

## IN THE MATTER OF

JOHN J. McCLOSKEY, INDIVIDUALLY AND TRADING AS  
H. B. KIMBALL COMPANY, H. B. KIMBALL, AND  
KIMBALL LABORATORIESCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION  
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2725. Complaint, Feb. 19, 1936—Decision, Nov. 20, 1937*

Where an individual engaged in sale of proprietary "Kimball Tablets," preparation for disorders and ailments of the digestive system, compounded for him by a company which he neither owned, operated, nor controlled, and sold and shipped, directly and by parcel post, chiefly, from his place of business, to purchasers at various points in various other States, and not, generally, upon doctor's prescription, but indiscriminately, to purchasers who, in reliance upon representations in its advertising, attempted self-medication without medical consultation, and in substantial competition with others engaged in sale and distribution, or manufacture, sale, and distribution, of preparations designed and sold as cures and remedies, or as treatments, for various disorders and ailments of the digestive system, in commerce among the various States and in the District of Columbia; in advertising his said tablets by pamphlets, labels, broadsides, form letters and testimonials, and in newspapers of general interstate circulation—

- (a) Represented that said tablets constituted an effective or competent remedy of cure for stomach trouble and ulcers, constipation, indigestion, dyspepsia, gastritis, and faulty elimination, and was such a remedy or cure for gas pains, intestinal toxic conditions, acidosis, bloating after meals, and dyspepsia symptoms; and
- (b) Represented that said tablets would "rid" the user of any ailment and remove cause thereof, and produce instant or positive results, and be beneficial regardless of severity or duration of ailment or previous remedies used, and that beneficial results were guaranteed, and 100,000 chronic cases had been successfully treated;

Facts being only therapeutic value of product in question was that of an antacid which, properly administered, would temporarily neutralize gastric acidity and have soothing effect on mucous lining of stomach, no one medicine or tablet alone is competent and effective remedy or cure for ailments or disorders of digestive tract, irrespective of cause thereof, certain ingredients present in said tablets, used in some palliative treatments for temporary relief of certain digestive disorders, such as gas pains, intestinal toxic conditions and others, had no effect on causative factors of such conditions and did not serve as cures or remedies therefor, said tablets would not "rid" the user of any ailment, were not beneficial regardless of duration or severity thereof, various representations above set forth were otherwise false, no chronic cases had been successfully treated or cured thereby, but persons suffering from such chronic dis-

## Complaint

orders or ailments had been known to use and rely on such preparations alone until their conditions became such that recovery was impossible; and

(c) Represented, through use of such trade names as "H. B. Kimball Laboratories" or "H. B. Kimball Company, formerly Kimball Laboratories", that he was manufacturer of product and depicted in certain advertising, said Kimball, his predecessor, in uniform, and set forth, in such connection, asserted history of origin of formula of said tablets as assertedly acquired by said Kimball, as a part of his World War experience in Germany from a certain German chemist and physician who had made use of same in treating his patients suffering from digestive disorders, notwithstanding fact he neither owned, operated nor controlled laboratory making aforesaid products compounded by him, said predecessor had no connection with business in question, but had sold same to such individual years theretofore and latter had no knowledge as to whether or not any such German chemist and physician, as above set forth, ever existed or whether formula was derived or obtained as above set forth;

With effect of misleading purchasers of his products into belief that, in buying from him, they were dealing with manufacturer of product and thereby gaining many advantages as result of such purchase, such as, as commonly believed among purchasing and consuming public, superior quality at considerable saving in price, and of misleading and deceiving substantial portion of purchasing public into erroneous belief that said representations were true, and that preparation in question had substantial therapeutic value as cure and remedy for many disorders and ailments, as represented, and with result that public, acting under such mistaken and erroneous beliefs, induced by such false and misleading statement and representations, purchased substantial volume of its said product and trade was unfairly diverted to it from competitors likewise engaged in sale and distribution, or in manufacture, sale, and distribution, of cures and remedies or treatments for ailments and disorders of digestive tract, and who truthfully represent efficacy and therapeutic value of their respective products, and status or character of their respective businesses; to the substantial injury of competition in commerce:

*Held*, That such acts and practices were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. John L. Hornor* and *Mr. Robert S. Hall*, trial examiners.

*Mr. DeWitt T. Puckett* for the Commission.

*Mr. Erwin V. Novotny*, of Milwaukee, Wisc., 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 John J. McCloskey, an individual, trading as H. B. Kimball Company, H. B. Kimball, and Kimball Laboratories, 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

## Complaint

25 F. T. C.

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, John T. McCloskey, trading as H. B. Kimball Company, H. B. Kimball, and Kimball Laboratories, is an individual whose office and place of business is located at 727 West Wisconsin Avenue, Milwaukee, Wis. He is now, and has been since 1930, engaged in selling a stomach remedy, advertised, labeled, and sold as "Kimball Tablets", between and among the various States of the United States and in the District of Columbia, and now causes, and for more than one year last past has caused, such products when sold by him to be shipped from his place of business in Milwaukee to purchasers thereof, some being located in the State of Wisconsin and others being located in various other States of the United States and in the District of Columbia, and there is now, and has been for more than one year last past, a constant current of trade and commerce by the respondent in Kimball Tablets between and among the various States of the United States and in the District of Columbia.

Respondent is now, and for more than one year last past has been, in substantial competition with other individuals, and with firms, partnerships, and corporations engaged in the sale of similar products between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of his business, as described in paragraph 1, hereof, in soliciting the sale of and in selling his Kimball Tablets, respondent now represents, and for more than one year last past has represented, in and by his advertising matter, which consists of circular letters, pamphlets, purported testimonials, folders, labels applied to the products, radio broadcasts, and through small advertisements in newspapers of interstate circulation, and in other ways, that Kimball Tablets are an effective remedy for stomach trouble, ulcers, gas pains, indigestion, constipation, intestinal toxicity, bloating, dyspepsia, gastritis, acidosis, hyperacidity, and faulty elimination; that his preparation will "rid" the user of any ailment; that it is not a patent medicine; that it will remove the cause of any ailment; that it will produce instant or positive results; that it will put a protective covering over the stomach membrane; that it will promote healing while taking care of digestion; that its use will enable the stomach to rest; that it will produce lasting relief; that it will be beneficial regardless of the severity or duration of the ailment or previous treatments used; that amazing results have been experienced by persons who had little or no hope of regaining their

health; that it is sure to produce beneficial results, or that beneficial results are guaranteed; that over one hundred thousand chronic cases have been successfully treated; that regardless of how long you have been suffering, or how discouraged you are of ever being well again, "we positively guarantee results, or the treatment costs you nothing."

In truth and in fact the preparation of itself is in no way a cure for any of the conditions mentioned above, nor does the actual therapeutic value of the preparation warrant statements or representations that it will give relief to sufferers of such ailments or bring about any of the results claimed. The statements that one hundred thousand chronic cases have been successfully treated, and "results are guaranteed, or the treatment costs you nothing," are untrue.

PAR. 3. Only by a thorough diagnosis made by a competent physician can the causes of the various stomach disorders named be ascertained and successfully treated. Respondent is not a physician and there is no medical doctor connected with respondent's business in any capacity.

PAR. 4. Respondent clearly implies and represents, through the statements contained in his advertising media, that he maintains a laboratory wherein his products are compounded, manufactured, or otherwise prepared for the market. In truth and in fact, respondent does not own, operate, or control any factory wherein his Kimball Tablets are made, but respondent purchases the Kimball Tablets, which he advertises and sells, in commerce as aforesaid, from Shores-Mueller Company of Cedar Rapids, Iowa, which company manufactures and prepares the tablets upon the order of respondent.

It is the common belief among the purchasing and consuming public, that a superior grade of medicine can be purchased direct from the manufacturer thereof at a considerable saving in price. The representations made by respondent, as alleged in paragraph 4 hereof, have the tendency and capacity to mislead and deceive the purchasers of respondent's stomach medicine into the belief that when they purchase Kimball Tablets from respondent, they are dealing with the manufacturer of said tablets purchased and thereby are gaining an advantage by saving the middleman's profit.

PAR. 5. Respondent represents, in and by the advertising media described in paragraph 2 hereof, that H. B. Kimball, whose picture, military history and the history of the Kimball Tablets appear as part of said advertising, manufactures the respondent's stomach remedy, or is in some way connected with the business. On the contrary, H. B. Kimball sold the business, together with all the rights incident

## Complaint

25 F. T. C.

thereto, to the respondent in 1930, and thereby severed all connections with the respondent's business.

PAR. 6. Respondent also represents that Kimball Tablets are prepared according to a formula of the late Dr. Sternberger of Germany, whereas in truth and in fact respondent has no knowledge whether or not the said formula was ever used by Dr. Sternberger or anyone else in the manufacture of stomach medicines.

PAR. 7. Respondent employs as part of his advertising set up, purported testimonials in which statements are made by the persons giving said testimonials that the persons making said statements were or had been suffering from one or more of the stomach disorders herein referred to and that said persons had been cured or benefited by use of respondent's product when in truth and in fact the respondent was, and is, without knowledge as to the disease or diseases, if any, from which said persons were, or had been, actually suffering.

Respondent also employs certain purported endorsements of his preparation by doctors and chemists when in truth and in fact none of said doctors or chemists are known to respondent and he is now, and has been, without knowledge as to whether any of them have endorsed his preparation or not.

PAR. 8. The use by respondent of the representations hereinabove described has had, and now has, the capacity and tendency to mislead and deceive, and does mislead and deceive a substantial portion of the purchasing public into the belief that such representations are true, and to purchase substantial quantities of said stomach medicines from respondent in such erroneous belief. There are, among the competitors of respondent, as mentioned in paragraph 1 hereof, manufacturers and distributors of stomach remedies, who neither misrepresent their status as manufacturers nor the therapeutic value of their products in any way, who likewise advertise, sell, and distribute stomach medicines among the various States of the United States and in the District of Columbia. By the representations aforesaid, trade is diverted to respondent from such competitors; thereby substantial injury is being, and has been, done by respondent to substantial competition in commerce as herein set out.

PAR. 9. The above alleged acts and practices of respondent are all to the prejudice of the public and the respondent's competitors and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

## 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 19, 1936, issued, and on February 21, 1936, served, its complaint in this proceeding upon respondent, John J. McCloskey, individually, and trading as H. B. Kimball Company, H. B. Kimball, and Kimball Laboratories, 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 other evidence in support of the allegations of said complaint were introduced by DeWitt T. Puckett, attorney for the Commission, before John L. Hornor and Robert S. Hall, examiners of the Commission theretofore duly designated by it, and in opposition to the allegations of the complaint by E. V. Novotny, attorney for the respondent; and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and other evidence, and brief in support of the complaint, no brief having been filed by respondent and no oral argument having been requested; and the Commission having duly considered the same, and being now fully advised in the premises, 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:

## FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, John J. McCloskey, is an individual trading as H. B. Kimball Company, H. B. Kimball, and Kimball Laboratories. His place of business is at 727 West Wisconsin Avenue, Milwaukee, Wis. He is now, and since 1929 has been, engaged in the sale and distribution of a product called Kimball Tablets, a proprietary medicine advertised and sold as a remedy and cure for various disorders and ailments of the digestive system.

When orders are received for respondent's tablets, he causes them to be shipped from his place of business at Milwaukee, Wis., to the purchasers thereof located at various points in the various States of the United States other than the State of Wisconsin. Said tablets are shipped directly to the purchasers thereof chiefly by parcel post. Since 1929, the respondent has maintained a constant current

of trade in said tablets, in commerce among and between the various States of the United States.

At all times since respondent entered into said business, he has been in substantial competition with other individuals and with partnerships and corporations engaged in the sale and distribution, or in the manufacture, sale, and distribution, of preparations designed and sold as cures and remedies or as treatments for various disorders and ailments of the digestive system, in commerce among and between the several States of the United States and in the District of Columbia.

PAR. 2. The respondent has advertised, and is now advertising, said Kimball Tablets by pamphlets, labels, broadsides, form letters, testimonials and through advertisements inserted in newspapers of general interstate circulation. Respondent formerly advertised his tablets by radio, but has done no radio advertising during the past three years. Said Kimball Tablets have been, and are now, advertised and represented by respondent as a competent or effective remedy or cure for stomach trouble, ulcers, gas pains, indigestion, constipation, intestinal toxicity, bloating, dyspepsia, gastritis, acidosis, hyperacidity, faulty elimination and various other ailments and disorders of the digestive tract. He also represents that said tablets will "rid" the user of any ailment; that they will remove the cause of any ailment; that they will produce instant or positive results; that they will be beneficial regardless of the severity or duration of the ailment or previous remedies used; that beneficial results are guaranteed; and that 100,000 chronic cases have been successfully treated.

PAR. 3. The qualitative formula for Kimball Tablets is:

Calcium carbonate, Sodium bicarbonate, Magnesium oxide, Peppermint Vanalin, Oleoresin Ginger, Saccharin, Bismuth.

Based upon an examination of the product and its qualitative formula by a governmental agency, and upon the testimony of duly qualified members of the medical profession, it is found that the only therapeutic value of said product is that of an antacid which, if properly administered, would temporarily neutralize gastric hyperacidity and would have a soothing effect on the mucous lining of the stomach.

The evidence establishes that the method of treating disorders and ailments of the digestive tract, which is followed generally by the medical profession, is, in all cases, to get a complete history of the patient's disorder or ailment, whereupon an exhaustive diagnosis is made which oftentimes involves a determination of the blood

pressure, urina tests, blood tests, and an X-ray examination. After the patient's disorder or ailment is discovered and the cause thereof determined, if possible, said disorder or ailment is treated in accordance with certain standard methods of treatment employed by the medical profession for that particular disorder or ailment. Such treatment includes correcting the diet, administering certain medicines in some cases and, in others, surgical operations.

Disorders and ailments of the digestive tract arise from many causes and they are not all treated in the same manner. No one medicine or tablet alone is a competent and effective remedy or cure for ailments or disorders of the digestive tract, irrespective of the cause thereof. Kimball Tablets do contain certain ingredients used in some palliative treatments which are administered for temporary relief of certain digestive disorders such as gas pains, intestinal toxic conditions, acidosis, bloating after meals, symptoms of dyspepsia, and hyperacidity, but which have no effect on the causative factors of such conditions and which do not serve as cures or remedies for such conditions. Said tablets, however, have no therapeutic or beneficial value in the treatment of stomach trouble, ulcers of the stomach, constipation, indigestion, dyspepsia, gastritis and faulty elimination. They will not remove the cause of or "rid" the user of any ailment. They are not beneficial regardless of the duration or severity of the ailment, and they will not produce instant and positive results. Beneficial results are not guaranteed and no chronic cases have been successfully treated or cured by the use of said tablets. Persons suffering from chronic disorders or ailments of the digestive tract have been known to use and rely on such preparations alone until their conditions became such that recovery was impossible.

The testimony of a doctor who used Kimball Tablets in treating about fifty-five patients suffering from digestive disorders and ailments is substantially in accord with the other medical testimony adduced. His method of procedure in treating patients suffering from digestive disorders is in accordance with established methods of treatment above described. The witness testified that Kimball Tablets will not remove the cause of any ailment.

Respondent's tablets are not generally sold upon a doctor's prescription but are sold indiscriminately to purchasers who, relying upon the representations contained in respondent's advertising, attempt self-medication without consulting a doctor.

PAR. 4. Until about two years ago respondent used the trade names "H. B. Kimball Laboratories," and "H. B. Kimball Laboratory," on his letterheads. The letterheads now read "H. B. Kimball

## Findings

25 F. T. C.

Company, formerly Kimball Laboratories." The trade names "H. B. Kimball Laboratories" and "Kimball Laboratories" still appear on certain of his advertising literature.

It is the common belief among the purchasing and consuming public, that a superior grade of medicine can be purchased direct from the manufacturer thereof at a considerable saving in price and that other advantages can be obtained thereby. The use by respondent of the word "laboratory" or "laboratories" as a part of his trade name has had, and now has, the capacity and tendency to mislead, and has misled, purchasers of respondent's products into the belief that when they purchase said products from respondent, they are dealing with the manufacturer of said products purchased and thereby are gaining many advantages as a result thereof. Respondent has never owned, operated or directly and absolutely controlled a laboratory or manufacturing plant in which Kimball Tablets were compounded. In fact, said tablets are compounded for the respondent by Shores-Mueller Company of Cedar Rapids, Iowa, which company compounds the tablets upon the order of respondent. Respondent has never owned, operated or exercised any control over the Shores-Mueller Company.

PAR. 5. Certain of respondent's advertising matter, which was also formerly used by H. B. Kimball, respondent's predecessor, carries a picture of H. B. Kimball in military uniform and a story about the origin and history of Kimball Tablets. According to said story, H. B. Kimball was a soldier in the late World War and had the good fortune of being billeted with a family at Heimersheim, Germany, that had in its possession the formula for Kimball Tablets, said formula having been discovered by the late Dr. Sternberger, a chemist and physician of Heimersheim, Germany, and having been used in treating Dr. Sternberger's patients suffering from digestive disorders. Further, according to the story, Kimball obtained a copy of the formula and compounded Kimball Tablets in accordance therewith. The aforesaid advertising matter and the right to use the same were obtained from Kimball at the time respondent purchased the business from him. Respondent never knew Dr. Sternberger or whether such person ever existed or whether the said formula was derived or obtained in the manner represented. The entire story is based upon hearsay. H. B. Kimball sold the business to respondent in 1929 and has not been connected with the business in any way since that time.

PAR. 6. The use by respondent of the representations set forth above in his advertising literature has had, and now has, the capacity and tendency to, and does, mislead and deceive a substantial portion of

1438

## Order

the purchasing public into the erroneous beliefs that said representations are true and that said preparation has the substantial therapeutic value as a cure and remedy for many disorders and ailments as represented. Acting under the mistaken and erroneous beliefs induced by the false and misleading statements and representations above referred to, the public has purchased a substantial volume of the respondent's products with the result that trade has been unfairly diverted to the respondent from his competitors likewise engaged in the sale and distribution, or in the manufacture, sale, and distribution, of cures and remedies or treatments for ailments and disorders of the digestive tract, who truthfully represent the efficacy and therapeutic value of their respective products and the status or character of their respective businesses. As a result thereof, a substantial injury has been done, and is now being done, by respondent to competition in commerce among and between the various States of the United States and in the District of Columbia.

## CONCLUSION

The aforesaid acts and practices of the respondent John J. McCloskey, individually, and trading as H. B. Kimball Company, H. B. Kimball, and Kimball Laboratories, are to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition in commerce, within the intent and meaning of Section 5 of an Act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

## ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and other evidence taken before John L. Hornor and Robert S. Hall, examiners of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, and brief in support of the complaint, no brief having been filed by respondent and no oral argument having been requested, 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, John J. McCloskey, individually and trading as H. B. Kimball Company, H. B. Kimball,

## Order

25 F. T. C.

and Kimball Laboratories, or trading under any other name, his agents, representatives and employees in connection with the offering for sale, sale and distribution of a medicinal product now designated as "Kimball Tablets," or of any other medicinal product containing substantially the same ingredients, or possessing the same properties, sold under that name or any other name, in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

A. Representing directly or through the use of testimonials or indorsements or in any other manner,

1. That said product constitutes an effective and competent remedy or cure for, or has any therapeutic or beneficial value in the treatment of, stomach trouble, ulcers of the stomach, constipation, indigestion, dyspepsia, gastritis, and faulty elimination;

2. That said product is an effective and competent remedy or cure for, or that it will remove the causes of, gas pains, intestinal toxic conditions, acidosis, bloating after meals, and symptoms of dyspepsia; provided respondent is not hereby prevented, however, from representing said product as a palliative treatment for temporary relief of such conditions;

3. That said product will remove the cause of, or rid the user of, any disease, disorder or ailment whatever;

4. That said product is beneficial regardless of the duration or severity of the ailment and that chronic cases have been successfully treated by the use thereof;

5. That said product will produce instant and positive results and that beneficial results are guaranteed.

B. Representing, through the use of the word "laboratory" alone or in conjunction with any other word, or through the use of any other word or words of similar import and meaning, or through any device, that he is the manufacturer of said product until and unless he owns, operates, or directly and absolutely controls a laboratory wherein said products are compounded by him.

C. Representing through the use of pictorial representations or in any manner:

1. That H. B. Kimball is connected with the said business;

2. That said product is compounded in accordance with a formula discovered by a Dr. Sternberger of Germany or by any other person who did not in fact discover the said formula.

*It is further ordered*, That the 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

## IN THE MATTER OF

## JULIUS GOODMAN &amp; SON, INC.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION  
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 20, 1914

*Docket 3028. Complaint, Jan. 5, 1937—Decision, Nov. 22, 1937*

Where a corporation engaged, in retail jewelry business, in offer and sale, to customers and prospective customers in various States and in the District of Columbia, of new silverware and of secondhand silverware purchased by it from various sources and, in some instances, reconditioned and renovated at a cost which was generally lower than cost to it of new and unused silverware of similar quality, and enabled thereby to sell same at substantially lower prices than those at which competitors engaged in sale of new silverware were able to sell similar new products, and with appearance, in most instances, of new silverware which had never been used—  
Sold its said used and renovated silverware with no mark, symbol or statement thereon or in connection therewith, or in the advertisements thereof to indicate same was not new, and without disclosing fact it had been previously used, then renovated and reconditioned, and under such circumstances as to indicate that it was new silverware, and failed, in its advertisements in newspapers and magazines in general circulation throughout the United States, to disclose secondhand or reconditioned nature of silverware thus offered by it;

With tendency and capacity to mislead and deceive a substantial portion of purchasing public into erroneous belief that said used and renovated silverware was new and unused, and with result that, by reason of such mistaken and erroneous belief induced by said advertisements and representations, number of the consuming public bought considerable volume of its said silverware and trade was unfairly diverted to it from those likewise engaged in sale of new and unused or used silverware, and who truthfully advertise their products; to the substantial injury of competition in commerce:

*Held*, That such acts and practices were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. Robert S. Hall*, trial examiner.

*Mr. George Foulkes* for the Commission.

*Mr. C. Rudolph Johnson*, of Memphis, Tenn., 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 Julius Goodman & Son, Inc., is a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in