

Complaint

IN THE MATTER OF
CALIFORNIA ALFALFA PRODUCTS COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2067. Complaint, Oct. 15, 1932—Order, June 12, 1934*

Consent order requiring respondent corporation, its agents, etc., in connection with the advertising, offering for sale and sale, in interstate commerce, or in the District of Columbia, of Alvita A. M. Tablets, Alvita Tablets, Alvita Tea, and Alvita Extract, to cease and desist from representing in any manner, including by or through the use of testimonials or endorsements, that Alvita A. M. Tablets, Alvita Tablets, Alvita Tea, and Alvita Extract, used separately or collectively—

- (a) Have therapeutic value or effect in the treatment of disease, sickness or ailments of the human body; or that
- (b) The use of said products is approved by leading or other physicians or health authorities, will assure pep, vim, vigor, or vitality, will neutralize or eliminate excess acid from the system, will produce milk or act as a general tonic in maternity cases, will purify the blood, build tissue, neutralize acids and ferments, will clear muddy complexions, banish eruptions or act as a general or other tonic, will rejuvenate the system, or restore a rundown condition, or aid digestion, or assist any organ of the human body to function properly.

Mr. E. J. Hornibrook and Mr. Everett F. Haycraft 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 California Alfalfa Products Co., a corporation, hereinafter referred to as respondent, has been and is now 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. The respondent, California Alfalfa Products Co., is a corporation organized and existing under and by virtue of the laws of the State of California with its principal place of business in the city of Pasadena in said State. It is engaged in the manufacture and sale of food products under the trade name of "Alvita", in which products alfalfa is the principal ingredient. These products are called by respondent Alvita A. M. Tablets, Alvita Tablets, Alvita Tea, and Alvita Extract. These products are sold in the

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different States of the United States to health food stores, which stores in turn sell them to the consuming public. When orders for such products are received by respondent such orders are filled by packing said products in the city of Pasadena, State of California, and shipping the same to the said health food stores into and through States other than the State of California to the respective places of business of said health food stores. It is the claim of respondent that these products have healthful and therapeutic value and effect.

PAR. 2. In the course and conduct of said business, respondent is in competition with individuals, copartnerships, and corporations likewise engaged in the transportation and sale between and among various States of the United States of foods, drugs, preparations, and mechanical devices, used for the same purposes as respondent's said products.

PAR. 3. In aid of the sale of said products respondent supplies said health food stores, for distribution among their said customers, cartons, folders, booklets, pamphlets, testimonials, and other printed material, in which the purported virtues of said products are set forth. Said cartons, folders, booklets, pamphlets, testimonials, and other printed matter are distributed among the said customers and prospective customers of said health food stores. Said cartons, folders, booklets, pamphlets, testimonials, and other printed matter contain the following, among other, false and misleading statements and representations:

(1) The use of these said products is approved by leading physicians and Health Food authorities;

(2) These said products, when used as directed, have therapeutic value and effect in the treatment of many diseases and ailments of the human body;

(3) The use of Alvita products will assure the user thereof of pep, vim, vigor, and vitality;

(4) Alvita Tea is a proven remedy which assists in neutralizing and eliminating the excess acid from your system;

(5) An eminent dietician has proven that Alvita Tea is practically infallible as a milk producer and general tonic in maternity cases;

(6) Vitamin B obtained from alfalfa is successful in diabetes;

(7) Alvita Tea being especially heavy in potassium, iron, sodium, and magnesium. This makes it a great blood purifier, tissue builder, and neutralizer of acids and ferments;

(8) It is especially beneficial to those suffering from acidosis, irritating urine, bladder and prostate gland trouble;

(9) For clearing muddy complexions, banishing unsightly eruptions, and acting as a general tonic, it is unsurpassed;

(10) Alvita tablets are a treatment for rejuvenating your whole system if you are in a run-down condition caused from kidney or bladder trouble, inability of the stomach to assimilate food * * * or loss of weight;

(11) Alvita products help nature to cure disallments in her own way, by providing the essential minerals for the building of new tissue;

(12) Alvita products supply the minerals in a vegetable and easily digested form;

(13) The mineral and vitamin contents of Alvita products are recognized by physicians, dieticians, and other eminent health authorities;

(14) Thousands tell of bladder weakness, lack of pep and general run-down condition yielding quickly to Alvita Tea and Alvita tablets;

(15) It (Alvita Tea) aids digestion, eliminates the wastes, beautifies the complexion, and assists all the organs of the body to function properly.

(16) Arrangements of statements purporting to have been made by doctors of medicine, chemists, and the laity, in such manner and in such juxta-position as to appear to be the endorsements of respondent's said products, when in fact they are not.

PAR. 4. The aforesaid use by respondent of the statements and representations described in the preceding paragraphs hereof, has and has had the tendency and capacity to deceive the purchasing public into the belief that such statements and representations are true and to induce purchasers to buy said products in such belief, and to unfairly divert trade from said competitors to the respondent and otherwise injure them.

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

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the amended answer of the respondent in which it withdrew its answer herein filed on November 16, 1932, and substituted therefor an amended answer waiving all further proceeding and pursuant to paragraph 2 of Rule III of the Commission's Rules of Practice having consented that the Federal Trade Commission may make, enter, and serve upon respondent an order to cease and desist from the method or methods of competition in said complaint alleged:

It is now ordered, That the respondent, California Alfalfa Products Co., a corporation, its agents, employees, and representatives, in connection with the advertising, offering for sale, and sale, in interstate commerce, or in the District of Columbia, of Alvita A. M. Tablets, Alvita Tablets, Alvita Tea, and Alvita Extract, cease and desist from representing in any manner, including by or through the

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use of testimonials or endorsements, that Alvita A. M. Tablets, Alvita Tablets, Alvita Tea, and Alvita Extract, used separately or collectively—

(a) Have therapeutic value or effect in the treatment of disease, sickness or ailments of the human body;

(b) Or that the use of said products is approved by leading or other physicians or health authorities and will assure pep, vim, vigor or vitality, will neutralize or eliminate excess acid from the system, will produce milk or act as a general tonic in maternity cases, will purify the blood, build tissue, neutralize acids and ferments, will clear muddy complexions, banish eruptions or act as a general or other tonic, will rejuvenate the system, or restore a rundown condition, or aid digestion, or assist any organ of the human body to function properly.

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

Syllabus

IN THE MATTER OF
WARD J. MILLER, TRADING AS AMBER-ITA

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

Docket 2103. Complaint, May 4, 1933—Decision, June 12, 1934

Where an individual engaged in the manufacture of a medicine for the cure and treatment of diabetes, and in the sale thereof through druggists, and direct to the consumer, whom he (1) contacted through advertisements in newspapers and periodicals of general circulation, (2) dealt with on the basis of inadequate and inconclusive requests and questions, without requiring blood sugar tests, and (3) supplied with suggestions for treatment and diet which were (a) ineffective and potentially detrimental and dangerous, and (b) made no provision for any variation in the dosage prescribed on the bottle (the sole directions thereon contained, or therewith provided, when sold through druggists), or (c) for medical attention or supervision, or (d) administrations, as required, of insulin, which the scientific world and medical profession had theretofore found and recognized as the most potent and effective agency and treatment for reducing the sugar content of the blood, and through which, as needed, and/or systematic and frequent examination of the patient and regulation of his diet and mode of life, it had theretofore succeeded in controlling said incurable, insidious, dangerous and wide spread disease, and assuring the person afflicted a life of normal activity and duration—

Represented in said newspaper and periodical advertising and through other printed matter and testimonials, that its said medicine constituted an efficacious, complete and proper remedy for said disease, through such statements as "A new preparation that a great many people claim has brought them wonderful results", "Many people who have taken it tell us that the symptoms of the disease disappear, that they are feeling fine, and are eating nourishing food * * * food which diabetics have not been able to eat", etc., "I give Amber-Ita full credit for bringing back my health", "I continued to take Amber-Ita until I had taken eight bottles, at which time I was feeling entirely normal and was eating a normal diet. * * * none of symptoms of diabetes have reappeared", "After taking a total of eight bottles I feel perfectly normal, I have gained several pounds in weight and do all my own housework", "All symptoms of the disease have left me and I feel normal", etc., and included and set forth a report of certain purported tests allegedly made on four diabetics, together with the statement, "The official report of the biologists should be very convincing to you, much time and money have been spent in gathering this material so you may see for yourself what Amber-Ita is capable of doing";

The facts being that members of the laity were incapable of understanding said tests, which were unscientific, unreliable, and misleading, and did not show or tend to show that medicine in question was a cure or proper treatment for diabetes, said medicine did not reduce the sugar content of the blood, or effect sugar metabolism, and did not and could not by reason of the ingredients therein contained constitute an adequate remedy or treatment or tonic for diabetics, and had no therapeutic value of any kind in the