

IN THE MATTER OF
INTERNATIONAL SHEFFIELD WORKS, INC.

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

Docket 2573. Complaint, Oct. 8, 1935—Order, Jan. 25, 1936

Consent order requiring respondent, its officers, etc., in connection with the offer for sale or sale in interstate commerce of silverware or silver-plated ware, to cease and desist from—

- (a) Using a trade or corporate name which includes the word "Sheffield" unless and until it actually manufactures and sells silverware or silver-plated ware produced by the copper-rolled plate process known as "Sheffield";
- (b) Making representations in any manner whatsoever, or from directly or indirectly suggesting, that the silverware or silver-plated ware sold by it is "Sheffield", unless such ware has been manufactured by, or in accordance with, the copper-rolled plate process which originated in Sheffield, England, and which has been and still is associated with the name "Sheffield" in that industry; or
- (c) Making representations through advertisements, etc., or in any manner whatsoever, or from directly or indirectly suggesting, that the silverware or silver-plated ware sold by it is "Sheffield" unless the silverware so offered has been made in accordance with the copper-rolled plate process which originated in Sheffield, England, and shows the place of origin.

Mr. John L. Hornor for the Commission.

Proper & Gottlieb, of New York City, 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 International Sheffield Works, Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce, as "commerce" is defined in said Act of Congress and in violation of Section 5 of 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. Respondent is a corporation, organized and doing business by virtue of the laws of the State of New York, having its principal office and place of business in the city of New York; and is now and for more than five years last past has been engaged in the

business of manufacturing silver-plated hollow-ware, and in the sale and distribution thereof to jobbers of these products and to retail jewelry stores located throughout the United States, and causes said products when sold to be transported from its principal place of business in the city of New York, State of New York, or from its place of origin in other States, to purchasers thereof in Ohio, Tennessee, Illinois, Kentucky, and other States of the United States and in the District of Columbia, at their respective places of business, and there is now, and has been for more than five years last past, a course of trade and commerce by said respondent in such silver-plated hollow-ware, between and among the various States of the United States and in the District of Columbia. In the course and conduct of its said business, respondent is in competition with other individuals, partnerships, and corporations engaged in the manufacture of silver-plated hollow-ware and in the sale and distribution thereof in commerce between and among the various States of the United States and within the District of Columbia.

PAR. 2. Competitors of respondent, and the respondent use, in the manufacture of their products, the electroplating process, which process involves the submersion of the base metal form in a chemical solution or bath and, by the electrolysis of silver salts, causes a coating of silver to adhere to this base metal form. The plated silver thus produced varies in quality and value according to the composition of the base metal, the workmanship upon its form and the decoration, the amount and fineness of the silver deposited upon it and left upon it after the finishing process, and the protection of the surfaces exposed to wear and abrasion. There is no fixed standard for the composition of the base metal, nor for the fineness or quality of silver to be applied generally or to wearing of surfaces, so that the purchasing public is obliged to depend upon the reputation of the maker of such plated silverware, or the reputation of the trade name or brand attached thereto, or the representation of the maker or seller thereof, in purchasing said silverware, since the quality of the ware cannot be determined except by laboratory tests.

PAR. 3. About the year 1742 there was originated in Sheffield, England, a process for the production of silver-plated ware, which process involved the welding of a silver plate to one or both sides of a sheet or bar of copper so as to form one thoroughly coherent mass which was rolled to the desired gauge and subsequently worked into the desired form. The ware produced by this process was properly known as "copper-rolled plate" though this name was not used as a trade name or designation. The copper-rolled plate of Sheffield, England, acquired a very considerable reputation for excellence in

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quality, workmanship and design, and though the name "Sheffield" was not generally impressed upon or affixed to the ware itself, which was identified by the maker's registered marks, the copper-rolled plate came to be generally known and is still known as "Sheffield". While the cheaper electroplating process displaced the "Sheffield" copper-rolled plate which practically went out of production, there have been and still are, from time to time, importations of the "Sheffield" copper-rolled plate into the United States, and there is a considerable trade in "Sheffield" copper-rolled plate in this country at prices which reflect not only its value as silverplated ware, but its artistic and historic value as well. The name "Sheffield" as applied to silverware at the present time implies a quality and a value peculiar to the "Sheffield" copper-rolled plate itself as well as to the process itself, and the use of the term "Sheffield" is a representation thereof.

PAR. 4. In the course and conduct of its said business, respondent for more than five years last past, has been using as its corporate name "International Sheffield Works, Inc.", and has caused said corporate name, containing the word "Sheffield", to be featured on its letterheads and invoices distributed in interstate commerce and on its labels affixed to the cartons in which said products were packed and shipped in interstate commerce; and it has caused its silverplated hollow-ware to be stamped with its hallmark "I. S. W."; when in truth and in fact said products sold by the respondent were not made or manufactured in accordance with the process used in the manufacture of Sheffield silver or Sheffield plate nor were said products made or manufactured in Sheffield, England, in accordance with such process.

PAR. 5. The said representations made by respondent in the use of the word "Sheffield" in its corporate name "International Sheffield Works, Inc." and the use of its hallmark "I. S. W." on such products as set forth in paragraph 4 hereof have, and have had, the capacity and tendency to deceive the purchasing public and induce purchasers to buy the products of respondent in and on account of the belief that said representations are true and that the respondent's product is "Sheffield", thus diverting trade to respondent from competitors of respondent engaged in the sale in interstate commerce of such products as are sold and distributed by respondent, which said competitors truthfully and honestly advertise and represent their products.

PAR. 6. The above acts and things done by respondent as aforesaid have tended to induce, and have induced, the purchase of respondent's products by various jobbers and retail dealers of silver-plated hollow-ware and have tended to divert trade, and have diverted

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trade, from competitors of respondent, and have thereby injured such competitors of respondent.

PAR. 7. The aforementioned methods, acts and practices of the respondent are all to the prejudice of the public and of the respondent's competitors as hereinabove alleged. Said methods, acts and practices constitute an unfair method of competition in 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

This matter coming on to be heard by the Commission upon the complaint filed the 8th day of October 1935, and the answer to said complaint filed December 16, 1935, by International Sheffield Works, Inc., respondent herein, in which answer the said respondent states that it waives hearing in the charges set forth in the complaint herein; that it refrains from contesting the proceeding, and that it consents that the Commission, without trial, without evidence, and without findings as to the facts or other intervening procedure, may make, enter, issue, and serve upon the said respondent an order to cease and desist from the methods of competition charged in the complaint; and the Commission being now fully advised in the premises;

It is hereby ordered, That the respondent, International Sheffield Works, Inc., its officers, directors, agents, representatives, and employees, in connection with the offering for sale or selling in interstate commerce of silverware, of silver-plated ware, do hereby cease and desist:

1. From the use of a trade or corporate name which includes the word "Sheffield" unless and until the respondent actually manufactures and sells silverware or silver-plated ware produced by the copper-rolled plate process which has been and still is generally known as "Sheffield";

2. From making representations through advertising, letterheads or other stationery, or in any manner whatsoever, or from directly or indirectly suggesting that the silverware or silver-plated ware sold by it is "Sheffield", unless the silverware or silver-plated ware so offered has been manufactured by the copper-rolled plate process which originated in Sheffield, England, and which has been and still is associated with the name "Sheffield" in that industry; and

3. From making representations through advertisements, letterheads or other stationery, or in any manner whatsoever, or from

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directly or indirectly suggesting that the silverware or silver-plated ware sold by it is "Sheffield" unless the silverware so offered has been manufactured in accordance with the copper-rolled plate process which originated in Sheffield, England, and shows the place of origin.

It is further ordered, That respondent, within 60 days from the notice hereof, file with the Commission a report in writing, setting out in detail the manner and form in which it has complied with the order of the Commission herein set forth.

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IN THE MATTER OF
PRATT FOOD COMPANYCOMPLAINT AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5
OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2582. Complaint, Oct. 15, 1935—Order, Jan. 25, 1936*

Consent order requiring respondent corporation, its officers, etc., in connection with the offer for sale or sale in interstate commerce and in the District of Columbia of its "Super-iodized B. P. Dairy Feed", to cease and desist from—

- (a) Representing that said product decreases the amount of feed necessary, builds up resistance to disease, is highly effective in the control and elimination of contagious abortion and is valuable in treating simple anemias, rheumatism, fevers, and many other troubles, or is one of the best all-around tonics known, or makes more milk and butterfat;
- (b) Representing that super-iodized milk is a purer, richer and more nutritious product than any other milk to which iodine has not been added, and that its said feed increases the vitamin A and D content or value of the milk which aid growth, health, and disease resistance;
- (c) Representing that the National Tuberculosis Association deems the matter of organic iodine so important that it has requested the laboratory that discovered how a super-iodized milk might be produced to present it to the attention of the hospitals and sanitariums having tuberculosis wards, and that this was done because organic iodine, such as in super-iodized milk, was found to be a valuable collateral treatment for tuberculosis;
- (d) Representing that many hospitals, sanitariums, and similar institutions are paying a premium for it, and certain dairy herds, owned by such institutions, are being given iodized feed to produce this milk and that its said iodized dairy feed makes it possible for any dairyman to produce this iodized better milk;
- (e) Representing that hundreds of lives have already been saved by iodine-rich milk and it produces a milk more beneficial in the feeding of tubercular patients and combats germs in the blood stream, and that in the child's blood and lymph streams the iodine battles germs, building up resistance to many ills.

Mr. R. L. Kennedy 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 Pratt Food Company, a corporation, hereinafter referred to as the respondent, has been using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission