

Complaint

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IN THE MATTER OF

NORWOOD PHARMACEUTICAL COMPANY, INC.

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

Docket 2154. Complaint, Jan. 16, 1934—Order, July 24, 1934.

Consent order requiring respondent, its agents, etc., to cease and desist from representing in advertisements or otherwise, in offering and selling its "Dr. Tripp's Tonic Prescription" in interstate commerce and the District of Columbia, that said preparation is—

- (a) A general health restorative, or cure, remedy or competent and adequate treatment for chronic diseases and ailments, or impure blood, skin troubles, constipation, neuralgia, rheumatism, and various other ailments as specified in said order;
- (b) The prescription of Dr. Tripp and Dr. John Tripp; and from making other claims or representations of substantially the same or similar import.

Mr. Robt. N. McMillen for the Commission.

Mr. George P. Latchford, Jr., of Chicago, Ill., for respondent.

COMPLAINT

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

PARAGRAPH 1. That said respondent, Norwood Pharmaceutical Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New Jersey and has its office and principal place of business in the city of Chicago, State of Illinois.

PAR. 2. That said respondent is now and has been engaged for more than three years last past in the business of compounding a medicinal preparation known and described as "Dr. Tripp's Tonic Prescription" and in the sale and distribution thereof in interstate commerce. That respondent in the course and conduct of its said business causes its said product to be transported in interstate commerce from its said place of business in Illinois to, into, and through States of the United States other than Illinois to persons, firms, and

corporations to whom or to which it is or has been sold. That respondent usually sells its said product to jobbers and to wholesale and retail druggists for ultimate resale to members of the public.

PAR. 3. That during the time above mentioned other individuals, firms, and corporations in various States of the United States are and have been engaged in the sale and distribution in interstate commerce of medicinal preparations of similar kind and also of those designed, intended and used for the treatment of the various diseases and bodily ailments for which respondent's said preparation has been advertised as a treatment as hereinafter set out, and such other individuals, firms, and corporations have caused and do now cause their said preparations, when sold by them, to be transported from various States of the United States to, into, and through States other than the State of the origin of the shipment thereof. Said respondent has been, during the aforesaid time, in competition in interstate commerce in the sale of its said preparation with such other individuals, firms, and corporations. Said competing products are sold in most instances to wholesale and retail druggists for ultimate resale to members of the public.

PAR. 4. Respondent, in advertising its said preparation, "Dr. Tripp's Tonic Prescription" has made use of advertisements inserted in magazines circulated to the purchasing public in various States of the United States in which it is represented or implied that said preparation is a general health restorative; that it is a cure or remedy for or is a competent and adequate treatment for chronic diseases and ailments; that it is a cure, remedy or competent and adequate treatment for impure blood; that it is a cure, remedy or competent and adequate treatment for skin troubles, constipation, neuralgia, rheumatism, nervous debility, kidney disorders, bladder disorders, liver disorders, weakened and run down condition, sallow complexion, dizziness, biliousness, and general sluggishness. Respondent further has represented in such advertisements and has represented and now represents on its labels and other literature that said preparation as now formulated and sold is the prescription of Dr. Tripp or Dr. John Tripp.

Examples of statements in magazine advertising used by respondent containing representations as above stated are the following:

MAKE HEALTH A HABIT

Thousands have learned a simple easy way to accomplish this much desired result. When their system gets sluggish, rundown, or some distressing symptom, bodily ache or pain appears they merely go to their nearest

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drug store and get a bottle of Dr. Tripp's famous Tonic Prescription.

Dr. Tripp's Tonic Prescription is unexcelled in chronic disturbances due to blood impurities to which 9 out of 10 ailments are directly or indirectly traceable. If you suffer from skin troubles, constipation, neuralgia, rheumatism in its various forms, nervous debility, kidney, bladder, or liver disorders, weakened, run down conditions, sallow complexion, dizziness, biliousness, general sluggishness, etc., learn at once what this splendid prescription can do for you.

Dr. John Tripp, former U. S. Army surgeon, developed this amazingly effective vegetable, mineral and alterative compound during his army service and used it with remarkable success for many years in relieving various chronic ailments.

On its packages in which said preparation is displayed and sold to the consuming public and elsewhere where said preparation is described or named by respondent the following designation is used:

Dr. Tripp's Tonic Prescription

PAR. 5. That in truth and in fact respondent's said medicine is not a general health restorative and is not a cure, remedy, or treatment for all the various causes and bodily conditions which produce ill health; that it is not a cure, remedy or treatment for chronic diseases or ailments; that it is not a cure, remedy or competent and adequate treatment for blood diseases or impurities in the blood, skin troubles, constipation, neuralgia, rheumatism, nervous debility, kidney disorders, bladder disorders, liver disorders, weakened or run-down condition, sallow complexion, dizziness, biliousness, or general sluggishness. That all of the above statements, representations, and implications are either wholly beyond the therapeutic effects of said medicine or are greatly exaggerated or grossly inaccurate. That said preparation has some value as a tonic, stomachic, alterative, and mild laxative. That it may be useful in the treatment of simple neuralgia, flatulence, occasional constipation and accompanying biliousness, and as an aid in reducing fever. Any statement of the therapeutic effects beyond such values are unwarranted or greatly exaggerated.

PAR. 6. That the representations of respondent, as aforesaid, have had and do have the tendency and capacity to confuse, mislead, and deceive members of the public into the belief that respondent's said medicine is a cure, remedy or competent and adequate treatment for the various diseases and bodily ailments as above set forth when in truth and in fact such are not the facts or only to a limited extent.

That said representations of respondent have had and do have the tendency and capacity to induce members of the public to buy and use said medicine because of the erroneous beliefs engendered as above set forth and to divert trade to respondent from competitors engaged in the sale in interstate commerce of medicine of the same or similar kind and of those adapted and used for the treatment of the various diseases and bodily ailments for which respondent represents its said medicine as a cure, remedy, or treatment as above set out.

PAR. 7. The above acts and things done by respondent are all to the injury and prejudice of the public and the competitors of respondent in interstate commerce within the intent and meaning of Section 5 of an Act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914.

ORDER TO CEASE AND DESIST

Now on this day comes on for consideration the above matter.

And it appearing to the Commission that the respondent has asked leave to withdraw its answer herein and has proffered a substitute answer in which it states that it refrains from contesting the proceeding and consents that the Commission may make, enter, and serve upon it an order to cease and desist from the violation of law alleged in the complaint.

And the Commission having considered respondent's application to withdraw its former answer and having considered the substitute answer, and that such consent answer under the published Rules of Practice and Procedure of the Commission is an admission of all the allegations of the complaint; and the Commission being fully advised in the premises—

It is hereby ordered, That the respondent be and hereby is permitted to withdraw its original answer and that the substitute answer be accepted, filed, and considered as respondent's answer in this matter.

And it is further ordered, That respondent, Norwood Pharmaceutical Company, Inc., its agents, employees, and representatives, forthwith cease and desist from representing, directly or indirectly, in advertisements or otherwise, in offering for sale and selling its product—Dr. Tripp's Tonic Prescription—in interstate commerce and in the District of Columbia:

- (1) That said preparation is a general health restorative;
- (2) That it is a cure or remedy or is a competent and adequate treatment for chronic diseases and ailments;

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(3) That it is a cure, remedy or competent and adequate treatment for impure blood;

(4) That it is a cure, remedy, or competent and adequate treatment for skin troubles, constipation, neuralgia, rheumatism, nervous debility, kidney disorders, bladder disorders, liver disorders, weakened and run down condition, sallow complexion, dizziness, biliousness, or general sluggishness;

(5) That said preparation is the prescription of Dr. Tripp or Dr. John Tripp;

(6) Any other claims or representations of substantially the same or similar import.

And it is further ordered, That the said respondent, Norwood Pharmaceutical Company, Inc., shall within 60 days from the date of the service upon it of this order, file with this Commission a report in writing, setting forth the manner in which it has complied with this order.

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IN THE MATTER OF

EUGENE MUNK

COMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2198. Complaint, June 16, 1934—Order, July 24, 1934*

Consent order requiring respondent individual, his agents, etc., in connection with the sale, offer or distribution in interstate commerce and the District of Columbia of his massage cream variously labeled, designated, and described by him as "Reta-Rea Cream", "Joan Hall Cream", and "Lanola Cream" and otherwise (or in connection with the sale or offer of any similar preparation for external application), to cease and desist from representing that such preparation has fat or weight reducing qualities, or any other function for reducing other than serving as a lubricant to facilitate massage.

Mr. Harry D. Michael for the Commission.

COMPLAINT

Pursuant to the provisions of an Act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", the Federal Trade Commission, having reason to believe that Eugene Munk has been and is using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. That said respondent, Eugene Munk, is now and has been for more than two years last past engaged in the business of compounding various toilet, cosmetic, and other preparations, and of selling the same in interstate commerce to members of the purchasing public located in various States of the United States, with his office and principal place of business in the City of New York in the State of New York. Respondent sells the preparation hereinafter described by direct sale by mail to members of the purchasing public located in various States of the United States, and respondent causes his said preparation to be transported in interstate commerce from his said place of business in New York to, into and through States of the United States other than New York, to the buyers thereof to whom it is or has been sold. That said preparation sold by respondent as aforesaid is a massage cream which he has at various times labeled, designated, and described as "Reta-Rea Cream",