

Syllabus

IN THE MATTER OF

BRADLEY BOSTON, INC., AND NATIONAL WATCH COMPANY, ALSO TRADING AS GOLD STANDARD WATCH COMPANY, AND PETER TURCHON

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

Docket 3461. Complaint, June 16, 1938—Decision, Dec. 22, 1938

Where two corporations and an individual, president thereof and director and controller of their sales policies and activities, engaged in sale and distribution of watches and other articles of jewelry to members of the purchasing public in other States and in the District of Columbia, in substantial competition with those engaged in sale and distribution of similar articles as aforesaid, and including therein sellers and distributors of watches and other products of same nature and character, who truthfully advertise the same in said respects and as to their merit and value, and do not represent the same as "free" when in fact not given away without cost or condition, and including sellers and distributors of genuine "railroad" and "engineer" watches who truthfully represent nature, character, merit, and value thereof; in advertising, through newspapers and periodicals, and circulars and other printed matter issued to prospective customers throughout the United States—

- (a) Represented that certain watches, therein offered and described as "railroad" or "engineer" watches, were equal in quality and value to those used on railroads and which must pass, periodically, rigid inspection, and that their said watches might be used by railroad employees and would pass regular railroad watch inspection, through such statements as " * * * Specially chosen jewelled movement. * * * Railroad dial. * * *," "Adjusted watch. * * * Railroad style * * * Railroad dial. * * *," " * * * American made heavy railroad duty model watch * * *," and " * * * Engineer: * * * Engineer's watch," etc., facts being watches thus represented, designated, and described were not "lever set" or equipped with micrometer, did not contain 19 or more jewels properly placed so as to insure accuracy and eliminate friction as in "railroad" or "engineer" watches, and their said watches were not comparable in quality or value to genuine "railroad" or "engineer" watches and would not qualify for or pass usual and customary inspections of "railroad" watches, and could not be used by railroad employees on duty, did not possess a single jewel and were not "railroad" or "engineer" watches; and
- (b) Made use of such terms, in their advertising aforesaid and in offering their said products, as "free," "included free" and "included free of extra charge," through such statements as "Watch included free," "Your choice of Man's or Lady's rolled gold plate face Wrist Watch included Free with every ring purchased from us during this Sale," etc., and "Included Free of Extra Charge * * * Your choice of Men's or Ladies' wrist Watch Free with every Ring ordered during this Sale," etc., facts being watches thus referred to were given to purchasers of other merchandise only upon condition that installment payments due were made promptly according to

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terms of contract of purchase, and they did not deliver, to those purchasers who made their payments promptly, watch without charge in addition; With effect of misleading and deceiving substantial portion of purchasing public and causing them mistakenly and erroneously to believe that watches offered and sold by them were genuine "railroad" or "engineer" watches of nature, character, merit, and value associated by public with such watches, and of misleading prospective purchasers into erroneous belief that they would receive watches referred to "free," as above set forth, without cost or condition, and with result that substantial number of purchasing public bought products aforesaid as result of such mistaken and erroneous beliefs, and trade was thereby diverted unfairly to them from their competitors in commerce:

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

Mr. Edw. W. Thomerson for the Commission.

Manck & Kaplan, of New York City, for respondents.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Bradley Boston, Inc., a corporation, also trading as Gold Standard Watch Co.; National Watch Co., a corporation, also trading as Gold Standard Watch Co., and Peter Turchon, individually and as an officer of said corporations, hereinafter referred to as respondents, have violated the provisions of the 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, Bradley Boston, Inc., is a corporation organized, existing, and doing business under the laws of the State of Massachusetts with its principal place of business located in the National Bank Building in the city of Newton, State of Massachusetts. Respondent National Watch Co. is a corporation organized, existing and doing business under the laws of the State of Massachusetts and located in the city of Waltham, State of Massachusetts. Both of said corporations also do business under the trade name Gold Standard Watch Co. Respondent Peter Turchon is president of both the corporate respondents named herein and has directed and controlled the sales policies and activities of the aforementioned corporations and has participated and cooperated in the acts and practices hereinafter alleged.

Respondents are now, and have been for several years last past, engaged in the business of selling and distributing to members of

the purchasing public, among other items of merchandise, watches and other articles of jewelry. Respondents cause said products when sold, to be transported from their respective places of business in Massachusetts to the purchasers thereof located in States of the United States other than the State of Massachusetts and in the District of Columbia. Respondents maintain, and for a period of more than one year last past have maintained, a course of trade in commerce in said products so sold and distributed by them between and among the various States of the United States and in the District of Columbia.

PAR. 2. Respondents have been, and are, engaged in substantial competition in the sale and distribution of said products with other corporations and with firms, partnerships, and individuals engaged in the business of selling and distributing watches and other articles of jewelry in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of their business as hereinbefore described, and for the purpose of inducing the purchase of their said products, respondents now cause, and for some time past have caused, advertisements to be published in newspapers and magazines, and by means of advertising circulars and other printed matter issued and circulated to prospective customers throughout the United States. In the aforesaid ways and by the aforesaid means, respondents have made to the general public many false and misleading statements with reference to the nature, quality and character of the products offered for sale by them. Representative of such statements and representations made by the respondents in their advertising literature are the following:

* * * Specially chosen jewelled movement. * * * Railroad dial.
* * * \$9.98 Worth More.

ADJUSTED watch. * * * Railroad style * * * Railroad dial.
* * * \$8.48.

* * * Bargain! Great Value! * * * American made heavy railroad duty model watch. * * * Pay \$50 at your local store if you wish, but you can not buy a sturdier or more substantial watch. * * * Railroad Watch.
* * * \$6.98.

BIG SAVINGS. * * * This rich jewelled number has railroad dial and green gold filled case. * * * Priced at the lowest figure in our history.
* * * Our Biggest Value \$11.98.

SEND NO MONEY—When your watch arrives pay postman \$2.97 (plus postage) * * * No strings to this offer, no catch in it! But you must act AT ONCE during this special Expansion Sale. Send coupon or postal today! FREE knife and chain to match with every watch! GOLD BOND GUARANTEE. CHAIN AND KNIFE FREE!

SPECIAL SALE! Engineer: * * * ENGINEERS WATCH Now only \$2.97. Knife & Chain FREE SEND NO MONEY. * * * It has a handsome

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locomotive crown. Timekeeper dial. Railroad back. Compare with a \$20.00 watch.

INCLUDED FREE OF EXTRA CHARGE. WATCH INCLUDED FREE OF EXTRA CHARGE! Your choice of Men's or Lady's Wrist Watch FREE with every Ring ordered during this SALE and paid for on our amazingly easy monthly plan. Lady's or Men's Ring. Gold Plate or Solid Lifetime Sterling, 925/1000 pure with simulated diamond full of flashing fire! Nothing extra for the watch. Ladies' 1939 dainty model. Men's "shock proof" military wrist watch—JEWELLED—Guaranteed by \$1,000,000 Factory. Send only 10 cents (coin or stamps) Today during SALE. * * *

PAR. 4. Through use of the foregoing statements, and others similar thereto but not set out herein in detail, respondents represent, directly and through implication, to members of the purchasing public solicited to purchase their said products that certain of said watches described as "railroad" or "engineer" watches are equal in quality and value to watches used on railroads which must pass a rigid inspection periodically; that said watches may be used by railroad employees and will pass regular railroad watch inspections and that certain other of respondents' watches and other articles of merchandise are given "free" and "without cost."

PAR. 5. In truth and in fact the representations and implications made by respondents as hereinabove set forth in paragraph 3 are false, misleading, and deceptive. The so-called "railroad" and "engineer" watches offered at \$2.97, \$9.98, \$8.48, \$6.98, and \$11.98 are not railroad watches such as are generally used by railroad workers and are universally known and recognized as such among the trade and purchasing public. A genuine railroad watch is "lever set" and is equipped with a patent regulator (micrometer), factors not present in the so-called "railroad" or "engineer" watches sold by respondents. A watch generally accepted among the trade and the purchasing public as a "railroad" or "engineer" watch must have 19 or more jewels, properly placed so as to insure accuracy and eliminate friction, and must pass rigid periodic inspections. Respondents' said watches are not comparable to such watches in quality or value or in any other respect and will not qualify for or pass the usual and customary inspections of railroad watches. Respondents' watches cannot be used by railroad employees on duty. The watches sold and distributed by respondents as "railroad" or "engineer" watches do not possess a single jewel and can be set by use of a pendant.

Further, no merchandise is given away free by said respondents as represented, but the price of the article or articles purported to be offered "free" or "without cost" is included in the price of the other article or articles which the purchaser is required to buy before he is eligible to secure the so-called "free" articles.

PAR. 6. For many years a substantial part of the purchasing public has had and still has, and has so expressed, a marked preference for genuine railroad or engineer watches recognized and used as such by a substantial part of the public, especially railroad workers. Whenever a genuine railroad or engineer watch is offered for sale at a substantially reduced price, the purchasing public is led to believe and does believe that in purchasing said product it is securing a bargain not ordinarily obtainable in the usual course of trade. The purchasing public has a preference for purchasing genuinely superior products sold at less than the customary retail prices thereof over ordinary products sold for their regular price, which is lower than the normal retail value of the superior products in the customary course of trade.

PAR. 7. There are, among the competitors of the respondents referred to in paragraph 2 hereof, manufacturers, sellers and distributors of like and similar products who truthfully advertise and represent the nature, character, merit and value of their respective products. There are also among the competitors of respondents, manufacturers, sellers, and distributors of genuine railroad and engineer watches who truthfully represent, by way of printed matter or other advertising media, that the products sold and offered for sale by them have the merit, character or value which they possess.

PAR. 8. The effect of the foregoing false and misleading representations and acts of the respondents in selling and offering for sale the products hereinbefore referred to is to mislead and deceive a substantial portion of the purchasing public in the several States of the United States by inducing them to mistakenly and erroneously believe that the products so described are of the character and quality represented and that respondents give certain merchandise "free." Said false and misleading statements and representations on the part of said respondents have induced and still induce a substantial number of the purchasing public to buy the products thus offered for sale, sold and distributed by said respondents on account of the aforesaid erroneous and mistaken beliefs. As a result thereof trade has been diverted unfairly to respondents from their competitors engaged in similar businesses, referred to in paragraph 7 hereof. As a consequence thereof injury has been, and is being, done by respondents to competition in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 9. The aforesaid acts and practices of the respondents as herein alleged are all to the prejudice of the public and of respondents' competitors and constitute unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on the 16th day of June 1938, issued and served its complaint in this proceeding upon said respondents, Bradley Boston, Inc., a corporation, also trading as Gold Standard Watch Co.; National Watch Co., a corporation, also trading as Gold Standard Watch Co.; and Peter Turchon, individually and as an officer of said corporations, charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act. Thereafter, a stipulation was entered into whereby it was stipulated and agreed that a statement of facts signed and executed by the respondents and W. T. Kelley, Chief Counsel for the Federal Trade Commission, subject to the approval of the Commission, may be taken as the facts in this proceeding and in lieu of testimony in support of the charges stated in the complaint, or in opposition thereto, and that the said Commission may proceed upon said statement of facts to make its report, stating its findings as to the facts and its conclusion based thereon and enter its order disposing of the proceeding without the presentation of argument or the filing of briefs. Thereafter, this proceeding regularly came on for final hearing before the Commission on said complaint and stipulation, said stipulation having been approved, accepted and filed, 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 its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH. 1. Respondent, Bradley Boston, Inc., is a corporation organized, existing and doing business under the laws of the State of Massachusetts with its principal place of business located in the National Bank Building in the city of Newton, State of Massachusetts. Respondent, National Watch Co., is a corporation organized, existing and doing business under the laws of the State of Massachusetts and located in the city of Waltham, State of Massachusetts. Both of said corporations also do business under the trade name Gold Standard Watch Co. Respondent, Peter Turchon, is president of both the corporate respondents, and has directed and controlled the sales policies and activities of these corporations and has participated in the acts and practices hereinafter set out and has cooperated with said corporations in these acts and practices.

Respondents are now, and have been for several years last past, engaged in the business of selling and distributing to members of the purchasing public, among other items of merchandise, watches and other articles of jewelry. Respondents cause said products, when sold, to be transported from their respective places of business in Massachusetts to the purchasers thereof located in States of the United States other than the State of Massachusetts and in the District of Columbia. Respondents maintain, and for a period of more than 1 year last past have maintained, a course of trade in commerce in said products so sold and distributed by them between and among the various States of the United States and in the District of Columbia.

PAR. 2. Respondents have been, and are in substantial competition in the sale and distribution of said products with other corporations and with firms, partnerships, and individuals engaged in the business of selling and distributing watches and other articles of jewelry in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of their business, and for the purpose of inducing the purchase of their said products, respondents now cause, and for some time past have caused, advertisements to be published in newspapers and magazines, and by means of advertising circulars and other printed matter issued and circulated to prospective customers throughout the United States. In the aforesaid ways and by the aforesaid means, respondents have made to the general public many false and misleading statements with reference to the nature, quality and character of the products offered for sale and sold by them in interstate commerce. Representative of such statements and representations made by the respondents in their advertising literature are the following:

* * * Specially chosen jewelled movement. * * * Railroad dial. * * *
\$9.98 Worth More.

ADJUSTED watch. * * * Railroad style * * * Railroad dial. * * *
\$8.48.

* * * Bargain! Great Value! * * * American made heavy railroad
duty model watch. * * * Pay \$50 at your local store if you wish, but you can-
not buy a sturdier or more substantial watch. * * * Railroad Watch. * * *
\$6.98.

BIG SAVINGS. * * * This rich jewelled number has railroad dial and
green gold filled case. * * * Priced at the lowest figure in our history. * * *
Our Biggest Value \$11.98.

SEND NO MONEY—When your watch arrives pay postman \$2.97 (plus post-
age) * * * No strings to this offer, no catch in it! But you must act AT
ONCE during this special Expansion Sale. Send coupon or postal today! FREE

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knife and chain to match with every watch! GOLD BOND GUARANTEE. CHAIN AND KNIFE FREE!

SPECIAL SALE! Engineer: * * * ENGINEER'S WATCH Now only \$2.97 Knife and Chain FREE SEND NO MONEY. * * * It has a handsome locomotive crown. Timekeeper dial. Railroad back. Compare with a \$20.00 watch.

PAR. 4. Through the use of the foregoing statements, and others similar thereto but not set out herein in detail, respondents represent, directly and through implication, to members of the purchasing public solicited to purchase their said products that certain of said watches described as "railroad" or "engineer" watches are equal in quality and value to watches used on railroads which must pass a rigid inspection periodically; that said watches sold by the respondents may be used by railroad employees and will pass regular railroad watch inspections.

PAR. 5. In truth and in fact, the representations and implications made by respondents as hereinabove set forth in paragraph 3 are false, misleading, and deceptive. The so-called "railroad" and "engineer" watches offered at \$2.97, \$9.98, \$8.48, \$6.98 and \$11.98 are not railroad watches such as are generally used by railroad workers and are universally known and recognized as such among the trade and purchasing public. A genuine railroad watch is "lever set" and is equipped with a patent regulator (micrometer), factors not present in the so-called "railroad" or "engineer" watches sold by respondents. A watch generally accepted among the trade and the purchasing public as a "railroad" or "engineer" watch must have 19 or more jewels, properly placed so as to insure accuracy and eliminate friction, and must pass rigid periodic inspections. Respondents' said watches are not comparable to such watches in quality or value or in any other respect and will not qualify for or pass the usual and customary inspections of railroad watches. Respondents' watches cannot be used by railroad employees on duty. The watches sold and distributed by respondents as "railroad" or "engineer" watches do not possess a single jewel and are not "lever set" but can be set by use of a pendant.

PAR. 6. Respondents, in connection with the offering for sale and sale of certain of their merchandise, have represented that certain watches were "free," "included free," and "included free of extra charge."

Typical of these advertisements are the following:

WATCH included FREE

YOUR CHOICE of Man's or Lady's rolled gold plate face Wrist Watch included FREE with every ring purchased from us during this Sale and paid for on our amazingly easy monthly payment plan. Lady's or Man's Ring, with simulated diamond that you'd think cost at least \$200. Our price only \$4.10 in all. Nothing extra for the watch. It's included FREE. Genuine American make—Guaranteed

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by Million Dollar FACTORY. Send only 10¢ (coin or stamps) with your ring size now (strip of paper wound round finger will do.) Make two monthly \$2 payments, total of \$4. We trust you. No credit reference needed—we ship direct to you SAME DAY.

Included FREE

Curved, shockproof watch in the color and charm of natural yellow gold. ACCURACY guaranteed by MILLION DOLLAR FACTORY. Looks like \$35. YOU will like this Gladiator ring and its double head set in lifetime sterling 925/1000 pure—decorated in gold. Why pay \$20?—it is yours for only \$6.10, and watch is included FREE!

NO CHARGE FOR CREDIT!

No red tape. We'll ship at once. Make 2 monthly \$3 payments. Simply enclose 10 cents for packing, etc. Shipment immediately—by return mail.

GOLD STANDARD WATCH CO.

Dept. CB-31 Newton, Mass.

INCLUDED FREE OF EXTRA CHARGE. WATCH INCLUDED FREE OF EXTRA CHARGE! Your choice of Men's or Lady's wrist Watch FREE with every Ring ordered during this SALE and paid for on our amazingly easy monthly plan. Lady's or Men's Ring. Gold Plate or Solid Lifetime Sterling, 925/1000 pure with simulated diamond full of flashing fire! Nothing extra for the watch. Ladies' 1939 dainty model. Men's "shock proof" military wrist watch—JEWELLED—Guaranteed by \$1,000,000 Factory. Send only 10 cents (coin or stamps) Today during SALE. * * *

Such watches are not given to purchasers without cost or condition but the price of such watches, described as "free," "included free," and "included free of extra charge," is included in the price of the other article or articles which the purchaser is required to purchase before he is eligible to secure the so-called "free" watches.

The watches referred to in the advertisement above set out as being "included free of extra charge" are given to purchasers of other merchandise only upon the condition that installment payments due are made promptly according to the terms of the contract of purchase. The respondents do deliver to those purchasers who make their payments promptly a watch without any additional charge.

PAR. 7. Many members of the purchasing public have, and have expressed, a marked preference for the watches commonly referred to or described as "railroad" or "engineer" watches which are used by railroad men. Whenever a genuine "railroad" or "engineer" watch is offered for sale at a substantially reduced price, the purchasing public is led to believe, and does believe, that in purchasing such watch it is securing a bargain not ordinarily obtainable in the usual course of trade.

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PAR. 8. Among the competitors of the respondents in interstate commerce are sellers and distributors of watches and other products of the same nature and character as those sold by the respondents who truthfully advertise the nature, character, merit and value of their respective products and who do not represent that their merchandise is "free" when in truth and in fact it is not given away without cost or condition. Among said competitors are sellers and distributors of genuine "railroad" and "engineer" watches who truthfully represent the nature, character, merit, and value of such watches.

PAR. 9. The acts and practices of the respondents as herein set out have a tendency and capacity to, and do, mislead and deceive a substantial portion of the purchasing public and cause them mistakenly and erroneously to believe that the watches offered for sale and sold by the respondents are genuine "railroad" or "engineer" watches of the nature, character, merit, and value associated by the public with such watches, and the use of the unconditional and unqualified terms "free," "included free," and "included free of extra charge" has the tendency and capacity to, and does, mislead prospective purchasers into the erroneous belief that they will receive said watches without cost or condition.

As a result of these mistaken and erroneous beliefs, a substantial number of the purchasing public have bought, and still buy, respondents' said products, and trade has thereby been diverted unfairly to the respondents from their competitors in commerce between and among the several States of the United States and in the District of Columbia.

CONCLUSION

The aforesaid acts and practices of the respondents are all to the prejudice and injury of the public and of respondents' competitors and constitute unfair methods of competition 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 on the complaint of the Commission and a stipulation as to the facts entered into between the respondents herein and W. T. Kelley, Chief Counsel for the Commission, which provides, among other things, that without further evidence or other intervening procedure, the Commission may issue and serve upon the respondents herein findings as to the facts and conclusion based thereon and an order disposing of the proceeding, and the Commission having made

its findings as to the facts and conclusion that said respondents are violating the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents, Bradley Boston, Inc., a corporation, also trading as Gold Standard Watch Co., and National Watch Co., a corporation, also trading as Gold Standard Watch Co., their officers, agents, representatives, and employees, and Peter Turchon, his representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of watches, rings and other jewelry in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

1. Representing, designating or describing watches which are not "lever set," equipped with "micrometers," and do not contain 19 or more jewels properly placed so as to insure accuracy and to eliminate friction, as "railroad" or "engineer" watches;

2. Representing, designating, or describing watches and other articles regularly included in a combination offer with a ring or other article as "free," "included free," or "included free of extra charge";

3. Representing, designating, or describing watches or other articles delivered to the purchasers of rings or other articles as "free," "included free," or "included free of extra charge," until and unless the conditions under which watches or other articles are delivered to purchasers are stated in immediate connection or conjunction with the terms "free," "included free," or "included free of extra charge," in words, letters, and figures of equal conspicuousness, and there is no deception as to the price, quality, character, or any other feature of any of the items in the offer.

It is further ordered, That the 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
JACOB GOODMAN AND BERTHA GOODMAN DOING BUSINESS AS M. GOODMAN & SON, JADE HOSIERY MILLS,
AND GOODY HOSE CO.

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

Docket 3485. Complaint, July 12, 1938—Decision, Dec. 22, 1938

Where partners engaged in sale and distribution of hosiery in commerce—
Made use of trade name including words "Hosiery Mills," and displayed said name upon the doors of their place of business and under "hosiery manufacturers" in the wholesaler and manufacturers classified directory, together with certain other trade names made use of by them, and in circulars, catalogs, billheads, letterheads, invoices, business cards and other advertising matter, together with such other statements as "Manufacturers and Mill Agents," "Mills: Strausstown, Pa." and "Distributors and Manufacturers of full fashioned hosiery," and thereby represented to members of purchasing public and customers and prospective purchasers of hosiery that they owned, operated, or controlled factory or mill making hosiery sold by them;

Facts being they did not make such products, but purchased same from various mills or factories which they did not own or control, and they did not own, control, or operate, as aforesaid, any hosiery mill or factory, for the purchase of the output of which, directly, there is a preference on the part of substantial number of members of purchasing public and those who purchase for resale as saving middleman's profit and affording advantages in reliability, and as generally more advantageous;

With tendency and capacity to mislead and deceive substantial portion of purchasing public and purchasers for resale into erroneous belief that said representations were true, and with result, as direct consequence of such mistaken and erroneous beliefs induced by their said advertising and misrepresentations, that number of purchasing public and purchasers for resale bought substantial quantity of said hosiery and trade was unfairly diverted from others likewise engaged in sale of hosiery and who truthfully advertise their products:

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

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

Mr. John N. Wheelock for the Commission.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Jacob Goodman and Bertha Goodman, individually and as copartners, trading and