

## Syllabus

IN THE MATTER OF  
HEALTH GUARD, INC.COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION  
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 23, 1914*Docket 2877. Complaint, July 15, 1936—Decision, Nov. 24, 1937*

Where a corporation engaged, among other things, in manufacture, sale and distribution of its so-called "Health Guard," mechanical device for attachment to gas heaters and stoves to remove or reduce amount of carbon monoxide gas expelled therefrom and in marketing, chiefly, through department stores, jobbers and mail order houses throughout the United States, its product in substantial competition with others engaged in manufacture, sale, and distribution, or in sale and distribution, in commerce among the various States and in the District of Columbia, of stove pipes and of other devices and attachments for similar use on gas-burning appliances, air-conditioning vents and gas heaters; in advertising its said device through newspapers, folders, circulars, labels attached thereto, and in various other ways—

Represented that use thereof on gas appliances would change carbon monoxide gas passing through such device to a harmless substance, and that it was effective and sure in operation and protected against dangers of carbon monoxide poisoning, and constituted safe substitute for stove pipes, use of which it made unnecessary, facts being said device, thus attached, would not change carbon monoxide contained in products of combustion emitted thereby to a harmless gas, was not simple and sure in operation, would not protect user from dangers of carbon monoxide poisoning, and did not constitute safe substitute for stove pipes;

With capacity and tendency to mislead and deceive substantial portion of trade and public into erroneous beliefs that device in question constituted such a safe substitute and had the qualities or properties and result attributed to it as above set forth, and would protect user from dangers of aforesaid poisoning, and with result that public, as consequence of mistaken and erroneous beliefs induced by such false and misleading representations, purchased substantial volume of its said devices in preference to those of competitors, and trade was unfairly diverted to it from competitors engaged in manufacture, sale, and distribution, or in sale and distribution, of stove pipes and other devices used to remove from rooms carbon monoxide gas emitted from gas-burning appliances, and of devices used to prevent carbon monoxide poisoning, and who in no way misrepresent effectiveness, function, or purpose of their respective 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. John L. Hornor*, trial examiner.

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

*Saperston, McNaughtan & Saperston*, of Buffalo, N. Y., for respondent.

## Complaint

25 F. T. C.

## 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 Health Guard, Inc., a corporation, hereinafter referred to as the respondent, has been, and 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, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Health Guard, Inc., is a corporation, organized and existing under the laws of the State of New York, with its office and principal place of business located at 110 E. Utica Street, in the city of Buffalo, State of New York. Respondent is now, and for more than one year last past, has been, engaged in manufacturing, advertising, and selling a safety appliance, designated "Health Guard" and designed to remove carbon monoxide from gases produced by radiant-type stoves. In the course and conduct of its business, respondent causes said appliances, when sold, to be transported from its place of business in the State of New York into and through various States of the United States and the District of Columbia, to the purchasers thereof located in other States of the United States and the District of Columbia. In the course and conduct of its business aforesaid, respondent is now, and for more than one year last past, has been, in substantial competition with other individuals, partnerships, firms, and corporations engaged in the business of manufacturing and selling devices and appliances designed to protect consumers against the danger of poisonous gases in commerce between and among the various States of the United States and the District of Columbia.

PAR. 2. The device manufactured by respondent as aforesaid, consists of a sheet metal container cylindrical in shape, and approximately  $6 \times 2\frac{3}{4} \times 7\frac{1}{2}$  inches in size. The interior is loosely packed with lathe turnings or curled strands of nickel. At one side, near the bottom of the container is a hole fitted with a collar which connects with the flue of the heater. The top of the container is covered by a lid perforated to form a screen having holes  $\frac{1}{4}$  inch square. The products of combustion from the heater enter the device at the bottom, pass through the filler and out through the holes in the lid. Pure nickel, when raised to a temperature of about  $600^{\circ}$  Fahrenheit, absorbs or adsorbs carbon monoxide and acts as a catalytic agent in

the transformation of this gas into carbon dioxide. This action ceases when the catalytic agent has reached the saturation point. Respondent's said appliance when used on the type of heater or stove for which it is advertised and sold has no appreciable effect upon carbon monoxide generated by gas combustion.

PAR. 3. In the course and conduct of its business, respondent has made, and is making, false and misleading statements and representations in advertisements, circulars, pamphlets, labels, letters, window displays, and otherwise, as follows:

The Health Guard is simple and sure in operation. It contains a catalyst that oxidizes the deadly, poisonous carbon monoxide, changing it to a harmless gas.

The *only* safe device for eliminating unsightly pipes on stoves and radiant heaters.

For Health and Economy use a Health Guard.

The Health Guard (patented) contains a catalyst that will oxidize (change) deadly, poisonous carbon monoxide that passes through it to a harmless gas.

The first and only completely safe substitute for stove pipes.

Positively converts stove fumes into harmless gas.

No Carbon Monoxide fumes. Own a "Health Guard." A protector from the dangers of carbon monoxide! Attach a Health Guard to your radiant heater for safety's sake. It traps dirt and saves gas.

No longer is it necessary to put up with an unsightly stove pipe on your gas range—or to endanger your health or even your life with carbon monoxide thrown off by a pipeless radiant heater due to incomplete combustion.

Now, for the first time you can replace an unsightly pipe with a device that oxidizes deadly carbon monoxide to relatively harmless carbon dioxide—thereby preventing carbon monoxide poisoning. Tests made by eminent chemists and testing laboratories prove it.

In truth and in fact said statements and representations were and are false and misleading in that the said device does not oxidize carbon monoxide and does not change carbon monoxide to a harmless gas; it is not the only device for eliminating unsightly pipes on stoves and radiant heaters; the catalyst contained in said "Health Guard" will not oxidize or change carbon monoxide into a harmless gas; it is not the only substitute for stove pipes; said appliance will not protect the user from the dangers of carbon monoxide, and will not prevent carbon monoxide poisoning.

PAR. 4. There are among the competitors of respondent engaged in the manufacture and sale of safety devices and appliances as mentioned in paragraph 1 hereof corporations, firms, partnerships, and individuals who manufacture and sell safety devices and appliances and who truthfully represent their products in their advertising and upon their stationery, pamphlets, circulars, and otherwise.

PAR. 5. The representations by respondent as set forth in paragraph 3 hereof have a capacity and tendency to, and do mislead and

deceive the purchasing public into the belief that they are true and that the use of said appliance will accomplish the results set out in the advertisements, circulars, pamphlets and labels aforesaid; and they further have the capacity and tendency to, and do, cause purchasers of said appliance to remove flues or other means of removing carbon monoxide-containing products from the room, thereby endangering their health and lives because of the false sense of security induced by said statements and representations. Said representations further have the capacity and tendency to, and do, induce the purchasing public, acting in such belief, to purchase said appliance or device, thereby diverting trade to respondent from his competitors who do not misrepresent their products in any manner, and thereby respondent does substantial injury to substantial competition in interstate commerce.

PAR. 6. The acts and things above alleged to have been done and the false representations alleged to have been made by respondent are to the prejudice of the public and the 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," 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 July 15, 1936, issued, and on July 17, 1936, served its complaint in this proceeding upon respondent, Health Guard, Inc., a corporation, charging it 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, an examiner of the Commission, theretofore duly designated by it, and in opposition to the allegations of the complaint by Alfred M. Saperston, 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, briefs in support of the complaint and in opposition thereto, and the oral arguments of

counsel aforesaid; 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, Health Guard, Inc., is a corporation organized in 1934 and doing business under the laws of the State of New York. Its principal office and factory are at 110 East Utica Street, Buffalo, N. Y. The respondent is now, and since 1934 has been, engaged continuously in the manufacture, sale, and distribution, among other products, of a mechanical device sold and marketed under the name "Health Guard." Said device is an appliance designed to be attached to gas heaters and stoves for the purpose of removing or reducing the amount of carbon monoxide gas expelled from said stoves and heaters when in operation.

When orders are received for said devices, respondent causes them to be shipped from its factory at Buffalo, N. Y., to the purchasers thereof located at various points in States of the United States other than the State of New York. Said products are marketed chiefly through department stores, jobbers, and mail-order houses throughout the United States. At all times mentioned herein the respondent has maintained a constant current of trade in said devices in commerce among and between the various States of the United States.

At all times since respondent entered into said business, it has been in substantial competition with other corporations and with partnerships and individuals engaged in the manufacture, sale and distribution or in the sale and distribution of stove pipes and of other devices and attachments for similar use on gas-burning appliances, air-conditioning vents, and gas heaters, in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 2. Said "Health Guard" device consists of a sheet metal container approximately 6 x  $2\frac{3}{4}$  x  $7\frac{1}{2}$  inches in size. The interior is loosely packed with metal turnings. A three-inch diameter hole, fitted with a collar which connects with the flue of the gas appliance or heater, is located at one side near the bottom of the container. The top of the container is covered by a lid perforated to form a screen having holes one-quarter inch in diameter. The products of combustion from the heater enter the device at the bottom, pass through the filler and out through the holes in the lid.

## Findings

25 F. T. C.

For the purpose of inducing the purchase of said "Health Guard," the respondent advertised said device through newspapers, folders, circulars, labels attached to the device, and in various other ways as follows:

The Health Guard is simple and sure in operation. It contains a catalyst that oxidizes the deadly, poisonous carbon monoxide, changing it to a harmless gas.

The only safe device for eliminating unsightly pipes on stoves and radiant heaters.

For health and economy use a Health Guard.

The Health Guard (patented) contains a catalyst that will oxidize (change) deadly, poisonous carbon monoxide that passes through it to a harmless gas. The first and only completely safe substitute for stove pipes.

Positively converts stove fumes into harmless gas.

No Carbon Monoxide fumes. Own a "Health Guard." A protector from the dangers of carbon monoxide! Attach a Health Guard to your radiant heater for safety's sake. It traps dirt and saves gas.

No longer is it necessary to put up with an unsightly stove pipe on your gas range—or to endanger your health or even your life with carbon monoxide thrown off by a pipeless radiant heater due to incomplete combustion.

Now for the first time you can replace an unsightly pipe with a device that oxidizes deadly carbon monoxide to relatively harmless carbon dioxide—thereby preventing carbon monoxide poisoning. Tests made by eminent chemists and testing laboratories prove it.

Such statements as those hereinabove set out serve as representations on the part of respondent to members of the purchasing public that the "Health Guard" device, when used on gas-burning appliances which emit carbon monoxide as a component part of the products of combustion, will change the carbon monoxide to a harmless gas; that it is a safe substitute for stove pipes; that the use of stove pipes is not necessary when said device is used; that said device will protect the user thereof from the dangers of carbon monoxide poisoning, and that said device is effective or sure in operation.

PAR. 3. Observing certain of respondent's advertising in the Pittsburgh Press, a representative of the Pittsburgh Experiment Station of the United States Bureau of Mines obtained two of said devices in the open market and in collaboration with other members of the staff, tested said devices for the purpose of determining whether or not they would reduce below the danger point the carbon monoxide contained in the products of combustion emitted by gas-burning appliances.

The first test of the device was conducted in a practically air-tight room of approximately 1,000 cubic foot volume, that is available at the Pittsburgh Experiment Station of the Bureau of Mines for tests with gases. A radiant-type heater was placed in this room and fitted with the Health Guard. The primary air supply to the burners was reduced by closing the air adjustment so that there would be a defi-

nite production of carbon monoxide by the heater. The heater was then operated for  $1\frac{1}{2}$  hours in this closed room, using Pittsburgh natural gas as the fuel. The atmosphere of the room was thoroughly stirred by a fan during the test to insure uniform gas composition throughout the room. Samples of the room atmosphere were collected at 15-minute intervals. A carbon monoxide indicator drew a sample from the room continuously so that the concentration of carbon monoxide in the room might be observed at any time during the test. The reading of this instrument was recorded at 15-minute intervals. At the conclusion of the  $1\frac{1}{2}$  hour test with the Health Guard attached to the heater, the room was opened and thoroughly ventilated. A similar test was then conducted with the Health Guard removed from the heater. The results of these tests are given in Table 1.

It is shown in Table 1 that no significant or substantial decrease in the concentration of carbon monoxide in the closed room was effected at any time during the test by the attachment of the Health Guard to the heater.

TABLE 1.—Closed room tests: operating radiant type space heater with, and without, Health Guard

| Time after start of test (minutes) | Gas rate of heater cu. ft. per minute |                      | Analysis of test room atmosphere, percent by volume |                      |                                                         |                      |                                               |                      |                                       |                      |
|------------------------------------|---------------------------------------|----------------------|-----------------------------------------------------|----------------------|---------------------------------------------------------|----------------------|-----------------------------------------------|----------------------|---------------------------------------|----------------------|
|                                    |                                       |                      | Carbon monoxide by automatic indicator <sup>1</sup> |                      | Carbon monoxide by Pyro-tannic acid method <sup>2</sup> |                      | Carbon dioxide by Haldane method <sup>3</sup> |                      | Oxygen by Haldane method <sup>3</sup> |                      |
|                                    | With Health Guard                     | Without Health Guard | With Health Guard                                   | Without Health Guard | With Health Guard                                       | Without Health Guard | With Health Guard                             | Without Health Guard | With Health Guard                     | Without Health Guard |
| 15.....                            | 0.200                                 | 0.194                | 0.016                                               | 0.018                | 0.02                                                    | 0.02                 | 0.36                                          | 0.40                 | 20.35                                 | 20.38                |
| 30.....                            | .193                                  | .193                 | .028                                                | .028                 | .03                                                     | .03                  | .69                                           | .73                  | 19.78                                 | 19.93                |
| 45.....                            | .193                                  | .192                 | .041                                                | .038                 | .05                                                     | .05                  | 1.01                                          | 1.04                 | 19.25                                 | 19.10                |
| 60.....                            | .190                                  | .193                 | .053                                                | .051                 | .06                                                     | .06                  | 1.30                                          | 1.36                 | 18.56                                 | 18.59                |
| 75.....                            | .190                                  | .193                 | .066                                                | .063                 | .08                                                     | .07                  | 1.65                                          | 1.65                 | 18.05                                 | 18.00                |
| 90.....                            | .194                                  | .193                 | .080                                                | .077                 | .09                                                     | .09                  | 2.00                                          | 2.02                 | 17.42                                 | 16.95                |

<sup>1</sup> Accuracy of method 0.01 (0.01 percent—1 part CO in 10,000 parts air).

<sup>2</sup> Accuracy of method 0.01 in range 0.00 to 0.05; 0.02 in range 0.05 to 0.10.

<sup>3</sup> Accuracy of method 0.02.

A second test was then conducted wherein the products of combustion were sampled directly from the outlet of the Health Guard, rather than from the accumulated products, as in the closed room test. The heater was operated in a well ventilated room with the Health Guard attached. To insure obtaining a representative and homogeneous mixture of the products of combustion from which to collect the samples, a metal hood was fitted over the outlet of the Health Guard. The products of combustion issuing from the Health

## Findings

25 F. T. C.

Guard entered this hood and were withdrawn from it by means of a pump. The pump was carefully regulated throughout the test so that atmospheric pressure was maintained within the hood at all times. Thus, no excessive draft nor back-pressure was exerted on the effluent opening of the Health Guard. A large bottle which acted as a mixing chamber was inserted in the pipe line which led from the hood to the pump. Gas samples were collected at the outlet of this bottle after the products of combustion had been mixed by passage through the bottle. A carbon monoxide recorder operating on the principle of the apparatus designed for control of ventilation in vehicular tunnels also drew a sample from this point. When production of carbon monoxide had reached a steady state, as indicated by the carbon monoxide recorder, a sample of the products issuing from the Health Guard was collected. At the conclusion of this test, the metal filler was removed from the interior of the Health Guard and a similar test conducted. In this test a damper was inserted in the hood above the Health Guard and regulated so that the products of combustion contained approximately the same concentration of carbon dioxide as in the test with the filler in place. By this means an approximately equal rate of flow of the products of combustion through the device was maintained in both tests. To eliminate the possibility of obtaining erroneous or misleading results which might be caused by variations in the performance of the heater, two additional, and similar tests were conducted. Thus, four tests were conducted alternately with and without the filler in place, and two pairs of samples of the products issuing from the device, and representing both conditions, were collected.

As two of the Health Guard units were available for test, a similar series of tests was conducted with a second unit. The units were of the same type, and were labelled "A" and "B" for the purpose of identification. The results of these tests are given in Table 2.

TABLE 2.—Analysis of products of combustion issuing from two Health Guard units attached to a radiant type space heater, with, and without, the filler in place

| Condition of test                                        | Tests with Health Guard "A" |                |             |                | Tests with Health Guard "B" |                |             |                |
|----------------------------------------------------------|-----------------------------|----------------|-------------|----------------|-----------------------------|----------------|-------------|----------------|
|                                                          | With filler                 | Without filler | With filler | Without filler | With filler                 | Without filler | With filler | Without filler |
| Gas rate to stove, cu. ft. per minute                    | 0.26                        | 0.26           | 0.26        | 0.26           | 0.26                        | 0.26           | 0.26        | 0.26           |
| Carbon dioxide percent by volume                         | 1.31                        | 1.14           | 1.22        | 1.19           | 1.24                        | 1.13           | 1.14        | 1.16           |
| Oxygen, per cent by volume                               | 18.45                       | 18.70          | 18.62       | 18.66          | 18.68                       | 18.73          | 18.80       | 18.69          |
| Carbon monoxide by pyro-tannic method, percent by volume | .18                         | .18            | .17         | .17            | .17                         | .18            | .17         | .17            |

It is shown in Table 2 that no significant or substantial decrease in the carbon monoxide content of the products of combustion was effected by the presence of the filler in the Health Guard.

The Health Guard device was also tested by other chemists for the purpose of determining its effectiveness in reducing the carbon monoxide gas contained in the products of combustion produced by gas-burning appliances. It is found that the results of said tests cannot be relied upon because proper and necessary equipment essential for obtaining accurate results in tests of such a character were not employed in said tests and said tests were not conducted in such a manner as to obtain reliable results.

PAR. 4. From the testimony and other evidence, it is found that the Health Guard device when attached to gas-burning appliances will not change the carbon monoxide contained in the products of combustion emitted by said device to a harmless gas; that it is not a safe substitute for stove pipes; that it is not simple and sure in operation, and will not protect the user from the dangers of carbon monoxide poisoning.

PAR. 5. The use by respondent of the representations described herein in its advertising literature has had, and now has, the capacity and tendency to mislead and deceive a substantial portion of the trade and public into the erroneous beliefs that the device known as "Health Guard" is a safe substitute for stove pipes; that it will change carbon monoxide gas contained in the products of combustion passing through said device to a harmless gas; that said device is simple and sure in operation; and that it will protect the user from the dangers of carbon monoxide poisoning.

As a consequence of the mistaken and erroneous beliefs induced by the false and misleading representations above referred to, the public has purchased a substantial volume of the respondent's devices in preference to the products of its competitors with the result that trade has been unfairly diverted to the respondent from its competitors engaged in the manufacture, sale and distribution, or in the sale and distribution of stove pipes and other devices used to remove from rooms carbon monoxide fumes emitted from gas-burning appliances, and devices used to prevent carbon monoxide poisoning, who in no way misrepresent the effectiveness, function or purpose of their respective products. As a result thereof, 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.

Order

25 F. T. C.

## CONCLUSION

The aforesaid acts and practices of the respondent, Health Guard, Inc., a corporation, 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, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, briefs filed herein, and oral arguments by DeWitt T. Puckett, counsel for the Commission, and by Alfred M. Saperston, counsel for the respondent, 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, Health Guard, Inc., its officers, representatives, agents, and employees in connection with the offering for sale, sale and distribution of a mechanical device for use on gas stoves now known as "Health Guard" or substantially the same device sold under that name or any other name in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

1. Representing, directly or indirectly, that the use of said device on gas appliances will change carbon monoxide gas passing through said device to a harmless gas;
2. Representing that said device is a safe substitute for stove pipes and that stove pipes are not necessary when said device is used;
3. Representing that said device is effective or sure in its operation, and
4. Representing that use of said device will protect against the dangers of carbon monoxide poisoning.

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

## Complaint

IN THE MATTER OF  
THE ELECTRIC APPLIANCE COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION  
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 3008. Complaint, Dec. 4, 1936—Decision, Nov. 24, 1937*

Where a corporation engaged in manufacture of electrical appliances, such as electric belts and insoles, and in sale thereof to purchasers in the various States and Canada, in competition with those engaged in sale of similar products for same and similar purposes, and who truthfully represent the same—

Represented in advertising matter circulated and distributed as aforesaid that its belts and insoles had therapeutic value in the treatment of nervous diseases, rheumatism, heart trouble, dyspepsia, and other diseases and ailments, including liver, kidneys, grippe, and similar trouble, and pains in chest and back and headaches, and that electric stimulation therefrom quickened liver and kidneys, and claimed thousands of testimonials from people who had been cured of rheumatism, cramps, foot, gout and other troubles, through use of said products, facts being said belts and insoles did not generate enough electricity to have any discernible effect on any part of the body they might contact, were not an adjunct to the cure of disease, and did not possess the curing qualities claimed in its advertising;

With capacity and tendency to deceive and mislead substantial portion of purchasing public into erroneous belief that such representations were true, and with result that consuming public, as a direct consequence of such mistaken and erroneous beliefs, thus engendered, was persuaded to purchase substantial volume of its products, trade was diverted unfairly to it from competitors engaged in sale of products of same kind and nature as above set out, and who truthfully advertise and represent the character and quality thereof, and means of deceiving such public was also placed in hands of agents, furnished by it, for distribution and circulation, with such advertising; to the substantial injury of consuming public and 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. W. W. Sheppard*, trial examiner.

*Mr. T. H. Kennedy*, *Mr. John Darsey* and *Mr. Clark Nichols* for the Commission.

*Hannen & Hannen*, of Burlington, Kans., 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,"