

Syllabus

IN THE MATTER OF

UNITED CORPORATION, TRADING AS VIRGINIA PRODUCTS COMPANY, AND GEORGE M. CRUMP, INDIVIDUALLY AND AS PRESIDENT OF UNITED CORPORATION

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

Docket 3093. Complaint, Mar. 31, 1937—Decision, Aug. 2, 1939

Where the word "Virginia," when used in connection with sale and distribution of meats or meat food products, or to describe such products, and particularly ham, had long since come to signify to and be understood by purchasing public as meaning ham or other meat and meat food products obtained from animals grown in said State and that ham thus designated had been cured and processed in a manner which had been well-known for more than a century as the Virginia method of curing hams, and which imparted distinctive flavor thereto and to ham products and meat and meat food products, and substantial portion of purchasing public had preference for ham obtained from hogs or cattle raised in said State and processed by method above referred to, and for meat and other meat food products obtained from animals raised therein; and,

Thereafter corporation and an individual, president thereof and in control of its business operations, policies, and trade practices, with sales offices in New York City, and engaged in sale and distribution, in commerce among the various States, of (1) deviled ham, some of which, packed for it by Chicago company, was not made from ham or hogs grown in State of Virginia, and some of which, packed for it by Maryland concern, was made for it from Virginia hams purchased from Virginia packers, and (2) corned beef hash, purchased from Chicago company above referred to, and of which corned beef used in manufacture did not come from cattle or beeves raised or purchased in Virginia, and in (3) invoicing, as thus engaged, their aforesaid products, shipped directly to the purchasers thereof from the plants of the Chicago or Maryland packers, from office in Richmond, Va.—

- (a) Caused to be placed on the containers in which was contained said deviled ham, including both that packed and shipped by said Chicago company and that packed and shipped by said Maryland concern, labels reading "SOUTHERN STYLE DEVILED HAM With Vegetable Fat Net Weight 2 Lbs. OLD VIRGINIA BRAND U. S. Inspected and Passed by Department of Agriculture, Estab. No. 545. VIRGINIA PRODUCTS COMPANY, RICHMOND, VA., Distributors," and supplied customer drug stores and cafes with stickers or slips to be attached to the menu cards used by said customers and displaying, among other words of like import and effect, "Special Today OLD VIRGINIA Southern Style Deviled Ham Sandwich 15¢";
- (b) Caused to be placed on the containers of said corned beef hash, packed as aforesaid by said Chicago company, labels reading "Contents 1 Lb. 4 Oz. OLD VIRGINIA BRAND CORNED BEEF HASH Ready to Brown. U. S. Inspected and Passed by Department of Agriculture. Packed for VIRGINIA PRODUCTS COMPANY Richmond, Va.," and supplied to various

Syllabus

29 F. T. C.

drug store and cafe customers stickers or slips to be attached to menu cards used by them and setting forth, among other words of like import and effect, "Breakfast Special * * * Old Virginia Corned Beef Hash * * * 25¢";

- (c) Made use of trade name "Virginia Products Company" in selling said deviled ham and corned beef hash in place of corporate name proper, never used in sale of said products and unknown to customers purchasing the same from it, and invoiced under said trade name such products to purchasers from office maintained by them in Richmond, for purpose of securing benefits flowing from reputation of Virginia ham and other Virginia meat food products; and
- (d) Represented to purchasers and purchasing public, through use of word "Virginia" in aforesaid trade name, on labels and containers, and in describing said products, and on stickers and slips, and orally, and through invoicing same from Richmond, that meats used in all of their said products were obtained from hogs and cattle grown in said State, and that all of such products had been cured and processed by said well-known Virginia method;

Notwithstanding fact meats in said products, excepting deviled ham packed for it by said Maryland concern, were not, as above represented through use of word "Virginia" as aforesaid in trade name, on labels, etc., and in describing said products on stickers and slips above referred to, and otherwise, obtained from cattle or hogs grown in said State, but were from cattle and hogs grown elsewhere, and were not, with aforesaid exception, cured and processed by said well-known Virginia method nor in said State, but were cured and processed in other States and in manner different in every respect from said well-known Virginia method;

With effect of misleading substantial portion of purchasing public into erroneous belief that all said representations were true and that all of products sold and offered by them were meats or meat food products obtained from cattle and hogs grown in said State and cured and processed therein by well-known method, and of misleading and deceiving customers, to whom they furnished stickers or slips as above set forth, into belief that all of the deviled ham purchased by such customers from them was made from Virginia ham, cured and processed as above, and that corned beef hash thus purchased was made from beeves of cattle grown in Virginia, and into thus representing, in such beliefs, said deviled ham and corned beef hash to their customers, and with further result, as direct consequence, that number of purchasing public bought their products and trade was thereby unfairly diverted to them from competitors also engaged in sale and distribution of deviled ham and corned beef hash in commerce, and who do not make similar representations with respect to the type, quality or method of processing the same; to the injury of competition in commerce:

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

Before *Mr. William C. Reeves* and *Mr. Charles F. Diggs*, trial examiners.

Mr. Floyd O. Collins and *Mr. Edward L. Smith* for the Commission.

Mr. Martin F. O'Donoghue and *Mr. George F. Shea*, of Washington, D. C., 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 the United Corporation, a corporation trading as the Virginia Products Co., and George M. Crump, individually and as president of said United Corporation, hereinafter referred to as respondents, have been and are 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 in the public interest, hereby issues this its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The United Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, and its legal address is 212 American Bank Building, Richmond, Va. For the purpose of conducting its business, as will be hereinafter described, it adopted and is now using the trade name "Virginia Products Company." The legal address of the Virginia Products Co. is 212 American Bank Building, Richmond, Va. Respondent George M. Crump is president and treasurer of the respondent United Corporation and controls and dictates the business operations, policies and trade practices of the United Corporation and the Virginia Products Co. The respondents are now and have been for several years last past, engaged in the sale and distribution in commerce among and between the various States of the United States of meat food products known as "Deviled Ham" and "Corned Beef" and have caused said products, when sold, to be shipped to purchasers thereof at various points in different States of the United States other than the State of origin of said shipments. Respondents now maintain, and have maintained at all times herein complained of, a constant current of trade in commerce among and between the various States of the United States and the District of Columbia.

PAR. 2. Respondents are now, and at all times herein complained of have been, in competition with other corporations, firms, partnerships, and individuals likewise engaged in the sale and distribution of deviled ham and corned beef hash in commerce among and between the various States of the United States and the District of Columbia.

PAR. 3. The word "Virginia" when used in connection with the sale and distribution of meats or meat food products or to describe meats or meat food products, has for many years signified and meant, and has been understood to signify and mean, and now signifies and

Complaint

29 F. T. C.

means to the purchasing public, meat and meat food products obtained from animals grown in the State of Virginia and cured and processed in a manner which has been well known for more than a century as the Virginia method of curing meats, which method of curing and processing imparts a distinctive flavor to meats and meat food products. The word "Virginia" when used in connection with the sale and distribution of meats and meat food products and in describing meat and meat food products has acquired and for many years had, and now has, such secondary meaning, and a substantial portion of the purchasing public has expressed, and has a preference for meat and meat food products obtained from hogs or cattle raised in Virginia and processed by the method hereinabove referred to.

PAR. 4. Respondents, through arrangements with different meat packers, purchase deviled ham and corned beef ready packed and labeled as specified by respondents. Respondent corporation has adopted and at all times herein mentioned has used, and now uses, as and for its trade name the words "Virginia Products Co.," in selling, and offering for sale, said products in commerce among and between the various States of the United States. Respondents have also caused to be placed on the containers, in which said products are packed, labels reading as follows:

SOUTHERN STYLE

DEVILED HAM

With Vegetable Fat

Net Weight 2 Lbs.

OLD VIRGINIA BRAND

U. S. Inspected and Passed by Department
of Agriculture, Estab. No. 545

VIRGINIA PRODUCTS COMPANY

RICHMOND, VA.

Distributors

Contents 1 Lb. 4 Oz.

OLD VIRGINIA

BRAND

CORNEED

BEEF HASH

Ready to Brown

U. S. Inspected and Passed by
Department of Agriculture

Packed for

VIRGINIA PRODUCTS COMPANY

Richmond, Va.

Among respondents' customers are various drug stores and cafes. To these customers the respondents furnish stickers or slips to be attached to the menu cards by said customers. On said stickers or slips are printed, among other words of like import and effect, the following:

Special Today
OLD VIRGINIA
Southern Style
Devilled Ham Sandwich
15¢

Breakfast Special
Juice of 1 Orange
Browned
Old Virginia
Corned Beef Hash
Buttered Toast
Coffee With Cream
25¢

PAR. 5. Respondents, by the use of the word "Virginia" in the trade name and on the labels used on the containers in which the products are packed, and in describing said products and on the stickers and slips above referred to and of many other representations of like import and effect not specifically set out, represent to the purchasing public that the meats used in said products are obtained from hogs and cattle grown in the State of Virginia, and that said products have been cured and processed by the well-known Virginia method.

PAR. 6. Each and all of said representations above set out and referred to are false and misleading for in truth and in fact, the meats in the products sold and advertised by the respondents are not obtained from cattle and hogs grown in the State of Virginia but are from cattle and hogs grown in States other than the State of Virginia. The meats used in the products sold by respondents are not cured and processed by the well-known Virginia method or in the State of Virginia, but are cured and processed in States other than the State of Virginia and are cured and processed in a manner different in every respect from the well-known Virginia method.

PAR. 7. All of said acts and practices above described and all of the representations as above set out had, and now have, the capacity and tendency to mislead and deceive, and did, and do, mislead a substantial portion of the purchasing public into the erroneous belief that all of said representations are true, and did and do mislead a substantial portion of the purchasing public into the erroneous belief that the products sold and offered for sale by the respondents are meats or meat food products obtained from cattle and hogs grown in the State of Virginia and cured and processed in Virginia by the well-known Virginia method. As a direct consequence of said erroneous beliefs induced by the acts and representations of respond-

Findings

29 F. T. C.

ents as hereinabove set out, a number of the purchasing public have purchased respondent's products with the result that trade has been unfairly diverted to the respondents from competitors likewise engaged in the sale and distribution of deviled ham and corned beef in commerce among and between the various States of the United States who do not make similar representations with respect to the type, quality, or the method of processing said products. In consequence thereof, injury has been, and is being done to competition in commerce among and between the several States of the United States.

PAR. 8. The above acts and practices engaged in by respondents, as aforesaid, are all to the prejudice of the public and of respondents' competitors, and constitute unfair methods of competition in interstate commerce, within the intent and meaning 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, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on March 31, 1937, issued and served its complaint in this proceeding upon respondents, United Corporation, a corporation trading as the Virginia Products Co., and George M. Crump, individually and as president of the United Corporation, 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, the taking of testimony and evidence regarding jurisdictional matters set out in the third affirmative and separate defense contained in respondents' answer to the complaint, the entry of an order overruling the plea of lack of jurisdiction set out in said third affirmative and separate defense and directing that the case proceed to trial, further testimony and other evidence in support of the allegations of said complaint were introduced by Edward L. Smith, attorney for the Commission, and in opposition to the allegations of the complaint by Martin F. O'Donoghue and George F. Shea, counsel for the respondents, before Charles F. Diggs, 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 said complaint, the answer thereto, testimony, and other evidence, briefs in support of the complaint and in opposition thereto, and oral arguments of the aforesaid attorney for the Commission and of the aforesaid Martin F. O'Donoghue; 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, United Corporation, is a corporation organized, existing, and doing business since about 1934 under and by virtue of the laws of the State of Virginia, with its address at 212 American Bank Building, Richmond, Va. For the purpose of conducting its business, as will be hereinafter described, it adopted and is now using, and as early as June 1936, and continuously since that time, has used, the trade name "Virginia Products Company." Respondent, George M. Crump, is now, and has been, president of respondent, United Corporation, since its organization and controls the business, operations, policies and trade practices of said respondent, United Corporation, trading as Virginia Products Co. The respondents are now, and since as early as June 1936 have been, engaged in the sale and distribution in commerce between and among the various States of the United States of meat food products known as "Deviled Ham" and "Corned Beef Hash," and have caused such products, when sold, to be shipped to the purchasers thereof at various points in different States of the United States other than the State of origin of such shipments.

PAR. 2. Respondents now maintain, and since as early as, if not earlier than, June 1936, have maintained a constant current of trade and commerce among and between the various States of the United States and in the District of Columbia, and they are now, and since as early as June 1936, if not prior to that time, have been, in substantial competition with other corporations and with firms, partnerships, and individuals engaged in the sale and distribution of deviled ham and corned beef hash in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. The word "Virginia," when used in connection with the sale and distribution of meats or meat food products, or to describe meats or meat food products, particularly ham, has for many years signified and meant, and has been understood to signify and mean, and now signifies and means, to the purchasing public, ham, other meat and meat food products obtained from animals grown in the State of Virginia, and, as to ham, also that such ham has been cured and processed in a manner which has been well known for more than a century as the Virginia method of curing hams, which method of curing and processing imparts a distinctive flavor to ham and ham products, meat and

Findings

29 F. T. C.

meat food products. The word "Virginia," as applied to ham and other meat food products and in describing ham and other meat food products, has acquired for many years, had and now has, such secondary meanings, and a substantial portion of the purchasing public has expressed and has a preference for ham obtained from hogs or cattle raised in Virginia and processed by the method hereinabove referred to and for other meat and meat food products obtained from animals raised in Virginia.

PAR. 4. The deviled ham and corned beef hash sold by the respondents between and among the various States of the United States and in the District of Columbia have been and are packed for them and purchased by them from various meat packers, who pack and label such deviled ham and corned beef hash as directed by the respondents. Some of such deviled ham has been packed for and purchased by respondents from Emmart Food Products Co. located in Chicago, Ill., which such deviled ham was made from hams purchased by Emmart Food Products Co. in their raw and green state in the city of Chicago, State of Illinois, from packers located in that city and such deviled ham was not made from ham or hogs grown in the State of Virginia. Some of the deviled ham sold by the respondents between and among the various States of the United States and in the District of Columbia has been packed for them and purchased by them from the Montell Co., a partnership located at Cambridge, Md., and from Montell, Inc., a Maryland corporation, which, on August 12, 1937, succeeded to the business prior thereto carried on by said Montell Co. Such deviled ham packed for the respondents by the Montell Co. and by Montell, Inc., has been made from Virginia hams purchased from Virginia packers. The corned beef hash sold by the respondents in commerce between and among the various States of the United States and in the District of Columbia has been purchased by them only from said Emmart Food Products Co. There is no ham of any kind in such corned beef hash nor does the corned beef which is used in said corned beef hash come from cattle or beeves raised or purchased in Virginia. On the containers in which said deviled ham has been packed by and shipped from Emmart Food Products Co., and on the containers in which such deviled ham has been packed by and shipped from the Montell Co. and Montell, Inc., the respondents have caused to be placed labels reading as follows:

SOUTHERN STYLE
DEVILED HAM
With Vegetable Fat
Net Weight 2 Lbs.

OLD VIRGINIA BRAND
U. S. Inspected and Passed by Department
of Agriculture, Estab. No. 545
VIRGINIA PRODUCTS COMPANY
RICHMOND, VA.
Distributors

On the containers in which said corned beef hash is packed by and shipped from Emmart Food Products Co., the respondents have caused to be placed thereon labels reading as follows:

Contents 1 Lb. 4 Oz.
OLD VIRGINIA
BRAND
CORNED
BEEF HASH
 Ready to Brown
 U. S. Inspected and Passed by
 Department of Agriculture
 Packed for
VIRGINIA PRODUCTS COMPANY
 Richmond, Va.

Both of said labels were approved by the United States Department of Agriculture. But if at the time such labels were approved, the Department of Agriculture had known or believed that the respondents intended to lead purchasers and prospective purchasers and the public into believing that all of the products so labeled were products from Virginia, such approval would not have been given. On February 16, 1939, said United States Department of Agriculture rescinded its approval of the aforesaid label used on containers of corned beef hash, for the reason that the label was regarded as having become misleading on the basis of facts that were developed during the hearing of this matter.

PAR. 5. Among respondents' customers are various drug stores and cafes. To these customers the respondents furnish stickers or slips to be attached to the menu cards used by said customers. On said stickers or slips are printed, among other words of like import and effect, the following:

Special Today
OLD VIRGINIA
 Southern Style
 Deviled Ham Sandwich
 15¢

Breakfast Special
 Juice of 1 Orange
 Browned
 Old Virginia
 Corned Beef Hash
 Buttered Toast
 Coffee with Cream
 25¢

Findings

29 F. T. C.

PAR. 6. Respondents, in selling deviled ham and corned beef hash, have used, and now use, and since as early as June, 1936, if not prior to that time, have used as their trade name the words "Virginia Products Company" in selling and in offering for sale the aforesaid products in commerce between and among the various States of the United States and in the District of Columbia. The respondents used the trade name Virginia Products Co. for the purpose of securing the benefits flowing from the reputation of Virginia ham and other Virginia meat food products. The proper name of the respondent corporation, namely, United Corporation, has never been and although the aforesaid deviled ham and corned beef hash are such name was unknown to the customers of said respondent corporation purchasing from it deviled ham and corned beef hash. Although the respondents' only sales offices are in New York City, and although the aforesaid deviled ham and corn beef hash are shipped directly to the purchasers thereof from the plants of the packers located in Chicago, Ill., or in Cambridge, Md., the aforesaid products are invoiced by the respondents from Richmond, Va. The only business done by the respondents in the State of Virginia is the invoicing from their office in Richmond, Va., of the corned beef hash and deviled ham packed for them by the packers aforesaid. An illustration of such invoices is the following:

VIRGINIA PRODUCTS COMPANY
 Owners And Distributors Of The Famous
 OLD VIRGINIA CORNED BEEF HASH
 212 American Bank Building
 P. O. Box 671

RICHMOND, VA., *January 28, 1938.*

Attention: Accounting Dept.,
 Sold To Loft Inc.,
 40th Avenue & 9th Street
 Long Island City. N. Y.

TERMS: NET CASH

ALP
 SALESMAN

ALL CLAIMS MUST BE MADE WITHIN 5 DAYS

300 dozen #10 Famous Old Virginia Corned		
Beef Hash @ 24.50 per doz-----	7,350.00	
50 cases (100 dozen) #2 Famous Old Vir-		
ginia Corned Beef Hash @ 9.98 per case----	499.00	7,849.00
Less 10%-----		734.90
Order No. 84275-----		7,064.10

PAR. 7. Respondents by the use of the word "Virginia" in the aforesaid trade name Virginia Products Co. on the aforesaid labels, used on the containers in which the aforesaid products are packed, and in describing said products, and on the stickers and slips hereinabove referred to, by oral representations that such products are Virginia products, and by invoicing such products from Richmond, Va., represent to their purchasers and to the purchasing public that the meats used in all of said products are obtained from hogs and cattle grown in the State of Virginia and that all of such products have been cured and processed by the well-known Virginia method.

PAR. 8. Each and all of said representations hereinabove set out and referred to are false and misleading, for in truth and in fact, excepting for the deviled ham packed for respondents by the Montell Co. and Montell, Inc., the meats in the deviled ham and corned beef hash sold by the respondents are not obtained from cattle or hogs grown in the State of Virginia but are from cattle and hogs grown in states other than the State of Virginia. Excepting for the deviled ham packed for the respondents by the Montell Co. and Montell, Inc., the meats used in the aforesaid products sold by the respondents are not cured and processed by the well-known Virginia method nor in the State of Virginia, but are cured and processed in States other than the State of Virginia and are cured and processed in a manner different in every respect from the well-known Virginia method.

PAR. 9. All of said acts and practices hereinabove described and all of the representations as hereinabove set out have had, and now have, the capacity and tendency to mislead and deceive, and have misled, and do mislead, a substantial portion of the purchasing public into the erroneous belief that all of said representations are true, and have misled and do mislead a substantial portion of the purchasing public into the erroneous belief that all of the products sold and offered for sale by the respondents are meats or meat food products obtained from cattle and hogs grown in the State of Virginia and cured and processed in Virginia by the well-known Virginia method. Respondents' customers to whom they furnish stickers or slips of the nature of those described in paragraph 5 hereof were misled and deceived by the representations described in paragraph 7 hereof, that all of the deviled ham purchased by them from the respondents was made from Virginia ham, cured and processed by the well-known Virginia method, and that the corned beef hash purchased by them from the respondents was made from the beeves of cattle grown in the State of Virginia, and in such beliefs so represented such deviled ham and corned beef hash to their customers. As a direct conse-

Order

29 F. T. C.

quence of said erroneous beliefs induced by the acts and representations of respondents as hereinabove set out, a number of the purchasing public have purchased respondents' products, with the result that trade has been unfairly diverted to the respondents from competitors engaged in the sale and distribution of deviled ham and corned beef hash in commerce among and between the various States of the United States who do not make similar representations with respect to the type, quality, or the method of processing said products. In consequence thereof, injury has been, and is being done to competition in commerce among and between the several States of the United States.

CONCLUSION

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

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence taken before William C. Reeves and Charles F. Diggs, examiners 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 Edward L. Smith, Counsel for the Commission, and by Martin F. Q'Donoghue, counsel for the respondents, and the Commission having made its findings as to the facts and its conclusions that said respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents United Corporation, trading as Virginia Products Co., its officers, representatives, agents, and employees and George M. Crump, individually and as president of respondent United Corporation, his representatives, agents, servants, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of corned beef hash in interstate commerce or in the District of Columbia, until such corned beef hash is made from beeves of cattle grown in Virginia, do forthwith cease and desist:

(a) From using the name Virginia Products Co.

451

Order

(b) From using the following label:

Contents 1 Lb. 4 Oz.

OLD VIRGINIA
BRAND
CORNE
BEEF HASH
Ready to Brown

U. S. Inspected and Passed by
Department of Agriculture

Packed for
VIRGINIA PRODUCTS COMPANY
Richmond, Va.

(c) From furnishing to their customers and prospective customers stickers or slips designating such corned beef hash as Old Virginia Corned Beef Hash.

(d) From invoicing from Richmond, Va., or from any other place in the State of Virginia.

(e) From representing orally or by any other means that such corned beef hash is made from any product originating in the State of Virginia.

(f) From using the word "Virginia" in any manner or form as a name for, or as a part of the name for, such corned beef hash.

And it is further ordered, That the respondents United Corporation, trading as Virginia Products Co., its officers, representatives, agents, and employees, and George M. Crump, individually and as president of respondent United Corporation, his representatives, agents, servants, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of deviled ham in interstate commerce or in the District of Columbia, do forthwith cease and desist:

(a) From using the name Virginia Products Co. until and unless such deviled ham is made from the ham of hogs grown in the State of Virginia and cured by the Virginia process of curing hams.

(b) From furnishing to their customers and prospective customers stickers or slips designating such deviled ham as Old Virginia Deviled Ham until and unless such deviled ham is made from the ham of hogs grown in Virginia and is cured by the Virginia process.

(c) From invoicing from Richmond, Va., or from any other place in the State of Virginia, until and unless such deviled ham is made

Order

29 F. T. C.

from the ham of hogs grown in Virginia and is cured by the Virginia process.

(d) From representing orally or by any other means that such deviled ham is a Virginia product until and unless such deviled ham is made from the ham of hogs grown in Virginia and is cured by the Virginia process.

(e) From using the word "Virginia" in any manner or form as a name for, or as a part of the name for, such deviled ham, until and unless such deviled ham is made from the ham of hogs grown in Virginia and is cured by the Virginia process.

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.

Syllabus

IN THE MATTER OF
WILLIAM C. STEFFY, LORINA STEFFY, AND G. V.
PARKINSON

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

Docket 3238. Complaint, Oct. 8, 1937—Decision, Aug. 2, 1939

Where two individuals engaged in sale and distribution of premium certificates, coupons and cards redeemable in silverware, chinaware and earthenware, to purchasers in various other States and the District of Columbia, in substantial competition with others likewise engaged in sale and distribution of such premiums, etc., and also with those engaged in sale and distribution, in commerce among the various States, of chinaware, silverware, and earthenware, and who do not resort to unfair practices below set forth in offering and selling their products;

In carrying on their business as above set forth, through (1) various corporations which they organized for said purpose and used solely for their benefit and as channels through which to carry on such business, and which included Security Silverware Distributors, Inc., and The United States Sales Corporation, and through (2) various trade names adopted and used by them, and including Atlas Globe China Co., Advertising Department, Rogers Silverware Distributors, Bordeaux China Co. and China Sales Syndicate, and (3) agents or salesmen employed by them in carrying on their business as aforesaid, in the name and through use of such corporate entities, and while using such trade names, personally to solicit retail dealers—

- (a) Represented, as aforesaid and through such agents or salesmen, acting in the scope of their employment and under their direction and supervision in offering and selling said premiums, etc., to prospective purchasers, that Security Silverware Distributors, Inc., was the agent of or connected with the International Silverware Co. or some other manufacturer, and that the Atlas Globe China Co., Advertising Department, was agent for or representative of some other manufacturer of china, and that the Bordeaux China Co. was manufacturer of such products and earthenware, and that the United States Sales Corporation and Rogers Silverware Bureau were agent for and connected with the Simon L. and George H. Rogers Co., manufacturers of Rogers Silverware, and that China Sales Syndicate was manufacturer of chinaware and earthenware, and that they were agents for or connected with said manufacturers, facts being they did not, either as individuals nor while carrying on such business through use and in name of any of the above described corporate entities, or while operating under any of various aforesaid trade names adopted, manufacture silverware, chinaware or earthenware, and they were not, in any of their capacities, connected in any manner with any manufacturer or manufacturers of such products, except as purchasers thereof.
- (b) Represented that each and all of said manufacturers had adopted the premium certificates, coupons, or cards sales plan as a method of advertising, and that they were the authorized agents of said manufacturers