

FEDERAL TRADE COMMISSION DECISIONS

FINDINGS AND ORDERS, JANUARY 1, 1939, TO MAY 31, 1939

IN THE MATTER OF

WILLARD TABLET COMPANY, INC.

COMPLAINT, MODIFIED FINDINGS AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 24, 1914

Docket 3100. Complaint, Apr. 8, 1937—Decision, Jan. 5, 1939¹

Where a corporation engaged in sale and distribution of certain medicinal tablets, together with printed matter containing advice of a dietary and hygienic nature, together referred to as the "Willard Treatment," and sold to retail druggists and, to a relatively small extent, by mail direct to ultimate purchasers at price of \$5 a bottle, along with which was included, as aforesaid, such printed matter with directions for diet, rest, and other hygienic measures, in competition with others engaged in sale and distribution of medicinal and other preparations and products designed and intended for use in treatment of same ailments and conditions as those for which it recommended its aforesaid tablets and treatment, and including many who do not in any manner misrepresent their said preparations and products or therapeutic properties thereof or make any false statements in connection with sale and distribution of such preparations and products; in advertising its said preparation and treatment in newspapers and other publications circulated between and among the various States and in bulletins distributed from its place of business to prospective purchasers in other States and in broadcasts from radio stations which conveyed programs emanating therefrom to listeners in various States—

Represented, through statements there made and reproductions therein of purported testimonials, that its said tablets and aforesaid printed material sold together therewith, or treatment, constituted a competent and adequate cure or remedy for, and had substantial therapeutic value in the treatment of, stomach and duodenal ulcers due to hyperacidity, poor digestion, acid dyspepsia, sour or upset stomach, gaseousness, bloating, heartburn, constipation, bad breath, sleeplessness, headaches, and jaded appetite, when such conditions were due to or persisted because of excess acid, and that said tablets were compounded pursuant to an unique formula and that said treatment was a remarkable or marvelous one for aforesaid ailments and conditions and was more dependable than any other for correcting the same, through such statements as "This *unique* formula has brought definite relief to hundreds," etc.,

¹ For original findings and order. see 27 F. T. C. 1076.

"* * * This marvelous treatment has brought amazing relief to such stomach sufferers everywhere," "There is probably no treatment more dependable for correcting those conditions AT ONCE than the WILLARD TREATMENT," and "The reports sent to us by those who have been seeking desperately to find relief from ulcers, and who finally found that prayed-for help in the WILLARD TREATMENT should prove an inspiration to every person so afflicted," and such purported testimonial quotations, among others, as "* * * can eat anything now and work hard every day * * * had ulcers of the stomach for fourteen years," etc.;

Facts being said tablets and literature or treatment were not a competent and effective remedy or cure for stomach or duodenal ulcers due to hyperacidity or to any other cause; therapeutic value of tablets concerned was limited to neutralizing excess acid in stomach and producing soothing effect on irritations therein caused by such excess acid, and to temporarily relieving symptoms of distress due to said condition; any benefit obtained other than relief which said preparation, used with such treatment, might provide from symptoms of distress caused by said condition and by stomach and duodenal ulcers due thereto or persisting by reason thereof, would be variable, depending on individual's reaction to said preparation and to such standardized treatment, which was neither remarkable nor marvelous and did not involve unique formula, insofar as concerned said tablets, ingredients of which were commonplace in medical literature and had been used for years, singly and in combination; usual and ordinary treatment for stomach and duodenal ulcers, due to or persisting because of excess acid, consists as a rule in administering or prescribing alkalis to neutralize excess acid and bland diet, along with rest and relaxation, in varying proportions from day to day in accordance with patient's reaction, and it is not equipped to and does not give advice to purchasers relative to varying alkalis and diet and amounts in accordance with such reaction, and ordinary purchaser of its said preparation is incapable of determining whether or not his particular ailment or condition is due to or persists because of such acid; and said standardized treatment with its prescription of same alkalis and diet and amounts for all users, irrespective of individual's reaction thereto, is not the most dependable one for correcting such ailments and conditions at once or during any period of time;

With effect of misleading and deceiving substantial portion of purchasing public into erroneous and mistaken belief that such false statements, representations, and advertisements were true, and that its said preparation and treatment possessed properties claimed and represented and would accomplish results indicated, and of causing substantial portion of such public, by reason of such erroneous and mistaken belief, to purchase substantial quantities of its said preparations, and of thereby diverting trade unfairly to it from its said competitors in commerce who truthfully advertise the effectiveness and use of their respective preparations and products:

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

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. T. H. Kennedy and *Mr. John N. Wheelock* for the Commission.

Nash & Donnelly, of Chicago, Ill., for respondent.

1

Complaint

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 Willard Tablet Co., Inc., a corporation, hereinafter referred to as respondent, has been and is 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. The Willard Tablet Co., Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, and its principal place of business and legal address is 215 West Randolph Street, Chicago, Ill.

PAR. 2. Respondent is now, and has been for more than 3 years last past, engaged in the sale and distribution of a medicinal preparation designated as "Willard Tablets" which is recommended for various and sundry diseases and ailments as will be more fully set out hereinafter. Respondent causes said product, when sold, to be shipped and transported in interstate commerce from its place of business, located in Chicago, Ill., to purchasers thereof located in various States of the United States other than the State of Illinois. It now maintains, and has at all times mentioned herein maintained a constant current of trade in said product in commerce among and between the various States of the United States and the District of Columbia.

PAR. 3. Respondent, in the course and conduct of its business as aforesaid, is now, and at all times herein referred to has been, in active substantial competition with other corporations, firms, partnerships, and individuals likewise engaged in the sale and distribution in commerce among and between the various States of the United States of other preparations prepared, manufactured, advertised, recommended, and sold for substantially the same purpose and use for which respondent's product is advertised and sold.

PAR. 4. Respondent, in the course and conduct of its business as aforesaid, and for the purpose of inducing individuals to purchase said preparation, Willard Tablets, has advertised through radio broadcasts and has caused advertisements to be inserted in newspapers and other periodicals of general circulation throughout the United States, and has printed and circulated throughout the several States of the United States by United States mail and otherwise, to

Complaint

28 F. T. C.

customers and prospective customers, certain advertising, folders and literature, and other advertising matter, in all of which the respondent has caused its corporate name and the name of said product to be prominently and conspicuously displayed, and in which the following statements are made:

This unique formula has brought definite relief to hundreds of such stomach sufferers everywhere.

It explains the remarkable Willard Treatment for stomach distress, such as heartburn, poor digestion, acid dyspepsia, and stomach ulcers, due to excessive acid. This marvelous treatment has brought amazing relief to such stomach sufferers everywhere.

The Willard Treatment is intended for the relief of stomach and duodenal ulcers due to hyperacidity—poor digestion, acid dyspepsia—sour or upset stomach—gasiness—bloating—heartburn—constipation—bad breath—sleeplessness—headaches—jaded appetite, when these conditions are due to or persist because of excess acid.

The reports sent to us by those who have been seeking desperately to find relief from ulcers, and who finally found that prayed-for help in the Willard Treatment should prove an inspiration to every person so afflicted.

There is probably no treatment more dependable for correcting these conditions At Once than the Willard Treatment.

By way of quoting purported testimonials, the respondent states:

I have started on my second treatment of Willard's, and highly recommend it for stomach ulcers. I have been bothered with my stomach for about six years.

I took about four bottles of the Willard Treatment, and I can eat anything now and work hard every day. I was in an awfully bad condition, but I believe I am entirely relieved. I had ulcers of the stomach for fourteen years.

It is with great pleasure that I write you and thank you for what your wonderful Treatment has done for me. I have suffered with ulcers of the stomach for the past eighteen years. I have taken many different kinds of medicine.

Before taking your Treatment, I suffered for five years with ulcers and gas. In fact, I suffered so much that I did not care to live any longer.

PAR. 5. All of the above statements, together with many other similar statements appearing in respondent's advertising and literature, purport to be descriptive of respondent's product, Willard Tablets. In all of the respondent's advertising matter and literature, the respondent represents, through the statements as above set out and through other statements of like import and effect, that said product is a competent treatment and an effective remedy for stomach and duodenal ulcers; that said preparation is a competent treatment for all stomach disorders; that said preparation is a competent treatment for hyperacidity; and that said preparation will correct an abnormal acid condition at once.

PAR. 6. The claims and representations made by the respondent with respect to the efficacy and therapeutic value of the preparation,

1

Complaint

Willard Tablets, are grossly exaggerated, false, and misleading. In truth and in fact, respondent's product, Willard Tablets, is not a competent treatment for stomach and duodenal ulcers. Neither will it relieve the discomforts caused therefrom. Said preparation is not a competent treatment for stomach troubles or stomach disorders. Said preparation will not correct an abnormal acid condition at once or in any stipulated length of time. Said preparation is not a treatment for the physical ailments above mentioned, nor is it a competent treatment for any physical ailment. Said preparation is no more than a remedy, and its value as a remedy is limited to cases of simple gastric hyperacidity.

PAR. 7. There are among respondent's competitors many who manufacture and prepare medicines for stomach troubles, stomach disorders, stomach and duodenal ulcers, hyperacidity, hypoacidity, and abnormal acid conditions, and sell and distribute said preparations to the purchasing public in commerce among and between the various States of the United States, and who in no way misrepresent the quality, efficacy, or therapeutic value of their product.

PAR. 8. Each and all of the false and misleading statements and representations made by the respondent in designating and describing its product, Willard Tablets, and the effectiveness thereof as hereinabove set out, in offering for sale and selling said product, were and are calculated to, and had and now have the tendency and capacity to mislead and deceive and do mislead and deceive a substantial portion of the purchasing public into the erroneous belief that all of said claims and representations are true. As a direct consequence of said mistaken and erroneous beliefs induced by respondent's acts and representations as hereinabove set out, members of the purchasing public have purchased respondent's product and thereby trade has been unfairly diverted to the respondent from those competitors referred to in paragraph 7 hereof. As a result of the aforesaid false and misleading representations, injury has been and is now being done by respondent to competition in commerce among and between the various States of the United States and the District of Columbia.

PAR. 9. The above and foregoing acts, practices, and representations of the respondent have been and are all to the injury and prejudice of the public and respondent's competitors, and have been and are unfair methods of 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, MODIFIED FINDINGS AS TO THE FACTS AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on the 8th day of April 1937, issued and served its complaint in this proceeding upon respondent, Willard Tablet Co., Inc., charging it with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answer thereto, testimony and other evidence in support of the allegations of said complaint were introduced by Thomas H. Kennedy, attorney for the Commission, and in opposition to the allegations of the complaint by John A. Nash, attorney for the respondent, before W. W. Sheppard, an examiner of the Commission theretofore duly designated by it, and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and other evidence, briefs in support of the complaint and in opposition thereto, and the oral arguments of John N. Wheelock, attorney for the Commission, and John A. Nash, attorney for respondent; and the Commission, having duly considered the matter, and being fully advised in the premises, and finding that the proceeding was in the interest of the public, on the 15th day of October 1938, made and issued its findings as to the facts and conclusion based thereon and issued its order to cease and desist from the practices charged. Subsequently respondent filed a motion to modify the findings as to the facts and order to cease and desist, and the Commission having duly considered said motion and the record herein, and being now fully advised in the premises, makes this its modified findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Willard Tablet Co., is a corporation organized, existing, and doing business under the laws of the State of Delaware, and having its office and principal place of business at 215 West Randolph Street, in the city of Chicago, State of Illinois. Respondent was incorporated in 1932. Respondent has been engaged for three years last past in the sale and distribution of a medicinal preparation designated as "Willard Tablets." Respondent also distributes to the purchasers of such tablets certain literature containing advice of a dietary and hygienic nature. Respondent refers to the said preparation and such literature as the "Willard Treatment." Respondent sells said preparation to members of the pur-

1

Findings

chasing public situated in various States of the United States, and causes the said preparation, when sold by it, to be transported from its aforesaid place of business in the State of Illinois to the purchasers thereof at their respective points of location in the various States of the United States other than the State of Illinois. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in commerce in said preparation among and between the various States of the United States.

PAR. 2. Respondent is engaged in substantial competition in commerce among and between the various States of the United States, with other corporations and with partnerships, firms, and individuals selling and distributing medicinal and other preparations and products designed and intended for use in the treatment of the same ailments and conditions of the human body for which respondent recommends the use of its said preparation. Among such competitors in said commerce are many who do not, in any manner, misrepresent their said preparations and products or the therapeutic properties thereof, and who do not make any other false statements in connection with the sale and distribution of their respective preparations and products.

PAR. 3. The said preparation "Willard Tablets" contains the following ingredients:

Sodium Bicarbonate.....	10 grs.
Magnesium Oxide.....	10 "
Bismuth Subnitrate.....	10 "
Pancreatin.....	1 gr.

To the above ingredients, respondent adds flavoring of peppermint and saccharin and a sweetening or filler of starch and talc which are without therapeutic value. The average dose recommended by the respondent is one tablet immediately after each meal three times a day. The tablets are 37 gr. tablets. The "Willard Tablets" are not manufactured by the respondent, but are compounded for the respondent by a laboratory pursuant to respondent's special formula. Respondent bottles, packs, and distributes the said preparation. Approximately seven-eighths of respondent's aforesaid business is with retail drug stores, and approximately one-eighth of such business is done by mail direct to the ultimate purchaser. For the past three years the gross dollar value of respondent's business has been approximately \$400,000 per annum. The said preparation is packed 100 tablets to the bottle, and sells for \$5 per bottle. Respondent distributes to every purchaser of such tablets the aforesaid literature containing directions for diet, rest, and other hygienic measures.

PAR. 4. In the course and conduct of its said business, and for the purpose of inducing the purchase of its said preparation, the respondent has caused advertisements containing representations and claims with respect to the properties of said preparation and treatment, and the results that may be expected to be obtained from the use thereof, to be disseminated in newspapers and other publications having a circulation between and among the various States of the United States, in bulletins distributed from respondent's aforesaid place of business to prospective purchasers of said preparation located in other States, and in continuities broadcast from radio stations which convey the programs emanating therefrom to the listeners thereto located in various States of the United States. The following statements and representations are typical of those made in the aforesaid advertisements:

This *unique* formula has brought definite relief to hundreds of such stomach sufferers everywhere.

It explains the remarkable Willard Treatment for stomach distress, such as heart-burn, poor digestion, acid dyspepsia, and stomach ulcers, due to excessive acid. This marvelous treatment has brought amazing relief to such stomach sufferers everywhere.

The reports sent to us by those who have been seeking desperately to find relief from ulcers, and who finally found that prayed-for help in the Willard Treatment should prove an inspiration to every person so afflicted.

There is probably no treatment more dependable for correcting these conditions At Once than the Willard Treatment.

By way of quoting purported testimonials, the respondent represented:

I have started on my second treatment of Willard's, and highly recommend it for stomach ulcers. I have been bothered with my stomach for about six years.

I took about four bottles of the Willard Treatment, and I can eat anything now and work every day. I was in an awfully bad condition, but I believe I am entirely relieved. I had ulcers of the stomach for fourteen years.

It is with great pleasure that I write you and thank you for what your wonderful Treatment has done for me. I have suffered with ulcers of the stomach for the past eighteen years. I have taken many different kinds of medicine.

Before taking your treatment, I suffered for five years with ulcers and gas. In fact, I suffered so much that I did not care to live any longer.

PAR. 5. Through the use of the statements and representations hereinabove set forth and others similar thereto not herein set out, all of which purport to be descriptive of respondent's preparation and treatment and its effectiveness in the treatment of various ailments and conditions of the human body and the causes thereof, the respondent has represented, directly and by implication, that the Willard Tablets and the aforesaid literature containing certain dietary and hygienic advice, which is referred to by the respondent, jointly, with such

tablets as the "Willard Treatment," are a competent and adequate cure or remedy for, and have substantial therapeutic value in the treatment of stomach and duodenal ulcers due to hyperacidity, poor digestion, acid dyspepsia, sour or upset stomach, gaseousness, bloating, heartburn, constipation, bad breath, sleeplessness, headaches and jaded appetite, when such conditions are due to or persist because of excess acid; that the Willard Treatment is a remarkable or marvelous treatment for the said ailments and conditions of the human body; that the Willard Tablets are compounded pursuant to a unique formula; that the Willard Treatment has brought definite relief to hundreds of persons suffering from the aforesaid ailments and conditions of the human body; that there is no treatment more dependable for correcting the aforesaid ailments and conditions at once than the Willard Treatment.

PAR. 6. In truth and in fact, the Willard Tablets and the aforesaid literature of respondent jointly referred to by respondent as the Willard Treatment are not a competent and effective remedy or cure for stomach or duodenal ulcers due to hyperacidity or to any other causes.

PAR. 7. The therapeutic value of the Willard Tablets is limited to neutralizing excess acid in the stomach and producing a soothing effect on the irritations in the stomach caused thereby and temporarily relieving the symptoms of distress due to an excess acid condition. Such preparation when used with such treatment may provide relief from the symptoms of distress caused by an excess acid condition and by stomach and duodenal ulcers which are due to or persist because of excess acid, but any benefit obtained other than such relief will be variable depending on the individual's reaction to such preparation and such standardized treatment.

PAR. 8. The Willard Treatment is not a remarkable or marvelous treatment. The Willard Tablets are not compounded from an unique formula. The drugs employed in the Willard Tablets are commonplace in medical literature and have been used for many years singly and in combination.

PAR. 9. The Willard Treatment is not the most dependable treatment for correcting the aforesaid ailments and conditions of the human body, at once, or during any period of time. The usual and ordinary treatment for stomach and duodenal ulcers, which are due to or persist because of excess acid, does not generally include, except in surgical cases, a direct treatment for the ulcer itself but consists of administering or prescribing of alkalis to neutralize the excess acid and the prescribing of a bland diet together with rest and relaxation by the patient, the alkalis and the diet, and the amounts thereof, being varied from day to day in accordance with the reaction of the patient. The

Willard Treatment is a standardized treatment which prescribes the same alkalis and diet, and the same amounts thereof, for all users of such treatment, irrespective of the reaction to such treatment of the individual user. The respondent is not equipped for and does not give advice to the purchasers of its treatment relative to varying the alkalis and the diet, and the amounts thereof, in accordance with the reaction of the patient.

The aforesaid ailments and conditions may be caused by reasons other than an excess acid condition and the ordinary purchaser of respondent's preparation is incapable of determining whether or not his particular ailment or condition is due to or persists because of excess acid.

PAR. 10. The use by the respondent of the foregoing false and misleading statements, representations and advertisements, disseminated as aforesaid with respect to the Willard Tablets and Treatment, has had, and now has, the capacity and tendency to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such false statements, representations and advertisements are true and that respondent's said preparation and treatment possess the properties claimed and represented and will accomplish the results indicated, and causes a substantial portion of the purchasing public, because of said erroneous and mistaken belief, to purchase substantial quantities of respondent's said preparation.

As a result trade has been diverted unfairly to the respondent from its competitors in said commerce who truthfully advertise the effectiveness in use of their respective preparations and products.

CONCLUSION

The aforesaid acts and practices of the respondent, as herein found, are all to the prejudice and injury of the public and of respondent's competitors, and constitute unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

MODIFIED ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony, and other evidence taken before W. W. Sheppard, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, briefs filed herein, and oral arguments by John N. Wheelock, counsel for the Commission, and by John A. Nash, counsel for the respondent,

1

Order

and the Commission, on the 15th day of October 1938, having made its findings as to the facts and its conclusion that said respondent had violated the provisions of the Federal Trade Commission Act, and having issued its order to cease and desist on the 15th day of October 1938, and the Commission having on the 5th day of January 1939, modified its said findings of facts and conclusion, now modifies its said order to cease and desist so as to conform with its said modified findings of facts and conclusion, and being fully advised in the premises.

It is ordered, That the said order to cease and desist be, and the same hereby is, modified to read as follows:

It is ordered, That the respondent, Willard Tablet Co., Inc., its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of a medicinal preparation designated as "Willard Tablets," and literature containing certain standardized dietary and hygienic advice referred to jointly with such preparation as the "Willard Treatment," or any other preparation or treatment of substantially the same composition and ingredients, sold under the above-mentioned names or any other names, in interstate commerce or in the District of Columbia, do forthwith cease and desist from representing, directly or indirectly:

(a) That such preparation and treatment constitute a competent and adequate remedy or cure for stomach and duodenal ulcers which are due to or persist because of an excess acid condition.

(b) That such preparation will do more than neutralize excess acid in the stomach and produce a soothing effect on the irritations in the stomach caused thereby and temporarily relieve the symptoms of distress due to an excess acid condition.

(c) That such preparation when used with such treatment will do more than provide relief from the symptoms of distress caused by an excess acid condition and by stomach and duodenal ulcers, which are due to or persist because of excess acid, unless such representation also states that any benefit obtained other than such relief will be variable depending on the individual's reaction to such preparation and such standardized treatment.

(d) That such preparation and treatment will provide "definite relief," unless such statement is qualified by the phrase "from symptoms of distress" in equally conspicuous terms indirect connection with such representation.

(e) That such preparation and treatment are "remarkable" or "marvelous."

Order

28 F. T. C.

(f) That such preparation is compounded from an "unique" formula.

(g) That such treatment is more dependable than any other treatment for correcting the aforesaid ailments and conditions of the human body.

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.

Syllabus

IN THE MATTER OF

LEOPOLD LEVOY AND NATHAN C. BLACHER TRADING
AS SUNBEAM LABORATORIESCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 3267. Complaint, Nov. 16, 1937—Decision, Jan. 5, 1939 .*

Where two individuals engaged in sale of a cosmetic designated "Nailife" and composed of about 90 percent lanolin and 10 percent wax, along with very small amount of coloring and perfuming matter, and in distribution of said product to retail dealers for resale to members of the purchasing public, directly and through its brokers or agents, in substantial competition with others engaged in sale and distribution of preparations designed and intended for and used for same general purposes, and including those who do not, in any manner, misrepresent their preparations or properties thereof and do not make any other false statements in connection with sale and distribution thereof; in advertising their said products on display cards distributed to retailer dealer purchasers in various States—

Represented, through use of "Before" and "After" pictures and statements thereon made, that said "Nailife" was a scientific preparation which would transform irregular, broken nails into well-formed, symmetrical ones, and was beneficial for dry or splitting nails and the perfect nail food, and would make nails strong and healthy, facts being nails of the fingers cannot be fed by an external application such as preparation aforesaid, which was not a scientific one, use thereof would not make nails strong and healthy, value thereof was limited to forming a protective coating for the nails, and said various claims were grossly exaggerated, false, and misleading and greatly exceeded any claims as to the efficacy of said product which might truthfully be made;

With effect of misleading and deceiving substantial portion of purchasing public into erroneous and mistaken belief that such false statements, representations, and advertisements were true, and that said preparation possessed the properties claimed and represented, and would accomplish the results indicated, and of causing substantial portion of such public, because of such erroneous and mistaken belief, to purchase substantial quantities of its said preparation, and with result of thereby diverting unfairly trade to them from competitors who truthfully advertise the effectiveness in use of their respective products; to the injury of competition 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.

Before *Mr. Charles P. Vicini*, trial examiner.

Mr. S. Brogdyne Teu, II and *Mr. Clarence T. Sadler* for the Commission.

Mr. A. Frederick Lamken, of Los Angeles, Calif., for respondents.