

Complaint

IN THE MATTER OF
TIFFANY LABORATORIESCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2001. Complaint, Jan. 25, 1932—Order, Jan. 18, 1933*

Consent order requiring respondent corporation, its officers, etc., in connection with the sale, offer, or advertisement in interstate commerce, of its massage cream or so-called tissue builder, to cease and desist from—

- (a) Representing, advertising, or stating that (1) tissue can be built by application of said cream, (2) sunken cheeks, thin necks, etc., can be abolished or any part of the body be developed, by use of said cream, without exercise, (3) it contains tissue building oils and will remove wrinkles; (4) said qualities are established by certain formulae and tests, and (5) it is compounded in a laboratory owned or controlled by the corporation, which (6) has or had a person named Jean H. Tiffany connected therewith; and from—
- (b) Using as a part of its corporate name, or as a trade name, the word "Laboratories", in connection with sale of said cream as aforesaid, unless and until it actually "maintains and operates an establishment where scientific investigations are conducted."

Mr. Edward L. Smith for the Commission.

COMPLAINT

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

PARAGRAPH 1. Respondent, Tiffany Laboratories, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Ohio, with its principal office and place of business located in the city of Cleveland in said State of Ohio. Respondent is now and has been for more than four years last past engaged in the business of selling cosmetics, among which cosmetics is a massage cream designated and named by respondent as "Tiffany Tissue Builder." Respondent's sales are and have been since its organization direct to the purchasing public as the result of mail orders obtained by respondent from the purchasing public. Respondent has caused and still causes said massage cream, when so

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sold by it, to be transported from its place of business in the city of Cleveland, State of Ohio, to purchasers thereof located in the State of Ohio and in other States of the United States. In the course and conduct of its said business respondent is in competition with other corporations and with individuals and partnerships engaged in the sale of massage creams and other cosmetics between and among various States of the United States.

PAR. 2. Respondent, in soliciting the sale of and in selling between and among the various States of the United States its product named "Tiffany Tissue Builder", has caused and still causes advertisements of such product and its method of selling the same to be inserted in various magazines, newspapers and periodicals having general circulation between and among the various States of the United States, including among others the following:

"Smart Set", issue of September, 1929, and has further published and circulated, or caused to be published and circulated, in aid of the sale thereof, letters, circulars, booklets and other literature regarding its said product, and its method of selling the same. Respondent procures orders by mail and otherwise through the means above set forth and fills said orders by causing its said product, so ordered, to be shipped from its place of business to the purchasers thereof in the State of Ohio and in various other States of the United States.

Respondent, in the aforesaid advertisements and other printed matter, causes and has caused to be set forth the following statements:

You, too can abolish forever sunken cheeks, thin necks, hollow shoulders flat busts.

No dieting or tiresome exercise is necessary.

Simply apply Tiffany Tissue Builder externally to develop more flesh where you want it.

Results guaranteed or your money promptly refunded if you are not delighted after four weeks' use.

Tiffany Laboratories, Inc.

I am sure you will find it very excellent for filling out a thin face or neck, removing wrinkles and as a general builder of skin tissues.

Tiffany Tissue Builder is a compounded preparation of the most valuable tissue building oils known to science.

Three hundred and sixteen different formulae were made and tested among women. The results of this particular formula were amazing.

Sunken cheeks quickly rounded out with healthy beauty.

And it proved equally effective for beautifying too thin necks, filled out hollow temples, removing wrinkles and crow's feet and developing the bust.

It is made in our laboratories.

Tiffany Tissue Builder positively will round out sunken cheeks, will make thin and emaciated necks lovely and graceful, will fill out hollow temples.

It will remove crow's feet and develop busts to proper and pleasing maturity.
It will do all this for you and more.

It will make you look and feel healthy, vigorous, and exuberant.

Ours is a guaranteed Tissue Builder.

Abolish ugly hollows.

Jean H. Tiffany, president.

PAR. 3. In truth and in fact the statements made by the respondent in its advertising, as set forth in paragraph 2 hereof, are wholly incorrect in certain respects and greatly exaggerated and misleading in others in that:

(a) Tissue cannot be built by the mere application of said massage cream;

(b) Sunken cheeks, thin necks, hollow shoulders and flat busts cannot be abolished by the use of said massage cream;

(c) Any part of the body cannot be developed by the use of said massage cream without exercise;

(d) Said massage cream does not contain any tissue building oils;

(e) The mere application of said massage cream will not remove wrinkles;

(f) No formulae have been made or treated for the respondent as a result of which respondent's said massage cream was found to have the powers so claimed for it by the respondent;

(g) Said massage cream is not compounded by respondent, nor is it compounded in a laboratory owned or controlled by respondent;

(h) Respondent does not own or operate a laboratory;

(i) No person by the name of Jean H. Tiffany is or has ever been connected with respondent's business, the name Jean H. Tiffany as used by the respondent in the manner described in paragraph 2 hereof being that of a fictitious person.

PAR. 4. There are among the competitors of respondent, described in paragraph 1 hereof, manufacturers of massage creams; there are among such competitors manufacturing corporations whose corporate names indicate that they manufacture the products which they sell; there are also among such competitors, persons, firms, and corporations who do not make such representations as those made by the respondent, as set out in paragraph 2 hereof.

PAR. 5. The aforesaid representations of the respondent and the use by the respondent of its said corporate name, all as hereinbefore set forth, have the capacity and tendency to mislead the purchasing public and to induce the purchasing public to purchase said Tiffany Tissue Builder in the following beliefs, viz, (a) that respondent

manufactures said Tiffany Tissue Builder; (b) that in purchasing said Tiffany Tissue Builder from respondent, the purchasing public saves the profits usual to wholesalers and retailers of massage creams and other cosmetics; (c) that said Tiffany Tissue Builder has the properties set out in paragraph 2 hereof; (d) and further that said name Jean H. Tiffany is that of the president of respondent. The aforesaid representations have and have had the capacity and tendency to divert trade to respondent from competitors and by such representations substantial competition throughout the various States of the United States and the District of Columbia is injured by respondent to a substantial extent.

PAR. 6. The above alleged acts and practices of respondent are all to the prejudice of the public and respondent's competitors, and constitute unfair methods of competition in interstate commerce within the intent and meaning of section 5 of an act of Congress entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

The respondent herein having filed its answer to the complaint in this proceeding and having subsequently filed with this Commission its motion that it be permitted to withdraw its said answer, that it be permitted to waive hearing on the charges set forth in the said complaint and not to contest the said proceeding; and the respondent having consented that this Commission might make, enter and serve upon said respondent, as provided in paragraph 2 of Rule III of the Commission's Rules of Practice, an order to cease and desist from the methods of competition described in said complaint; and the Commission being fully advised in the premises,

It is hereby ordered, That the aforesaid motion be and the same is hereby granted; and it is hereby further ordered that the respondent, Tiffany Laboratories, a corporation, its officers, agents, employees, and representatives in the sale, offering for sale, or advertising for sale in interstate commerce of its massage cream called by it Tiffany Tissue Builder forthwith cease and desist from representing, advertising, or stating that:

(a) Tissue can be built by the application of said massage cream;

(b) Sunken cheeks, thin necks, hollow shoulders and flat busts can be abolished by the use of said massage cream;

(c) Any part of the body can be developed by the use of said massage cream, without exercise;

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- (d) Said massage cream contains tissue building oils;
- (e) The application of said massage cream will remove wrinkles;
- (f) Formulae have been made or tested for the respondent as a result of which, said massage cream was found to contain tissue-building oils and as a further result of which, said massage cream was found to have the power of building tissue, abolishing sunken cheeks, thin necks, hollow shoulders and flat busts, of developing any part of the body and of removing wrinkles;
- (g) Said massage cream is compounded by respondent or compounded in a laboratory owned or controlled by respondent;
- (h) Respondent owns or operates a laboratory;
- (i) A person by the name of Jean H. Tiffany is or ever has been connected with respondent's business.

And it is hereby further ordered, That the respondent Tiffany Laboratories, its officers, agents, employees, and representatives in the sale, offering for sale, or advertising for sale in interstate commerce of its said cream called by it Tiffany Tissue Builder forthwith cease and desist from using as a part of its corporate name or as a trade name the word "Laboratories" unless and until it actually maintains and operates an establishment where scientific investigations are conducted.

It is hereby further ordered, That the respondent shall, within 60 days after the service upon it of this order, file with this Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

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IN THE MATTER OF
GEORGE H. LEE COMPANY

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

Docket 2081. Complaint, Dec. 7, 1932—Order, Jan. 20, 1933

Consent order requiring respondent, its agents, etc., in connection with sale in interstate commerce of its so-called "Germozone" and "Gizzard Capsules", to cease and desist representing that use of former product alone constitutes a proper and sufficient treatment or remedial or preventive measure for certain specific ailments specified, and use of latter alone will serve to rid fowls of certain worms.

Mr. PGad B. Morehouse for the Commission.

COMPLAINT

Acting in the public interest, pursuant to the provisions of an act of Congress approved September 26, 1914, entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission charges that George H. Lee Co., a corporation, has been and is now using unfair methods of competition in interstate commerce, in violation of section 5 of said act, and states its charges in that respect as follows:

PARAGRAPH 1. The respondent, George H. Lee Co., is a corporation organized and existing under the laws of the State of Nebraska, having its principal place of business at 12th and Harney Streets in the city of Omaha, State of Nebraska, and for more than two years last past has been engaged in the compounding, sale, and distribution of certain alleged remedies for diseases and worms in poultry, particularly two products known and sold under the names "Germozone" and "Gizzard Capsules", causing said products when sold to be shipped from its place of business at Omaha, Nebr., into and through various other States of the United States to retail hardware, drug stores (both wholesale and retail), hatcheries, poultry supply, or other dealers for resale to the ultimate purchasers, and, in some cases, sample sales are made direct to the ultimate purchaser by respondent.

The "Germozone" is an aqueous solution of potassium permanganate, potassium chlorate, aluminum sulphate, potassium chloride and salt, all of alleged antiseptic, germicidal, and astringent-soothing properties. It is administered by mixing with the drinking water of baby chicks and adult fowls, or by direct application to the indi-