

IN THE MATTER OF
MITCHELL BAZELON AND CHARLES HARRIS INDIVID-
UALLY AND AS COPARTNERS TRADING UNDER THE
FIRM NAMES AND STYLES OF PARK-LANE CANDY
COMPANY AND CHARRIS SPECIALTY COMPANY

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

Docket 3083. Complaint, Mar. 18, 1937—Decision, Feb. 15, 1939

Where two individuals engaged as partners in sale and distribution of items of merchandise including cocktail shakers, watches, pipes, and numerous other items of novelty merchandise, as cataloged and offered and variously packaged and assembled so as to involve use of a lottery scheme when sold and distributed to ultimate consumers, and which were composed of (1) seventeen $\frac{1}{2}$ -pound boxes of chocolate candy, four 1-pound boxes thereof, two 1-pound fancy boxes thereof and 1 cocktail shaker set, together with 600-hole punchboard for sale under a plan and in accordance with board's explanatory legend by which purchaser paid for chance, amount ranging from 1 cent to 5 cents, depending upon particular numbers punched, and received in accordance with success in selection of certain numbers, one of said boxes of candy, and under which purchaser of last punch on board received the cocktail shaker set; (2) of groups or combinations of articles, together with punchboards, for sale and distribution to public under a plan or scheme in accordance with which purchaser received for penny (or 5-cent chance, as case might be) article of merchandise, value of which was in excess of cost of purchase or nothing, dependent upon success or failure in selecting certain numbers; and of (3) various other assortments involving different arrangements, but, in all, punchboards or push cards for sale and distribution thereof to ultimate consumer by lot or chance—

Sold to jobbers and wholesalers, for display and resale to purchasing public by retail dealer purchasers thereof, in accordance with aforesaid sales plans, such assortments, and thereby supplied to and placed in the hands of others means of conducting a lottery in the sale of their products in accordance with such sales plans, in violation of a long-established public policy of the common law and criminal statutes and contrary to established public policy of the United States Government, and in competition with many who are unwilling to offer or sell merchandise packed and assembled as above described, or otherwise arranged and packed for sale to the purchasing public so as to involve game of chance or sale of a chance to win by chance, and refrain therefrom;

With effect of inducing customers to buy their said products in preference to similar or like merchandise offered and sold by their competitors and with result that many dealers in and ultimate purchasers of candy and other articles of merchandise were attracted by their said method and manner of packing such candy and other merchandise, and by element of chance involved in sale thereof as above described, and were induced by reason of said plan or method to purchase substantial volume of such candy and

other articles thus packed and sold by them, in preference to those offered and sold by their competitors aforesaid who do not use such or equivalent methods, and of diverting trade and custom to them from their competitors aforesaid, and with tendency and capacity to exclude from said trade all competitors who are unwilling to and do not use such or equivalent methods as unlawful, lessen competition therein, and create monopoly thereof in themselves and such other distributors of candy and other articles as do use same or equivalent methods, deprive purchasing public of benefit of free competition therein, and eliminate therefrom all actual, and exclude therefrom all potential, competitors, who do not adopt and use such or equivalent methods:

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

Before *Mr. Miles J. Furnas* and *Mr. William C. Reeves*, trial examiners.

Mr. Henry C. Lank, *Mr. P. C. Kolinski*, and *Mr. D. C. Daniel* for the Commission.

Nash & Donnelly, of Chicago, Ill., 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 Mitchell Bazelon and Charles Harris, individually and as copartners trading under the firm names and styles of Park-Lane Candy Co. and Charis Specialty Co., hereinafter referred to as respondents, have been and are 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 in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondents are individuals conducting a copartnership under the trade names and styles of Park-Lane Candy Co. and Charis Specialty Co. Their office and principal place of business is located at 946 Diversey Parkway, in the city of Chicago, State of Illinois. Respondents are now, and for several months last past have been, engaged in the sale and distribution of candy and various other articles of merchandise, including, among others, such items as cocktail shakers, watches, pipes, fountain pens, cigarette lighters, cigarette cases, opera glasses, cameras, and numerous other items of novelty merchandise, to wholesale dealers and jobbers located at points in the State of Illinois and in various other States of the United States. Respondents cause said products when sold to be

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transported from their place of business in the city of Chicago, State of Illinois, to purchasers thereof in Illinois and in other States of the United States at their respective places of business; and there is now, and has been for several months last past, a course of trade and commerce by said respondents in such candy and other merchandise between and among the States of the United States. In the course and conduct of said business, respondents are in competition with other partnerships and with individuals and corporations engaged in the sale and distribution of candy and in the sale and distribution of various other articles of merchandise in commerce between and among the various States of the United States.

PAR. 2. In the course and conduct of their business as described in paragraph 1 hereof, respondents sell and have sold to wholesale dealers and jobbers various packages or assortments of candy and other articles of merchandise so packed and assembled as to involve the use of a lottery scheme when sold and distributed to the consuming public. The respondents assemble, sell, and distribute various assortments, some of the assortments containing packages of candy together with other articles of merchandise, and other assortments containing no candy but various articles of merchandise. All such assortments include a punchboard, and each assortment involves the use of the same method of chance for the distribution of the candy or other articles of merchandise to the consuming public by means of said punchboard. For illustration, the method used in the sale of assortments of candy, together with other articles of merchandise, is as follows:

One of said assortments is composed of seventeen $\frac{1}{2}$ -pound boxes of chocolate candy, four 1-pound boxes of chocolate candy, two 1-pound fancy boxes of chocolate candy, and 1 cocktail shaker set, together with a device commonly called a "punchboard." The punchboard contains 600 holes, and in each hole a slip of paper bearing a printed number is secreted. The numbers printed on said slips are effectively concealed until after a selection has been made and the printed slip separated from the board. Customers procuring a number ending in zero receive the same free of charge. Numbers ending in one pay 1 cent; numbers ending in two pay 2 cents; numbers ending in three pay 3 cents; numbers ending in four pay 4 cents; and numbers ending in 5, 6, 7, 8, and 9 pay 5 cents. The board bears legends or statements advising which numbers receive the $\frac{1}{2}$ -pound boxes of candy, which numbers receive the 1-pound boxes of candy, and which numbers receive the 1-pound fancy boxes of candy. The purchaser of the last punch on said board receives the cocktail shaker set. Customers or purchasers not qualifying by obtaining one of the

numbers calling for a box of candy, or the last punch on said board, receive nothing for their money other than the privilege of punching a number from said board. The fact as to whether a customer receives a punch free of charge or pays 1 cent, 2 cents, 3 cents, 4 cents, or 5 cents, and the fact as to whether he receives nothing for his purchase or 1 of the $\frac{1}{2}$ -pound boxes of candy, one of the 1-pound boxes of candy, one of the 1-pound fancy boxes of candy, or the cocktail shaker set, is thus determined wholly by lot or chance. The several boxes of candy and the cocktail shaker set are each worth more than 5 cents.

PAR. 3. The wholesale dealers and jobbers, to whom respondents sell their assortments, resell said assortments to retail dealers, and said retail dealers expose said assortments for sale and sell said merchandise to the purchasing public in accordance with the aforesaid sales plan. Respondents thus supply to and place in the hands of others the means of conducting lotteries in the sale of their products in accordance with the sales plan hereinabove set forth; and said sales plan has the capacity and tendency of inducing purchasers thereof to purchase respondents' said products in preference to similar or like merchandise offered for sale and sold by their competitors.

PAR. 4. The sale of said merchandise to the purchasing public in the manner above alleged involves a game of chance or the sale of a chance to procure an article of merchandise by chance free of charge or at a price of 1 cent, 2 cents, 3 cents, 4 cents, or 5 cents.

The use by respondents of said method in the sale of their merchandise, and the sale of said merchandise by and through the use thereof and by the aid of said method, is a practice of the sort which the common law and criminal statutes have long deemed contrary to public policy, and is contrary to an established public policy of the Government of the United States.

The use by respondents of said method has the tendency unduly to hinder competition or to create monopoly, in this, to wit: That the use thereof has the tendency and capacity to exclude from the said trade involved in this proceeding competitors who do not adopt and use the same method or an equivalent or similar method involving the same or an equivalent or similar element of chance or lottery scheme.

Many persons, firms, and corporations who sell and distribute merchandise in competition with the respondents, as above alleged, are unwilling to offer for sale or sell merchandise so packed and assembled as above alleged, or otherwise arranged and packed for sale to the purchasing public so as to involve a game of chance, and such competitors refrain therefrom.

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PAR. 5. Many dealers in and ultimate purchasers of candy and other articles of merchandise are attracted by respondents' said method and manner of packing said candy and other merchandise and by the element of chance involved in the sale thereof in the manner above described, and are thereby induced to purchase said candy and other articles of merchandise so packed and sold by respondents in preference to candy and other articles of merchandise offered for sale and sold by said competitors of respondents who do not use the same or an equivalent method. The use of said method by respondents has the tendency and capacity, because of said game of chance, to divert to respondents trade and custom from their said competitors who do not use the same or an equivalent method; to exclude from said trade all competitors who are unwilling to and who do not use the same or an equivalent method because the same is unlawful; to lessen competition in said trade and to tend to create a monopoly in said trade in respondents and such other distributors of candy and other articles of merchandise as use the same or an equivalent method; and to deprive the purchasing public of the benefit of free competition in said trade. The use of said method by the respondents has the tendency and capacity to eliminate from said trade all actual competitors and exclude therefrom all potential competitors who do not adopt and use said method or an equivalent method.

PAR. 6. Many of said competitors of respondents are unwilling to adopt and use said method or any method involving a game of chance or the sale of a chance to win something by chance or any other method that is contrary to public policy.

PAR. 7. The aforementioned method, acts, and practices of the respondents are all to the prejudice of the public and of respondents' competitors, as hereinabove alleged. Said method, acts, and practices constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on March 18, 1937, issued, and on March 22, 1937, served its complaint in this proceeding upon the respondents, Mitchell Bazelon and Charles Harris, individually and as copartners trading under the firm names and styles of Park-Lane Candy Co. and Charris Specialty Co., charging them 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 said complaint were introduced by Henry C. Lank, attorney for the Commission, and in opposition to the allegations of the complaint by John A. Nash and Horace J. Donnelly, attorneys for respondents, before Miles J. Furnas and William C. Reeves, examiners 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, brief in support of the complaint (respondents not having filed brief in opposition to the complaint and not having requested oral argument), and the Commission having duly considered the matter 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. Respondents Mitchell Bazelon and Charles Harris are individuals conducting a copartnership under the trade names of Park-Lane Candy Co. and Charris Specialty Co.

Respondents' principal place of business is located at 946 Diversey Boulevard in the city of Chicago, State of Illinois.

Respondents, since April 1936, have been engaged in the sale and distribution of candy, and also in the sale and distribution of other articles of merchandise, which include such items as cocktail shakers, watches, pipes, fountain pens, cigarette lighters, cigarette cases, opera glasses, cameras, and numerous other items of novelty merchandise.

This merchandise is sold by respondents to jobbers and wholesale dealers located throughout the United States.

Respondents cause said merchandise, when sold, to be transported from their office and place of business in the State of Illinois to purchasers thereof located in States of the United States other than the State from which said shipments are made.

Respondents maintain a course of trade and commerce in said merchandise sold and distributed by them between and among the various States of the United States.

Respondents are now, and have been, in substantial competition with other partnerships and with individuals and corporations likewise engaged in the sale and distribution of candy and other articles

of merchandise in commerce between and among the various States of the United States.

PAR. 2. Respondents in the conduct of their business sell assortments of candy and assortments of other articles of merchandise, which are identified in paragraph 1 hereof, packaged and assembled in such a manner as to involve the use of a lottery scheme when sold and distributed to the ultimate consumer.

Some of the assortments which respondents assemble, sell, and distribute contain packages of candy, together with other articles of merchandise. Other of respondents' assortments contain no candy, but articles of merchandise. All of such assortments include either a punchboard or a punch card.

The testimony shows, and the Commission finds, that the same method of chance is involved in the use of each assortment, and each assortment of candy or merchandise is distributed to the consuming public by means of the punchboard or punch card.

The testimony further shows, and the Commission finds, that respondents in the conduct of their business sell their various assortments by mailing to prospective customers located throughout the United States circulars which are descriptive of respondents' candy and merchandise assortments.

These assortments are referred to in said circulars as "Deals."

Respondents, trading under the name of Park-Lane Candy Co., secured a mailing list and sent to the persons or firms whose names appeared on said mailing list one of such circulars, upon which the name of Park-Lane Candy Co. appears as the vendor.

One type of assortment or "deal" sold by respondents trading as Park-Lane Candy Co. pursuant to orders obtained by them from persons or firms who received said circulars and from other persons or firms was assembled by respondents in the following manner.

The assortment was composed of seventeen ½-pound boxes of chocolate candy, four 1-pound boxes of chocolate candy, two 1-pound fancy boxes of chocolate candy, and one cocktail shaker set, together with a device commonly called a punchboard.

The said punchboard contained 600 holes, and in each hole a slip of paper bearing a printed number was secreted. The numbers printed on said slips were effectively concealed until after a selection had been made and the printed slip separated from the board.

If a customer procured a number ending in zero, he received the same free of charge. If a customer punched or procured a number ending in one said customer paid 1 cent; for a number ending in two the customer paid 2 cents; for a number ending in three the customer paid 3 cents; for a number ending in four the customer paid 4 cents;

and for numbers ending in five, six, seven, eight, and nine the customer paid 5 cents.

The board bears statements advising which numbers receive the $\frac{1}{2}$ -pound boxes of candy, which numbers receive the 1-pound boxes of candy, and which numbers receive the 1-pound fancy boxes of candy. The purchaser of the last punch on the said board receives the cocktail shaker set.

Customers or purchasers not qualifying by obtaining one of the numbers calling for a box of candy, or the last punch on said board, receive nothing for their money other than the privilege of punching a number from said board.

The fact as to whether a customer received a punch free of charge or pays 1 cent, 2 cents, 3 cents, 4 cents, or 5 cents, and the fact as to whether he received nothing for his purchase or one of the $\frac{1}{2}$ -pound boxes of candy, one of the 1-pound boxes of candy, one of the 1-pound fancy boxes of candy, or the cocktail shaker set, is thus determined wholly by lot or chance. The several boxes of candy and the cocktail shaker set are each worth more than 5 cents.

Other assortments or "deals" of candy and novelty items or merchandise were also sold by respondents. These assortments differed from the one above described only in the manner in which the merchandise was packaged or arranged, and the types of punchboards or punch cards to be used in selling the merchandise. In all of the assortments sold by respondents a lottery by use of the punchboard or punch card was used for the purpose of sale to the ultimate consumer.

Respondents, trading under the name of Charris Specialty Co., also mailed to prospective customers in various States of the United States a catalog or circular, which was designated as Catalog No. 17, upon which the name of Charris Specialty Co. appears as the vendor.

The assortments or "deals" sold by respondents under the name of Charris Specialty Co. consisted for the most part of the articles of merchandise described in paragraph 1 hereof with punchboard and punch cards and not candy.

The assortments sold by respondents trading as Charris Specialty Co. pursuant to orders obtained by them from persons or firms who received said circular or catalog, and from others were assembled by respondents in the following manner.

The articles of merchandise listed in the catalog, and which were sold by respondents, were in groups or combinations, and each group or combination was accompanied by a punchboard, each of which had a large number of holes. Into each hole of the punchboard there had been inserted a rolled slip of paper upon which was printed a

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number. Members of the public are solicited to punch from one or more holes of the board the said rolled slip of paper, and for each punch customers were charged 1 cent. Some of the numbers on the slip of paper so punched from the board entitled the customer to an article of merchandise worth much more than 1 cent, but for other numbers the customer received nothing.

In the operation of the board accompanying some of the groups of articles of merchandise, members of the public were required to pay 5 cents for the privilege of punching one of the numbers from the board.

In the operation of all of the boards, the selection of a number which might entitle the selector to an article of merchandise was wholly a matter of chance.

Respondents discontinued the use of the catalog and the sale of the items listed therein in the month of February 1937.

PAR. 3. The Commission finds that the wholesale dealers and jobbers to whom respondents sold their assortments resold said assortments to retail dealers, and said retail dealers exposed said assortments for sale, and sold said merchandise to the purchasing public in accordance with the aforesaid sales plan.

Respondents thus supplied to and placed in the hands of others the means of conducting a lottery in the sale of their products, in accordance with the sales plan set forth in paragraph 2 hereof.

This sales plan has the capacity and tendency to, and does induce customers to purchase respondent's products in preference to similar or like merchandise offered for sale and sold by respondents' competitors.

PAR. 4. The Commission finds that the sale of respondents' merchandise to the purchasing public in the manner above found, involves a game of chance or the sale of a chance to procure an article of merchandise by chance, free of charge, or at a price 1 cent, 2 cents, 3 cents, 4 cents, or 5 cents.

The Commission further finds that the use by respondents of the said method in the sale of their merchandise, and the sale of the said merchandise by and through the use thereof, and by the aid of said method, is a practice of the sort which the common law and criminal statutes have long deemed contrary to public policy, and is contrary to an established public policy of the Government of the United States.

The use by respondents of said method has the tendency to hinder competition and create monopoly in this, to wit: That the use thereof has the tendency and capacity to exclude from the said trades involved in this proceeding competitors who do not adopt and use the

same method or an equivalent or similar method involving the same or an equivalent or similar element of chance or lottery scheme.

Many persons, firms, and corporations who sell and distribute merchandise in competition with the respondents, as above found, are unwilling to offer for sale or sell merchandise packed and assembled in the manner that respondents pack and assemble their merchandise, or otherwise arranged and packed for sale to the purchasing public so as to involve a game of chance, and such competitors refrain therefrom.

PAR. 5. Many dealers in and ultimate purchasers of candy and other articles of merchandise are attracted by respondents' said method and manner of packing said candy and other merchandise and by the element of chance involved in the sale thereof in the manner above described. Because of sales plan or method such dealers and ultimate purchasers are and have been thereby induced to purchase a substantial volume of said candy and other articles of merchandise so packed and sold by respondents in preference to candy and other articles of merchandise offered for sale and sold by said competitors of respondents who do not use the same or an equivalent method. The use of said method by respondents has the tendency and capacity to, and does, divert to respondents trade and custom from their said competitors who do not use the same or an equivalent method.

The use of the said method by respondents also has the tendency and capacity to exclude from said trades all competitors who are unwilling to and who do not use the same or an equivalent method because the same is unlawful; lessen competition in said trades and to create a monopoly in said trades in respondents and such other distributors of candy and other articles of merchandise as use the same or an equivalent method; and to deprive the purchasing public of the benefit of free competition in said trade.

The use of said method by the respondents has the tendency and capacity to eliminate from said trades all actual competitors and exclude therefrom all potential competitors who do not adopt and use said method or an equivalent method.

Many of said competitors of respondents are unwilling to adopt and use said method or any method involving a game of chance or the sale of a chance to win something by chance or any other method that is contrary to public policy.

CONCLUSION

The acts and practices of the respondents as hereinabove found are all to the injury and prejudice of the public and of respondents' competitors, and constitute unfair methods of competition in com-

merce 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, answer of respondents, testimony, and other evidence taken before Miles J. Furnas and William C. Reeves, examiners of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, brief by counsel for the Commission (counsel for respondent having filed no brief and not having requested oral argument), and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents, Mitchell Bazelon and Charles Harris, individually and as copartners trading under the firm names and styles of Park-Lane Candy Co. and Charris Specialty Co., or trading under any other name or names, their representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of candy, cocktail shakers, watches, pipes, fountain pens, cigarette lighters, cigarette cases, opera glasses, cameras, or any other articles of merchandise in commerce as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist:

1. Selling and distributing candy or other articles of merchandise so packed and assembled that sales of said products or other merchandise to the general public are to be made or may be made by means of a lottery, gaming device, or gift enterprise,

2. Supplying to or placing in the hands of dealers assortments of said products or other merchandise together with punchboards, push or pull cards or other lottery devices, which said punchboards, push or pull cards, or other lottery devices are to be used or may be used in selling or distributing said products or other merchandise to the public.

3. Supplying to or placing in the hands of dealers punchboards, push or pull cards, or other lottery devices either with assortments of said products or other merchandise or separately, which lottery devices are to be used or may be used in selling or distributing said products or other merchandise to the public.

4. Selling or otherwise disposing of said products or other merchandise by the use of punchboards, push or pull cards, or any other lottery device or devices.

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.

MR. FREER dissented to the inclusion of certain words in the Commission's order to cease and desist in this case, involving respondents located within the Seventh Circuit, because the United States Circuit Court of Appeals for the Seventh Circuit in the case of A. McLean & Son—Docket 2264—had stricken from the order in said previous case these words and substituted others for them. [See, for decision referred to, 84 F. (2d) 910.]

IN THE MATTER OF
BONWIT TELLER, INC.

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

Docket 3499. Complaint, Sept. 17, 1938¹—Decision, Feb. 15, 1939

Where a corporation engaged in operation of department store from which it sold and distributed women's wearing apparel and other allied products to members of the purchasing and consuming public in the various States and in the District of Columbia, in substantial competition with others likewise engaged in such sale and distribution of such apparel and other products—

- (a) Designated and referred to certain slips, which it advertised in newspapers and periodicals of interstate circulation, and in advertising which it approved and agreed to, for insertion in newspapers by others for the benefit, profit and advantage of itself and others, as "satin," through statement "A gown of cotton lace over satin," without disclosure, in immediate connection and conjunction with said word, of said slips' rayon content, so as to apprise and inform purchasing public of such composition, and thereby represented to members of purchasing public that garments thus advertised and offered were made of silk, product of cocoon of silk worm, as long associated in public mind with word "satin," used to designate, describe or refer to dress goods and other similar products, and long held in high esteem for the preeminent qualities of products made therefrom; and
- (b) Advertised certain women's suits as being lined with "Silk Rayon Crepe," without disclosing, in connection therewith, that silk was weighted and not unweighted, and represented thereby to members of purchasing public that such linings consisted of a mixed fabric made up of predominant part of unweighted silk and rayon;

With effect of misleading and deceiving substantial portion of purchasing and consuming public into erroneous and mistaken belief that such representations were true, and of inducing purchase of such items of wearing apparel on account of such erroneous and mistaken beliefs thus brought about through such deceptive and false representations, and of unfairly diverting trade in commerce to it from competitors engaged in sale of similar apparel and other allied products and who do not misrepresent material of which apparel offered for sale or sold by them is composed; to the injury of competition in commerce:

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

Mr. George W. Williams for the Commission.

Paskus, Gordon & Hyman, of New York City, for respondent.

AMENDED COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and by virtue of the authority vested in it by said act, the Fed-

¹ Amended.