

Syllabus

IN THE MATTER OF

E. F. AGEE, TRADING AS COMMERCIAL EXTENSION
UNIVERSITY, ETC.COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2729. Complaint, Feb. 21, 1936—Decision, June 29, 1936*

Where an individual, engaged in the sale, by correspondence, of a secretarial course and of a business administration course, through agents supervised by regional managers and instructed by him in the type of sales talk to be given to prospective students and in the manner of presenting and executing written applications for enrollment, and conducting said business from rooms in which his employees, never exceeding eighteen in number, were engaged in correcting lessons, and preparing and mailing correspondence courses to students and prospective students, and to his agents, and to other persons, etc., and which were not used for class room instruction or library facilities or residence of students or for any other purpose except as hereinabove set forth, and with some six thousand students or more, chiefly minors, contact with which was through such agents and by correspondence—

- (a) Made use of words "Extension University" or "Extension College" in trade names used by him in conduct of his said business, and represented to prospective students and students, and to their parents or guardians, that he or his business was a university or college, or that the business was a branch thereof, and otherwise affiliated therewith, and that he conducted a large residence school, to the operations of which the correspondence courses were merely incidental;

Facts being, he did not operate a college or university or educational institution organized for teaching and study in the higher branches of learning and in which the education imparted is universal, embracing many branches and which possesses power to confer degrees indicating proficiency in the branches thereof, as generally accepted by public from terms "University" or "College," and had never conducted residence classes of instruction, and his said business was not an extension of such an institution;

- (b) Informed prospective students and their parents or guardians that former had been specially selected for an offer of enrollment in said courses because of their high scholastic standing, and that aforesaid agents were duly appointed "Registrars" of said individual, doing business as above set forth, and empowered to select persons for offers of enrollment and to offer prospects selected a specially low price for advertising purposes, and that low price offered consisted only of costs of material, and normal charge for tuition would not be made for said specially selected students and that regular price for identical course was much higher than such alleged exceptional price, and, in some cases, that it was two or three times as high;

Facts being none of said agents were specially designated registrars and all had identical powers and none was authorized to make any such selection for advertising or any other reason, and price quoted was one and the same to all, and there was no selection on account of high scholastic standing or for any other reasons, and course was never offered at cost

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of materials for advertising or any other reason, and was not more expensive than represented to the prospects; and

- (c) Falsely represented to students, etc., that he had limited his offer of courses of instruction to a limited number of persons in a given locality, city, county, or State, and that upon the completion of a course of instruction given by him he would procure a position for the purchaser thereof;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that said representations were true, and with result that students, their parents or guardians, were caused to enter into contracts for instruction with him in such erroneous belief, and a substantial number of the consuming public, as a direct consequence of the mistaken and erroneous beliefs thus induced, purchased a substantial volume of his said courses and trade was thus unfairly diverted to him from others engaged in sale of correspondence courses and truthfully advertising and representing the nature of their respective businesses, and substantial injury was done to substantial competition in commerce, in course of which many institutions of learning, engaged in home study and class room extension activities, and in giving courses of instruction similar to those sold by said individual, deal with their students and truthfully represent the character of their organizations and the price and conditions of sale of their courses and their relationships with other institutions of learning and do not untruthfully represent that they will procure a position for the purchaser:

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

Before *Mr. John J. Keenan*, trial examiner.

Mr. T. H. Kennedy for the Commission.

Fried & Mars, of Omaha, Nebr., 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 E. F. Agee has been or is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the said Commission that a proceeding by it in respect thereof would be in the public interest, the Commission hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, E. F. Agee, is now and for more than several months last past has been engaged at Omaha, Nebr., with offices in the Hillcrest Building in said city and said State under the trade name of "Commercial Extension University," "Commercial Extension of Omaha," and "Commercial Extension College" in the business of selling courses of instruction known as a secretarial course consisting of lessons in shorthand, typewriting, business Eng-

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lish, and business correspondence and a business administration course consisting of lessons in bookkeeping, typewriting, correspondence, salesmanship, and business administration. Sales are contracted for through agents who canvass prospects and lessons are furnished students, payments on contracts are made, solutions of lessons by students are transmitted, and consummation of the said contracts are made by correspondence through the United States mail. Prospective students and students when first contacted by respondent, when signing contracts for the above described courses and while undergoing instruction by respondent, reside at their usual places of residence in the various States of the United States. The number of such students has in the past and now exceeds 6,000.

When students are enrolled by contracts satisfactory to respondent, the lessons comprising said course are caused to be transported in commerce by respondent from his place of business at Omaha, Nebr., to the several students located at their residences in States of the United States other than the State of Nebraska.

PAR. 2. Respondent, E. F. Agee, was formerly a copartner of one J. E. Cherry, now deceased, and on September 14, 1934, and for more than one year immediately prior to said date respondent and said Cherry, now deceased, conducted a school for the teaching by correspondence of certain commercial courses, including a secretarial course, and a business administration course, said courses were sold and distributed by them in commerce between and among the various States of the United States; respondent and said Cherry, now deceased, caused said courses when so sold to be shipped from their place of business in the city of Omaha, Nebr., to purchasers thereof located in States other than the State of Nebraska. Respondent herein is the successor in interest of the said business of said former copartnership and the business as described in paragraph 1 hereof is a continuation of the business carried on by respondent and the said Cherry, now deceased, described herein. The respondent has succeeded to all the rights and benefits of the business of said former copartnership, and is now liable for all of the obligations thereof.

PAR. 3. In all of his said business herein described respondent is in substantial competition with other persons, firms, partnerships, associations, and corporations who are likewise engaged in the sale of kindred courses of instruction in commerce.

PAR. 4. Respondent solicits his business through agents designated by him as "Registrars," who personally call upon young men, young women, and their parents and guardians throughout the United States and induce many of them to enroll as students and to purchase, receive, and agree to pay for courses of instruction given by respondent.

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Respondent, in his transactions with the public and with students and prospective students, uses the trade names "Commercial Extension University" and "Commercial Extension College." The use of the said trade names, including the words "university" and "college," serves as a representation to prospective students, their parents or guardians, and to students who enroll, that said "Commercial Extension University" or said "Commercial Extension College" is, respectively, a university or a college. In truth and in fact respondent does not operate a university or a college through either of the businesses operated under the trade names "Commercial Extension University" or "Commercial Extension College" or in any manner whatever.

PAR. 5. In the course and conduct of his business herein described, respondent informs prospective students that they have been specially selected for an offer of enrollment in the courses given by respondent because of said prospects' high scholastic standing and respondent's agents inform said prospects that said agents have been appointed "Registrars" of respondent and empowered to select said prospects and to offer said prospects an exceptionally low price for advertising purposes, that said alleged exceptional price is only the cost of materials and that tuition will be given free to said prospects if the prospects become students of respondent, that the regular price for the identical course offered said prospects is much higher than said alleged exceptional price, and generally said regular price is represented by respondent to be two or three times as expensive as the alleged exceptional price, when in truth and in fact, prospective students are not specially selected for enrollment because of their high scholastic standing or for any other reason and the alleged exceptional price offered the prospects is the only price quoted any prospect and the alleged exceptional price for the course is, in fact, the regular price and the representation that any regular price is much more expensive than the quoted price is untrue.

PAR. 6. In the course and conduct of his business as herein described respondent has represented to prospective purchasers and to purchasers of his correspondence courses that the business operated by the respondent is the Omaha branch of the University of Nebraska and has represented that respondent is otherwise affiliated with the University of Nebraska, when in truth and in fact respondent is not now nor has his business hereinabove described ever been affiliated with or a part of the University of Nebraska or of any other university or college.

PAR. 7. In the course and conduct of his business as herein described the respondent has represented to prospective purchasers and purchasers of his correspondence courses that respondent has limited the

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offer of said courses to a limited number of persons in a given locality, city, county, or State, when in truth and in fact no such limitation has ever been placed on the number of persons to whom respondent has offered his said correspondence courses.

PAR. 8. In the course and conduct of his business as herein described respondent has represented and continues to represent to prospective purchasers of his correspondence courses that on completion of respondent's course of instruction by a student the respondent will procure a position for the purchaser of said course, when in truth and in fact said representation was and is untrue.

PAR. 9. In the course and conduct of his business as herein described respondent has represented and continues to represent to prospective purchasers and to purchasers of his correspondence courses that respondent conducts a large residence school and that correspondence courses offered by respondent are merely incidental to the regular operations of the residence school, when in truth and in fact said representations have been, and are, untrue.

PAR. 10. There are among the competitors of respondent mentioned in paragraph 3 hereof engaged in the sale of courses of instruction kindred to those sold by respondent as herein alleged, those who truthfully represent the character of their organization, the price and conditions of offer for sale and sale of their courses, the relationship of their organization to other institutions of learning, who refrain from untruthfully representing that they are related to other institutions of learning and who refrain from untruthfully representing that they will procure a position for a purchaser of their course of instruction or completion of said course of instruction by the purchaser thereof.

PAR. 11. Each and all of the false and misleading statements and representations made by the respondent, as hereinabove set out, in offering for sale and selling his correspondence courses of instruction, was, and is, calculated to, and had, and now has, a tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that said representations are true. Further, as a direct consequence of the mistaken and erroneous beliefs, induced by the acts and representations of respondent, a substantial number of the consuming public has purchased a substantial volume of respondent's courses of instruction with the result that trade has been unfairly diverted to the respondent from other individuals, firms, and corporations likewise engaged in the business of selling similar correspondence courses of instruction who truthfully advertise and represent the nature of their respective businesses. As a result thereof, substantial injury has been, and is now being done by respondent to substantial competition in commerce among and between the various States of the United States.

PAR. 12. The acts and practices of respondent are all to the prejudice of the public and of competitors of respondent and constitute unfair methods 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."

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 February 21, 1936, issued and served its complaint in this proceeding upon the respondent, E. F. Agee, an individual, trading as "Commercial Extension University," "Commercial Extension of Omaha," and "Commercial Extension College," charging him with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answer thereto, testimony and evidence in support of the allegations of said complaint were introduced by Thomas H. Kennedy, attorney for the Commission before John J. Keenan, an examiner of the Commission, theretofore duly designated by it. At said hearing the respondent, through his attorney, made a statement for the record in which he agreed, subject to the approval of the Federal Trade Commission, that the facts contained in said statement might be taken as the facts in the proceeding and in lieu of further testimony in support of the charges stated in the complaint, or in opposition thereto, and that the Commission might proceed upon the said statement of facts and testimony to make its report stating its findings as to the facts (including inferences which it might draw from said facts) and its conclusion based thereon and enter its order disposing of the proceeding without the presentation of argument or the filing of briefs. Thereafter the proceeding came on regularly for final hearing before the Commission on the said complaint, the answer, the testimony adduced at said hearing contained the statement of respondent hereinabove referred to, and the Commission having duly considered the same and being fully advised in the premises, and having approved the statement of facts made by the respondent, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom:

Many months before the issuance of the complaint herein, to wit, on September 14, 1934, respondent entered into a stipulation with the Federal Trade Commission in which he admitted engaging in many

acts and practices which were the same as those set forth in said complaint.

FINDINGS AS TO THE FACTS

The respondent, E. F. Agee, has been for several months last past and is now engaged in the business of the sale and distribution of courses of instruction to students who reside at their various normal places of residence throughout the United States. The students purchase the courses from the respondent, study the material sent to them by the respondent, complete their solutions of the problems presented at their residences and return the solutions to the respondent. Respondent corrects the solutions and forwards the corrected solutions to the students. Respondent has conducted his said business in the Hillcrest Building, in the city of Omaha, Nebr., at all times herein referred to, where he has rented rooms wherein to conduct his business. These rooms are occupied by the respondent and certain of his employees, never exceeding 18 in number. All occupants of these said rooms are engaged in correcting lessons, preparing and mailing correspondence courses to students and prospective students of respondent, to agents of the respondent located at points in the United States other than the State of Nebraska, and to other persons, firms, and corporations with whom the respondent has business dealings.

No part of the respondent's said rented premises is used for classroom instruction, library facilities, residence of respondent's students, or for any other purpose except as hereinabove described. At no time herein referred to has respondent conducted any other school or business organization or facility at any place other than at Omaha, Nebr., as hereinabove described.

It has not been customary for respondent during any time herein referred to to receive students at his place of business in Omaha, Nebr., but on the contrary all contact with respondent's students has normally been through either respondent's sales agents or by correspondence using the United States mail.

The great majority of students and prospective students of respondent are minors.

During all the time herein referred to respondent has operated his said business under the name and style of "Commercial Extension of Omaha" or "Commercial Extension College," and from July 1932 until September 16, 1935, respondent operated his said business under the name and style of "Commercial Extension University."

Respondent's courses of instruction consist of a secretarial course combining lessons of instruction in shorthand, typewriting, business English, business correspondence and secretarial studies, and a busi-

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ness administration course combining lessons in bookkeeping, type-writing, business English, business correspondence and salesmanship.

Sales have been contracted for in the great majority of cases by means of agents who circulate in the field and who personally canvass prospects. These agents operate from various bases established throughout the United States, some of them operating from the office of the respondent at Omaha, Nebr., and others from their respective residences elsewhere. These agents are instructed by the respondent in their method of approach to prospective students, in the type of sales talk to be given prospective students, and the manner of presenting and executing written applications for enrollment. When a student has been enrolled by respondent's agents, the agent accepts from the student a down-payment in money, which is, after the agent has deducted his commission, forwarded with the application of enrollment of the student to the respondent at Omaha, Nebr. The agents of the respondent have at all times herein referred to informed prospective students that they are "registrars" of the respondent, this with the knowledge and consent of the respondent.

The sales agents of respondent are under the supervision of regional supervisors or managers, also agents of the respondent. The regional supervisors or managers are charged with the instruction and discipline of the various sales agents under their direction. Respondent contacts said regional supervisors or managers constantly with reference to the results achieved by the agents under their respective direction, and when complaints are registered with respondent as to the activities of the sales agent, respondent contacts the regional supervisor or manager having jurisdiction over the agent against whom the complaint has been registered, and requires said regional supervisor or manager to correct the activities of the said sales agent. It is customary for the respondent to call the regional supervisors or managers to Omaha periodically for the purpose of instruction in sales methods and conference on the problems of respondent's business. It is not customary for the agents of the respondent other than regional supervisors or managers to visit the respondent's office at Omaha.

At all times herein referred to the students of the respondent exceed six thousand.

The gross income of the respondent for the year last past from his business described herein was approximately one hundred thousand dollars. Approximately seventy-five percent of respondent's said income was derived from the sale of his secretarial courses and approximately twenty-five percent was derived from the sale of his business administration courses.

When students are enrolled by a contract satisfactory to respondent, the lessons comprising the courses under which they are enrolled are

caused to be transported in commerce by the respondent from his place of business at Omaha, Nebr., to the students located at their residences in States of the United States other than the State of Nebraska.

In all of his business described herein respondent has been and is in substantial competition with other persons, firms, partnerships, associations, and corporations who are engaged in the sale of kindred courses of instruction in commerce.

Respondent in the conduct of his business has used the trade names "Commercial Extension University" and now uses the trade name of "Commercial Extension College" and has represented to prospective students, students, their parents or guardians, that respondent is a university, and now represents to prospective students, students, their parents or guardians, that respondent is a college, and that respondent conducts a large residence school, and that the correspondence courses offered by respondent are merely incidental to the regular operations of said residence school. Respondent never has and does not now operate a college or university, or educational institution organized for teaching and study in the higher branches of learning and in which the education imparted is universal, embracing many branches such as the arts, sciences, and all manner of learning, and possessing power to confer degrees which indicate proficiency in the branches taught, and such as the terms "University" or "College" are commonly understood and generally accepted by the public to include and insure, nor has he ever conducted residence classes of instruction, nor is respondent's business in fact an extension of a university or college. The representation that respondent is a university, college, or an extension of a university or a college has been made in such a way to prospective students, students, their parents or guardians, that said prospective students, students, their parents or guardians, have been thereby induced to enter into contracts with respondent for courses of instruction in the belief that respondent's said representations are true.

All of the courses of instruction offered by respondent are usually offered by high schools throughout the United States.

Respondent informs prospective students, their parents or guardians, that they have been specially selected for an offer of enrollment in the courses given by respondent because of their high scholastic standing. Respondent's agents also inform said prospective students, their parents or guardians, that they are duly appointed "registrars" of respondent and empowered to select persons for offers of enrollment, and to offer certain selected prospects an exceptionally low price for advertising purposes; that the low price offered consists only of the costs of materials and that the normal charge of tuition

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will not be made for said specially selected students. The so-called "registrars," agents of respondent, represent to the prospect that the regular price for the identical course offered is much higher than the alleged exceptional price, and it is often represented that the regular price is two or three times as high as the alleged exceptional price. None of the respondent's agents are specially designated "registrars" and all agents of the respondent have identical powers as described herein. Said agents have never been authorized to specially select any students for advertising purposes or for any other reason, and the price quoted all students is one and the same. Any representation made by respondent that prospects have been selected on account of high scholastic standing or for any other reason is untrue. The regular price for the course is not more expensive than that represented to such prospects. Courses are never offered to any prospective students by respondent at cost of materials to the respondent for advertising purposes or any other reason, and the total cost of materials to the respondent of the so-called secretarial course does not exceed \$10, and this identical course is retailed to respondent's students at not less than \$49.50, and never at more than \$60. Said representations induce students, their parents or guardians, to enter into contracts with respondent for courses of instruction in the regular course of respondent's business.

Respondent has represented to students, prospective students, their parents or guardians that respondent is a branch of a university or college and is otherwise affiliated with a university or college, that he has limited his offer of courses of instruction to a limited number of persons in a given locality, city, county, or State and that on the completion of a course of instruction given by respondent, respondent will procure a position for the purchasers of said course. Each said representation is untrue and has caused students, their parents or guardians, to enter into contracts for instruction with respondent in the belief that respondent's said representations are true.

Many of the misrepresentations herein set forth have been made by respondent's agents, and respondent has acknowledged responsibility for all of the said misrepresentations herein set forth, whether made by him or by his agents.

There are many institutions of learning located in the United States engaged in extension activities both by home study and classroom methods of instruction, rendering courses of instruction similar to those sold by respondent, which truthfully represent the character of their organizations, the price and conditions of offer for sale and sale of their courses, and the relationship of their organization with other institutions of learning which do not misrepresent their said relationship to other institutions of learning, and which refrain from

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untruthfully representing that they will procure a position for the purchaser of their courses of instruction. Said institutions of learning in their dealings with their students are engaged in commerce among and between the various States of the United States.

Each and all of the false and misleading statements and representations made by the respondent, as hereinabove set out, in offering for sale and selling his correspondence courses of instruction, was, and is, calculated to, and had, and now has, a tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that said representations are true. Further, as a direct consequence of the mistaken and erroneous beliefs, induced by the acts and representations of respondent, a substantial number of the consuming public has purchased a substantial volume of respondent's courses of instruction with the result that trade has been unfairly diverted to the respondent from other individuals, firms, and corporations likewise engaged in the business of selling similar correspondence courses of instruction who truthfully advertise and represent the nature of their respective businesses. As a result thereof, substantial injury has been and is now being done by respondent to substantial competition in commerce among and between the various States of the United States.

CONCLUSION

The aforesaid acts and practices of the respondent under the conditions and circumstances set forth in the foregoing findings are to the prejudice of the public and of respondent's competitors and are unfair methods of competition in commerce and constitute a violation 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 proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of E. F. Agee, an individual trading as "Commercial Extension University," "Commercial Extension of Omaha," and "Commercial Extension College," and upon testimony and evidence taken before John J. Keenan, an examiner for the Commission, duly designated by it, and upon an agreed statement of facts, and the Commission having made its findings as to the facts and its conclusion that said respondent has 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."

It is ordered, That the respondent, E. F. Agee, individually and trading as "Commercial Extension University," "Commercial Extension of Omaha," or "Commercial Extension College," and his agents, representatives, servants, and employees, in connection with the offering for sale or sale of his courses of instruction, in interstate commerce, cease and desist from:

Representing, directly or indirectly, through use of the trade names "Commercial Extension University," or "Commercial Extension College," or any other trade name, or through any other means:

(a) That the business conducted by the respondent is a college or university or an extension college or extension university, or an extension of a college or an extension of a university, or

(b) That students or prospective students of respondent have been specially selected for an offer of enrollment in respondent's courses, or

(c) That respondent's representatives have been appointed "registrars" and have special authority to select particular prospects for offers of enrollment, or

(d) That students or prospective students of respondent are offered an exceptionally low price for advertising purposes, or for any other purpose; that said exceptionally low price consists of only the cost of materials, and that tuition will be given free to said prospects if said prospects become students of respondent; that the regular price for the identical course offered said prospects is much higher than said alleged exceptional price and that generally said regular price is substantially more expensive than said alleged exceptional price, or

(e) That the business conducted by respondent is a branch of a university or a college, or otherwise is affiliated with a university or college, or

(f) That respondent has limited the offer of his courses of instruction to a limited number of persons in a given locality, city, county, or State, or

(g) That respondent will procure a position for those students who complete respondent's courses of instruction, or

(h) That respondent operates a large residence school and that correspondence courses offered by respondent are merely incidental to the regular operations of said residence school.

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

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DR. J. E. CANNADAY

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

Docket 2811. Complaint, May 19, 1936—Decision, June 29, 1936

Where an individual engaged in the sale of a medicinal preparation and treatment for relief and cure of eczema—

Represented, through advertisements in newspapers and periodicals of general circulation, that said preparation and treatment would effect a cure of said ailment in all cases and give permanent relief therefrom and heal same permanently, and would stop the itching attending same, and issued and distributed testimonials to effect that persons giving such testimonials had been suffering from said ailments and had been relieved or cured or completely restored to health by use of such said preparation and treatment, and represented that he had cured numerous persons in various States through use thereof;

Facts being that it would not accomplish such results in all cases, many of the persons thus testifying had not been cured or completely restored to health, and he was without personal knowledge as to the disease, ailment or disorder from which such persons were or had been actually suffering, and as to extent, if any, to which users had benefited or been cured by his said preparation and treatment;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that all said representations were true, and with result that a number of such public, by reason of such mistaken and erroneous beliefs thus induced, purchased a substantial amount thereof and trade was thus unfairly diverted to him from individuals and concerns likewise engaged in the sale of medicinal preparations and treatments for eczema, who truthfully advertised same; to the substantial injury of competition in commerce:

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

Mr. George Foulkes for the Commission.

Mr. Clinton Robb, of Washington, D. C., 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 Dr. J. E. Cannaday, an individual, hereinafter referred to as respondent, has been and now is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the Commission