

Syllabus

IN THE MATTER OF

KORJENA MEDICINE COMPANY AND JEROME GLADKE,
DOING BUSINESS AS KORJENA MEDICINE COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 28, 1914*Docket 2685. Complaint, Jan. 14, 1936—Decision, Apr. 6, 1938*

Where a proprietorship and individual engaged in offer, sale, and distribution of so-called "Korjena," preparation for reducing and obesity; in selling same through mails and other carriers in channels of interstate commerce, and by means of newspaper advertising, circulars, labels, container box displays, and written and oral statements by said individual and his agents and employees, and by other forms of advertising and sales promotion circulated and distributed to customers and prospective customers and members of the purchasing public in the various States and in the District of Columbia—

- (a) Represented, on letterheads, invoices, containers, and circulars, as case might be, that said individual was president and general manager of said company, and that same was a corporation, facts being that he was neither, and said company was not a corporation, but a proprietorship owned and operated by him under aforesaid name as trade name;
- (b) Represented that said company was manufacturer of "Korjena" and owned and operated apparatus and machinery for that purpose, and laboratories, through such statements as "Manufacturers" and "Laboratories and General Offices," etc., facts being it neither owned nor operated any manufacturing apparatus or machinery or laboratories, either at given address or elsewhere; and
- (c) Represented that said product was drugless and safe and harmless for consumption and constituted a safe and sure way for reducing and a new and scientific treatment for such purpose, and that it cut down moisture immediately, rendered fat liquid, had approval of medical profession, and contained two important ingredients which banished weight-inducing poisons and worked against fatty foods and caused fat to melt away from 7 to 10 pounds in 2 weeks, and that weight disappeared and physical loveliness returned;

Facts being there are no such "weight-inducing poisons" known to medical science, nor is there any scientific treatment or remedy applicable to all cases or causes of obesity, tablets in question are not a scientific treatment or remedy for any case or cause thereof, nor a sure way of bringing about permanent reduction in weight, and product, as compounded, is primarily a laxative or purgative, and has effect of such a product, and, as presently compounded, three doses constitute limit with which same can be taken without expectancy of injurious effects to some individuals;

With tendency and capacity to mislead and deceive purchasers and prospective purchasers of drugs and other prepared products used or useful in treatment of obesity or reduction of weight into false and erroneous belief that said representations were true and into purchase of said product in reliance thereon, and thereby unfairly to divert substantial trade in such commerce

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to said proprietorship and individual, from competitors who do not engage in making false and misleading representations to induce sale and distribution of their products, and to the benefit and profit of the former:

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

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

Mr. Jay L. Jackson for the Commission.

Mr. Walter L. Post, of New York City, for respondents.

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 Korjena Medicine Company and Jerome Gladke, an individual, and doing business as Korjena Medicine Company, have been and are now using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to said Commission that a proceeding by it in respect thereof would be to the public interest hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondents, Korjena Medicine Company and Jerome Gladke, an individual, are trading as Korjena Medicine Company, with their office and principal place of business in the city of Elmira in the State of New York. Respondents are now and for a considerable period of time immediately heretofore have been engaged in selling, offering for sale, and distributing in commerce among and between the various States of the United States, and in the District of Columbia, a prepared product called "Korjena," described as a tablet and represented as a fat-reducing agent and a remedy for obesity and overweight. Said respondents have caused and now cause said product, when sold or ordered, to be shipped and transported from the State of origin thereof to various States of the United States other than the State of origin of said shipment and to the District of Columbia, in the course and conduct of which respondents have been and are now in competition with corporations, partnerships, and with other firms and individuals engaged in like commerce.

PAR. 2. In the course and conduct of the business, as aforesaid, respondents have sold and now sell the said product "Korjena" by use of the mails, by use of interstate carriers, and other channels of interstate commerce, by means of radio broadcasts, newspapers, pamphlets, periodicals, labels, and other forms of literature and advertising which have had or have a circulation in and through the various

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States of the United States and in the District of Columbia, and also in circulars, carbon box displays, labels, pamphlets, printed matter, and other forms of advertising and promotion, including radio broadcasts and statements by respondents and by agents, employees, and representatives of respondents, which have been and are circulated and distributed to customers and prospective customers in and through the various States of the United States and in the District of Columbia, in the course and conduct of which said respondents have made and now make false and misleading statements and representations all to the injury of the public and to the injury of competitors of said respondents.

PAR. 3. In the course and conduct of the business, advertising, promotion, sale, and offering for sale of the said "Korjena" product, as aforesaid, said respondents have authorized, published and made, and now authorize, publish, and make, the following statements and representations, among others, to wit:

[NOTE.—The quoted matter which follows at length in the complaint at this point and is reproduced verbatim in the findings *infra* at p. 1021, as respects parts thereof, numbered (1) to (5) inclusive, is, as to such parts, omitted here in the interest of brevity, balance thereof being as below set forth.]

(6) Newspaper ads by respondents, independently and jointly with other advertisers:

FAT DANGEROUS

Get Rid Of It Quick

(Picture omitted.)

No need for undue alarm, but it should be pointed out that fat interferes with the blood circulation, strangles heart action, shortens life. Fat folks tire easy, get winded quick, live in sluggish discomfort. Get rid of fat—harmlessly, easily, pleasantly—by using the means employed by nature to build fat as the means of getting rid of it. REVERSE THE ENTIRE FAT-MAKING PROCESS. That's the secret of Korjena, and Korjena alone does it. It calls a halt on fat formation. Then it harmlessly, decently, quietly, tears down accumulated fat. The system doesn't know what's happening. Start with Korjena today. Laugh with joy as you see pounds disappear, often 7-10 in a single treatment, while living in comfort, eating as you please. Very first box of Korjena must satisfy or money refunded. \$1 package, now-----69¢.

NOW LOSE FAT

7-10 lbs. in 2 weeks

No Starving—Do This and Inches of Fat Melt Away

If you want to lose fat—*inches off waists, busts, hips or arms*, here's the way doctors say is **SAFE**, sure and easy. **EAT ALL YOU WANT**, just cut down on sweets and do this: After each meal take a Korjena Tablet with

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water. This cuts down moisture weight instantly. Fat disappears and physical loveliness returns. Korjena—harmless—drugless—contains two important ingredients. One banishes weight-inducing poisons. The other works against fatty food. Fat melts away—7-10 pounds in 2 weeks. Try this way. Take Korjena.

MARSHALL'S

NOW LOSE FAT

7-10 lbs. in 2 weeks

No Starving—Do This and Inches of Fat Melt Away

If you want to lose fat—**inches off** waists, busts, hips, or arms, here's the way doctors say is **SAFE**, sure and easy. **EAT ALL YOU WANT**, just cut down on sweets and do this: After each meal take a Korjena Tablet with water. This cuts down moisture weight instantly. Fat disappears and physical loveliness returns. Korjena—harmless—drugless—contains two important ingredients. One banishes weight-inducing poisons. The other works against fatty food. Fat melts away—7-10 pounds in 2 weeks. Try this way. Take Korjena.

(Sold on money-back guarantee)

At All

WALGREEN STORES

DOCTOR LOSES FAT

39 lbs. Tells How

(Picture omitted.)

Doctor who developed a remarkably, quick and easy way to take fat off himself, now gives his prescription to the world. It is called Korjena. A new and different way to lose weight **WHILE YOU EAT ALL YOU WANT**. It's so easy, you simply take one tiny tablet after meals. Swiftly Korjena banishes that bloated distressed feeling, then works on fatty tissue and dissolves it away. You actually lose from 3 to 7 pounds first two weeks.

Medical science has proved that Korjena is **SAFE**. Does not affect the heart, the glands, or stomach. Korjena does just one thing exceedingly well—it takes pounds and inches off chin, neck, arms, waist, hips and gives you that complete slenderness which makes women attractive. Korjena costs only few cents a day. Try this marvelous prescription. In two weeks you will be delighted with the results or your money refunded.

On Sale At

DEAN'S CUT RATE
DRUG STORE

84 Main St.

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(7) Radio broadcasts, among others, by respondents independently or jointly with other advertisers, over station KFWB, Hollywood, California (Continuity):

KFWB

TUESDAY, July 3, 1934

12:45 P. M.

OPENING ANNOUNCEMENT:

CHIMES

ANNOUNCER:

The modern woman demands youth and beauty—but she can't look youthful, she can't be beautiful, if she's too FAT. Let Miss Mary Blake of the KORJENA LABORATORIES tell you how modern men and women are losing weight quickly and safely. Miss Mary Blake.

BLAKE:

When you looked in your mirror this morning, what did you see? A woman trim, neat of face and figure, a picture which pleased you; or a woman a little old looking, a little tired looking, a little puffy as to face and figure—in other words FAT. Isn't it a crime what too many pounds can do to any woman's looks? And that isn't the worst of it—who can feel alert, bright, and happy with pounds and pounds of superfluous fat making themselves felt—and seen? Well then, why not do something about it? I know. Most methods of weight reduction have been unsatisfactory. Dieting weakens resistance and ruins dispositions. Exercise is wearying if enough is taken to have any effect on overweight, and what with this and that to be done, you can't afford to start the day tired out. But have you heard of the new scientific method of weight reduction by which many are losing as much as seven to ten pounds in two weeks *without* dieting, without exercising? A method which is safe—harmless—yet without drugs? Such is the KORJENA METHOD of weight control. All you have to take is one tiny easy-to-take KORJENA tablet before each meal, and allow it to work with nature in dissolving fatty tissues, and ridding the system of toxins and weight-inducing poisons. Sounds almost too good to be true doesn't it? But that's the story of KORJENA, which is recommended by modern doctors everywhere. If you're burdened down with too many pounds—if you've just sort of let yourself go thinking "what's the use, I'm just too fat and what's to be done about it?"—what a thrill is in store for you when you see those pounds melt away, and inches disappear from places where inches had no right to be! KORJENA—K-O-R-J-E-N-A—costs so little—just one dollar for a two weeks supply, and it's sold with a money-back guarantee. Get it at any Owl, Thrifty, Sontag, Smile Store, and other leading drug stores.

RECORD-----

CLOSING ANNOUNCEMENT:

BLAKE:

Any doctor will tell you that too much fat is not only ugly it is often actually dangerous to health. In addition, no woman can afford to lose her charm. The modern woman demands youth and beauty, and she knows she can't be attractive if she's too fat. So she doesn't starve herself, and weaken her resistance and ruin her disposition; she doesn't exercise violently and develop hard muscles; she simply takes one tiny KORJENA tablet before each meal, and watches the fat disappear and the inches vanish from the places where they were not meant

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to be. Think of that—many women are losing from seven to ten pounds in two weeks SAFELY, SCIENTIFICALLY, without dieting, without exercising. The only thing you must do is to cut down on sweets—and of course be faithful in taking one KORJENA TABLET before each meal. Otherwise eat what you please. Three big meals a day if you like. Why not weigh yourself today, start taking one KORJENA tablet before each meal, and weigh yourself again in two weeks—then see if you don't agree that the KORJENA way is the ideal method of getting rid of excess, unattractive fat. KORJENA, spelled KORJENA—costs but one dollar for a two weeks supply, is sold on a money-back guarantee, and will be found at all Owl, Thrifty, Sontag, Smile Stores and all leading drug stores.

PAR. 4. In the course and conduct of the business aforesaid, and in the advertising, promotion, selling, and offering for sale of respondents' Korjena product, as aforesaid, respondents and their agents, employees, and representatives have falsely and misleadingly stated, represented and implied and now falsely and misleadingly state, represent, and imply that Jerome Gladke is the president and general manager of the Korjena Medicine Company, manufacturers of "Korjena," with laboratories and general offices at 103-7 West Church Street, Elmira, N. Y.; that said Korjena Medicine Company is a corporation, owns and operates apparatus and machinery, manufactures the said Korjena product, and owns and operates laboratories; whereas, in truth and in fact, the said Korjena Medicine Company is merely an assumed trade name and is not incorporated; Jerome Gladke is not the president and general manager of said Company or of said Company as a corporation; respondents do not manufacture the said Korjena product, do not own or operate any apparatus or machinery, and do not own and operate laboratories, either at 103-7 West Church Street, Elmira, N. Y., or elsewhere.

In the course and conduct of the business aforesaid, and in the advertising, promotion, selling, and offering for sale of respondents' Korjena product, as aforesaid, respondents and their agents, employees, and representatives have further falsely and misleadingly stated, represented, and implied and now falsely and misleadingly state, represent, and imply that the said "Korjena" is drugless; that it is safe for human consumption and harmless; that it is a reducing agent for body fat and overweight; that it is a remedy for excessive body weight; that it is a new and scientific treatment for reducing body fat and body weight; that it was discovered by a doctor and is prescribed by doctors; that it has the approval of the medical profession in general; that it is a safe and sure way for reducing body fat and body weight; that it cuts down moisture weight instantly; that weight disappears and physical loveliness returns; that it contains two important ingredients, which banish weight inducing poisons and work against fatty foods; that fat melts away from

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seven to ten pounds in two weeks; that fat is dangerous; and that "Korjena" is a cure for body fat and excess body weight; whereas, in truth and in fact, the said product is not drugless; is not safe for human consumption and harmless and cannot be taken with impunity by all who may use the same; is not a body fat or overweight reducing agent; is not a remedy for excessive body weight; is neither new nor a scientific treatment for reducing body fat and body weight; was not discovered by a doctor; is not prescribed by doctors; does not have the approval of the medical profession in general, substantially, or at all; is not a safe and sure way of reducing body fat and body weight; does not cut down body moisture instantly; does not cause physical loveliness to return; does not and cannot banish weight inducing poisons or work against fatty foods; does not melt fat away from 7 to 10 pounds in 2 weeks or at all; fat is not dangerous, and "Korjena" is not a cure for body fat or excessive body weight.

PAR. 5. That the aforesaid false and misleading statements made by respondents in the sale of the said "Korjena" product have had and have the tendency and capacity to mislead and deceive and do mislead and deceive the purchasing public into the erroneous belief that said statements and representations are true; that respondents' so-called "Korjena" tablets are a cure, remedy and preventative for fatness, obesity and body fat and excessive body weight. Said statements and representations have tended to induce and have induced the purchase of respondents' product in reliance on such erroneous beliefs, in consequence of which trade has been and is diverted to respondents from their competitors who do not misrepresent their products, all thereby substantially injuring competition and competitors of respondents in interstate commerce.

PAR. 6. The above acts and practices of respondents are to the injury and prejudice of the public and to competitors of respondents in interstate commerce within the meaning and intent 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 January 14, 1936, issued, and on January 17, 1936, served, its complaint in this proceeding upon respondents, Korjena Medicine Company and Jerome Gladke, an individual, doing business as Korjena Medicine Company, charging

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said respondents 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 respondents' answer thereto, testimony and other evidence in support of the allegations of the complaint were introduced by Jay L. Jackson, attorney for the Commission, before John J. Keenan, an examiner of the Commission theretofore duly designated by it, and in opposition to the allegations of the complaint by Walter L. Post, Attorney for the respondents, and said testimony and other evidence were duly recorded and filed in the office of the Commission. Therefore, this proceeding regularly came on for final hearing before the Commission on the said complaint, and the answer thereto, testimony and evidence, brief in support of the complaint, and respondents not having filed any brief or requested oral argument in opposition to said complaint; 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. Respondent, Korjena Medicine Company, is a proprietorship controlled, owned, and operated by respondent, Jerome Gladke. Respondent Jerome Gladke is an individual doing business and trading under the name and style of Korjena Medicine Company. The office and principal place of business of said respondents is located at 103-7 West Church Street, in the city of Elmira, in the State of New York. On the 14th day of January 1936, and for a considerable period of time immediately and continuously theretofore, respondents were, and since that date have been, engaged in the business of offering for sale, selling, and distributing in commerce among and between the various States of the United States, and in the District of Columbia, a prepared product called "Korjena," described as a fat-reducing agent and a remedy for obesity and overweight. Said respondents have caused, and cause, said product, when sold or ordered, to be shipped and transported from the State of New York to wholesale and retail purchasers and sellers thereof located in various States of the United States other than the State of New York, and in the District of Columbia.

In the course and conduct of the business aforesaid, respondents have been, and are, in competition with corporations, partnerships, and with other firms and individuals engaged in the business of offering for sale, selling and distributing, in commerce among and between the various States of the United States, and in the District

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of Columbia, preparations and products described and used as a treatment for obesity and overweight and products which are similar in nature and use to the products of respondents.

PAR. 2. Respondents have sold and sell the aforesaid "Korjena" product by means of the United States mails and other carriers in the channels of interstate commerce and by means of newspaper advertising, circulars, labels, container box displays, and written and oral statements by respondents and agents and employees of respondents, and by other forms of advertising and sales promotion, which have been, and are, circulated and distributed to customers and prospective customers and to members of the purchasing public in general located in the various States of the United States, and in the District of Columbia, in the course of which it has been, and is, the practice of respondents to authorize, publish and make, and to cause to be distributed, by the mediums hereinafter, indicated the following statements and representations, among others, to wit:

(1) Letterheads:

Korjena Medicine Company
Manufacturers of
KORJENA
Sold Exclusively at the Leading Store
in Principal Cities
Jerome J. Gladke
President & Gen'l. Manager
Laboratories
and General Offices
103-7 W. Church St.
Elmira, N. Y.
"For Excessive Fat Specify **KORJENA**"

(2) Invoices:

Jerome J. Gladke President & Gen'l. Manager	Korjena Medicine Co. Manufacturers of KORJENA A Scientific Treatment for the Reduction of Excessive Fat	Laboratories and General Offices 103-7 W. Church St. Elmira, N. Y.
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(3) Pasteboard container:

KORJENA
A Scientific Treatment
for the Reduction of
Excessive Fat
Price \$1.00
Korjena Medicine Co.

Genuine
Elmira, N. Y., U. S. A.

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This treatment is Guaranteed

HARMLESS

Reg. U. S. Pat. Off. © 1931 K. M. Co.

DIRECTIONS

Take 1 tablet after each meal with enough water to swallow easily. These tablets should be faithfully taken regularly as directed. Two or three packages are usually required for the best result.

IMPORTANT Watch Your Weight

Weigh yourself before starting this treatment. Weigh yourself again in Two Weeks. These tablets are guaranteed **HARMLESS**.

This package contains

42 Korjena Tablets

Two Weeks Treatment

(4) Small boxes in which Korjena is packed for shipment:

Korjena Medicine Co.—Laboratories—

Elmira, N. Y., U. S. A.

(5) Circular:

IMPORTANT

Mr. Foreman:

In setting please follow style indicated closely, especially as to bold, face Gothic headlines. Same size, **FAT** always in caps. This is **NECESSARY** to make copy effective and justify further advertising.

KORJENA MEDICINE CO.

Copyright, 1935

Korjena Medicine Co.

RENDER FAT

To Lose Pounds

Ugly Pounds Pour Off When

Fat is Made Liquid

(Picture omitted)

You can't open your body and take out surplus fat, then how can you lose weight unless you render the fat, as you do when cooking fat or suet? New-Improved Korjena Tablets "renders fat"—makes the fatty tissue become Liquid—then it naturally passes out of your body through elimination—fat melts away 7-10 pounds first two weeks.

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Quickly ugly fat disappears from bust, neck, arms, legs, waist, hips. Your new slenderness is appealing and once again you enjoy wearing the smart dresses and pretty things that make you attractive.

We recommend the New-Improved Korjena Tablets. They are absolutely harmless—Guaranteed SAFE—learn how easy and quick it is to lose fat with Korjena. Very first box must satisfy or money back. Korjena \$1, our special price 89¢.

MR. DRUGGIST:

Please include the above instructions to Foreman, when sending Ad to newspaper. This is IMPORTANT.

PAR. 3. As more fully appears from the foregoing, in the course of offering for sale, selling, and distributing the said Korjena, the respondents state and represent that Jerome Gladke is the president and general manager of the Korjena Medicine Company; that the said company is a corporation; that the said company is a manufacturer of Korjena and owns and operates apparatus and machinery for that purpose, and owns and operates laboratories; whereas, the said statements and representations are wholly false and untrue in that Jerome Gladke is not the president and general manager of said company or of said company as a corporation; that said company is not a corporation but is a proprietorship owned and operated by the said respondent Jerome Gladke under the name thereof as a trade name; that said respondents do not manufacture the said Korjena product, do not own or operate any manufacturing apparatus or machinery, and do not own or operate laboratories either at 103-7 West Church Street, Elmira, N. Y., or elsewhere.

In the course and conduct of the business of offering for sale, selling, and distributing the aforesaid Korjena product, as more fully appears above, respondents further state and represent to customers and to the buying public at large that the said Korjena product is drugless, safe for human consumption and harmless, a remedy and cure for body fat and excessive body weight, and a safe and sure way for reducing body fat and body weight; that it is a new and a scientific treatment for reducing body fat and body weight; that it cuts down moisture immediately; that it renders fat liquid; that weight disappears and physical loveliness returns; that it has the approval of the medical profession in general, and that it contains two important ingredients which banish weight-inducing poisons and work against fatty foods, and causes fat to melt away from 7 to 10 pounds in 2 weeks.

PAR. 4. The foregoing statements are, and each of them is, false and misleading.

Each tablet of the said Korjena product is a compound of the following drugs and ingredients: Phenolphthalein, leptandrin,

phytolacca, iodine, resins, calcium as calcium carbonate, and mineral oil. The aforesaid product as compounded is primarily a laxative or purgative being composed of the laxative drugs, phenolphthalein, leptandrin, and phytolacca. These drugs are known as gastro-intestinal irritants because of their effects upon the gastro-intestinal tract and each of them has dangerous properties for harm and injury to human beings when taken internally, the period required for producing such effects depending upon the idiosyncracies of each individual. As presently compounded or constituted, three doses of the said tablets is the limit within which the same can be taken without the expectancy of injurious effects to some individuals. The product cannot, therefore, be represented as drugless, safe, or harmless.

The said Korjena tablets would not be useful in the treatment of obesity resulting from hypothyroid conditions and cannot be expected to have any therapeutic effect on obesity due to pituitary or other glandular disorders. It would not directly affect the metabolism of the body and would not be used in any case of obesity except possibly in the case of superalimentation, and then only in limited doses. There is no scientific treatment or remedy applicable to all cases or causes of obesity, and the said Korjena tablets are not a scientific treatment or remedy for any case or cause of obesity and not a sure way of bringing about permanent reduction in weight.

The quantity of food absorption in the human system is directly related to the quantity of food intake and to the period in which digested food remains in the intestines. Fat is primarily formed from sugars, and sugar not oxidized is converted into fat. Where the causes for obesity are internal, there is delayed metabolism in such a way as to induce the formation of excess adipose tissue, otherwise known as fat. Fat is reduced or used by inducing oxidation, but it is not rendered liquid in this process. Oxidation, the burning process by which fat is destroyed, is induced by way of exercise or increased activity in all the body functions.

Respondents' Korjena tablets do not work against fatty tissue, render fat liquid, reverse the entire fat-making process and by such method effect a reduction in fat or weight, or work against fatty foods. There is no such thing in medical science as "weight-inducing poisons" which are, or can be, banished by the taking of respondents' product. Respondents' product is wholly laxative or purgative in effect, but purgation alone has no effect upon obesity itself, except as it causes starvation and thus a loss of weight due to a lack of food. When the purgation process ceases and the person eats again, the loss of weight is regained. The taking of respondents'

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tablets as prescribed over a period of two weeks would be expected to effect a loss of weight due to dehydration, but this loss is quickly replaced following the intake of water. The loss of body moisture is not instantaneous, but is accomplished only after the product has had its laxative or purgative effects. Thus, any loss of weight induced by the taking of respondents' product is not evidence of a correction or cure of the causes and cannot be maintained or made permanent except through continuation of purgation or by continued reduction in food intake and control of diet once weight is lost as a result of the purgation process.

PAR. 5. The statements and representations made by respondents, as set forth in paragraph 3 above, have, and each of them has, the tendency and capacity to mislead and deceive purchasers and prospective purchasers of drugs and other prepared products used or useful in the treatment of obesity or reduction of weight into the false and erroneous belief that the said representations are true and into the purchase of respondents' product in reliance thereon, and thus unfairly to divert substantial trade in said commerce to respondents, all to the benefit and profit of respondents, from competitors of respondents, who do not engage in making false and misleading representations to induce the sale and distribution of their products.

CONCLUSION

The aforesaid acts and practices of respondents, Korjena Medicine Company and Jerome Gladke, trading as Korjena Medicine Company, are to the prejudice of the public and respondents' competitors 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."

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence taken before John J. Keenan, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, by Jay L. Jackson, counsel for the Commission, and by Walter L. Post, counsel for respondents, and upon brief filed herein by counsel for the Commission, respondents having filed no brief and having requested no oral argument, and the Commission having made its findings as to the facts and its conclusion that the said

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respondents have 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 respondents, Korjena Medicine Company and Jerome Gladke, their representatives, agents, and employees, in connection with the offering for sale, sale, and distribution in interstate commerce and in the District of Columbia of the products now designated as "Korjena," or "Korjena Tablets," or of any product or products of substantially the same or similar ingredients, or possessing the same or similar properties, under the same or any other name or names, do forthwith cease and desist, directly or indirectly, from representing:

1. That Jerome Gladke is the President of Korjena Medicine Company, or that Korjena Medicine Company, as now constituted and doing business, is a corporation.

2. That Korjena Medicine Company, or any selling company operated by Jerome Gladke, is a manufacturer of its products, or owns or operates laboratories, when such is not the fact.

3. That said products are drugless, or safe for human consumption and harmless, or a remedy or a cure for body fat and excess body weight, or a safe and sure way of reducing body fat and body weight, or a scientific treatment for reducing body fat and body weight, or cut down body moisture immediately, or render fat liquid, or cause physical loveliness to return, or banish weight-inducing poisons, or work against fatty foods, or have the approval of the medical profession in general.

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

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IN THE MATTER OF

GEORGE FOSTER, INC., AND GEORGE FOSTER, INDIVIDUALLY AND AS OFFICER OF GEORGE FOSTER, INC.

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

Docket 3322. Complaint, Feb. 3, 1938—Decision, Apr. 6, 1938

Where a corporation and an individual, its president and principal stockholder, engaged in the manufacture of food flavors, food products, cosmetics and toilet supplies, and in the sale and distribution of said products and of other articles of merchandise; in circulars and other advertising literature, distributed through the mails to retailers and prospective retailers and to the consuming public, announcing the various "deals" of said corporation and individual—

- (a) Represented as customary or regular retail prices for their said products prices which were fictitious and greatly in excess of the regular or customary figures at which such products were sold or offered or expected to be offered for sale at retail, through various offers or "deals" at such pretended prices, including its "Regular \$1.25 Value Bottle of Pure-Strong-Famous Vanilla Flavor," and its "50 cent" "Blue Spruce Medicated Balm";
- (b) Described flavorings made from chemical compounds as substitutes for the juice of fruit, nuts, beans or berries, as pure flavorings through referring, as above set forth, to its said "Pure-Strong-Famous Vanilla Flavor," facts being said product was a cheap imitation vanilla flavoring compound;
- (c) Represented that products offered by them had established sales records, through such statement as "With every deal that you buy we give you an additional big selling 50¢ retail item FREE," facts being its said "Blue Spruce Medicated Balm," thus referred to, was not such an item and did not have an established retail sales value;
- (d) Represented that said articles of merchandise offered and sold by them would be given free of cost, through such statements as "A gorgeous and costly Windsor fruit and salad bowl and \$1.00 silverware coupon FREE," and "Included with this shipment, large deluxe \$2.00 sample case with 6 Rogers teaspoons for carrying and displaying the complete deal ABSOLUTELY FREE," facts being no merchandise was given away free by them, but cost thereof was included in specified prices to be paid by purchaser of the said deal or deals of which such merchandise was a part; and
- (e) Represented that their coupons offered in connection with their said deals or merchandising plans possessed designated values or were valuable, through such statements as "\$1.00 Coupon for 6 Genuine Rogers Spoons and a Regular \$1.25 Value Bottle," etc., and "Windsor fruit and salad bowl and \$1.00 silverware coupon," facts being said coupons did not have a \$1.00 value and were not redeemable in said silverware unless accompanied by 20 three-cent stamps;

With result that members of the purchasing public, in accordance with general public understanding of custom of marking or stamping actual retail price or value on various commodities as indication of quality of product thus marked, were led, erroneously and mistakenly, to believe that actual value