

IN THE MATTER OF

MONICA M. ROCK, INDIVIDUALLY AND AS EXECUTRIX
OF THE ESTATE OF DR. ARTHUR A. ROCK, DECEASED,
AS SUCCESSOR TO DR. ARTHUR A. ROCK, DOING BUSI-
NESS IN HIS OWN NAME AND ALSO AS DR. ROCK AND
DR. A. A. ROCK¹COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 2509. Complaint, Aug. 8, 1935—Decision, July 11, 1939*

Where a physician, and the widow and executrix thereof, following his demise, engaged in sale and distribution of tablets and ointment for use, in accordance with directions furnished, in treatment of goiter by those thus afflicted, and in sending to prospective customers replying to their advertisements form of questionnaire with blank spaces for answers covering length of time goiter had existed, and symptoms and general history of progress of disease, for their use in making diagnosis from answers given in such questionnaires without personal contact with patient, and in competition, as thus engaged, with others likewise engaged in selling and distributing to consumers and retail drug stores, for resale to consumers, medicines and preparations designed, intended and used for treatment of said ailment and condition; in advertising their said tablets and ointments in numerous periodicals and other publications of interstate circulation, and through circulars and other

¹ Order of June 4, 1937, substituting Monica M. Rock as respondent in proceeding in question, etc., follows:

This matter coming on for consideration by the Commission upon the record to date, and it appearing that respondent, Dr. Arthur A. Rock, died on or about July 17, 1936; and that thereafter Monica M. Rock, his widow, was appointed executrix of the estate of said Arthur A. Rock, deceased, and is now acting as such executrix; that said Monica M. Rock has tendered to the Commission a stipulation, authorized by the County Court of Milwaukee County, Wis., in which she agrees that she, as such executrix and individually, shall and may be substituted as respondent in this proceeding in the place of said respondent so deceased, and that upon such substitution being made this case may proceed in accordance with the rules of the Commission in the same manner as it would have proceeded had not said original respondent so died; and the said stipulation having been considered by the Commission and approved, and the Commission having only considered the same and being now fully advised in the premises;

It is ordered, That Monica M. Rock, individually and as executrix of the estate of Dr. Arthur A. Rock, deceased, be, and she hereby is substituted as respondent herein for Dr. Arthur A. Rock, the original respondent hereinabove named.

It is further ordered, In accordance with the terms and provisions of said stipulation, that this case now proceed as against said substituted respondent in like manner and to the same effect as it would have proceeded had not said original respondent so died, and all testimony and proceedings heretofore taken and had herein be considered in the same manner and given like effect as though said substituted respondent had been the respondent originally named in the complaint heretofore issued herein.

It is further ordered, That the title of this case shall be and same hereby is amended to read as follows:

"In the Matter of: MONICA M. ROCK, individually and as Executrix of the Estate of Dr. Arthur A. Rock, deceased, as successor to Dr. Arthur A. Rock, an individual, doing business in his own name and also under the name and style of Dr. Rock and Dr. A. A. Rock, respondent."

literature distributed throughout the United States by mail to prospective purchasers in all the States—

- (a) Represented that said method of treatment and preparations in question, taken and used as directed, constituted scientific, efficacious, safe and proper treatment for goiter, without regard to variety or form thereof or stage to which it might have progressed, and that such treatment and preparation would cure and drive out goiter, remove cause thereof, and get rid of the enlargement or swelling occurring therewith, and that treatment and preparations were a remedy or specific for condition in question and had therapeutic value and would correct the function of the thyroid gland;
- (b) Represented that use of medicines was proper and efficacious treatment in all types of goiter, and that surgical operations therefor were unnecessary and would not remove the cause, and were generally inefficacious and dangerous, and that they could and had accurately correctly diagnosed cases of goiter from answers sent in question blanks furnished as above indicated, without physical examination and personal observation of customer, and that presence of goiter might be determined from answers thus submitted, and that individual in question had successfully treated goiter by mail and could successfully do so; and
- (c) Represented that treatment and preparation in question were harmless to all customers in all cases, and constituted the only treatment and preparation which could be used efficaciously in treating such conditions, and that other treatments and preparations were old style and worthless, and that treatment and preparation in question were a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter;

Facts being it is impossible to diagnose case of goiter with any degree of accuracy from such answers or without personal observation and physical examination of patient by physician, layman can neither determine whether he actually has goiter or type thereof, of several, with which, if any, he may be afflicted, tablets and ointment in question were not scientific, efficacious, safe and proper treatment for any type of said condition and would not cure or drive out same, remove causes thereof, or absorb and get rid of enlargement or swelling occurring therewith, medication is not proper and efficacious treatment for all types, but surgery, in some, is only effective remedy, neither individual had or could diagnose cases of goiter from answers submitted as above set forth and furnished without physical examination and personal observation of patient, said tablets were not harmless to all, but might cause injury through reliance thereon of patients and consequent failure to secure medical care, surgical operations in certain types are not dangerous and constitute, as aforesaid, only effective remedy, said tablets and ointment were not only treatment which could be used, and were not efficacious in such treatment, as contrasted with others which were, and were not old style and worthless, they had not successfully treated and could not successfully treat such ailment by mail, and their said tablets or ointments were not remedy or cure for the various bodily ailments which occur with or are usually found present in cases thereof;

With result that many persons, relying upon such false and misleading representations of said individuals as to efficacy of their tablets and ointments in treatment of goiter, purchased same, and trade was thereby diverted

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to them from competitors engaged in sale in interstate commerce to consumers, and to retail drug stores for resale to consumers, of medicines and medicinal preparations designed, intended and used efficaciously in treatment of such condition:

Held, That such practices, under the circumstances set forth, were to the prejudice of the public and competitors and constituted unfair methods of competition in commerce.

Before *Mr. Joseph A. Simpson*, trial examiner.

Mr. Allen C. Phelps and *Mr. James I. Rooney* for the Commission.

Rosen, Francis & Cleveland, of Chicago, Ill., for respondent.

COMPLAINT

Pursuant to the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the Federal Trade Commission, having reason to believe that Dr. Arthur A. Rock, an individual, doing business in his own name and also under the name and style of Dr. Rock and Dr. A. A. Rock, has been or is 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. Respondent, Dr. Arthur A. Rock, is the sole owner and manager of a certain business conducted by him in his own name and also under the name and style of Dr. Rock and Dr. A. A. Rock. That said respondent has owned, maintained, and operated said business since prior to April 1929, and has, and has had during said time, his office and place of business in the city of Milwaukee, State of Wisconsin.

PAR. 2. That said business so owned, maintained, and operated by respondent consists in the offering for sale, sale and distribution in interstate commerce of a method of treatment for use by those of the general public afflicted with goiter. Said method of treatment consists in the use by the customer of certain medical preparations or tablets and an ointment, prepared and sold by respondent, to be used in accordance with directions furnished by respondent, the method of treatment prescribed being practically the same for all cases treated, except for a differentiation for sex. Respondent in the course and conduct of the said business causes his said preparations and products to be transported in interstate commerce from his said place of business in Wisconsin to, into and through States of the United States other than Wisconsin to the various members of the consuming public in the several states to whom they are or have been sold. Respondent

usually sells and distributes his said products directly to the purchasing public by and through the use of the United States mails.

PAR. 3. That during the time above-mentioned other individuals, firms, and corporations in various States of the United States are and have been engaged in the sale and distribution in interstate commerce of courses of treatment, medicines and preparations designed, intended and used for the same general purpose as respondent's method of treatment, medicines and preparations, and also other medicines and preparations designed, intended and used for the treatment of the various bodily ailments that accompany or produce the condition for which respondent's said medicines and preparations are advertised as a remedy, as hereinafter shown, and such other individuals, firms, and corporations have caused and do now cause their said treatments, medicines and preparations, when sold by them, to be transported from various States of the United States to, into and through States other than the State of the origin of the shipment thereof. That said respondent has been during the aforesaid time, in competition in interstate commerce in the sale and distribution of the said treatment and preparations with such other individuals, firms and corporations. That said competing products are sold directly to the consumer and also to retail drug stores for resale to the consumer on prescription and otherwise, and transmitted through the United States mail.

PAR. 4. That respondent in advertising his said method of treatment of goiter causes advertisements to be inserted in magazines and other publications circulated to the purchasing public in the various States of the United States and also distributes form letters, question blanks, a copyrighted book, advertising circulars and folders by mail to prospective customers in various States of the United States, which said advertisements, copyrighted book, form letters, question blanks, advertising circulars and folders represent or imply: That said method of treatment when followed, and said preparations, tablets, and ointments when taken and used as directed constitute a scientific, efficacious, safe, and proper treatment for goiter (except exophthalmic), without regard to the variety or form thereof or the stage to which the goiter may have progressed; that respondent's treatment and preparations will cure and drive out goiter, remove the cause thereof, and absorb and get rid of the enlargement or swelling occurring therewith; that respondent's treatment and preparations are a remedy or specific for goiter, the same have a therapeutic value and will correct the functioning of the thyroid gland; that the use of medicines is the proper and efficacious treatment in all types of goiter;

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that respondent can and has accurately and correctly diagnosed cases of goiter from answers submitted to question blanks furnished by him without a physical examination and without personal observation of the customer; that the presence of goiter can be determined from answers so submitted on such question blanks; that respondent's treatment and preparations are harmless to all customers in all cases; that surgical operations for goiter are unnecessary, do not remove the cause of goiter and are generally unefficacious and dangerous; that respondent's treatment and preparations are the only treatment and preparations which can be used efficaciously in treating goiter and that other treatments and preparations are "old style" and worthless; that respondent can and has successfully treated goiter by mail; that respondent's treatment and preparations are a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter; and other representations of like import. That respondent in advertising his said treatment and preparations as aforesaid causes advertisements to be inserted in magazines or other publications of general circulation among the several States, an example of which is as follows:

GOITRE NOT A DISEASE

Milwaukee, Wis.—It has been brought to light by scientific research that goitre is not a disease and is not to be treated as such. Dr. A. A. Rock, Dept. 705, Box 737, Milwaukee, Wis., a prominent goitre specialist for over 30 years has perfected a different method of treatment which has proven highly successful. He is opposed to needless operations. Dr. Rock has published a copyrighted book at his own expense which tells about goitre and this treatment. He will send this book free to anyone interested. Write him today.

To those who answer such advertisements as the above, respondent sends by mail various form letters, question blanks, a copyrighted book, advertising circulars and folders containing many statements and representations as aforesaid in regard to such treatment and preparations, among which are the following:

PHOTOGRAPH

2 Women

Yes my goitre is gone and now I am well and happy. Thousands have said this and so may you if you will only read and believe what I have to say.

Treat goitre by
Removing the Cause
Absorbing the Enlargement

PHOTOGRAPH

One Woman

In Dancing Posture

Dances from sheer happiness because her swelling of the neck is gone!

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PHOTOGRAPH

(Woman Looking into Hand Mirror)

Oh! How happy, the swelling is gone.

PHOTOGRAPH

(Woman's Head with Beautiful Neck)

A neck and throat restored to normal adds wonderfully to the appearance of any woman, a goitre ruins it. Be wise, *get rid* of your swelling and improve your appearance.

PHOTOGRAPH

(Man Admiring Woman)

Why Susan! Your throat looks as natural and nice as when I saw you the first time!

Yes, Bob, that treatment is surely wonderful; and I feel so much better and so happy that—that horrid swelling is gone.

My treatment drives goitre out!

The object is to have the combined treatment, of ointment and tablets, to absorb the overgrowth of tissue and to correct the functioning of the gland.

* * * I picked up a paper with your advertisement and used your goitre treatment for *two* of our other *boys* and they *got well of their goitres* * * * Mike Mattson, Independence, Wis.

* * * you can prove what I claim by using full month's treatment.

In fact, my treatment is sound and so favorably known all over the country that I don't have to send out any sample treatments.

I have such success in treating goitre.

My method of treating goitre is based upon many years of experience and the following principles, viz: To re-establish the natural function of the thyroid gland to absorb the overgrowth of tissue, to tone up the system to remove toxins (poisons) and to overcome any so-called "female trouble" if possible.

It is now conceded by the medical profession in general and also recognized by the people that goitre can be prevented and overcome by the proper use of certain medicines. I have known this to be true ever since 1902 and as a result nearly 200,000 persons in all parts of the world have used my treatment.

I feel very proud that I was able to introduce a treatment for goitre which possesses that valuable addition, Dr. Rock's Special Treatment Tablet No. 2 (yellow) for women—No. 3 (pink) for men, which act directly upon the reproductive organs and in that way indirectly upon the goitre, **MAKING THE TREATMENT MORE EFFECTIVE AND MORE RAPID IN ACTION.**

I have treated thousands of cases, I get splendid results * * *

That I have treated goitre for 30 consecutive years should convince any fair minded person that I must have something good.

Remember, if you are a man, a woman or a child, and have a goitre, I have a treatment for your trouble.

Goitre is, as a rule, a stubborn thing and it requires patience and perseverance to overcome it, so when you begin treatment make up your mind to *stick to it every day until the goitre is entirely gone*. Don't quit treatment too soon. *Be sure that the goitre is completely gone*.

My treatment has been successful in some of the worst goitres that I have ever seen.

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With my treatment I have relieved a goitre from the neck of my own sister, a woman over 50 years of age, and also of her daughter, my niece, and a cousin, besides friends and acquaintances too numerous to mention.

[PHOTO-
GRAPH]MY MESSAGE TO
GOITRE SUFFERERS[PHOTO-
GRAPH]

Over a quarter of a century ago I developed a treatment for goitre which has been used in nearly every civilized country on earth, and by between one and two hundred thousand persons, young and old. That treatment was, in my opinion, the most successful treatment ever offered the general public, but through long experience it was found that the reproductive organs play a very important part in any condition whereby the thyroid gland is abnormally affected and I found that if I directed my treatment at both the reproductive organs and the goitre at the same time results were far more satisfactory and more rapid. To put it in plain words—I always had a good treatment for goitre, but I have now a treatment which is, in my opinion, far better, for I have added Dr. Rock's Special Treatment Tablet No. 2 (yellow—for women), and Dr. Rock's Special Treatment Tablet No. 3 (pink—for men), a combination of wild plant extracts which act directly upon the reproductive organs and thus indirectly upon the goitre.

When deciding upon a treatment for your goitre be sure that you get a treatment which has something which will act favorably on the reproductive organs, if you don't get that—results may not be what you expect.

with my
NEW TREATMENT
Results
MORE RAPID
MORE LASTING
May be Expected

Don't waste time and money with the old style treatment for goitre. I speak from an experience of over 30 years and my honest advice is make use of my new method of treatment, its results should please and surprise you.

Sincerely,

Dr. A. A. Rock,
Milwaukee, Wis.

* * * my treatment has brought results * * * in removing goitres which I thought hopeless.

There is an underlying cause for every goitre, by operation a part of the goitre is cut out but DOES THAT REMOVE THE CAUSE? That is a question and what is left may grow again, as thousands have found out.

NOTE: Few days pass that I do not receive letters from persons who were operated and telling me the trouble has returned.

Remember, my treatment can be taken with any other medicine, at any time, it will not affect the heart or stomach, nor the weakest system. It will not affect a nursing baby and an expectant mother should take treatment for her goitre for her own good and the good of her coming child.

A pregnant woman should use goitre treatment for two very important reasons: First, to keep the goitre from growing which it is apt to do during pregnancy and to remove it entirely if possible. Second, so that the coming

baby will have a normal thyroid gland, and not be born with a goitre (congenital goitre). This is very important, expectant mothers, remember this!

I use *my medicines* both locally and internally and they are of such a nature that *they are safe to use and cause no distress in any way.*

You cannot do harm by treating a goitre properly, great good to both body and mind follows the successful treatment of goitre, never does any harm follow such treatment.

My treatment will not impair your health.

and others of like import, some of which are contained in testimonials reproduced by respondent in its said advertising literature.

PAR. 5. That, in truth and in fact, respondent's said method of treatment when followed, and his preparations, tablets, and ointments when taken and used as directed, do not constitute a scientific, efficacious, safe, or proper treatment for goiter (except exophthalmic), without regard to the variety or form thereof, or the state to which the goiter may have progressed; that respondent's treatment and preparations will not cure and drive out goiter, will not remove the cause thereof, nor absorb and get rid of the enlargement or swelling occurring therewith; that respondent's treatment and preparations are not a remedy or specific for goiter, nor do the same have any therapeutic value, nor will they correct the functioning of the thyroid gland; the use of medicines is not the proper and efficacious treatment in all types of goiter, but on the contrary some types and cases require a surgical operation and others require no medical treatment whatever; respondent has not and cannot accurately and correctly diagnose cases of goiter from answers submitted by customers to question blanks furnished by him, without a physical examination and without observation of the customer; the presence of goiter cannot be determined from answers submitted on such question blanks; respondent's treatment and preparations are not harmless to all customers in all cases, but on the contrary when used by purchasers thereof in accordance with directions furnished by the respondent they may and often do permanently or temporarily injure such purchasers either as a result of the effects of the properties in said medicines and preparations furnished by the respondent, or because of consequent postponement of a proper treatment for goiter; surgical operations for goiter are often necessary and do remove the cause of goiter and are generally efficacious and may be safely undergone; respondent's treatment and preparations are not the only treatment and preparations which can be used efficaciously in treating goiter, and other treatments and preparations are not "old style" and worthless; respondent cannot and has not successfully treated goiter by mail; respondent's treatment and preparations are

not a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter.

That all the statements, representations, and implications set forth in paragraph 4 above are either wholly unfounded in fact or are greatly exaggerated or wholly inaccurate.

PAR. 6. That the representations of respondent, as aforesaid, have had and do have the tendency and capacity to confuse, mislead and deceive members of the public into the belief that respondent's said method of treatment, medicines and preparations are a cure, remedy, or a scientific, efficacious and proper treatment for goiter (except exophthalmic) regardless of the cause thereof, the variety or form which the same may assume or the stage to which it has progressed; that respondent's method of treatment, medicines and preparations will cure and drive out goiter, remove the cause thereof, and absorb and get rid of the enlargement or swelling occurring therewith; that respondent's treatment and preparations are a remedy or specific for goiter and will correct the functioning of the thyroid gland; that respondent can and has accurately and correctly determined the presence of goiter and diagnosed cases thereof by mail; that said treatment when followed and preparations when used are harmless and are the only treatment and preparations which can be used efficaciously in treating goiter; that respondent's treatment and preparations are a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter; when, in truth and in fact, such are not the facts, or only to a limited extent. That such representations of respondent have had and do have the tendency and capacity to induce members of the public to buy and use said method of treatment and preparations because of the erroneous beliefs engendered, as above set forth, and to divert trade to respondent from competitors engaged in the sale in interstate commerce of treatments and preparations of the same or similar kind and of those adapted and used for the treatment of goiter and the various ailments and conditions that accompany and induce the same.

PAR. 7. The above acts and things done by the respondent are all to the injury and prejudice of the public and the competitors of respondent in interstate 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 the 8th day of August, A. D. 1935,

issued and thereafter served its complaint in this proceeding upon the respondent Dr. Arthur A. Rock, an individual doing business under his own name and also under the name and style, "Dr. Rock" and "Dr. A. A. Rock," charging him with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuing of said complaint and the filing of respondent's answer thereto, testimony and other evidence in support of the allegations of the complaint were introduced by Allen C. Phelps, attorney for the Commission, and in opposition thereto by John A. Rosen, attorney for the respondent, before Joseph A. Simpson, an examiner of the Commission theretofore appointed by it; and said testimony and other evidence were duly recorded and filed in the office of the Commission. Said respondent departed this life on the 17th day of July, A. D., 1936, and his widow, Monica M. Rock, being the sole beneficiary under his will and the executrix thereof, was substituted as respondent, by order of the Commission dated June 4, A. D., 1937. Thereafter, the proceedings regularly came on for final hearing before the Commission on the complaint of the Commission, the answer thereto, the testimony and other evidence, and briefs in support of the complaint and in opposition thereto; 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. Respondent Dr. Arthur A. Rock was an individual who was doing business in his own name and also under the name and style "Dr. Rock" and "Dr. A. A. Rock." His principal place of business was located at 5409 Vliet Street, Milwaukee, Wis.

PAR. 2. Respondent Dr. Arthur A. Rock departed this life on the 17th day of July, A. D., 1936. Monica M. Rock, widow of said respondent and sole beneficiary under his last will and testament, was, on the 24th day of July, A. D., 1936, duly appointed executrix of the estate of said respondent. On the 15th day of August, 1936, the County Court of Milwaukee County, Wis., authorized and empowered the said Monica M. Rock to conduct the business of her late husband, Dr. Arthur A. Rock, and said Court, on the 14th day of November, A. D., 1936, authorized and empowered said Monica M. Rock to substitute herself in the place and stead of her deceased husband, Dr. Arthur A. Rock, as respondent in this proceeding. On June 4, 1937, the Commission, acting upon motion of said Monica M. Rock, sub-

stituted the said Monica M. Rock as respondent in this proceeding, in the place of respondent Dr. Arthur A. Rock.

Respondent Monica M. Rock stipulated that, as executrix of the will of her late husband, respondent Dr. Arthur A. Rock, she would conduct the hereinafter described business formerly conducted by her deceased husband, respondent herein, during the period of her executrixship, and thereafter in her individual capacity, in the same manner and by the same methods as were formerly used by respondent Dr. Arthur A. Rock.

PAR. 3. Respondent Dr. Arthur A. Rock was a physician duly licensed to practice medicine in the State of Wisconsin, and from 1906 to the date of his death was engaged in the sale and distribution of tablets and an ointment to be used in accordance with directions furnished by said respondent in the treatment of goiter by persons thus afflicted. Said respondent, in the course and conduct of his said business, caused the said tablets and ointment to be transported from his principal place of business, in the State of Wisconsin, to purchasers thereof located in all the States of the United States.

PAR. 4. Respondents have been, and respondent Monica M. Rock now is, in competition in interstate commerce, in the sale and distribution of said tablets and ointment, with individuals, firms, and corporations engaged in the business of selling in interstate commerce, to consumers and to retail drug stores for resale to consumers, medicines and preparations designed, intended and used for the treatment of goiter.

PAR. 5. Respondents have advertised their said tablets and ointment in numerous magazines and other publications having interstate circulation, and also by means of circulars and other literature distributed through the United States mails to prospective purchasers in all the States of the United States. Respondents have also sent to prospective customers who answer their advertisements a form of questionnaire with blank spaces for answers, covering the length of time the goiter has existed, the symptoms and a general history of the condition and progress of the disease, and from the answers given in such questionnaires the respondents make diagnosis without having had personal contact with the patient.

PAR. 6. Among the representations made by the respondents in their advertising matter are the following:

1. That said method of treatment, when followed, and said preparations, tablets and ointments, when taken and used as directed, constitute a scientific, efficacious, safe, and proper treatment for goiter (except exophthalmic), without regard to the variety or form thereof, or the stage to which the goiter may have progressed.

2. That respondent's treatment and preparations will cure and drive out goiter, remove the cause thereof and absorb and get rid of the enlargement or swelling occurring therewith.

3. That respondent's treatment and preparations are a remedy or specific for goiter, that same have a therapeutic value and will correct the functioning of the thyroid gland.

4. That the use of medicines is the proper and efficacious treatment in all types of goiter.

5. That respondent can diagnose, and has accurately and correctly diagnosed cases of goiter from answers submitted in question blanks furnished by him, without a physical examination and without personal observation of the customer.

6. That the presence of goiter can be determined from answers so submitted on such question blanks.

7. That respondent's treatment and preparations are harmless to all customers in all cases.

8. That surgical operations for goiter are unnecessary, do not remove the cause of goiter, and are generally inefficacious and dangerous.

9. That respondent's treatments and preparations are the only treatment and preparations which can be used efficaciously in treating goiter, and that other treatments and preparations are "old style" and worthless.

10. That respondent can successfully treat and has successfully treated goiter by mail.

11. That respondent's treatments and preparations are a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter.

PAR. 7. It is impossible to diagnose a case of goiter with any degree of accuracy from the answers to the above-mentioned questionnaire, or without personal observation and physical examination of the patient by a physician. There are several types of goiter and a layman can neither determine whether he actually has a goiter, or the type of goiter, if any, with which he may be afflicted.

PAR. 8. All of the representations made by respondents, as set forth in paragraph 6 hereof, are false and misleading, in that:

1. The tablets and ointment sold by respondents are not a scientific, efficacious, safe and proper treatment for any type of goiter.

2. Respondents' tablets and ointment will not cure or drive out goiter, remove the cause thereof, or absorb and get rid of the enlargement or swelling occurring therewith.

3. Respondents' tablets and ointment are not a remedy or specific for goiter, have no therapeutic value, and will not correct the functioning of the thyroid gland.

4. Medication is not a proper and efficacious treatment for all types of goiter; in some types of goiter surgery is the only effective remedy.

5. Respondents have not diagnosed, and cannot accurately and correctly diagnose, cases of goiter from answers submitted on the question blanks furnished by them, without a physical examination and personal observation of the patient.

6. The presence of a goiter cannot be determined from answers entered in said questionnaires.

7. Respondents' tablets and ointments are not harmless to all customers, and injury may be caused to patients because of their reliance on said preparations, and consequent failure to secure proper medical care.

8. In certain types of goiter surgical operations are necessary, not dangerous, and constitute the only effective remedy.

9. Respondents' tablets and ointment are not the only treatment which can be used for goiter, nor can they be efficaciously used in the treatment of goiter; there are a number of other preparations which are efficacious in such treatment, and which are not "old style" and worthless.

10. Respondents have not successfully treated, and cannot successfully treat goiter by mail.

11. Respondents' tablets and ointment are not a remedy or cure for the various bodily ailments which occur with, or are usually found present in, cases of goiter.

PAR. 9. Many persons, relying upon the false and misleading representations of the respondents as to the efficacy of their tablets and ointment in the treatment of goiter, purchase said preparations of the respondents, and, as a result, trade has been diverted to the respondents from individuals, firms, and corporations engaged in the business of selling in interstate commerce to consumers, and to retail drug stores for resale to consumers, medicines and medical preparations designed, intended and used efficaciously in the treatment of goiter.

CONCLUSION

The practices of the respondents, as set forth in the foregoing findings as to the facts, are to the prejudice of the public and of respondents' competitors, and constitute unfair methods of competition in commerce in violation 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, the answer of respondent, testimony and other evidence taken before Joseph A. Simpson, 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 Allen C. Phelps, counsel for the Commission, and by John A. Rosen, counsel for the respondent, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondent, Monica M. Rock, individually and as executrix of the estate of Dr. Arthur A. Rock, deceased, her representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of her medicinal preparations or treatment in interstate commerce or in the District of Columbia, do forthwith cease and desist from representing:

1. that respondent's method of treatment, when followed, and respondent's preparations, when taken and used as directed, constitute a scientific, efficacious, safe and proper treatment for goiter, without regard to the variety or form thereof or the stage to which the goiter may have progressed.

2. that said treatment and preparations will cure and drive out goiter, remove the cause thereof and absorb and get rid of the enlargement or swelling occurring therewith.

3. that said treatment and preparations are a remedy or specific for goiter, that same have a therapeutic value and will correct the functioning of the thyroid gland.

4. that the use of medicines is the proper and efficacious treatment in all types of goiter.

5. that respondent can diagnose and has accurately and correctly diagnosed cases of goiter from answers submitted in question blanks furnished by her, without a physical examination and without personal observation of the customer.

6. that the presence of goiter may be determined from answers so submitted on such question blanks.

7. that respondent's treatment and preparations are harmless to all customers in all cases.

8. that surgical operations for goiter are unnecessary, do not remove the cause of goiter and are generally inefficacious and dangerous.

Order

29 F. T. C.

9. that respondent's treatment and preparations are the only treatment and preparations which can be used efficaciously in treating goiter and that other treatments and preparations are "old style" and worthless.

10. that respondent can successfully treat and has successfully treated goiter by mail.

11. that respondent's treatment and preparations are a remedy or cure for the various bodily ailments which occur with or are usually found present in cases of goiter.

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

Syllabus

IN THE MATTER OF
AMERICAN MEMORIAL COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 3369. Complaint, Mar. 31, 1938—Decision, July 11, 1939*

Where a corporation engaged in sale and distribution of marble and granite monuments, tombstones, and footstones, to members of purchasing public in various States and in District of Columbia, in substantial competition with others engaged in sale and distribution of such, and similar, products designed, intended, and used for same or similar purposes, including many who do not in any manner misrepresent their business status or the life and duration of their respective granite and marble tombstones, monuments, and like products; in its advertisements in magazines and newspapers circulating among the various States, and in catalogs, pamphlets, bulletins, and other literature which it disseminated to members of purchasing public in various States and in District of Columbia—

- (a) Represented, directed and by implication, that its marble monuments were everlasting, and that tombstone selling for certain price was a 400-pound stone, facts being its said products were not everlasting and it offered and sold many stones which it represented as weighing said amount which, in truth and in fact, weighed substantially less;
- (b) Represented that it had executed a bond which was available to purchasers as a guarantee of the quality of its products, and that such guarantee insured full satisfaction on the part of the purchaser and conformed to the rules and regulations of the United States postal laws, facts being it had not posted any such bond nor obtained any approval from Government or Post Office Department for any guarantee made incident to sale of its product, nor posted any bond with Government or anyone else which insured satisfaction on part of its customers or conformity by it with rules and regulations of the postal laws; and
- (c) Represented that it was the manufacturer of both its marble and granite tombstones and that all profits of middlemen or commission firms were eliminated by reason of purchase of granite or marble monuments from it, facts being it did not manufacture monuments sold and distributed by it, but was merely jobber thereof, profits of middlemen and commission firms were not eliminated by reason of purchase of granite monuments from it, and it was not a manufacturer, for dealing directly with which there is preference on part of a substantial number of members of purchasing public as securing more advantageous prices and other benefits;

With effect of misleading and deceiving substantial number of members of such public into erroneous belief that said false and misleading statements and representations were true, and into purchase of its products because of such belief, and with result as direct consequence thereof, that trade in commerce, as aforesaid, was diverted unfairly to it from its competitors engaged in sale and distribution of similar products and who do not falsely represent the same or their business status: