

Syllabus

IN THE MATTER OF

BENJAMIN D. RITHOLZ TRADING AS CHICAGO DENTISTS
AND CHICAGO DENTAL HOUSE, INC.COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2140. Complaint, Dec. 21, 1933—Decision, Nov. 20, 1934*

Where an individual engaged in the manufacture and sale, by mail of dental plates, made by him from impressions taken by customers of their own mouths, in competition with dental laboratories, which make such products for dentists, from impressions taken by the dentist from the patient, and subject to adjustment, fitting, and return, where necessary; in advertising his said product in newspapers and magazines and advertisements in circulars and pamphlets—

- (a) Grossly misrepresented and exaggerated the value of said plates through such statements as "Amazing offer! Dental plates on 30-day trial Free! Was \$50 now \$7.50—100 percent satisfaction or no cost—Why pay \$50 to \$75 for plates?" and other statements of similar tenor, facts being he had never received said higher prices, the average cost of teeth used in his plates was from \$1 to \$1.60 a set, and said plates were regularly offered at the prices falsely stated as new or reduced;
- (b) Represented that each patient could take his own impression and that he could make therefrom teeth that satisfied and fitted perfectly, through such statements as "Our experiments proved that we could eliminate the personal contact between dentists and patient and make teeth that satisfy by the very simple process of having each patient take his or her own impression just exactly like any expert dentist does in his own office", through "adopting exactly the same scientific methods used by dentists everywhere", and that all his plates were "made of fine quality, selected materials, in a modern, completely equipped dental laboratory", with great care at every step, by expert dental technicians supervised by dental surgeons and falsely set forth the name of a certain dentist as "Chief of staff of Chicago dentists", and as purported signer of certain trade checks given by it, facts being it is impossible to manufacture satisfactory plates from self-taken impressions made by a person with whom a dentist has had no personal contact, and he was unable without the services of a dentist to adopt and use the scientific methods used by a dentist, the plates were poorly made and not adapted to the purposes for which sold or the use of the particular customer, did not fit, and were liable to cause difficulties of one sort or another, including such irritations as sometimes lead to cancer, his laboratory was not supervised by dental surgeons, and there were no dentists connected with that part of his business;
- (c) Represented that his methods were scientific and had the approval of dentists through such statements as "our scientific methods approved by dentists" and through purported testimonials in which the supposed dentist signers were made to give their unqualified approval to his system of fitting dental plates as thoroughly scientific and practicable and one capable of producing artificial teeth for patients which would give them full

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power of mastication and restore the natural facial contour and that might be worn with ease and comfort, and as endorsing and praising his guarantee and methods, facts being said dentists had never signed, made, or authorized any such false statements, and their signatures had either been procured by a ruse or for a different purpose;

- (d) Attached to the trade name employed by him, the abbreviation "Inc.", and represented that he guaranteed his plates were of fine quality and made in a modern, complete dental laboratory, under personal supervision of regular, licensed dentists, and that his plates would give full power of mastication and restore the natural facial expression, and that they could be worn with ease and comfort, and money would be refunded in full to those who did not wish to keep them for any reason, facts being the business was not incorporated, and he declined to respect the terms of his guarantee and refund the money paid, notwithstanding failure of said inferior, poorly made plates to give service or satisfaction, until outside influences were brought to bear;

With tendency and capacity to mislead and deceive purchasers into the belief that such representations were true, value of said plates was far in excess of the facts, they would give full power of mastication, restore the natural facial expression, and enable the purchaser to wear same with ease and comfort, making thereof was supervised by regular licensed doctors of dental surgery and they were scientifically made and of good material, it was practicable to make satisfactory and well-fitting and serviceable dental plates from impressions taken by the laity, his methods were endorsed by the profession, he would cheerfully refund the money for products found unsatisfactory, and the business was incorporated, and into influencing them to purchase said plates in such mistaken beliefs, and divert trade from competitors to himself:

Held, That such practices, under the circumstances set forth, were to the prejudice of the public and competitors, and constituted unfair methods of competition.

Mr. E. J. Hornibrook for the Commission.

Mr. John A. Nash, of Chicago, Ill., for respondent.

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 Benjamin D. Ritholz, an individual trading as Chicago Dentists and/or as Chicago Dental House, Inc., 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. That respondent, Benjamin D. Ritholz, is an individual trading or operating as Chicago Dentists and/or as Chicago Dental House, Inc., with his principal office and place of busi-

ness located in the city of Chicago, State of Illinois, and that he is engaged in the business of selling and distributing, in interstate commerce, artificial teeth, dental plates, dentures, and other dental products, and that respondent, in the course and conduct of his said business causes said artificial teeth, dental plates, dentures, and other dental products sold by him to be transported in interstate commerce from his place of business in the State of Illinois to, into, and through States of the United States other than the State of Illinois to the persons to whom said products have been sold. In the course and conduct of such business respondent was at all times hereinafter mentioned, and still is, in competition with other individuals, firms, partnerships, and corporations likewise engaged in interstate commerce in the sale and distribution of similar dental products.

PAR. 2. That respondent, in the course and conduct of his business as described in paragraph 1 hereof, has offered for sale and sold dental plates and other dental products and in connection with the said offerings for sale and sales has made the following statements or representations in advertisements and in circulars or pamphlets distributed by him in interstate commerce:

Holdfast, regular value \$50, now reduced to \$7.50.

Perfection plate, regular value \$60, now reduced to \$3.50.

Boralite, regularly priced \$75, now only \$10.50.

Roofless Plate, regular value \$150, now only \$32.50.

Parfait-Naturelle, regular value \$150, reduced to only \$29.50.

Gold Dust Plate, regular value \$70, now reduced to \$9.50.

V-Implant, regular value \$90, now only \$14.50.

Hankolite, regular value \$125, reduced to only \$24.50.

When in truth and in fact the dental plates as above described had been manufactured by the respondent at the cost of, approximately, one dollar each only, and had never been sold by him at the alleged regular value or prices stated but were and had been regularly offered for sale at the prices falsely stated as being new or reduced prices.

PAR. 3. That the respondent, in connection with the offering for sale and sale of his dental products as aforesaid, has represented and represents that regularly licensed doctors of dental surgery personally supervised and supervise the filling of orders placed by mail-order customers and that the dental plates sold by him to mail-order customers had been and are built or constructed under the supervision of regularly licensed doctors of dental surgery, when in truth and in fact no licensed dentist or dental surgeon supervises or has supervised the construction of said dental plates or said mail-order business or has or had anything to do with same. Respondent

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also has distributed to those persons from whom he solicits business in interstate commerce form letters upon which the following letterhead appeared:

OFFICE OF D. L. M. MASS
Doctor of Dental Surgery
Chief of Staff

Said letters purporting to be signed by Dr. L. M. Mass, chief of staff, in which letters various representations with respect to respondent's products were made, when in fact said L. M. Mass did not sign said letters or authorize the use of his signature and when in truth and in fact said Mass had nothing whatsoever to do with the construction of the products referred to in said letters.

PAR. 4. That respondent in advertisements, pamphlets or circulars distributed by him in interstate commerce in connection with the offering for sale or sale of his aforesaid dental products has made and makes the following statements or representations:

Solving a great problem—In our research work we came to the indisputable conclusion that with a correct impression of the mouth to be fitted, it was possible for us to make perfect fitting teeth at a price saving that was truly phenomenal. Our experiments proved that we could eliminate the personal contact between dentist and patient and make *teeth that satisfy* by the very simple process of having each patient take his or her own impression just exactly like any expert dentist does in his own office. This we were able to do by adopting exactly the same scientific methods used by dentists everywhere.

Our system has been perfected to a point where it is so easy for the patient, so exact and so certain of results that we are glad to guarantee full 100 per cent satisfaction in each and every case or money cheerfully refunded upon return of the teeth. This guarantee can mean only one thing—that we know *that we can fit perfectly by mail*.

A few people write in saying they fear they cannot take an impression of their own mouth good enough to enable us to make a satisfactory and well fitting set of teeth. Don't let this worry you for one minute. It's about as simple as two times two equals four. A child could do it quite well.

Your future happiness, your health, perhaps your very life depend upon securing satisfactory teeth. Don't take chances with them. Take advantage of the splendid service we offer. * * *

When in truth and in fact it is rarely, if ever possible to manufacture dental plates from a self-taken impression, made by a person with whom the technician or manufacturer has had no personal contact, and when in truth and in fact respondent was not and is not able, in carrying on his business by mail and without personal contact with his customers, to adopt exactly the same scientific methods used by dentists who come in personal contact with their clients, and when in truth and in fact respondent did not and does not cheerfully or otherwise refund the money paid for his products in

each and every case when said products are returned as unsatisfactory.

PAR. 5. That respondent in letters, circulars or advertisements distributed by him in interstate commerce in connection with the offer for sale or sale of his aforesaid dental products makes the following representations:

All plates specially made by expert dental technicians to meet your exact needs.

Great care is used in every step from the time we receive your order until your plates are on their way to bring you comfort, joy and satisfaction. Every operation in plate making is carefully watched and there is constant checking with the original impression to see that every little ridge or depression is faithfully reproduced.

We unconditionally guarantee all our dental plates to be made of fine quality, selected materials in modern, completely equipped dental laboratory by expert dental technicians * * *.

When in truth and in fact the respondent has used in large numbers, in filling orders secured through said representations, defective and discarded teeth or other defective material and has used old door hinges in the construction of articulators; and when in truth and in fact the respondent supplies and has supplied certain of its mail-order customers with old misfits that had been refused by local customers, and uses and has used various and sundry other cheap and defective materials in the construction of his aforesaid dental products; and when in truth and in fact the dental plates sold by respondent to his mail-order customers were not made by expert dental technicians to meet the customers' exact needs, and great care was not used in the construction of said plates or in constant checking with the original impression to see that every little ridge or depression was faithfully reproduced, and when in truth and in fact said dental plates so sold by respondent to its mail-order customers were not of fine quality and selected materials made in a modern, completely equipped dental laboratory by expert dental technicians.

PAR. 6. That respondent in circulars, pamphlets, and in advertisements distributed by him in interstate commerce in connection with the offering for sale or sale of his aforesaid dental products has made and makes the following statements and representations:

OUR SCIENTIFIC METHOD APPROVED BY DENTISTS AND OUR
ENTHUSIASTIC CUSTOMERS

Underneath the above statement there appear what purport to be letters of endorsement from certain named dentists, all of Chicago, with addresses different from the address of respondent's place of business, and on the reverse side of a circular entitled "Our Guar-

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antee", also distributed by the respondent in interstate commerce, appears the following letter:

Dr. L. M. Mass
Dentist

CHICAGO DENTISTS, *Chicago, Ill.*

GENTLEMEN: Your system of fitting dental plates by mail is thoroughly scientific and practical. I am sure you are capable of producing artificial teeth for patients everywhere that will give them full power of mastication, restore the natural facial contour and that may be worn with ease and comfort.

You deserve great praise for the tremendous price savings you are offering the public and with your broad liberal guarantee, I can't see why anyone should ever want to pay the exorbitant prices demanded by many local dentists.

L. M. MASS, D. D. S.

When in truth and in fact the dentist, L. M. Mass, referred to above had never authorized the respondent to use his signature or any statement made by him and had informed the respondent that satisfactory teeth could not be made from self-taken impressions. And when in truth and in fact certain of the dentists named by respondent as having improved his scientific method had never endorsed or approved the method used by respondent.

PAR. 7. That the respondent in connection with the offer for sale and sale of his dental products as aforesaid has represented and represents that certain of his business is being carried on by Chicago Dental House, Inc., importing or implying that said business is being conducted by a corporation, when in truth and in fact Chicago Dental House, Inc., is not a corporation but is merely a trade name under which the respondent is operating and doing business as an individual.

PAR. 8. The above acts and practices and representations of the respondent in the course of advertising, offering for sale and selling and distributing his products in interstate commerce have the capacity and tendency to mislead and deceive and/or have misled and deceived the purchasing public in various States of the United States into the belief that the products of respondent were and are of a high grade quality and that they are and that they were being offered to the public at an especially low price, when such were not and are not the facts, and induce and have induced the purchase of respondent's products in reliance on such erroneous beliefs and have tended to divert trade and/or have diverted trade from and otherwise injured competitors of respondent.

PAR. 9. The above alleged acts and practices are all to the prejudice of the public and of respondent's competitors and constitute unfair methods of competition 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.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

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 on the 21st day of December, 1933, issued against and thereafter served its complaint upon respondent, Benjamin D. Ritholz, charging him with the use of unfair methods of competition in commerce in violation of the provisions of said act. Respondent having entered his appearance and filed his answer to said complaint, hearings were had before a trial examiner heretofore duly appointed, testimony was heard, and evidence taken in support of the charges stated in the complaint, and in opposition thereto. Thereafter, this proceeding came on for final hearing, and the Commission, having duly considered the record, and being now fully advised in the premises, makes this its report, stating its findings as to the facts, and its conclusions drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Benjamin D. Ritholz, is an individual who conducts a laboratory in the city of Chicago, State of Illinois, where dental plates and other dental products are manufactured by him. The respondent so manufactures and sells 150 dental plates a week. A very large proportion of the dental plates so manufactured by respondent are shipped by him through the mails to purchasers thereof, many of whom reside outside of the State of Illinois.

In the year 1932 respondent conceived the plan of having the laity take their own impressions for dental plates and, upon receipt of such impressions, making plates therefrom in his said laboratory, and selling and shipping the same by mail to the persons for whom such plates were made. He carried out this plan under the trade names of Chicago Dentists, and Chicago Dental House, Inc., until August 1933. Since then respondent and his copartner, Benjamin Migdall, have been conducting the said business in the same manner and at the same place, as aforesaid, under the firm name of International Dental House.

Respondent's said laboratory is located at 1445 West Jackson Boulevard, in the said city of Chicago. One floor of the building situated thereon is occupied by respondent. In the front part of the

floor space so occupied respondent has dentists employed by him who are engaged in regular dental work in the city of Chicago. These dentists take no part in the manufacturing of said plates. The laboratory of respondent is situated in the rear of the dental office. The work in said laboratory is conducted by technicians and helpers. No dentists supervise the work of making plates.

PAR. 2. There are many dental laboratories in the United States which make and sell dental plates in interstate commerce. All of these, so far as known, make such plates from impressions taken by dentists. The dentists taking such impressions send the same to these laboratories and, upon completion of the plates, the laboratory ships them back to the dentists ordering the same. Such dentists fit them to the patients' mouths. If they do not fit properly other impressions are taken and sent back to such laboratories. Other plates are then made and returned to such dentists. These laboratories ship their said plates to said dentists into and through States other than the States where their said laboratories are located. These said laboratories are found by the Commission to be in competition in interstate commerce with the respondent in the sale of dental plates.

Some of these laboratories are:

The American Dental Company, located in Chicago, which does a business of \$200,000 per year; \$30,000 of this business is transacted outside of the State of Illinois and is conducted with customers residing in about thirty States;

Twentieth Century Dental Laboratory of Chicago, which does a business of about \$40,000 per year; a part of which is done in States other than the State of Illinois;

Standard Dental Laboratory of Chicago, which does an annual business of \$130,000 and has customers in five States;

Ehrhardt & Company, which does a business of about \$100,000 per year, 25 percent of which is outside of the State of Illinois; and many other dental laboratories in the United States which make dental plates and sell and ship the same in interstate commerce.

PAR. 3. William H. Schroll, of the American Dental Company, testified that respondent is taking orders from members of the laity who would otherwise go to local dentists who, as a rule, do not make dental plates but have this firm make them. Martin D. Dinsson, owner of the Twentieth Century Dental Laboratory of Chicago, testified that respondent is a competitor of his in the sale of dental plates. Joseph J. Saslow, of the Standard Dental Laboratory of Chicago, testified that he has lost a lot of business on account of respondent.

Few dentists make their own plates, but a very large percentage of them are made by dental laboratories.

Dental laboratories engaged in the sale of dental plates in interstate commerce are deprived of sales of dental plates by the sales of dental plates made by the respondent, as stated in paragraph 1 hereof.

PAR. 4. Respondent, in the aid of the sale of said dental plates, represents in newspaper and magazine advertisements and in circulars and pamphlets distributed by him in interstate commerce, that such plates are of a value far in excess of the price asked; that regular, licensed doctors of dental surgery personally supervise the making of such plates; that each patient can take his own impression, and that respondent can make therefrom teeth that satisfy and fit perfectly; that all his plates are scientifically made and that his methods of making plates from impressions taken by the laity are endorsed by regular, licensed dentists; that in making such plates he uses only materials of fine quality; that he will give, and does give, a written guarantee with each set of plates providing that if plates are not satisfactory he will cheerfully refund the money to the purchasers thereof; and in such advertising holds out to the purchasers of such plates that they are dealing with a corporation, to wit, the Chicago Dental House, Inc.

Respondent makes contact with those desiring plates through advertisements in newspapers and magazines. Typical of such advertisements is the following, which appeared in the *Pathfinder*, a magazine of general circulation in the United States.

AMAZING OFFER!

DENTAL PLATES ON 30-DAY TRIAL FREE!

Was \$50 now \$7.50

100 Percent Satisfaction or No Cost

WHY PAY \$50 TO \$75 FOR PLATES?

This amazing offer is made to quickly introduce our new "Hold Fast" Dental Plates in your vicinity. To prove their amazing value we will send you a complete set or just an upper or lower plate as may be required on *30 Days Free Trial!* No continuous painful impression taking or expensive visits to the dentists, or need to spend large sums of money to have the benefits and pleasures of comfortable fitting dental plates. "Hold Fast" Plates will improve your appearance, give you comfort—they are light weight and look natural. All plates specially made by expert dental technicians to meet your exact needs. Positively guaranteed to fit you perfectly and give complete satisfaction or cost nothing. Why pay \$50 and up for plates elsewhere when you can get just as good from us for as low as \$7.50?

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TRY THEM 30 DAYS FREE—FREE TRIAL COUPON

Just try them. That's all we ask. It's our only argument. Prove at our risk how greatly these fine, perfect-fitting teeth will improve your appearance, how perfectly they will enable you to eat what you like and make you look years younger. They are odorless, tasteless, guaranteed nonbreakable, and lifelike in appearance. Take advantage of this *amazing bargain price* and our 30-day *free trial offer today*.

CHICAGO DENTISTS,

Dept. F111, 1445 W. Jackson Blvd., Chicago, Ill.

GENTLEMEN: I want to try your plates.

Name_____ Age_____
 St. and No._____
 R. F. D._____ Box_____
 Post office_____ State_____

CHICAGO DENTISTS

Dept. F111,

1445 W. Jackson Blvd., Chicago, Ill.

When respondent receives replies to such advertisements, he sends through the mails a piece of impression material with instructions to the prospective purchaser as to how to take his own impression for the purpose of making plates therefrom. When this impression is returned, together with an advance of \$2 on the price agreed upon for a set of teeth, the respondent causes the plates to be made and shipped to the purchasers thereof C. O. D. for the balance of the purchase price.

Respondent so advertises the value of his dental plates as follows:

- "Hold-Fast", regular value \$50.00; now reduced to \$7.50;
- "Perfection" plate, regular value \$60.00; now reduced to \$8.50;
- "Boralite" plate, regular price \$75.00; now only \$10.50;
- "Roofless" plate, regular value \$150.00; now only \$32.50;
- "Parfait-Naturelle", regular value \$150.00; reduced to only \$29.50;
- "Gold Dust" plate, regular value \$70.00; now reduced to \$9.50;
- "V-Implant", regular value \$90.00; now only \$14.50;
- "Hankolite", regular value \$125.00; now reduced to only \$24.50.

The respondent admits that he has never received the higher prices stated in his advertisement for plates alone. These prices, he maintains, are such as he has received from local customers who come to his said dental office in Chicago and who, in addition to the plates, receive the services of dentists.

The witness, William Schroll (referred to *supra*), testified with reference to the value of the plate called "Roofless" plate that the manufacturing price would be \$4 to \$6 and retail price would be \$15 to \$35, and that this would include the charge for services of a dentist. The witness, Joseph J. Saslow, connected with the Standard Dental Laboratory of Chicago, testified that his firm would sell the "Roofless" plate to dentists at \$6.35 each; that "Gold Dust"

plate and "Perfection" plate would be sold at \$7.10 each; that "Hankolite" plate would be sold at \$11.10; that "V-Implant" would be sold at \$5.35, and that dentists would charge a fee of \$20 for their services in taking the impressions and adjusting these plates. Witness, Alfred Schaupp, respondent's witness, testified that \$7 is the usual price charged by Chicago laboratories for plain rubber plates, and J. M. Ehrhardt, connected with Ehrhardt & Company, testified that his charge for plates such as the plates referred to above, would be \$6 to \$8 apiece. Dr. R. O. Schlosser testified that the teeth used in respondent's plates would cost a dentist from \$1 to \$1.60 a set.

J. M. Ehrhardt testified that all of the teeth made by respondent cost less than \$1 a set.

It is found that the average cost of teeth used in respondent's said plates is from \$1 to \$1.60 a set, and that the dental plates above described have never been sold by him at the alleged regular value prices states in the foregoing advertisement, but were and are regularly offered for sale by him at the prices falsely stated as being the new or reduced prices.

In and through the aforesaid media, respondent advertises that he can, and does, make serviceable, satisfactory and well-fitting plates from impressions taken by the person using the same. Typical of these advertisements are the following:

Solving a great problem.—In our research work we came to the indisputable conclusion that with a correct impression of the mouth to be fitted, it was possible for us to make perfect fitting teeth at a price saving that was truly phenomenal. Our experiments proved that we could eliminate the personal contact between dentist and patient and make *teeth that satisfy* by the very simple process of having each patient take his or her own impression just exactly like any expert dentist does in his own office. This we were able to do *by adopting exactly the same scientific methods used by dentists everywhere.*

Our system has been perfected to a point where it is so easy for the patient, so exact and so certain of results, that we are glad to guarantee full 100 percent satisfaction in each and every case or money cheerfully refunded upon return of the teeth. This guarantee can mean only one thing—that we know *that we can fit perfectly by mail.*

A few people write in saying they fear they cannot take an impression of their own mouth good enough to enable us to make a satisfactory and well fitting set of teeth. Don't let this worry you for one minute. It's about as simple as two times two equals four. A child could do it quite well.

Your future happiness, your health, perhaps your very life depend upon securing satisfactory teeth. Don't take chances with them. Take advantage of the splendid service we offer. * * *

All plates specially made by expert dental technicians to meet your exact needs.

Great care is used in every step from the time we receive your order until your plates are on their way to bring you comfort, joy and satisfaction. Every

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operation in plate making is carefully watched and there is constant checking with the original impression to see that every little ridge or depression is faithfully reproduced.

We unconditionally guarantee all our dental plates to be made of fine quality, selected materials in modern, completely equipped dental laboratory by expert dental technicians * * *.

Our scientific method approved by dentists and our enthusiastic customers.

It is rarely, if ever, possible to manufacture serviceable dental plates or plates that fit from a self-taken impression made by a person with whom a dentist has had no personal contact, and the fact is that respondent is not able without such contact and the services of a dentist, to adopt and use the scientific methods used by dentists who come in personal contact with their clients.

Dr. R. O. Schlosser was called as a witness. He is professor of Clinical Prosthesis of Northwestern University Dental School at Evanston, Ill.; also, a doctor of dental surgery and a Fellow of the American College of Dentists and a practicing dentist from 1903 to 1918. He testified that a good set of teeth could not be made from the impression made by a patient of his own mouth; that a dentist must not attempt to make impressions without first making a diagnosis of the mouth; that a dentist makes a preliminary impression which only serves as a model by which he can make a second tray which will fit more closely than the tray used for the first impression; that three things are necessary in making the dental plate, to wit: a knowledge of the theory covering the science of denture prosthesis, skill in practical application of these theories, and a proper consideration to each individual step in the procedure. This witness stated:

It is not possible, even for an expert in taking impressions, to merely take an impression of the mouth and build a set of teeth that will comply with the cosmetic masticatory and special requirements.

It is not possible for a layman to take his own impression and get a fairly comfortable fit.

The witness was shown Commission's Exhibits 37-A-F,¹ which are samples of respondent's plates, and said in substance:

The teeth used on the Exhibit 37-A are a cheap grade of teeth. The arrangement of the teeth shows a disregard of the normal curvature of the arrangement of the upper teeth. The arrangement of the teeth to the crest of the ridge of the jawbone is itself faulty, which would have a tendency to protrude the lower lip unduly; would also have the tendency to create considerable undue levers, and because of such, tend to displace the denture very easily.

As to Commission's Exhibit 37-B, the witness, while stating that it was much better than Exhibit 37-A, said that this denture clearly

¹ Exhibits not published.

showed that it was under extended—short on one side. He further said:

Commission's Exhibit 37-C shows another mould of teeth, but again of the cheap variety. Commission's Exhibit 37-D has also the cheap mould of teeth.

As to Commission's Exhibit 37-E, he says:

The only criticism that can be offered to this piece of work is that the teeth apparently were too large for the denture on the side and caused one tooth to be severely ground.

Commission's Exhibit 37-F is the best of the six exhibits, but again it does show some extension of the periphery of the labial on the buccal side, but it may have been displaced during function.

He says that it is not possible for human beings to take their own impressions on printed instructions and get a fairly comfortable fit.

Dr. John S. Kellogg, teacher in the college of dentistry, University of Illinois, and for the past thirteen years in full charge of the practicing dentists of the university, and himself a practicing dentist for four or five years, testified that a layman could not take impressions of his own mouth because of the ignorance of the muscular attachments and the periphery, and gave his reasons therefor as follows:

It is not safe to make an impression where there may be pressable tissues there unless we know where they are. Consequently, I think it is absolutely necessary for a dentist to see the mouth of the patient when he takes the impression. There is danger attendant to the fitting of false teeth without the services of a dentist. Teeth that are unstable, not definitely retained, in other words, that drop and rub up and down, might cause tissue irritation of the special area. We do not know what causes cancer, but we do know that cancer appears in many cases where continued irritation has taken place. We do know that the mouth is an area that is prone to cancer. The moving of the plate, if it is unstable, also causes an absorption of the bone under the soft tissue, and in time those ridges flatten out and render the mouth incapable of wearing the dentures. In other words, the ridges are definitely injured by ill-fitting plates.

Those two things, the lesions which might be caused, and then, of course, the retention of plates if they are not properly fitted—they do not stay up or they do not stay down—are stated by the witness as some of the reasons why he does not think a layman can take an accurate impression.

After examining Commission's Exhibits 37-A, B, and E, which are samples of respondent's plates, the witness stated that they show that the impressions were not correctly taken and that he thought that even a skilled dentist could not get a proper impression by placing impression compound in the patient's mouth and having him bite down on it. He says that even after a dentist has made a careful

examination of the patient's mouth and taken an impression, it frequently happens that some part of the operation has to be repeated on account of some inaccuracy.

Dr. L. M. Mass, a dentist, testified that he told respondent that it was impossible to make plates by impressions secured by his method; that it would be impossible to make a plate without seeing the patient; that he never authorized the respondent or any one else to quote him as saying that respondent's method was scientific or practical.

Respondent advertises that his method of making plates from self-made impressions is a scientific method.

Respondent's methods of taking impressions and making dental plates are not scientific, but they may be dangerous to the life and health of the patient.

The respondent advertises falsely that the laboratory wherein the plates in question are manufactured is supervised by dental surgeons.

Only technicians and ordinary helpers have anything to do with the making of the plates in question and no dentist is engaged or employed in supervising the construction of the dental plates in question.

Dr. L. M. Mass, a dentist once employed in the office in front of the laboratory of the respondent, testified that he did not know of any dentists being connected with the respondent's laboratory.

Frank A. Tomalonas, a technician employed by respondent in his said laboratory from December 1932 to February 1933 testified that no dentists supervised the work in the laboratory during the time that he was employed; that there were dentists employed in the dental operating rooms apart from the laboratories, but that these dentists were practicing dentistry and had nothing to do with the laboratory work.

Raymond Ross, a technician employed by respondent from December 1932 to July 1933 testified that there were no dentists connected with the mail order business while he was employed. Alfred Schraut, employed by respondent as a technician from September 1932 until August 1933 testified that no dentists were employed in respondent's laboratory during said time.

Respondent uses purported testimonials of dentists in advertising his said dental plates. Samples of these purported testimonials are to be found in Commission's Exhibit No. 25, wherein appears purported testimonials from Dr. J. A. Dempsey, Dr. S. Kabill, Dr. A. Meyers, Dr. Thomas H. Logan, and Dr. L. M. Mass.

Such purported testimonials were never signed by the dentists: purporting to have signed the same, nor are the statements therein

contained approved or endorsed by them or by any other regularly licensed dentists.

Dr. L. M. Mass was called, and testified that he did not authorize or consent to the use of his picture, as it appears in Commission's Exhibit 2; that he did not authorize the use of his name as it appears in Commission's Exhibits 8, 13, 29, 30-A-B, 33, 33-A and 36, and that he was not chief of staff of Chicago dentists, as the statement on such exhibits implies; that he had nothing whatever to do with the laboratory work of respondent; that he did not authorize the use of his name in any manner in connection with the sale of plates by respondent; that he never endorsed by written testimonial or otherwise respondent's method of making plates; that the name signed to the testimonials used by respondent was his name, but that he never signed the same.

Respondent, as an inducement to purchasers to buy his said plates, sends a check, payable to bearer, in the sum of \$3, and apparently signed by Dr. L. M. Mass. This check is good for \$3 on the purchase price of teeth. Dr. L. M. Mass testified that he never signed such check nor any other check for the Chicago Dentists, and that he did not authorize the use of his name by respondent in that or any other manner. All of these signatures so used in said exhibits were stenciled copies of the original signature of Dr. L. M. Mass. This dentist accounts for respondent's obtaining his original signature and thereby being able to make a copy thereof, from the fact that one time in respondent's office a boy who worked in the printing department came out and told him that Ben (Ritholz) wanted him to write his name on a plain piece of paper, which he did. He thought at the time he signed his name that it was for the purpose of having professional cards printed for use in the dental office, as Ritholz himself had talked about having such cards printed a few days before. The purported testimonial of Dr. L. M. Mass reads as follows:

CHICAGO DENTISTS, *Chicago, Illinois.*

GENTLEMEN: Your system of fitting dental plates by mail is thoroughly scientific and practical. I am sure you are capable of producing artificial teeth for patients everywhere that will give them full power of mastication, restore the natural facial contour, and that may be worn with ease and comfort. You deserve great praise for the tremendous price saving you are offering the public, and with your broad, liberal guarantee I cannot see why any one should ever want to pay the exorbitant prices demanded by many local dentists.

L. M. MASS, D. D. S.

In Commission's Exhibits Nos. 4, 5 and 25 appear the purported testimonials of Dr. J. A. Dempsey, wherein Dr. Dempsey is made to say:

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4731 BROADWAY, CHICAGO, ILLINOIS

CHICAGO DENTISTS, Chicago, Illinois.

GENTLEMEN: I have carefully examined your method of fitting teeth by mail and want you to know it has my heartiest endorsement. You deserve great credit for the splendid work you are doing and I am sure you are well equipped to render your patrons satisfactory service in every way. No local dentist could possibly compete with your remarkably low prices. Wishing you continued success, I am

J. A. DEMPSEY, D. D. S.

Dr. V. M. Dempsey, admitted by respondent to be the same person referred to in the testimonial as Dr. J. A. Dempsey, testified in substance that he never worked in the respondent's laboratory nor had anything to do with his mail order business; that he did not make the statements appearing in Commission's Exhibit No. 4 either orally or in writing, and that he does not now and did not at the purported date thereof subscribe to the statements therein contained.

In Commission's Exhibits 4 and 25 appear a purported testimonial of Dr. A. Meyers, a Chicago dentist:

Dr. A. Meyers, 1204 Milwaukee Avenue, Chicago, Illinois. Chicago Dentists, Chicago, Illinois. Gentlemen: The plates you are supplying by mail are of fine quality and equal in every respect to plates for which local dentists charge several times the prices you are asking. I am sure your system of fitting teeth will be enthusiastically approved by your patients, as it is entirely correct, both in principle and in practice.

A. MEYERS, D. D. S.

Dr. Franklin G. Myers was called as a witness, and respondent admitted that he was the Meyers purported by him to have signed the above quoted testimonial. The doctor testified in substance as follows: That he is a dentist and was for a time employed by the respondent as such, but had no connection with the laboratory work of respondent; that he did not make or sign the above and foregoing testimonial and did not endorse or authorize the statements therein contained; that he never verbally or otherwise made any such statements.

In Commission's Exhibits 4 and 25 appear a purported testimonial of Dr. Thomas H. Logan, of Chicago, which reads as follows:

DR. THOMAS H. LOGAN, D. D. S.,
7207 BLACKSTONE AVENUE, CHICAGO, ILLINOIS

CHICAGO DENTISTS, Chicago, Illinois.

GENTLEMEN: Your system of fitting dental plates by mail is thoroughly scientific and practical. I am sure you are capable of producing artificial teeth for patients everywhere that will give them full power of mastication, restore the natural facial contour, and that may be worn with ease and comfort. You deserve great praise for the tremendous saving you are offering to the public,

and with your broad, liberal guarantee I cannot see why anyone should ever want to pay the exorbitant prices demanded by many local dentists.

Dr. THOMAS H. LOGAN.

As to this purported testimonial, Dr. Logan testified in substance as follows: That he is a licensed, practicing dentist in the State of Illinois, and was in the employ of the respondent for a short time, doing regular dental work and having no connection with his laboratory. He said: "Fitting teeth by mail, that is to say, sending the material to the laity and they taking their own bites and then sending it back to the laboratory for the making of a set of teeth, is not practical and can't be done." He said that he never wrote the statements attributed to him on Commission's Exhibits 5-A and 5-B, quoted above; that he never authorized the statements; that he never verbally or orally made such a statement or similar statement; that he never stated that the system of fitting plates by mail is thoroughly scientific and practical.

He stated that it is not practical or scientific; that it can't be done; that he never stated that he was sure the respondent was capable of producing artificial teeth for patients everywhere that would give them full power of mastication, restore natural facial contour, and that might be worn with ease and comfort. He never stated that the respondent deserved great praise for the tremendous price saving he was offering to the public; he never stated that with the broad, liberal guarantee he could not see why anyone ever wanted to pay exorbitant prices demanded by many local dentists. The first time he ever saw such statement was the day before he testified. He never signed any paper before the respondent. The respondent asked him for his signature and he signed his name. He signed it in pencil and the next day they came back and handed him a fountain pen and he signed it with the fountain pen. There was nothing on the paper when he signed his name; it was a blank paper.

PAR. 5. Respondent's said plates are often made from cheap material and the workmanship thereon is poor and unscientific. Witness William Schroll, of the American Dental Company, testified that in all of respondent's said plates, with the exception of "V-Implant", which was not before him, the workmanship was very poor. Witness J. M. Ehrhardt (*supra*) testified that in all of respondent's said plates the workmanship was rather crude.

The respondent kept what was termed by his employees a "graveyard." In this "graveyard" were kept plates that had been returned as unsatisfactory by respondent's customers. From this "graveyard" teeth would be taken and used in other plates.

The teeth used by respondent were of inferior quality.

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In some instances whole plates were taken from the said "graveyard" and sent to customers. The witness, Albert Heine, once an employee of the respondent, testified in substance as shown on pages 421 and 422 of the record:

If we found an impression that was so bad we couldn't even get a model of it that looked like a model, we had plates that came back from other patients that didn't fit and they were in a drawer there ("graveyard") and we would take them out of there and match two up that looked like they would fit and send them out. We were told to do that.

Who told you?

The foreman. We had great numbers of teeth coming back. They were coming back all the time, great numbers of them, and they would take another impression of the bite and it would be worse than the other.

Q. What would you do then—what would you do when you found an impression that was not complete, what would you do toward supplying that part of the teeth when there was no indication as to the contour of the mouth?

A. As I said before, I would take my scraper and I would scrape my model around there and make it look how I thought how we thought it should—the shape of the mouth—and we would make a plate on that.

Q. Now this "graveyard" contained a lot of discarded plates, did it?

A. That is all it was—plates that were sent back.

Q. Well, did you ever know of an instance or instances of where these plates were taken from the "graveyard" and sent back to the purchaser?

A. Yes. That is what we would do when the bites came in and it wasn't an impression—which came in there that we couldn't make out anything at all. No articulation at all—couldn't even see whether it was an upper or lower. They mashed it in when they took the impression. We would say there was no use fooling around with that thing—it was a waste of time. We would take a set out of the drawer, match them up as nearly as possible, sometimes stick them in hot water, and send them back.

Q. At whose instance—who told you to do that?

A. The foreman.

When there was a shortage of articulators, door hinges were used as a makeshift. These door hinges were used as a substitute for articulators. An articulator is an appliance used to hold the forms in position while the teeth are being set up. Door hinges were once used by dentists as articulators, but such use has long since been discontinued by dentists.

PAR. 6. Several members of the laity who had purchased plates from respondent were called and examined as to whether their plates so purchased were satisfactory. The following testimony was given by certain of them: Charles O. Howard, of Byron, Ill., age 56, occupation farmer, saw respondent's advertisement in the newspaper and responded to it. He received impression material, took his own impression, and from this impression a plate was made which was to cost \$8.50 and to be sent to him by respondent through

the mails. The teeth were guaranteed to give satisfaction or money returned. He sent \$2 in advance and paid the balance C. O. D. when they came. He testified that they were not satisfactory; that there was a little wisdom tooth which came out at the side of the plate, and that they were too short for him by about one-half inch; that this wisdom tooth protruded and that it would have cut his lip and the side of his face if he had worn it, but he could not wear the plate. He kept this plate three or four days and tried to wear it, but when he would bite, the flange in the back would cut right into his jaw.

He then returned the teeth, directing respondent to either send him a better set or return his money. They sent him more impression material and he took another bite. They made another plate and when it came he could not put it into his mouth. He sent it back again and they sent it back to him together with some "stuff" and told him he should fill that in. He sent these back and they sent him another set and he tried them but could not bite with them. If he tried to bite on one side the other side would flop down. He sent these back and they kept returning the set to him and he returning it to them until finally he would not open the package at all. Then he tried to get his money back, and wrote letters demanding the return of his money. They never answered his letters. He wrote about four or five letters.

Prairie Farmer is a journal having a general circulation in the farming communities throughout the United States. It runs a column which it calls the Prairie Farmer Protective Union, in which it advises its readers that if they have business troubles it will render them free service in adjusting the same. Mr. Howard called the attention of the Prairie Farmer to his difficulty in getting his money returned from respondent, and after writing the Prairie Farmer it was no time at all until he got his money.

Dora Pontious, of Loogootee, Ill., a housekeeper, saw respondent's advertisements in a magazine called Home Comfort. She was in need of teeth, and wrote respondent, who sent her some impression material. She took her own impression, as per instructions received from respondent, and sent the impression back. She ordered a set of plates, the price of which was to be \$19. Only one plate came, and she paid \$9.50 C. O. D. for it. Later on another plate came and she paid \$9.50 C. O. D. for that. She tried the plates for about a week and they did not fit. They hurt her gums and she could not keep them in her mouth. They were of no use to her. They pained her. She finally returned them to respondent. Respondent rebuilt them and sent them back to her. She tried these for about a week

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and then sent them back because they did not fit. She wrote and asked for the return of her money but they did not send it at that time. She then wrote the Prairie Farmer Protective Union and through it she got her money.

Mrs. Rufus Sprunger, of Berne, Ind., by occupation a farmer's wife, saw respondent's advertisement as to plates in the newspaper. She was in need of teeth at the time, and wrote respondent. She ordered a set of teeth, and received a guarantee therewith such as Commission's Exhibit 16-A. The testimonials accompanying the guarantee and the guarantee had an effect upon her influencing her to contract with respondent for these plates. After reading the testimonials and the guarantee, she thought she was safe. She was to pay \$10 for the set. She first paid \$2, when she gave the order, and after that she paid \$8 C. O. D. when the teeth arrived. She first received impression material and took her own impression and returned it to respondent. She followed the instructions as to taking impressions accompanying the material. She gave the teeth a trial and they did not fit. She could not close her mouth when the plates were in. She tried the teeth twice and could not close her mouth. She could not chew with them. She returned them to respondent.

She wrote respondent, demanding return of her money. She then received more impression material, but no money. She made other impressions, and returned the same to respondent. About three weeks later she got another set of teeth from respondent. She could not wear these at all. She could not chew with them and they did not fit. She sent them back. She asked for the return of her money. Later on they sent more impression material. That was about three weeks after she made her last demand for her money. She wrote letters demanding her money and received only impression material. She made and returned but two impressions, but they kept sending impression material to her after she had demanded return of her money. After a period of about six months from the time she first ordered the teeth, the money was returned through the aid of the Indiana Farmers Guide, another farm paper, published at Huntington, Ind., which features a Farmers' Protective column.

Mrs. Lizzie Cunningham, of Walworth, Wis., by occupation a farmer's wife, 60 years of age, testified that in November 1932 she saw respondent's advertisement in the Chicago Herald and Examiner and in response to such advertisement she wrote respondent, who sent her impression material. She took an impression of her mouth and returned it to respondent. They sent her teeth to Walworth, Wis., by mail, to be paid for C. O. D. When the teeth arrived she tried them and could not wear them. They did not fit her at all;

they were too large. About the first of December she made a trip to Chicago and called upon respondent at 1445 West Jackson Boulevard, who had a dentist take an impression of the witness's mouth. He agreed to make her a full set of teeth and send them on when she sent word that she had money to pay for them. She sent word that she had the money to pay for them, but she did not receive the teeth for about six months, and when they came they were both uppers. She had ordered uppers and lowers. She is wearing one set of the uppers, which were made from impressions taken by a dentist, as aforesaid, and they are giving good satisfaction. She wrote the *Prairie Farmer* and tried to get that paper to prevail upon respondent to send her a lower plate. She never received the lower plate, and consequently did not pay the \$10 agreed upon as a price for such lower plate.

The guarantee referred to above is represented by Commission's Exhibit 7, and reads as follows:

OUR GUARANTEE PROTECTS YOU ABSOLUTELY

We unconditionally guarantee all our dental plates to be made of fine quality, selected materials, in a modern, completely equipped dental laboratory by expert dental technicians, under the personal supervision of regularly licensed doctors of dental surgery.

We further guarantee they will give you full power of mastication (chewing), restore your natural facial expression, and enable you to wear them with ease and comfort. If for any reason you do not wish to keep them, you can return them at any time within thirty days and we will refund your money in full.

CHICAGO DENTISTS.

Respondent's said dental plates are in many instances unsatisfactory, and not serviceable and the terms of said guarantee are in some instances not complied with and in others not complied with until outside influences such as those described as exercised by the *Prairie Farmer*, are brought to bear upon respondent.

PAR. 7. Respondent trades under the trade name of Chicago Dental House, Inc. The abbreviation "Inc.", attached to said trade name, imports that Chicago Dental House, Inc., is a corporation. Respondent is not incorporated.

PAR. 8. The representations in the advertising of respondent described above are false and misleading in that said dental plates are advertised to be of a value far in excess of their true value; in that the said dental plates will not give full power of mastication, nor will they restore the natural facial expression, nor will they enable the purchaser thereof to wear the same with ease and comfort; in that no regular, licensed doctors of dental surgery personally supervise or have anything to do with the making of respondent's said

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dental plates; in that it is rarely, if ever, possible to manufacture a satisfactory, well fitting and serviceable set of dental plates from a self-taken impression made by the laity and that the use of such plates so made is dangerous to the health and life of the user thereof; in that respondent's dental plates are not scientifically made, and that his methods of making such plates from impressions taken by the laity are not endorsed by regular, licensed or other dentists, and that such methods have never been endorsed by such dentists; in that in making said plates respondent uses cheap and defective materials; in that respondent does not cheerfully or otherwise refund the money paid for his products in each and every case when said products are returned as unsatisfactory; in that the Chicago Dental House, Inc., is not a corporation; and said representations of respondent have, and have had, the tendency and capacity to mislead and deceive the purchasers of said dental plates into the belief that such representations were, and are, true, and to influence the said purchasers to purchase respondent's said dental plates in such belief, and have, and have had, the tendency to divert trade to respondent from his said competitors.

CONCLUSION

The practices of the respondent, under the conditions and circumstances described in the foregoing findings, are to the prejudice of the public and of respondent's competitors and are unfair methods of competition in interstate commerce, and constitute a violation 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 come on to be heard by the Federal Trade Commission, upon the complaint of the Commission, the answer of the respondent, the testimony and evidence and the briefs of the attorney for the Commission and of the attorney for the respondent, and the Commission having made its report in writing, in which it stated its findings as to the facts, with its conclusions that the respondent had violated 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", and the Commission being fully advised in the premises—

It is now ordered, That the respondent, Benjamin D. Ritholz, his agents, associates, employees, and representatives, in connection with the advertising, offering for sale or sale in interstate commerce, and in the District of Columbia, of dental plates, cease and desist from

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representing in any manner, including by or through the use of testimonials or endorsements or guarantees or in or through newspapers, magazines, radio, circulars, pamphlets, photographs or pictures, letters or otherwise:

(1) That said dental plates are of a value greater than their actual value;

(2) That respondent can make or does make a properly fitting and satisfactory dental plate from an impression of the mouth taken by a layman for whose use such plate is intended;

(3) That properly fitting and satisfactory dental plates can be made from an impression of the mouth taken by one who is not a dentist;

(4) That respondent has adopted and/or is using in the manufacture of dental plates the same scientific methods used by dentists or that he is using scientific methods in the making of said dental plates;

(5) That his methods of making dental plates from self-taken impressions are scientific;

(6) That the dental plates manufactured and sold by respondent meet the customers' needs;

(7) That through written guarantees or otherwise he will refund the money paid for dental plates which are returned as unsatisfactory, when he does not in all cases do so promptly;

(8) That great care or superior workmanship or fine quality of materials are used in the construction of respondent's dental plates;

(9) That dentists have endorsed or approved respondent's methods of making dental plates from self-taken impressions or that they have endorsed or approved any of his methods in making dental plates;

(10) That the laboratory wherein said dental plates are made is personally or otherwise supervised by licensed or other doctors of dental surgery;

(11) That the said dental plates will give full power of mastication, restore the natural facial expression or enable the purchaser thereof to wear the same with ease and comfort;

(12) That the business of respondent in manufacturing and selling dental plates is conducted by a corporation.

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

Complaint

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IN THE MATTER OF
SCHWARTZ & COMPANY, INC.

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

Docket 2167. Complaint, Mar. 17, 1934—Decision, Nov. 20, 1934

Where a corporation engaged in the purchase of solid fiber board, and corrugated fiber board shipping boxes, a substantial proportion of which it purchased from manufacturers outside the State, in competition with others similarly purchasing, and in sale of said boxes to wholesalers, retailers, and others for use as shipping containers, in competition with manufacturers of and dealers in such boxes, a substantial number of whom are located outside said State, and sold and shipped to customers in the State, in the same area therein which it sold its said products, caused said boxes to be marked with the "certificate of box maker", in purported compliance with the rule of the official classification committee for the railroads, requiring the box maker to certify his product as conforming, as specified, to all construction requirements of consolidated freight classification, and imposing a higher rate upon shipments made in containers which do not conform, and bear such certificate by other than the actual maker; with capacity and tendency to mislead and deceive purchasers, a substantial number of whom prefer to purchase direct from the manufacturer rather than from jobber or wholesaler, into believing it to be the manufacturer of the said boxes thus sold by it, and that they conformed to all the requirements and specifications of the rule in question, and would therefore take the lower rates for carriage, and thereby unfairly divert business to it from competitors who make the boxes which they sell, and from those who do not make their boxes or in any way represent themselves as the makers thereof:

Held, That such acts and practices, under the circumstances set forth, were to the prejudice of the public and competitors, and constituted unfair methods of competition.

Mr. PGad B. Morehouse and *Mr. Robt. N. McMillen* for the Commission.

Mr. Yale L. Schekter, of Philadelphia, Pa., 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 Schwartz & Company, Inc., a corporation, 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