

Complaint

26 F. T. C.

IN THE MATTER OF
THE E. R. PAGE COMPANY, INC.

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

Docket 3334. Complaint, Feb. 12, 1938—Decision, Apr. 18, 1938

Where a corporation engaged in manufacture, sale, and distribution of an internal and external treatment for piles; in offering same through letters, circulars, leaflets, advertisements in newspapers, and periodicals, and otherwise—

Represented that said treatments or remedies were competent and effective for said ailment and that use thereof, as directed, would end suffering and pains incident thereto and remove or eliminate causes thereof and heal and cure same, facts being that while said preparations would temporarily remove pain and other conditions attendant upon said ailment in some cases thereof, they would not end such suffering or pain nor remove or eliminate cause or causes of said condition, nor act as permanent remedy therefor;

With effect of misleading and deceiving substantial portion of purchasing public into erroneous belief that said representations and implications were true, and that said preparations would do more than temporarily remove pain and other conditions attendant upon said condition, and end tortures and pains incident thereto and remove cause of said ailment and cure same, and of causing substantial portion of purchasing public, because of such erroneous and mistaken beliefs, to buy said products or preparations, and of thereby diverting unfairly to it substantial trade from its competitors, who truthfully represent their products and preparations:

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

Mr. Fletcher G. Cohn for the Commission.

Nash & Donnelly, of Chicago, Ill., 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 The E. R. Page Company, Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act, and it appearing to the 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, The E. R. Page Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Michigan, with its principal office and place of busi-

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ness located at 233 L. Page Building, in the City of Marshall, State of Michigan.

Respondent is now, and has been for several years past, engaged in the business of manufacturing and selling an internal and external treatment for piles designated as "Page Pile Treatment," "Page Combination Treatment," and "Page Internal Combination Pile Treatment."

PAR. 2. In the course and conduct of its business, as hereinbefore described, respondent has caused said products, when sold, to be transported from its said place of business in the State of Michigan to the purchasers thereof located in various States of the United States other than the State of Michigan, and in the District of Columbia.

In the course and conduct of said business, respondent has been, and is now, in substantial competition with other corporations and with individuals and partnerships likewise engaged in the sale and distribution in commerce between and among the several States of the United States and in the District of Columbia of products used and useful for the treatment of piles.

PAR. 3. In the course and conduct of its business, as described in paragraphs 1 and 2 hereof, respondent has offered for sale, and sold, by means of letters, circulars, leaflets, advertisements in newspapers, and magazines and otherwise, and has caused false, deceptive, and misleading statements and representations to appear in said letters, circulars, leaflets, and advertisements for the purpose of inducing those who are suffering from piles to purchase respondent's products.

PAR. 4. In offering for sale and selling its products as aforesaid for use in the treatment of piles, respondent, among others, has made the following statements and representations:

Learn for yourself how soothing it is and what a world of difference it makes if you do not *have to put up with* those excruciating pains and that terrible itching which usually comes on at bedtime.

I am glad to send it (Page Pile Treatment) as I am sure that it will start you on the way to quick and *lasting* relief from the tormenting pains and irritations of this serious ailment.

Of course, this trial cannot be expected to bring you more than temporary results. But it will show you what the Page Treatment is like and how it acts to *banish* pain, itching and bleeding.

Please do not delay taking action to *get rid* of your suffering.

You want to *stop* the terrible pain and itching, the annoyance, the bother, and cruelty of piles without the expense of an operation.

You want to feel that the treatment you use will really afford such relief that you have *no further expense or trouble*.

You could not have made a better start toward *permanent* relief from the suffering you have endured from piles than to use the treatment I sent you recently.

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I want you to continue this treatment until you have every reason to believe *that there will be no return of the misery.*

Experience shows that while the first treatment usually produces astonishing results, two or three treatments and occasionally more are necessary to justify feeling of *positive recovery.*

I know what joy would be yours if you could say to yourself and write to me that your pile suffering was a *thing of the past.* I want to help you to reach this happy condition just as I have helped so many others who have literally flooded me with their letters of gratitude.

Continue your treatment for pile irritation until you feel *sure the effects will be lasting.* A mistake that many people make is to assume that when the symptoms are gone they are gone forever. Occasionally that may be the case, but, as a rule, it is only the beginning of *lasting relief.*

This tried and proven treatment which has *banished suffering from pile victims* in every nook and corner of the land is a logical, scientific method for *attacking the underlying causes of piles* because it has an internal and three-fold action.

I want you to give it (the treatment) a fair opportunity to complete the good work it has begun for you by *bringing lasting relief from pile miseries.*

Here is the one big fact I want you to see clearly. It is far better to trust a good, dependable, old proven treatment with a clean record of almost half a century back of it than to ruin your best chance by using something you know very little about. *Real and final relief* may come slowly, but it pays best in the long run. It would indeed be a remarkable treatment that could reach and relieve every case in the same time and manner. I cannot believe that any victim is content to suffer the tortures and annoyances of piles in any form. Surely you want to be relieved of the suffering and be *done with it finally and forever* if possible.

Would you like to know and be *SURE* about a *REAL* method of direct treatment that very likely many of your own friends and neighbors have used—and from it found new, quick relief from the burning torture of *PILES*?

PAR. 5. By the means and in the manner aforesaid, respondent represents and implies that said products are competent and effective remedies and treatments for piles; that the use of said products in the manner directed will end pile torture and the pains incident to piles, will remove or eliminate the cause of piles, and will heal and cure piles.

In truth and fact said products are not competent and effective remedies and treatments for piles; the use of said products in the manner directed will not end pile torture or the pain incident to piles, nor will they remove or eliminate the cause of piles, nor will they heal or cure piles.

PAR. 6. Among the competitors of respondent in said commerce are many who sell products used and useful for the purposes for which respondent's products are offered for sale and sold, who do not, in any manner, misrepresent the efficacy of their said products.

Findings

PAR. 7. The acts, practices, and methods of respondent, as hereinabove alleged, have had and do have the tendency and capacity to, and do, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that the representations and implications made and used by respondent as aforesaid are true, and that said products of respondent are competent and effective remedies and treatments for piles, that said products will end the torture and pain incident thereto, will remove the cause of piles, and will end and cure piles; and they cause a substantial portion of the purchasing public, because of said erroneous and mistaken beliefs, to purchase respondent's products. As a consequence thereof, substantial trade in said commerce has been unfairly diverted to the respondent from its competitors who truthfully represent their products, to the injury of such competition and to the public.

PAR. 8. The acts, practices, and methods of respondent, as hereinabove alleged, are to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition 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 the Federal Trade Commission Act, the Federal Trade Commission, on February 12, 1938, issued, and on the 14th day of February 1938, served, its complaint in this proceeding upon respondent, The E. R. Page Company, Inc., charging it with the use of unfair methods of competition in commerce in violation of the provisions of the said act. After the issuance of the said complaint and the filing of respondent's answer, the Commission, by order entered herein, granted respondent's motion for permission to withdraw said answer and to substitute therefor an answer admitting all the material allegations of the complaint to be true and waiving the taking of further evidence and all other intervening procedure, which substitute answer was duly filed in the office of the Commission.

Thereafter, this proceeding regularly came on for final hearing before the Commission on the said complaint and the substitute answer, briefs having been waived and oral argument not 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. Respondent, The E. R. Page Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Michigan, with its principal office and place of business located at 233 L. Page Building, in the city of Marshall, State of Michigan.

Respondent is now, and has been for several years past, engaged in the business of manufacturing, selling, and distributing an internal and external treatment for piles designated as "Page Pile Treatment," "Page Combination Treatment," and "Page Internal Combination Pile Treatment."

PAR. 2. In the course and conduct of its business, as hereinbefore described, respondent has caused said products, when sold, to be transported from its said place of business in the State of Michigan to the purchasers thereof located in various parts of the United States, other than the State of Michigan, and the District of Columbia.

In the course and conduct of its said business, respondent has been, and is now, in substantial competition with other corporations and with individuals and partnerships likewise engaged in the manufacture, sale, and distribution in commerce between and among the several States of the United States and in the District of Columbia of preparations used and useful for the treatment of piles.

PAR. 3. In the course and conduct of its business, as described in paragraphs 1 and 2 hereof, respondent has offered for sale, and sold, by means of letters, circulars, leaflets, advertisements in newspapers, and magazines and otherwise, and has caused false, deceptive, and misleading statements and representations to appear in said letters, circulars, leaflets, and advertisements for the purpose of inducing those who are suffering from piles to purchase respondent's preparations.

PAR. 4. In offering for sale and selling its preparations, as aforesaid, for use in the treatment of piles, respondent, among others, has made the following statements and representations:

Learn for yourself how soothing it is and what a world of difference it makes if you do not *have to put up with* those excruciating pains and that terrible itching which usually comes on at bedtime.

I am glad to send it (Page Pile Treatment) as I am sure that it will start you on the way to quick and *lasting* relief from the tormenting pains and irritations of this serious ailment.

Of course, this trial cannot be expected to bring you more than temporary results. But it will show you what the Page Treatment is like and how it acts to *banish* pain, itching and bleeding.

Please do not delay taking action to *get rid of* your suffering.

Findings

You want to *stop* the terrible pain and itching, the annoyance, the bother and cruelty of piles without the expense of an operation.

You want to feel that the treatment you use will really *afford* such relief that you have *no further expense or trouble*.

You could not have made a better start toward *permanent* relief from the suffering you have endured from piles than to use the treatment I sent you recently.

I want you to continue this treatment until you have every reason to believe that *there will be no return of the misery*.

Experience shows that while the first treatment usually produces astonishing results, two or three treatments and occasionally more are necessary to justify feeling of *positive recovery*.

I know what joy would be yours if you could say to yourself and write to me that your pile suffering was a *thing of the past*. I want to help you to reach this happy condition just as I have helped so many others who have literally flooded me with their letters of gratitude.

Continue your treatment for pile irritation until you feel *sure the effects will be lasting*. A mistake that many people make is to assume that when the symptoms are gone they are gone forever. Occasionally that may be the case, but, as a rule, it is only the beginning of *lasting relief*.

This tried and proven treatment which has *banished suffering from pile victims* in every nook and corner of the land is a logical, scientific method for *attacking the underlying causes of piles* because it has an internal and three-fold action.

I want you to give it (the treatment) a fair opportunity to complete the good work it has begun for you by *bringing lasting relief from pile miseries*.

Here is the one big fact I want you to see clearly. It is far better to trust a good, dependable, old proven treatment with a clean record of almost half a century back of it than to ruin your best chance by using something you know very little about. *Real and final relief* may come slowly, but it pays best in the long run. It would indeed be a remarkable treatment that could reach and relieve every case in the same time and manner. I cannot believe that any victim is content to suffer the tortures and annoyances of piles in any form. Surely you want to be relieved of the suffering and be done *with it finally and forever* if possible.

Would you like to know and be *SURE* about a *REAL* method of direct treatment that very likely many of your own friends and neighbors have used—and from it found new, quick relief from the burning torture of *PILES*?

PAR. 5. By the means and in the manner aforesaid, respondent represented and implied that said preparations were competent and effective remedies and treatments for piles; that the use of said preparations in the manner directed would end pile torture and the pains incident to piles, would remove or eliminate the cause or causes of piles, and would heal and cure piles.

While said preparations will temporarily remove pain, itching, and bleeding in some cases of piles, they will not end pile torture or the pain incident to piles, nor will they remove or eliminate the cause or causes of piles, nor will they heal or cure piles, nor will they act as a permanent remedy for such conditions.

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PAR. 6. Among the competitors of respondent in said commerce are many who sell products and preparations used and useful for the purposes for which respondent's preparations were and are offered for sale and sold, who do not, in any manner, misrepresent the efficacy of said products or preparations.

PAR. 7. The acts, practices, and methods of respondent, as hereinabove alleged, have had and do have the tendency and capacity to, and do, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that the representations and implications made and used by respondent, as aforesaid, are true and that said preparations will do more than temporarily remove pain, itching, and bleeding in some cases of piles, and that said preparations will end the tortures and pain incident to piles, will remove the cause of piles and will end and cure piles. Such acts, practices and misrepresentations caused, and cause, a substantial portion of the purchasing public, because of said erroneous and mistaken beliefs, to purchase respondent's products or preparations. As a consequence thereof, substantial trade in said commerce has been diverted unfairly to the respondent from its competitors who truthfully represent their products and preparations.

CONCLUSION

The aforesaid acts and practices of respondent, The E. R. Page Company, Inc., are to the prejudice and injury of the public and of respondent's competitors and do constitute unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer filed herein on the 30th day of March 1938, by respondent admitting all the material allegations of the complaint to be true and waiving the taking of further evidence and all other intervening procedure, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commissions Act;

It is ordered, That the respondent, The E. R. Page Company, Inc., its officers, representatives, agents and employees, in connection with the offering for sale, sale and distribution of its preparations now designated as "Page Pile Treatment," "Page Combination Treatment," and "Page Internal Combination Pile Treatment," or any other preparations of like or similar ingredients or possessing like

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or similar properties, whether sold under these names or any other names, in interstate commerce or in the District of Columbia, do forthwith cease and desist from representing, directly or indirectly:

1. That the use of said preparations will end pile torture or the pain incident to piles;
2. That the use of said preparations will remove or eliminate the cause or causes of piles;
3. That the use of said preparations will heal or cure piles;
4. That the use of said preparations will act as a permanent remedy for piles.

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.

IN THE MATTER OF
AMERICAN TELEVISION INSTITUTE, INC., ET AL.

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

Docket \$060. Complaint, Feb. 16, 1937—Decision, Apr. 20, 1938

Where a corporation and certain individuals, theretofore partners, and officers thereof and in control of its sales policy and business practices; engaged in sale and distribution of correspondence courses of study in radio and television and in sale and distribution of equipment for radio and television to members of the public in various States and in the District of Columbia, in substantial competition with others engaged in sale and distribution of such courses of study in same and allied fields or in other subjects, and in sale and distribution of similar equipment as aforesaid—

- (a) Commonly placed the advertising of their said courses under the "Help Wanted" heading in the classified section of newspapers of general interstate circulation, with request that the person replying write newspaper in which advertisement appeared, and thereby contacted, through their agents, persons seeking employment in particular field dealt in, and told those replying that they were selling courses of study and equipment and informed them that they would secure jobs or positions upon completion of course of instruction offered;
- (b) Represented through their aforesaid advertising media, that there existed a shortage of radio television operators and that several young men were to be selected and trained for positions in radio television at expense of those offering the course until actually employed, and that payment of \$100 of total cost of course was deferred until enrollee should have finished same and secured a television job paying a salary of \$125 a month or better, facts being there was no such shortage, they did not select or restrict number of their students, none of the students were trained at their expense, but students paid for course at rate of \$10 a month, and statement as to deferring \$100 of total cost, as above set forth, had capacity and tendency to mislead student into belief that jobs were available in field in question;
- (c) Represented that they operated wide-spread employment agency, through which students were placed in paying positions upon graduation, and that they owned or operated a huge laboratory in which radio and television equipment was made in great quantities, and operated radio television broadcasting stations wherein their pupils were given opportunity for graduate residence study, and that aforesaid individual officers were engineers of certain television broadcasting stations, facts being they did not operate such an agency through which students were placed as aforesaid, nor such a laboratory, very few positions are available in field in question, in which there are currently practically no commercial positions available, and they did not operate broadcasting stations affording their pupils opportunity for graduate residence training; and
- (d) Depicted on letterheads used by them and in other advertising literature, picture of a large building in Chicago, of which at one time they occupied two floors, and represented on said letterheads that they were engineers of certain television broadcasting stations, facts being that, while one of their