulated wires, is connected to a conventional electrical outlet; the Superior Water Heater is a porcelain device, containing an electrical element, which is intended to be attached to a water faucet, entered into an agreement, in connection with the offering for sale, sale and distribution thereof, to cease and desist from:

Exaggerating the speed with which said devices will provide plenty of hot or boiling water or exaggerating the quantity of hot water they will provide;

Paul Smith and Arthur G. Smith, copartners, further agreed in connection with the offering for sale, sale and distribution, of their Lux and Steam Cloud electric water heaters, to cease and desist from:

Distributing or selling said devices unless the word “caution” or “warning” together with adequate directions for safe use of the device is firmly affixed thereto in a lasting manner plainly informing the user that failure to carefully follow directions may result in dangerous electric shock. (1-23078, Oct. 11, 1951.)

8198. **Electric Water Heating Devices—Effectiveness.**—Eagle Electric Manufacturing Co., Inc., a New York corporation, with executive offices located in Long Island City, N. Y., trading in that style and also as Superior Electric Mfg. Co., engaged in the business of offering for sale and selling in commerce, an electric water heating device desig-

nated as the "Superior Water Heater," entered into an agreement in connection with the offering for sale, sale and distribution thereof to cease and desist from:

Exaggerating the speed with which said device will provide running hot water or exaggerating the quantity of hot water which it will provide. (1-23078, Oct. 11, 1951.)

8199. Shoes—Healthful and Preventive Qualities.—International Shoe Co., a Delaware corporation, with its principal place of business located in St. Louis, Mo., engaged in offering for sale and selling in commerce, shoes designated "Red Goose Shoes," "Poll Parrot Shoes," "Weather Bird Shoes," "Rand Shoes," "Trim Tred Shoes," "Velvet Step Shoes," "Grace Walker Shoes" and "Conformal Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, it will cease and desist from representing directly or by implication:

(a) That Poll Parrot Shoes, Red Goose Shoes or Weather Bird Shoes (1) provide natural support to the feet (2) hold the arches in correct position (3) build foot strength (4) provide muscular development (5) prevent pronation or excessive pronation (6) correctly shape growing feet or promote or effect proper growth or development of the feet (7) correct improper walking habits or cause or enable a child to tread straight or correctly (8) prevent or correct a tendency to show excessive wear on the outer or inner margins of soles or heels (9) end, prevent or free the wearer from foot troubles (10) keep the feet healthy (11) promote or effect good posture or provide correct foot or body balance or proper weight distribution or (12) assure comfort;

(b) That Conformal Shoes (1) are health shoes or corrective footwear (2) keep the feet healthy (3) correct disorders or abnormalities of the feet (4) correct or prevent foot trouble, foot suffering, aching feet, double chin, dowager's hump, sagging muscles or bad posture habits (5) provide freedom from foot discomfort or foot fatigue or relieve backache (6) assure relief for ailing feet or proper support or balance to the arches or (7) improve foot health or body posture or provide correct body balance;

(c) That Velvet Step Shoes cause the wearer to be more energetic, keep the feet in proper balance or distribute the weight equally.

The said International Shoe Company further agrees to forthwith cease and desist from representing (1) through use of "posturized," or in any other manner, that Weather Bird Shoes promote or effect good posture or correct or prevent postural defects or (2) through use of "Arch Maker," "Foot Builder," or otherwise, that Poll Parrot Shoes, Red Goose Shoes, Velvet Step Shoes, Trim Tred Shoes, Grace Walker Shoes or Rand Shoes contribute materially to forming, building up or restoring the feet or arches. (1-23954, Oct. 16, 1951.)

8200. **Correspondence Course in Watch Repairing—Results and Opportunities.**—Dominic M. Krzywonos, an individual trading as Illinois School of Watch Repairing, with his principal place of business in Chicago, Ill., engaged in offering for sale and selling in commerce, correspondence courses of instruction in watch repairing designated “A Home Study Course in Practical Watch Repairing” and “A Home Study Course in Practical Clock Repairing,” entered into an agreement in connection with the offering for sale, sale and distribution of correspondence courses of instruction in watch repairing and clock repairing to cease and desist from representing directly or by implication:

- (1) That one can become an expert watch repairman by studying the course of instruction in practical watch repairing;
- (2) That the course in watch repairing is a course in watch making and that its study qualifies one to be designated a watch maker;
- (3) That purchasers of the course in watch repairing study under experts;
- (4) That study of the course in clock repairing enables one to repair marine chronometers. (1-23541, Oct. 16, 1951.)

8201. **Shoes—Corrective and Preventive Qualities.**—Thompson Bros. Shoe Co. is a Massachusetts corporation, with its principal place of business located in Brockton, Mass., engaged in offering for sale and selling in commerce, shoes designated “The Thompson Shoe,” “Dr. Geo. R. Davis Anti-Friction Shoe,” and “Toler’s Corrective Shoes.”

Maynard A. Toler and Ruth E. Toler are copartners trading as Toler’s Corrective Shoes, with their principal place of business located in Washington, D. C., engaged in offering for sale and selling in commerce, shoes designated “Toler’s Corrective Shoes.”

Thompson Bros. Shoe Co. entered into an agreement in connection with the offering for sale, sale and distribution in commerce, of shoes designated “The Thompson Shoe,” “Dr. Geo. R. Davis Anti-Friction Shoe” and “Toler’s Corrective Shoes” it will cease and desist from representing directly or by implication:

- (1) Through use of the term “corrective,” “corrective type” or “corrective features,” or otherwise, that the aforementioned shoe products are corrective shoes or that they will correct or prevent defects or deformities of the feet.
- (2) That The Thompson Shoe possesses orthopedic rubber heels, or that the Dr. Geo. R. Davis Anti-Friction Shoe will fit all arches or will keep the feet healthy.

Maynard A. Toler and Ruth E. Toler entered into an agreement in connection with the offering for sale, sale and distribution in commerce, of shoes designated “Toler’s Corrective Shoes,” that they and each of them will cease and desist from representing directly or by implication:

(3) Through use of the term "corrective," or otherwise, that the aforementioned shoe product is a corrective shoe or that it will correct or prevent defects or deformities of the feet. (1-24000, Oct. 16, 1951.)

8202. **Shoes—Orthopedic Qualities.**—Berkshire Shoe Manufacturing Co., Inc., a Pennsylvania corporation, with its principal place of business located in Reading, Pa., engaged in offering for sale and selling in commerce, shoes designated "Berkshire Health Shoes" and "Berkshire Orthopedic Health Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, it will cease and desist from representing directly or by implication:

By the use of the words "health" or "orthopedic," or by any other means, that either of these products constitutes or is an "orthopedic" or a "health" shoe. (1-23586, Oct. 16, 1951.)

8203. **Shoes—Corrective and Healthful Qualities.**—Lockwedge Shoe Corp. of America, Inc., an Ohio corporation, with its principal office and place of business located in Columbus, Ohio, engaged in the business of offering for sale and selling in commerce, women's shoes designated "Doctor M. W. Locke Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, it will cease and desist from:

(a) Representing in any manner that the shoes assure foot comfort or that through their use body balance or proper or normal weight distribution is effected or maintained.

(b) Representing through use of such statements as "say goodbye to foot misery," "foot trouble," "foot problems," "foot distress," "foot suffering," or in any other manner, that the shoes are of aid in the treatment of all foot conditions or in relieving the pain or discomfort thereof.

(c) Representing in any manner that the shoes help to restore the normal function of the foot. (1-23623, Oct. 16, 1951.)

8204. **Rabbits—Prices, Productivity, Etc.**—William T. Grinstead, an individual trading as Grinstead's and Grinstead's Angora and Chinchilla Farm, with his principal place of business in Edwardsville, Ill., engaged in offering for sale and selling in commerce, rabbits, entered into an agreement in connection with the offering for sale, sale and distribution of rabbits to cease and desist from representing directly or by implication:

(1) That under a "Sales and Marketing Agreement," "Sales Option," or otherwise he pays \$6 to \$75 or any stated price in excess of that actually paid for the rabbit young of does purchased from him;

(2) That a purchaser may expect a 40 to 1 return on his investment, or any other profit not in accord with the facts;

(3) That his rabbits are pedigreed when such is not the fact;

(4) That the customary and usual price of rabbits is in excess of the actual retail price at which they are regularly sold. (1-23395, Oct. 25, 1951.)

8205. **Curtain Stretchers—Results and Safety.**—Quaker Stretcher Co., a Wisconsin corporation, with its principal place of business in Kenosha, Wis., advertiser-vendor, engaged in offering for sale and selling curtain stretchers in commerce, entered into an agreement in connection with the offering for sale, sale and distribution thereof, to cease and desist from representing:

1. That the edges of curtains stretched on its curtain stretchers will be absolutely even, or that wavy edges cannot result;

2. That the "ball-point" pins with which certain of its curtain stretchers are equipped cannot stick the fingers; provided that nothing herein contained shall be construed as an agreement not to represent that the use of such "ball-point" pins will tend to reduce the possibility of sticking the fingers. (1-22916, Oct. 25, 1951.)

8206. **Fuel Oil Additive—Improving and Economizing Qualities and Government Tests.**—Combustion Utilities Corp., a New York corporation, with its principal place of business located in New York, N. Y., engaged in offering for sale and selling in commerce, a fuel additive called "Kleen Flo" and also called "Liquid Kleen Flo" entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing directly or by implication:

(1) That use of the said product will, to any extent, result in:

(a) Conservation or reduced consumption of fuel oil;

(b) An increase in the speed with which a fire can be started or steam can be raised in a boiler;

(c) An increase in the heat produced by fuel oil;

(d) An improvement in the combustion in fuel oil;

(e) A reduction of sparks, smoke, puff-backs, soot, carbon or heating maintenance costs;

(f) An elimination of slag formation on boiler tubes, superheaters or elsewhere;

(g) A dissolution of gum or sludge;

(2) That use of the said product will cause fuel oil to burn at maximum efficiency or provide increased heating plant efficiency;

(3) That the said product is a modern oil conditioner or that it has been tested, approved, or is being used by United States Government departments. (1-18828, Oct. 30, 1951.)

8207. **Gum Solvent—Relevant Facts and Effectiveness.**—Excelo Manufacturing Co., a California corporation, with its principal place of business located in Alhambra, Calif., and Norval S. White and William F. Peters, officers thereof, engaged in the sale and distribu-

tion, in commerce, of a gum solvent to be used in cleaning gum from the gasoline systems of automobiles designated "Xpel-it," entered into an agreement in connection with the offering for sale, sale and distribution of that product, to cease and desist from representing, directly or by implication:

(1) That all or any substantial number of present day gasolines contain significant quantities of gum, or that the use of such gasolines will result in any significant deposit of gum inside the carburetor or intake manifold;

(2) That said product will dissolve and clean gum deposits from inside the carburetor and intake manifold of a gasoline motor without limiting the effectiveness of said product to gum deposits which have not been deteriorated by age or overheating;

(3) That said product will improve engine starting, smoothness of idling or speed of pickup, or will reduce engine stalling or restore lost power without limiting the effectiveness of said product to engines containing heavy gum deposits;

(4) That the use of said product will increase gasoline mileage. (1-23060, Nov. 5, 1951.)

8208. **Women's Coats—Wool Content.**—L. J. Tamers, Inc., a New York corporation with its buying office and principal place of business located in New York, N. Y., with retail outlets located in Pennsylvania and Ohio which are separately incorporated in those States under the name, L. J. Tamers, Inc., and L. J. Tamers and S. N. Tamers individually and as officers thereof, engaged in the offering for sale, sale and distribution, in commerce, of women's coats and other garments, entered into an agreement in connection with the offering for sale, sale, transportation and delivery for transportation, to cease and desist from misbranding such products by:

(1) Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers therein;

(2) Failing to securely affix to or place on such products a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding 5 percent of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentages by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for

sale, transportation, distribution or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939;

(3) Failing to separately set forth on the required stamps, tags, labels or other means of identification the character and amount of the constituent fibers present in the linings and interlinings contained in coats or other wool products, as provided in Rule 24 of the Rules and Regulations promulgated under the Act. (1-24093, Nov. 29, 1951.)

8209. Punchboards—Interstate Sale.—Webb Distributing Co., Inc., a corporation, with its place of business in Chicago, Ill., engaged in the business of offering for sale, sale and distribution of novelty goods of various types, in commerce, entered into an agreement to cease and desist from selling or distributing punchboards or other lottery devices which are to be used or may be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme.

Webb Distributing Co., Inc., further agreed that in connection with the offering for sale, sale and distribution, in commerce, of leopard blankets, metal horses, cameras, table radios or any other merchandise it will cease and desist from:

(1) Supply to or placing in the hands of others push cards, punchboards, or other lottery devices, either with assortments of leopard blankets, metal horses, cameras, table radios or other merchandise or separately, which said push cards or punchboards are to be used, or may be used, in selling or distributing such leopard blankets, metal horses, cameras, table radios, or other merchandise to the public;

(2) Selling or distributing leopard blankets, metal horses, cameras, table radios or other merchandise so packed or assembled that sales of such leopard blankets, metal horses, cameras, table radios or other merchandise to the public are to be made or, due to the manner in which such merchandise is packed and assembled at the time it is sold by the respondent, may be made by means of a game of chance, gift enterprise, or lottery scheme.

(3) Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme. (1-24153, Nov. 29, 1951.)

8210. Perfumes—Foreign Source.—Carosanti, Inc., a California corporation with its principal place of business located in Los Angeles, Calif., engaged in the business of offering for sale and selling perfumes and colognes designated "White Ginger" and "Pikaki," entered into an agreement in connection with the dissemination of advertising for the products, to cease and desist from:

(a) Representing in any manner that its products are manufactured or compounded from flowers, scents, oils or other ingredients from the Pacific Islands or the Territory of Hawaii or that they originate in the

Pacific Islands or the Territory of Hawaii or are made or manufactured in the United States from ingredients imported from the Pacific Islands or from Hawaii, when such is not a fact.

(b) Using the words "Pacific," "Hawaii" or "Island" or any other word or words indicative of the Pacific Islands or Hawaii in any manner which connotes that products manufactured in the continental United States are made or compounded in the Pacific Islands or Hawaii.

(c) Using the words "Pacific," "Pikaki" or "White Ginger" or any other word or words as brand or trade names to in any way designate, describe or refer to products made or compounded in continental United States without clearly and conspicuously disclosing in direct connection therewith that such products are made or compounded in continental United States. (1-23659, Dec. 6, 1951.)

8211. **Detergent—Results.**—Wetalene Laboratories, Inc., an Ohio corporation with its principal place of business located in Columbus, Ohio, engaged in the business of offering for sale, selling and distributing, in commerce, a detergent and water softener designated "Wetalene," entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from:

(1) Representing that Wetalene will reduce the use of soap by half or any other amount not in accord with the facts;

(2) Representing that Wetalene will remove tarnish from silverware unless it is disclosed in conjunction therewith that the silverware when placed in a Wetalene solution must come in contact with aluminum;

(3) Representing that Wetalene will remove oil and grease from the surface of a concrete floor;

(4) Representing that Wetalene will make the upholstery on furniture look like new or will restore the original color or colors to soiled rugs. (1-23629, Dec. 6, 1951.)

8212. **Grain-Grinding Machines—Results.**—Letz Manufacturing Co., an Indiana corporation, with its principal place of business located in Crown Point, Ind., engaged in the business of offering for sale, selling and distributing, in commerce, machines for grinding grain and cutting and storing hay and other forage crops, designated "Letz Roughage Mills," entered into an agreement in connection with the offering for sale, sale and distribution thereof to cease and desist from representing directly or by implication that the feeding of roughage prepared in such mills:

1. It is a sure way to increase livestock profits;
2. Will invariably increase meat or milk production;
3. Will reduce food wastage or increase profits or production by any definite amount, unless in connection therewith the various factors

and conditions under which such results may reasonably be expected are clearly set forth. (1-22374, Dec. 11, 1951.)

8213. **Japanese Sewing Machine Heads—Foreign Origin.**—Benjamin Psachie, an individual trading as Star Sewing Machine and Vacuum Cleaner Stores, with his principal place of business located in Los Angeles, Calif., engaged in the business of offering for sale and selling, in commerce, sewing machine heads designated “Star” which are made in Japan and completed sewing machines designated “Star” into which the aforesaid heads have been incorporated, entered into an agreement in connection with the offering for sale, sale and distribution of said products to cease and desist from :

(a) Offering for sale, selling or distributing foreign made sewing machine heads, or sewing machines of which foreign made heads are a part, without clearly and conspicuously disclosing on the heads, in such a manner that it will not be hidden or obliterated, the country of origin thereof ;

(b) Representing directly or by implication, that the sewing machine heads or sewing machines are fully guaranteed or that they are otherwise guaranteed, unless the nature and extent of the guarantee and the manner in which he will perform thereunder are clearly and conspicuously disclosed. (1-24163, Dec. 20, 1951.)

8214. **Disinfectant—Effectiveness.**—Harry A. Cole, Sr., Harry A. Cole, Jr., William R. Cole and Julius Buchanan, copartners trading as Cole Chemical Co., with their place of business located in Jackson, Miss., engaged in offering for sale, and selling, in commerce, a product designated “Cole’s Pine Oil Disinfectant,” formerly known as “Cole’s Pine Oil,” entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing directly or by implication :

(a) That the said product keeps homes germ-free and from otherwise representing and implying that it kills all germs ;

(b) That said product is effective against most disease-producing bacteria ;

(c) That said product is nontoxic ;

(d) That said product in any concentration less than disinfectant strength will disinfect toilet bowls or any other articles ;

(e) That said product is more effective than carbolic acid as a germicide. (1-23736, Dec. 20, 1951.)

8215. **Face Cream—Unique and Cleansing Qualities and Relevant Facts.**—Lady Esther, Ltd., an Illinois corporation, with its principal place of business located in Chicago, Ill., engaged in the business of offering for sale and selling, in commerce, a cosmetic designated “Lady Esther 4 Purpose Face Cream,” entered into an agreement in connection with the dissemination of advertising relating to that product to cease and desist from representing directly or by implication :

- (1) That the product is different from any other face cream;
- (2) That the product is based on an entirely new or different principle;
- (3) Through the use of the representation that the product "does not require any destructive rubbing that may overstretch your skin and pores," or otherwise, that the application of face creams with rubbing or massage is destructive and may overstretch the skin and its pores;
- (4) That the product removes dirt or debris that may have accumulated in any portion of the pores other than the external opening. (1-23992, Dec. 20, 1951.)

8216. Women's Coats—Wool Content.—Fashionwear, Inc., an Alabama corporation with its principal place of business located in Birmingham, Ala., and Sol Leland and Julius Stein, individually and as officers thereof, engaged in the offering for sale, sale and distribution, in commerce, of ladies' and girls' coats, entered into an agreement in connection with the offering for sale, sale, transportation, delivery for transportation or distribution, to cease and desist from misbranding such products by:

- (1) Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers therein;

- (2) Failing to securely affix to or place on such products a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner:

- (a) The percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding 5 percent of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentages by weight of such fiber is 5 percent or more and (5) the aggregate of all other fibers;

- (b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter;

- (c) The name of the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, transportation, distribution or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939;

- (3) Failing to separately set forth on the required stamps, tags, labels or other means of identification the character and amount of the constituent fibers present in the linings and interlinings contained in coats or other wool products, as provided in Rule 24 of the Rules and Regulations promulgated under the Act. (1-23880, Jan. 3, 1952.)

8217. **Crib Mattresses—Waterproof and Healthful Qualities.**—Rose-Derry Co., a Massachusetts corporation, with its principal place of business located at Newton, Mass., and Edward Rose, individually and as an officer thereof, engaged in the business of offering for sale and selling in commerce, crib mattresses under the trade name “Kantwet,” entered into an agreement in connection with the offering for sale, sale and distribution of that product, to cease and desist from representing in any manner:

(1) That any of the products are waterproof unless and until such time as the complete outer covering thereof shall be impervious to water or moisture throughout the life of the product, provided however that this shall not be construed as an agreement not to use the trade name “KANTWET”;

(2) That the products materially affect the posture, correct or assist in correcting defects of posture or improve the posture of the users thereof;

(3) That the products will build or help to build good posture;

(4) That the products will prevent improper posture from developing. (1-20876, Jan. 8, 1952.)

8218. **Glass-, China-, and Earthen-Ware—Content, History.**—Arcadia Export-Import Corp., a New York corporation, with its principal place of business located in New York, N. Y., engaged in the business of importing and reselling at wholesale in commerce, glassware, china and earthenware, entered into an agreement in connection with the offering for sale of lead crystal glassware, to cease and desist from disseminating or participating directly or indirectly in the dissemination of any advertisements or other promotional matter:

(1) Representing that such product contains 40 percent lead or “up to 40 percent lead” or any other percentage greater than it in fact contains;

(2) Referring to such product as heirlooms when in fact it is new merchandise. (1-23734, Jan. 8, 1952.)

8219. **Shoes—Healthful and Corrective Qualities.**—Lititz Shoe Co., Inc., a Pennsylvania corporation with its principal place of business located in Lititz, Pa., and Jacob Deutsch, an individual trading as L. A. Wholesale Shoe Co., with his principal place of business located in Los Angeles, Calif., engaged in offering for sale and selling in commerce, shoes designated “Dr. J. S. Hampshire Health Shoes,” entered into an agreement in connection with the offering for sale, sale and distribution of the aforesaid shoes, that they, and each of them, will cease and desist from representing:

That this product is a “health shoe,” or that it will keep the feet healthy or will correct or prevent any defects or abnormalities of the feet. (1-19491, Jan. 8, 1952.)

8220. Insurance Policies—Terms and Conditions, State Licensing.—American Family Life Insurance Co., a Texas corporation, with its principal place of business in San Antonio, Tex., engaged in the sale, in commerce, by mail, of life, accident and other types of insurance policies, entered into an agreement in connection with the offering for sale, sale and delivery of its insurance policies to cease and desist from representing directly or by implication:

(1) By use of the words “licensed by the Insurance Department” or in any other manner that it is licensed by Insurance Departments of various States of the United States; provided, however, that this shall not be construed as an agreement not to represent that the American Family Life Insurance Co. is licensed by the Insurance Department of the State of Texas or by the Insurance Department or Departments of any other State or States in which it may be licensed;

(2) That no preliminary medical examination is required for the issuance of its Family Group Life and Accident Insurance Policies without clearly and adequately disclosing that a prerequisite to the payment of claims arising from the issuance of such policies is that the health of all the insured is good at the time of the issuance thereof;

(3) That under certain conditions covered in the policy it is possible to pay up to \$1,500 for natural deaths and up to \$3,000 for accidental deaths for a family of 10 people without clearly and adequately disclosing that the payment of any maximum benefits is contingent upon the fact that all 10 of such persons insured must either die natural deaths or suffer accidental deaths while such policies are in effect.

American Family Life Insurance Co., further agreed that this stipulation of facts and agreement to cease and desist is subject to the provisions of Public Law 15, 79th Congress, chapter 20, first session, as amended by Public Law 238, 80th Congress, chapter 326, first session. (1-23984, Jan. 8, 1952.)

8221. Cane Sugar—Comparative Merits.—Imperial Sugar Co., Inc., a Texas corporation, with its principal place of business in Sugar Land, Tex., engaged in the business of offering for sale and selling, in commerce, cane sugar, entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from disseminating any advertisement in regard thereto which represents directly or by implication:

That Imperial sugar is superior to other brands of sugar because of its freshness. (1-23991, Jan. 11, 1952.)

8222. Stone Wall Facing—Nature, Durability, Relevant Facts, and Guarantee.—Lewis Albert Knight and Lee Pritzker, copartners doing business under the trade name FormStone Co., with their principal place of business located in Baltimore, Md., engaged in the business of offering for sale and selling, in commerce, an artificial stone wall facing designated “FormStone,” entered into an agreement in con-

nection with the offering for sale, sale and distribution of FormStone, or any other product of substantially the same composition, to cease and desist from representing, directly or by implication:

(1) By use of the words "stone," "real stone," "natural stone," "rock" or other words of similar import, that FormStone is stone or rock in its natural state;

(2) That FormStone lasts or is weatherproof forever, or for any period of time not in accord with the facts;

(3) That FormStone was selected or chosen for use on any exhibit house, model home or other structure when a factor in such selection was the furnishing of the product without charge or the payment of a sum of money, and such fact is not disclosed;

(4) That FormStone is "guaranteed," "fully guaranteed," "guaranteed for life" unless the nature and extent of the guarantee and the manner in which the guarantor will perform thereunder are clearly and conspicuously disclosed. (1-24131, Jan. 11, 1952.)

8223. **Uniforms—Guarantees and Refunds.**—Abraham J. Wedupsky, an individual trading as Superior Fabrics Co., engaged in offering for sale and selling, in commerce, ready-to-wear garments, generally described as uniforms, entered into an agreement in connection with the offering for sale, and selling thereof, to cease and desist from:

(1) Representing that uniforms or other garments are guaranteed unless the guarantee is unlimited, or if limited, unless the terms and conditions of the guarantee are fully disclosed;

(2) Representing that the purchase price will be refunded to dissatisfied customers, unless a refund is made of the full purchase price rather than a part thereof. (1-22860, Jan 11, 1952.)

8224. **Laundry Starch—Protective Qualities.**—The Hubinger Co., an Iowa corporation, with its principal place of business in Keokuk, Iowa, engaged in the business of offering for sale and selling in commerce, a laundry starch designated "Quick Elastic Starch," entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing directly or by implication:

That use of the said product will prevent the scorching of fabrics when they are being ironed. (1-23667, Jan. 15, 1952.)

8225. **Correspondence Course in Radio Communication—Opportunities, Unique and Size.**—Cleveland Institute of Radio Electronics, an Ohio corporation, with its principal place of business in Cleveland, Ohio, engaged in the offering for sale and selling in commerce, a correspondence course known as "Nilson's Master Course in Radio Communications," entered into an agreement in connection with the offering for sale and sale of its correspondence course to cease and desist from representing directly or by implication:

(a) That those persons who complete said course are assured of obtaining a Federal Communications Commission commercial radiotelephone operator license;

(b) That persons who hold such a license are assured of obtaining employment in the radio communications industry or related fields, or are invariably given preference over nonlicense holders when applying for employment in such fields;

(c) That its course in radio communication is the only planned course of training designed primarily to assist persons in obtaining a commercial radiotelephone operator license;

(d) That all of its instructors are professional engineers or from in any other manner misrepresenting the qualifications of its teaching staff;
and from—

(e) Representing pictorially or otherwise that it occupies and utilizes the entire building in which it is housed. (1-23302, Jan. 17, 1952.)

8226. **Rodenticide—Effectiveness.**—American Cyanamid Co., a Maine corporation, with its principal place of business in New York, N. Y., engaged in the business of offering for sale and selling in commerce, a rodenticide and insecticide designated “Cyanogas,” entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from disseminating an advertisement in regard thereto which represents directly or by implication:

(a) That use of the product as an insecticide and rodenticide is 100% effective;

(b) That the product will kill all rats or mice in burrows or other harborage or rid premises of them or that it assures a complete kill;

(c) That the product affords complete control of pine mice or of other rodents or insects. (1-22347, Jan. 22, 1952.)

8227. **Boat Making Kits—Deliveries, Stocks, and Prices.**—Arthur E. Doane, an individual trading as Doane Marine Works, with his principal place of business located at Shippan Point, Stamford, Conn., engaged in the business of offering for sale and selling in commerce, materials for boats, and kits, entered into an agreement in connection with the offering for sale, sale and distribution thereof to cease and desist from representing directly or by implication:

(1) That deliveries of precut materials and of other equipment for the assembly and construction of small pleasure boats can be made immediately or at any time or within any period of time which is not in accordance with the facts;

(2) That large stocks of materials, including plywood, are on hand to fill orders promptly, when such is not the fact;

(3) That prices quoted are for complete kits of material when, in fact, additional charges are made for items of material which should constitute a part of the complete kit. (1-22225, Jan. 24, 1952.)

8228. **Dental Plate Relining—Results.**—Lino-Dent, Inc., a New York corporation, with its principal place of business in New York, N. Y., engaged in the business of offering for sale and selling in commerce, a plastic material for relining dental plates designated "Lino-Dent," entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement for a dental reliner now designated "Lino-Dent," or any other product of substantially the same composition or possessing substantially the same properties whether sold under that name or any other name which represents directly or by implication:

That application of this preparation will accomplish permanent results in the refitting or tightening of dental plates, or assure permanent comfort. (1-22285, Jan. 24, 1952.)

8229. **Livestock Bacterins—Preventive Qualities.**—Beebe Laboratories, Inc., a Minnesota corporation, with its office and plant located in St. Paul, Minn., engaged in the business of offering for sale and selling in commerce, various mixed bacterins for use on livestock and poultry, entered into an agreement to cease and desist from disseminating or causing to be disseminated any advertisement for various bacterins or any other preparations of substantially the same composition or possessing substantially the same properties, whether sold under the names mentioned herein or any other names, which represents directly or by implication:

(1) That Coli-Enteritidis Bacterin is an effective preventive for dysentery or scours in calves;

(2) That Hemorrhagic Septicemia Bacterin is an effective preventive for pneumonia in farm animals unless limited to pneumonia produced by the organisms contained therein;

(3) That Mixed Bacterin (Avian) Chicken Formula is an effective preventive for colds and roup in chickens;

(4) That Mixed Bacterin (Avian) Turkey Formula is an effective preventive for sinusitis of turkeys;

(5) That Mixed Bacterin (Bovine) Formula No. 1 is an effective preventive for pinkeye in cattle;

(6) That Mixed Bacterin (Equine) Formula No. 1 is an effective preventive for strangles in horses;

(7) That Mixed Bacterin (Equine) Formula No. 2 is an effective preventive for navel ill or joint ill in foals;

(8) That Mixed Bacterin (Porcine) Formula No. 2 is an effective preventive for gastro-intestinal infections (infectious enteritis or scours) of swine. (1-17831, Jan. 29, 1952.)

8230. **Rodenticide—Safety and Effectiveness.**—Willis E. Simpson, an individual trading as One Spot Co., Jessup, Md., engaged in the business of offering for sale and selling in commerce, a rodenticide known as “One Spot Rat and Mouse Killer,” entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing directly or by implication in his advertising:

- (1) That such product is safe or nonpoisonous;
- (2) That the product will kill rats and mice within 5 days without clearly revealing that it takes longer to kill them in some instances. (1-24198, Jan. 29, 1952.)

8231. **Vitamin Preparation—Therapeutic Qualities.**—Certa-Vin Medicine Co., an Ohio corporation, with its principal place of business located in Cincinnati, Ohio, engaged in offering for sale and selling in commerce, a product designated “Certa-Vin,” entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement, including any testimonial advertisement, of that product, or any other product of substantially the same composition or possessing substantially the same properties, whether sold under that name or any other name, which represents directly or by implication:

- (a) That the product has a beneficial effect on the blood or the red blood corpuscles except in cases of simple iron deficiency anemia;
- (b) That the product will (1) correct a condition of lassitude or (2) relieve a condition of lassitude or otherwise have a beneficial effect thereon except when such lassitude is due to a deficiency of iron and Vitamin B₁;
- (c) That the product will have a beneficial effect on indigestion except when due to a deficiency of Vitamin B₁;
- (d) That the product will have a beneficial effect on upset stomach except to relieve that condition when it is due to gas;
- (e) That the product will reenergize or rebuild the nerves except where a deficiency of Vitamin B₁ exists. (1-23486, Jan. 31, 1952.)

8232. **Electric Fence Controllers—Government Approval, Unique and Results.**—Electric Service Systems, Inc., a Minnesota corporation, with its principal place of business located in Minneapolis, Minn., engaged in the business of manufacturing, selling and offering for sale in commerce, electric fence controllers sold under the name HoL-DeM, entered into an agreement to cease and desist from disseminating and causing to be disseminated any advertisement for electric fence controllers, made by it or by others, whether sold under the name HoL-DeM Electric Fence Controllers or any other name, which represents directly or by implication;

- (1) That its Models Numbered 4119, 4117 or 414 or any other of its

models have been approved by any State of the United States when such is not the fact;

(2) That its Model No. 4117 has an automatic voltage regulator or any other feature not common to other electric fence controllers when such is not the fact;

(3) That its Model 45 will provide electric shocks which can be felt for a distance of 20 miles or for any other stated distance which is not in accordance with the facts. (1-22914, Jan. 15, 1952.)

8233. **Block Salt—Healthful and Protective Qualities.**—The Barton Salt Co., a Kansas corporation, with its principal place of business located in Hutchinson, Kans., engaged in the business of offering for sale and selling in commerce, a product designated "Barton's Cal-Phosphor Salt," which is generally sold in block form, entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement for that product or any other product of substantially the same composition or possessing substantially the same properties, which represents directly or by implication:

(a) That the product (1) is a complete mineral supplement, (2) supplies the mineral needs of livestock or (3) insures and protects livestock against all mineral deficiencies;

(b) That the product (1) prevents a calcium or phosphorus deficiency in livestock, or (2) is effective in the prevention or treatment of ailments caused by a deficiency of calcium or phosphorus;

(c) That the minerals contained in the product are supplied in proper balance or proportion;

(d) That use of the product assures healthy or well fed livestock. (1-22174, Feb. 5, 1952.)

8234. **Fountain Pens, Mechanical Pencils, etc.—Source or Origin and Prices.**—Sylvania Pen, Inc., a New York corporation, with its principal place of business in New York, N. Y., and George Grodin, Jack Grodin, and Fred Grodin, officers thereof, engaged in the business of assembling and offering for sale, selling and distributing in commerce, fountain pens, ball point pens and mechanical pencils, entered into an agreement in connection with the offering for sale, sale and distribution of fountain pens, ballpoint pens and mechanical pencils, separately or in sets, that they will cease and desist from:

(1) Stamping or otherwise representing as made in "USA" pencils having mechanisms made in Japan or any country other than the United States, and from failing to disclose by clear and conspicuous marking or labeling the country of origin of such parts;

(2) Affixing to or supplying with fountain pens, ballpoint pens and mechanical pencils, in sets or otherwise, tags or labels bearing prices in excess of the prices at which such products are customarily sold to the consuming public in the usual course of business. (1-24121, Feb. 5, 1952.)

8235. Vitamin Preparation—Therapeutic and Protective Qualities.—E. R. Ferguson, Jr., and John R. Pepper, copartners trading as The Berjon Co., with their principal office and place of business located in Memphis, Tenn., engaged in the business of offering for sale and selling a product designated "Peptikon," entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement, including any testimonial advertisement, for that preparation, or any other preparation of substantially the same composition or possessing substantially the same properties which represents directly or by implication:

(a) That the product has any beneficial effect in cases of weak body tissues, tissue weakness, loss of strength, loss of vitality, low vitality, loss or lack of energy, loss or lack of pep, nervousness, tiredness, weakness, weariness, laziness, achiness, a rundown condition, a wornout condition, depression, inability to eat or sleep, headaches, aches or pains, indigestion, bloating, gas on the stomach, burning stomach, stomach trouble, stomach disorders or stomach diseases, or pain after eating, except when clearly and conspicuously limited to such beneficial effect as it may afford when those conditions are due to a deficiency of iron, Vitamin B₁ or Vitamin B₂;

(b) That the product is effective in cases of poor digestion or that it contains a digestive agent;

(c) That the product has any beneficial effect in preventing or relieving colds or respiratory infections or other infections or the conditions resulting therefrom or that it has any influence on the production of or activity of antibodies;

(d) That the product has any beneficial effect on weak blood, or in building up or pepping up the blood except when fully and clearly limited to such beneficial effect as it may have in those respects where a condition of uncomplicated iron deficiency anemia exists;

(e) That the product has any direct or specific effect on body organs or tissues;

(f) That the product contains any active ingredient other than Vitamin B₁, Vitamin B₂, iron or strychnine;

(g) That the product has any therapeutic value other than (1) such stimulation to the appetite as may result from the strychnine contained therein, or (2) such benefit as may result from the iron, Vitamin B₁, and B₂ contained therein and then only when fully and clearly limited to conditions due to a deficiency of those elements;

(h) That the product has any value as a nutritional supplement except to supply Vitamin B₁, Vitamin B₂ and iron;

(i) That no other product is as effective or acts as quickly as Peptikon.

(j) That the product, or any supplementary source of the elements

which it supplies, is necessary to health or vitality and from exaggerating the frequency of occurrence of any deficiency of Vitamin B₁, Vitamin B₂, or iron or any disease, symptom or condition resulting therefrom.

(k) That the strychnine content of the product is of any value except as a bitter appetizer. (1-23926, Feb. 5, 1952.)

8236. Adhesive Strips and Hooks—Approval, Guarantees, etc.—Girder Process, Inc., and Household Aids, Inc., New Jersey corporations, with places of business located in Rochelle Park, N. J., and Leon Giellerup, Joseph W. Shaw, and Thomas F. Hennessey, individually and common officers thereof, engaged in the business of offering for sale and selling products in commerce, consisting of rubber or metal strips, or of metal hooks, coated on one or more sides of the same with a film of adhesive material, designated as “Girder Process Pre-set Adhesive Mountings,” “Wallmount,” “Plasmount,” “Felmount,” and “Deformount” for industrial uses and as “Ton Hook” or “Ton Self-Attaching Hook” for household use, entered into an agreement in connection with the offering for sale, sale and distribution of said products to cease and desist from representing directly or by implication:

(1) That the said products have been accepted, approved or endorsed by Government agencies, leading laboratories, Underwriters' Laboratories, the Signal Corps, the Western Electric Company, the Western Union Telegraph Company or by any other agency or organization, PROVIDED, however, that nothing herein contained is intended to prohibit the use of advertising claims, when such is the fact, that certain of such Government agencies, laboratories or large concerns, duly identified, have ordered, and in some cases reordered the products herein involved;

(2) That the said products can be installed in one minute or in any other definitely stated period of time, which is not in accordance with the facts;

(3) That the said products are “guaranteed” without disclosing the terms and conditions of the guarantee. (1-23558, Feb. 12, 1952.)

8237. Hair Conditioner—Effectiveness and Healthful qualities.—Elmer O. Anderson and Herbert O. Patterson, copartners doing business under the name The Shontex Co., with their principal office in Santa Monica, Calif., engaged in the business of offering for sale and selling in commerce, a product designated “Shontex Conditioning Formula” and “Shontex Conditioner,” entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement for that product or any other product of substantially the same composition or possessing substantially the same properties, whether sold under those names or any other names, which represents directly or by implication:

(a) That the product has any effect in increasing the duration of a hair wave;

(b) That the product corrects, prevents or overcomes broken hair ends, split hair ends, falling hair or dandruff or that it has any beneficial effect thereon except to such extent as it may relieve hair dryness and hair brittleness and aid in dissolving dandruff scales;

(c) That the product has any effect in bringing natural oil into the hair. (1-22375, Feb. 27, 1952.)

8238. Floor Covering—Comparative Merits and Disparagement of Competitive Products.—Bonafide Mills, Inc., a Maine corporation, with its principal office and place of business in New York, N. Y., engaged in offering for sale and selling in commerce, floor coverings among them being that designated “Bonny Maid Versa-Tile,” entered into an agreement that in connection with the offering for sale, sale and distribution of that product, it will cease and desist from:

(a) Representing that the product possesses (1) an advantage or the advantages of a competing product or group of competing products unless such is a fact or (2) none of the disadvantages of competing products;

(b) Representing that no other product is as flexible;

(c) Representing unqualifiedly that the product is resistant to alkalis or that it is unharmed by alkalis; provided, however, that this shall not be construed as an agreement not to represent that the product may be resistant to dilute alkali solutions normally used;

(d) Representing that the product is a nonskid product;

(e) In any manner unfairly and unwarrantedly disparaging competing products. (1-23195, Feb. 29, 1952.)

8239. Angora Rabbits—Profits, Opportunities, etc.—Donald W. Kise, an individual trading as Kise, Kise's Enterprises, Minnesota Angora Federation and Fleece King Colonies, with his principal place of business located in St. Paul, Minn., engaged in offering for sale and selling in commerce, Angora rabbits, entered into an agreement in connection with the offering for sale, sale and distribution of Angora rabbits to cease and desist from representing directly or by implication:

(1) That Angora raisers make \$250 to \$1,000 per month, or any other amount in excess of that which in fact may be made;

(2) That in Angora raising opportunities are unlimited, with income assured, financial independence and security ahead;

(3) That Angora raising is a permanent business and that practically no failures occur;

(4) That one Angora rabbit grows an average of 1 pound of rabbit hair annually, or from exaggerating the average amount of hair one rabbit will produce;

(5) That 90 percent, or any other specified percentage of Angora rabbit hair is top grade unless such is the fact;

(6) That rabbit hair is worth \$11 or any other definitely stated amount per pound when such is not the fact;

(7) That under a "Sales Agreement," option to buy back plan, or in any other manner, he pays \$6 or \$40 or any stated price in excess of that actually paid for the rabbit young of does purchased from him;

(8) That one rabbit may be fed for one year for \$1.75 or for any other definitely stated amount which is not in accordance with the facts;

(9) By use of the term "Minnesota Angora Federation," or in any other manner, that the business is other than an individual proprietorship conducted for profit. (1-23396, Feb. 29, 1952.)

8240. Enamel Paint—Durable and Waterproof Qualities, Nature, etc.—American Varnish Co., an Illinois corporation, with its principal place of business located in Chicago, Ill., engaged in offering for sale and selling in commerce, an enamel paint designated "Plastic Porcelain," entered into an agreement in connection with the offering for sale, sale and distribution of that product, to cease and desist from representing directly or by implication:

(1) That the product is impervious to acid, alcohols or alkalis, unless limited to those acids, alcohols and alkalis found in the ordinary household;

(2) By the use of the terms "gasproof" and "fumeproof" or by any other means, that the product is offered for commercial or industrial usage;

(3) By the use of the words "forever" and "everlasting" or by any other means, that the luster or color is permanent;

(4) That the product is weatherproof or waterproof;

(5) By the use of the word "absolutely," or by any other means, that the product is absolutely non-yellowing;

(6) That the product is the fastest selling of its type;

(7) By the use of the word "porcelain" in the brand name "Plastic Porcelain," or by any other means, that the product is other than a white enamel. (1-23368, Feb. 14, 1952.)

8241. Plumbers' Products—Effectiveness, Nature, Safety, etc.—Hercules Chemical Co., Inc., is a New York corporation, with its principal place of business in New York, N. Y., engaged in offering for sale and selling in commerce, products designated "Hercules Fuel Oil Sludge Solvent," "Hercules Soot Destroyer" "Hercules Boiler Solder," and "Hercules Plastic Lead."

Samuel A. Wander, is an individual doing business as The Economy Plumber Co., with his principal place of business located in New York,

N. Y., engaged in offering for sale and selling in commerce, products designated "Economy Fuel Oil Sludge Solvent," "Economy Soot Destroyer," and "Economy Plumber Boiler Solder."

Hercules Chemical Co., Inc., entered into an agreement in connection with the offering for sale, sale and distribution of their products or any other products of substantially the same compositions or possessing substantially the same properties to cease and desist from representing directly or by implication:

Hercules Fuel Oil Sludge Solvent

- (1) By the use of the designation "sludge solvent" in the brand name, or by any other means, that the product removes sludge or waste from fuel oil tanks;
- (2) That the product prevents or removes the formation of carbon deposits on burner tips or keeps strainers or nozzles clean;
- (3) That the product prevents rusting or pitting of fuel oil tanks;

Hercules Soot Destroyer

- (4) That the product can be used without danger to the heating system or user or that it is harmless to heating systems;

Hercules Boiler Solder

- (5) That the product is a metallic compound;
- (6) That the product is a "solder" unless it is clearly disclosed that it contains less than 5 percent of any metallic substance;
- (7) That the product makes a permanent repair;

Hercules Plastic Lead

- (8) By the use of the word "lead" in the brand name, or by any other means, that the product contains lead;
 - (9) That the product is of value as a caulking compound for pipe;
- Samuel A. Wander entered into an agreement in connection with the offering for sale, sale and distribution of his products or any other products of substantially the same compositions or possessing substantially the same properties, he will cease and desist from representing directly or by implication with respect thereto:

Economy Fuel Oil Sludge Solvent

- (10) By the use of the designation "sludge solvent" in the brand name, or by any other means, that the product removes sludge or waste from fuel oil tanks;
- (11) That the product prevents or removes the formation of carbon deposits on burner tips;

Economy Soot Destroyer

(12) That the product can be used without danger to the heating system or user or that it is harmless to heating systems;

Economy Plumber Boiler Solder

(13) That the product is a metallic compound;

(14) That the product is a "solder" unless it is clearly disclosed that it contains less than 5 percent of any metallic substance;

(15) That the product makes a permanent repair. (1-23409, Feb. 14, 1952.)

8242. **Crib Mattresses—Waterproof and Healthful Qualities.**—Scharco Manufacturing Corp., Inc., a New York corporation, with its principal office and place of business in New York, N. Y., engaged in the business of offering for sale and selling in commerce, crib mattresses designated "Gro-Rite," entered into an agreement in connection with the offering for sale, sale and distribution of the crib mattresses to cease and desist from representing directly or by implication:

(a) That the mattresses are waterproof unless and until such time as the complete outer covering thereof shall be impervious to water or moisture for the life of the mattresses;

(b) That the mattresses help a baby to grow (1) straight, (2) strong or (3) right;

(c) That the mattresses (1) prevent the development of bad posture, (2) provide posture building support, (3) are posture building, (4) encourage good posture or have a material effect on posture;

(d) That the mattresses assure restful sleep. (1-20519, Feb. 14, 1952.)

8243. **Cosmetic Preparations—Cleansing and Beautifying Qualities.**—Gene Salee, Inc., a California corporation, with its office and principal place of business located in Hollywood, Calif., engaged in the business of offering for sale and selling in commerce, cosmetic preparations designated "Liv" and "Scrub," entered into an agreement to cease and desist from disseminating or causing to be disseminated any advertisement for those preparations or any other preparations of substantially the same compositions or possessing substantially the same properties, which represents directly or by implication:

(1) That "Liv" is nonallergic;

(2) That "Liv" and "Scrub," either alone or in combination with each other—

(a) are effective in correcting conditions described as pitted skin, pimples, blemishes, teenage complexion or clogged pores;

(b) will fade or bleach scars and pits;

(c) will serve as a complexion aid or will defeat or overcome excess oiliness. (1-24167, Mar. 4, 1952.)

8244. **Arc Welders—Specifications and Approval.**—Walter C. Allmand and Leslie E. Allmand, copartners doing business under the name Allmand Brothers Manufacturing Co., with their place of business in Holdrege, Nebr., engaged in the offering for sale, sale and distribution in commerce, of electrical equipment including arc welders for farm use on rural powerlines, entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing, directly or by implication, that:

(1) Such welders meet the recommended specifications of the Rural Electrification Administration or the National Electrical Manufacturers Association when such is not a fact;

(2) Such welders meet the requirements of Underwriters' Laboratories when they are not listed by Underwriters' Laboratories. (1-23931, Mar. 4, 1952.)

8245. **Shoes—Orthopedic Qualities, etc.**—The Miller Shoe Co., an Ohio corporation, with its principal office and place of business located in Cincinnati, Ohio, and Albert E. Klinkicht, individually and as a corporate officer, engaged in the offering for sale and selling in commerce, shoes, among them being those designated "Miller Foot Defender Shoes," entered into an agreement in connection with the offering for sale, sale and distribution of the shoes, they will cease and desist from representing in any manner:

(a) That the shoes are health shoes or orthopedic shoes or that they are made over health or orthopedic lasts or that they will keep the feet healthy or prevent, correct, or cure any disorder, deformity, or abnormality of the feet;

(b) That the shoes (1) restore normal foot function, (2) overcome foot agony, or (3) insure comfort to the wearer;

(c) That the shoes (1) provide balanced foot motion, (2) exercise foot muscles, (3) accelerate articulation of the bones of the foot;

(d) That salesmen are trained by persons recognized as qualified in orthopedics or that the salesmen are qualified in orthopedics;

(e) That by the use of the shoes the feet will never pain or hurt. (1-23587, Mar. 6, 1952.)

8246. **Wool Wastes—Misbranding Under Wood Products Act.**—William Barnet & Son, Inc., is a new New York corporation, with its office and principal place of business located in Rensselaer, N. Y. Henry B. Barnet, Jr., and William Barnet II are officers of the corporation and as such manage and control its affairs and policies. The corporation buys rags, clips, and various other wastes composed of wool, rayon, cotton, nylon, and silk, garnets and blends them into stock and sells the resulting products to mills throughout the country. The said corporation and individuals are engaged in the offering for sale, sale and distribution in commerce, of woolen stocks.

Said woollen stocks were wool products, as the term "wool product" is defined in the Wool Products Labeling Act of 1939, being composed in whole or in part of wool, reprocesses wool, or reused wool, as those terms are defined in the said Wool Products Labeling Act of 1939, and were subject to the provisions of said Act and the rules and regulations promulgated thereunder.

In connection with and in the course of the sale, distribution, and transportation of the aforesaid woollen stocks in commerce, said corporation and individuals in the year 1951 attached or caused to be attached to a quantity of woollen stocks, which was composed of approximately 34 percent wool and 66 percent rayon, tags representing such wool products to be 50 percent wool and 50 percent rayon, in violation of the provisions of the Wool Products Labeling Act of 1939. The information on these tags was based on results obtained by the so-called caustic soda boil-out test, a testing method in general use throughout the industry. Because certain fibers other than wool are dissolved in whole or in part by caustic soda, the use of this test indicates a greater wool content than is actually present. When such a fact was brought to the attention of the respondents herein, steps were immediately taken by them to correct the faulty testing procedures in order to insure that their products are properly labeled as to wool content.

William Barnet & Son, Inc., and Henry B. Barnet, Jr., and William Barnet II, individually and as officers of said corporation, entered into an agreement that in connection with the offering for sale, sale, transportation, delivery for transportation or distribution in commerce as "commerce" is defined in the Wool Products Labeling Act of 1939 of wool stocks, or any other wool products within the meaning of said Act, they and each of them will cease and desist from misbranding such products by:

(1) Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers therein.

(2) Failing to securely affix or to place on such products a stamp, tag, or other means of identification showing in a clear and conspicuous manner:

(a) the percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding 5 percent of said total fiber weight of (1) wool; (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is 5 percent or more, and (5) the aggregate of all other fibers;

(b) the maximum percentage of the total weight of such wool product of any nonfibrous loading, filling or adulterating matter. (1-24188, Mar. 6, 1952.)

8247. **Television Sets—Maker.**—Milton Yancovitz and Julius Wolff, copartners trading as Multiple Television Mfg. Co., with their principal place of business in Brooklyn, N. Y., engaged in offering for sale and selling in commerce, television sets, entered into an agreement that they will cease and desist from representing:

By use of the word "Edison" in the brand name of television sets or other electronic equipment or by any other means that such television sets or electronic equipment are the product of Thomas A. Edison, Inc. (1-24170, Mar. 11, 1952.)

8248.¹ **Medicinal Preparation for Chickens—Therapeutic Qualities.**—Geo. H. Lee Co., a Nebraska corporation, with its principal place of business located in Omaha, Nebr., engaged in the business of offering for sale and selling a drug designated "Acidox," entered into an agreement to cease and desist from disseminating or causing to be disseminated any advertisement for that preparation which represents directly or by implication:

- (1) That the product is a cure or effective treatment for coccidiosis;
- (2) That the product is effective in the prevention or aids in the control of coccidiosis unless limited to cecal coccidiosis.

It is also stipulated and agreed that this stipulation is supplemental to Stipulation 03105 executed by Geo. H. Lee Co. and approved and accepted by the Federal Trade Commission on April 22, 1943, which stipulation remains in full force and effect. (1-17550, Mar. 13, 1952.)

8249. **Plastic Wallets—Durability and Guarantee.**—Salient, Inc., a Massachusetts corporation, with its principal place of business located in East Longmeadow, Mass., engaged in the business of offering for sale and selling in commerce, plastic wallets, entered into an agreement in connection with the offering for sale, sale and distribution of that product to cease and desist from representing directly or by implication:

- (1) That such wallets will not wear out or that they will not wear out during the lifetime of the purchaser;
- (2) That such wallets are "guaranteed" unless the guarantee is unconditional or unless the term and conditions of the guarantee are clearly set forth in direct connection with the word "guaranteed" or "guarantee," wherever used. (1-24243, Mar. 13, 1952.)

8250. **Books—Contests.**—Greystone Corp., a New York corporation, trading as Fiction Book Club, with its principal office and place of business located in New York, N. Y., and Milo J. Sutliff and John Stevenson, individually and as corporate officers thereof, engaged in the business of offering for sale and selling books in commerce, entered into an agreement that in connection with the offering for sale, sale and distribution of books they will not:

¹ Supplemental. See 36 F. T. C. 1091.

(a) Represent in any manner that it is not necessary for a person to purchase books or to secure purchasers of books in order to be eligible to participate in contests, when in fact, such eligibility is dependent on the purchase of books or the securing of purchasers thereof;

(b) Fail to disclose that a person must purchase books or secure purchasers of books in order to be eligible to participate in contests, when in fact, such eligibility is dependent on the purchase of books or the securing of purchasers thereof. (1-21757, Mar. 13, 1952.)

8251. **Portable Electric Lamp—Durability.**—Economy Electric Lantern Co., Inc., is an Illinois corporation with its principal office in Sturgeon Bay, Wis., also trading as The Handilite Co., engaged in the business of offering for sale and selling in commerce, a portable dry-cell-battery-powered lamp designated, "Handilite," recommended especially for use by motorists and truckers who must stop for roadside repairs. Such lamp utilizes a white light which may be directed at the work or truck. It also, simultaneously, can flash a red blinker light from its dome top, which may be seen from all directions.

Economy Electric Lantern Co., Inc., entered into an agreement in connection with the offering for sale, sale and distribution of that product, to cease and desist from representing directly or by implication that such portable electric lantern will furnish continuous service for any length of time not in accordance with the facts. (1-24219, Mar. 18, 1952.)

8252. **Correspondence Courses in Theology.**—American Bible College, an Illinois corporation, with its principal office and place of business in Chicago, Ill., engaged in the offering for sale and selling in commerce, correspondence courses in theology, entered into an agreement in connection with the offering for sale, sale and distribution of its courses, it will cease and desist from:

(a) Representing through use of the word "college" in its corporate name, or in any other manner, that its business is that of a college or other institution of higher learning;

(b) Representing in any manner—

(1) That its courses are recognized courses;

(2) That the degrees awarded by it have any standing in recognized colleges, universities, seminaries or other institutions of higher learning;

(3) That credits earned through pursuance of its courses are accepted by such institutions.

(c) Representing in any manner that the degrees attributed to those engaged in the active conduct of the corporate affairs were earned in recognized or accredited institutions;

(d) Representing in any manner that it is accredited or approved

by any agency which is not a standard recognized accrediting agency without clearly disclosing the true status of such agency;

(e) Representing in any manner that its courses represent the extension work of a college, university, seminary or other institution of higher learning, or that it follows the university extension movement in the conduct of its affairs;

(f) Representing in any manner that any of its courses are on a college level or similar to those of well-known or approved Bible schools;

(g) Representing in any manner that purchasers of its courses are required to submit work equal to or above that of resident schools. (1-23860, Mar. 18, 1952.)

8253. **Stationery and Nylon Socks—Manufacture and Qualities.**—Stern Brothers, a New York corporation, with its principal place of business located in New York, N. Y., engaged in the business of offering for sale and selling in commerce, stationery and nylon socks, entered into an agreement in connection with the offering for sale, sale and distribution of engraved stationery and nylon socks, to cease and desist from:

(1) Using the words “hand-engraved,” “hand-cut,” or other words of similar import or meaning, as descriptive of monogrammed stationery and dies when such dies have not been processed entirely by hand;

(2) Representing that nylon socks are mildew-proof. (1-23347, Mar. 25, 1952.)

8254. **Garlic Medicinal Preparation—Therapeutic Qualities.**—Cambridge Co., an Illinois corporation, with its principal place of business located in Chicago, Ill., and Joseph M. Finn and Jeanne H. Finn, officers thereof, engaged in offering for sale and selling in commerce, a medicinal preparation designated “Cambridge Garlic Tablets,” entered into an agreement to cease and desist from disseminating or causing to be disseminated, any advertisement for that preparation or any other preparation of substantially the same composition or possessing substantially the same properties, which represents directly or by implication:

That said preparation possesses any therapeutic value in the treatment of high blood pressure or the symptoms thereof. (1-22032, Mar. 25, 1952.)

8255. **Nylon Sweaters—Comparative Merits.**—U. S. Knitwear Co., Inc., a Maryland corporation, with its principal place of business located in Baltimore, Md., engaged in the business of offering for sale and selling in commerce, nylon sweaters, entered into an agreement in connection with the offering for sale, sale and distribution of that product, it will cease and desist from representing that nylon sweaters are as warm as wool “by actual test” unless such is based