

IN THE MATTER OF  
THE AMERICAN PRODUCTS COMPANY AND THE ZANOL  
PRODUCTS COMPANY

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

*Docket 2836. Complaint, June 8, 1936—Decision, Nov. 8, 1939*

Where a corporation engaged in manufacture and sale of numerous food and toilet products and household cleaners, and its corporate subsidiary which it caused to sell its said products to retail vendors for resale to purchasing public and which, in acts below set forth, acted at all times under its domination, supervision, and direction, engaged, as aforesaid, in sale of such products to purchasers in various other States and in the District of Columbia, in competition with others likewise engaged in sale and distribution and transportation of similar commodities, and including those who, in advertising potential earning possibility of salesmen and representatives, do not falsely represent potential profit to be realized by such persons as far in excess of that actually possible; in advertising, through said subsidiary, in various daily newspapers, trade magazines, and other periodicals of interstate circulation, and through circulars and letters forwarded to prospective or potential representatives throughout the various States, to induce persons contacted to agree to represent said subsidiary in sale of their products throughout the various States—

- (a) Misrepresented, through said subsidiary, volume of their business, and represented that salesmen or distributors incurred no risk or expense, through such statements as " \* \* \* When I tell you that my business has grown from nothing to a five-million-dollar-a-year business, you can see for yourself how successful my ideas have been" and "I Start You at My Risk," "Best of all I am going to start you in this wonderful business at my expense \* \* \* I am going to assume all the expense and take all the risk," facts being claim of annual turnover of inventory was excessive and exorbitant and statement that so-called representatives would be given contract at sole risk and expense of such corporation was misleading, in that deposit was required by them for goods or samples supplied;
- (b) Represented that it gave "A Ford Sedan Free," through statements to such effect and "I will pay you up to \$42.50 a week and I will furnish a car to producers," and "Free Auto If You Qualify" or "Automobile Given to Producers," facts being Ford sedan stated as given free to representatives was only given when they had purchased from corporation in question, within 12-month period and at wholesale prices, not less than \$2,500 worth of goods; and
- (c) Represented that large earnings were to be gained by those contracting with it, through advertisements in trade magazines, newspapers, and other periodicals of interstate circulation, making such statements as "Agents Six Dollars a Day. Wonderful chance to make \$6 a day taking orders. \* \* \*" "Man—I want a man for local tea and coffee routes paying up to \$32.50 first week. Opportunity for steady cash increases. \* \* \*," "\$80 in One Week. \* \* \* 62 years old \* \* \* reported he made better than \$80 in

a week on his route and I think that is fine for a man his age," "Got Ford in Six and One-Half Months," etc., "*Women \$50 a Week* \* \* \* reported that her profits in a day ran around \$15 to \$25. \* \* \* could only work about two days out of every week. \* \* \* never let her weekly profits run below \$50 \* \* \* Where can a woman find a salaried job paying that well?", etc., facts being average earnings of its salesmen and representatives, under normal conditions, were but small percentage of amounts represented as aforesaid;

With effect of misleading and deceiving potential representatives and salesmen into false belief that earnings to be achieved by vending their wares and commodities as above set forth were far in excess of those which it was actually possible thus to obtain, and that volume of business and scope of their operations were far greater than was actually the case, and with capacity and tendency to cause substantial injury to competition through attracting to themselves, as a result of such advertisements, employees of competitors or potential competitors, and with result that through such advertisements they were able to maintain large staff of representatives, agents, and employees, with resulting unfair diversion, through medium of such staff and volume of sales maintained by them, of trade to themselves from competitors:

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

Before *Mr. Edward E. Reardon* and *Mr. Randolph Preston*, trial examiners.

*Mr. Alden S. Bradley* and *Mr. M. C. Pearce* for the Commission.

*Frost & Jacobs*, of Cincinnati, Ohio, and *Mr. J. M. George*, of Winona, Minn., 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 American Products Co., a corporation, and Zanol Products Co., a corporation, hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act of Congress, 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, American Products Co., is a Delaware corporation, having its principal office and place of business at 3265 Colerain Avenue, Cincinnati, Ohio.

Respondent, Zanol Products Co., is an Ohio corporation, having its principal office and place of business at 3265 Colerain Avenue, Cin-

cinnati, Ohio, and is a subsidiary of respondent, American Products Company.

PAR. 2. Respondent, American Products Co., for approximately 4 years last past has been engaged in the manufacture and sale of numerous food and toilet products and household cleaners, and has sold and caused its subsidiary, Zanol Products Co., to sell the same products for such period, to retail vendors, consumers and other members of the purchasing public. In pursuance of such sales, both respondents have transported and caused to be transported, such commodities into the various States of the United States, other than the States of Delaware and of Ohio, and into the District of Columbia, and have maintained a constant current of trade and commerce in said commodities so listed in commerce among and between the various States of the United States.

PAR. 3. In the doing of the acts herein related, Zanol Products Co. was at all times under the domination, supervision, and direction of American Products Co., through its agents, officers, and representatives.

PAR. 4. In the course and conduct of the business aforesaid, respondents, and each of them, are now and have been engaged in competition with other corporations, firms, and individuals likewise engaged in the business of selling, distributing, and transporting throughout the various States of the United States and the District of Columbia, commodities similar in nature, character, and design to those vended by the respondents.

PAR. 5. Respondent, American Products Co., in the course and conduct of its business, advertises and causes to be advertised in various daily newspapers, trade magazines, and other periodicals having an interstate circulation, and has forwarded to prospective or potential representatives of the respondent throughout the various States of the United States and in the District of Columbia, circulars and letters for the purpose of inducing the persons so contacted to agree to represent the said respondent in the sale of its products throughout the various States. Among such statements and representations is the following:

I will pay you up to \$42.50 a week and I will furnish a car to producers.

I SHARE MY PROFITS

This is the rock on which I have built my business and on which it has grown and prospered and brought money to thousands and thousands of men and women. When I tell you that my business has grown from nothing to a five million dollar a year business, you can see for yourself how successfully my ideas have been.

## I START YOU AT MY RISK

Best of all I am going to start you in this wonderful business at my expense. I am going to put complete faith and confidence in you. I am going to assume all the expense and take all of the risk.

Respondent further represents in its advertising that it gives

## A FORD SEDAN FREE

and issues numerous other statements of like tenor and effect to those above stated, intended and calculated by said respondent to secure representatives or salesmen by inducing them to believe that enormous earnings are to be gained by contracting with the respondent.

PAR. 6. In truth and in fact, the representations hereinabove set forth are false and misleading. The so-called representatives procured in response to such advertising are in truth and fact retailers and no car is furnished to them, save as a subsequent bonus as hereafter related. The claim of annual turn-over of inventory is excessive and exorbitant. The statement that a so-called representative would begin a contract at the sole risk and expense of the respondent is false and misleading in that a deposit is required upon the goods or samples supplied, which deposit is equal to or virtually equal to the actual cost value of the same. The Ford Sedan stated to be given free to "representatives" is only given when such representative or representatives shall have purchased from the respondent at wholesale prices within a period of 12 months, not less than \$2,500 worth of goods.

PAR. 7. Respondent, Zanol Products Co., in the course and conduct of its business as sales subsidiary of respondent, American Products Co., and in its own corporate entity, in its endeavor to secure the services of agents, representatives, or salesmen, has advertised, and caused to be advertised in trade magazines, newspapers, and other periodicals having an interstate circulation, statements of the following nature and to the following effect:

## AGENTS \$6 A DAY

Wonderful chance to make \$6 a day taking orders for No-Frost.

Man—I want a man for local tea & coffee route paying up to \$27.50 first week. Opportunity for steady cash increases. Approx. 200 customers. Everything furnished including capital. Apply 9 to 11 mornings. 118 W. Pico, near Broadway. (Los Angeles Examiner, Sunday, November 17, 1935.)

Men (2) at once, for est. grocery routes, paying up to \$27.50 per week. No experience or capital, but you must have refs. Free auto if you qualify. Apply between 9:30 & 11 a. m. 118 W. Pico near Broadway. (Los Angeles Examiner, Saturday, December 14, 1935.)

Man—I Want a Man For Local tea & coffee route, paying up to \$32.50 first week, opportunity for steady cash increases, approx. 150 customers, everything

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furnished, including capital. Apply between 9:30 and 11 Monday, A. M. 118 W. Pico, near Broadway. (Los Angeles Examiner, Sunday, December 15, 1935.)

*\$80 in One Week.* One dealer I have in mind is a man up in New York State. His name is Wm. Newcomb, 62 years old. Now you know that a man this age couldn't carry on the business unless it was light, pleasant and agreeable. Anyway, Newcomb reported he made better than \$80 in a week on his route, and I think that is fine for a man his age.

*Got Ford in 6½ Months.* Hans Coordes, another good, steady-working Dealer, made good in a big way. When he started a Zanol Route he didn't have a penny. But in only 6½ months he was "boss" in a going business of his own—had \$1,200.00 in savings. I gave him a brand-new Ford Tudor Sedan as a bonus, in addition to his regular cash earnings. Every cent he made was profit from his Zanol business. He said that some days he made as high as \$20.

*Woman Made \$50 a Week.* And now let me tell you that women, too, can make plenty of money with this wonderful proposition. Let me tell you about Mrs. Carrie McCalmant, of Nebraska. She reported that her profits in a day ran around \$15 to \$25. As she had two small children and her husband was not well, she could only work about two days out of every week. However, she said she never let her weekly profits run below \$50. Where can a woman find a salaried job paying that well? (Mills Exhibit No. 2)

Free Auto If You Qualify,  
Automobile Given to Producers,  
Automobile Given Man Who Qualifies.

*Five Million a Year.* These ideals are the rock on which I built my business and on which it has grown and prospered and brought money to hundreds and hundreds of men and women. When I tell you that I started with practically nothing, and that now housewives buy five million dollars worth of Zanol Products annually, you know how successful my ideas have been.

and other statements of like tenor and effect, intended and calculated by said respondent to represent to potential representatives enormous earnings to be gained by contracting with the respondent; and to induce the person so contacted to contract with the said respondent for the purpose of vending its goods.

PAR. 8. In truth and in fact, the average earnings of the salesmen, representatives, or agents of either of the respondents under normal conditions is but a small percentage of the amount as represented by such statements, and under normal circumstances and conditions, consistent earnings in the due course of business in the amounts as represented by the advertisements were and are impossible.

PAR. 9. The aforesaid acts and practices of the respondents, and each of them, in the manner above detailed, have a tendency and capacity to, and do mislead and deceive potential representatives, salesmen, or employees into the false beliefs that the earnings to be achieved by vending the wares and commodities of the respondents as herein described are far in excess of the earnings which it is actually possible to obtain by so doing; and that the volume of

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## Findings

business and scope of operations of the respondents are far greater than they actually are.

PAR. 10. There are among the competitors of the respondents other persons, firms, corporations, and copartnerships engaged in the business of selling and distributing in interstate commerce merchandise and commodities similar to those vended by the respondents, who advertise and cause to be advertised statements reflecting the potential earning possibilities of salesmen, representatives, or employees for the purpose of securing the services of such employees, agents, or representatives, but who do not falsely represent in such advertisements the potential profit to be realized by such salesmen, representatives, or employees to be far in excess of the profit actually possible.

PAR. 11. The acts and practices of the respondents as aforesaid have a capacity and tendency to and in fact do cause substantial injury to competition of respondents in interstate commerce by attracting to the respondents as a result of the advertisements hereinabove set forth, employees of competitors or potential employees of competitors. Because of the advertisements hereinabove set forth, respondents have been able to maintain a large staff of representatives, agents, or employees, and through the medium of such staff and the volume of sales maintained by it have unfairly diverted trade to the respondents from competitors of respondents in interstate commerce.

PAR. 12. The above acts and things done and caused to be done by respondents are to the prejudice of the public and of respondents' competitors and constitute unfair methods of competition in commerce within the meaning and intent 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 June 8, 1936, issued, and on June 12, 1936, served its complaint in this proceeding upon respondents, The American Products Co., a corporation, and The Zanol Products Co., a 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, respondents filed separate answers denying certain allegations of the complaint. Subsequently, by order entered herein, the Commission granted respond-

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ents' request for permission to withdraw such answers and to file in lieu thereof a substitute joint answer in which the respondents admitted all of the material allegations of the complaint, which joint answer was duly filed in the office of the Commission. Thereafter, this proceeding regularly came on for final hearing before the Commission on the said complaint and joint answer, 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 The American Products Co. is a Delaware corporation, having its principal office and place of business at 3265 Colerain Avenue, Cincinnati, Ohio, and its statutory office at Wilmington, Delaware. Respondent The Zanol Products Co. is an Ohio corporation, having its principal office and place of business at 3265 Colerain Avenue, Cincinnati, Ohio, and is a subsidiary of respondent The American Products Co.

PAR. 2. Respondent The American Products Co. for approximately 8 years last past has been engaged in the manufacture and sale of numerous food and toilet products and household cleaners, and has caused its subsidiary, The Zanol Products Co., to sell said products to retail vendor for resale to the purchasing public. Respondents have transported or caused to be transported such commodities into the various States of the United States other than the States of Delaware and Ohio, and into the District of Columbia, and have maintained a constant current of trade and commerce in said commodities so listed in commerce among and between the various States of the United States.

PAR. 3. In the doing of the acts herein related, The Zanol Products Co. was at all times under the domination, supervision and direction of The American Products Co., through its agents, officers, and representatives.

PAR. 4. In the course and conduct of their aforesaid business, respondents are now, and have been, engaged in competition with other corporations, firms, and individuals likewise engaged in the business of selling, distributing, and transporting throughout the various States of the United States and the District of Columbia, commodities similar in nature, character, and design to those vended by the respondents.

PAR. 5. Respondent The Zanol Products Co., in the course and conduct of its business, and at the direction of respondent The Amer-

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## Findings

ican Products Co., advertises and causes to be advertised in various daily newspapers, trade magazines, and other periodicals having an interstate circulation, and has forwarded to prospective or potential representatives throughout the various States of the United States and in the District of Columbia, circulars and letters for the purpose of inducing the persons so contacted to agree to represent the said respondent in the sale of respondents' products throughout the various states. Among such statements and representations are the following:

I will pay you up to \$42.50 a week and I will furnish a car to producers.

## I SHARE MY PROFITS

This is the rock on which I have built my business, and on which it has grown and prospered and brought money to thousands and thousands of men and women. When I tell you that my business has grown from nothing to a five million dollar a year business, you can see for yourself how successful my ideas have been.

## I START YOU AT MY RISK

Best of all I am going to start you in this wonderful business at my expense. I am going to put complete faith and confidence in you. I am going to assume all the expense and take all the risk.

Respondent further represents in its advertising that it gives

## A FORD SEDAN FREE

and issues numerous other statements of like tenor and effect to those above stated, intended and calculated by said respondent to secure representatives or salesmen by inducing them to believe that large earnings are to be gained by contracting with the respondent.

PAR. 6. In truth and in fact the representations hereinabove set forth are false and misleading. The so-called representatives procured in response to such advertising are in truth and in fact retailers, and no car is furnished to them, save as a subsequent bonus as hereinafter related. The claim of annual turnover of inventory is excessive and exorbitant. The statement that a so-called representative would be given a contract at the sole risk and expense of the respondents is misleading, in that a deposit is required by respondents for the goods or samples supplied.

The Ford Sedan stated to be given free to "representatives" is only given when such representative or representatives shall have purchased from the respondent, at wholesale prices, within a period of 12 months not less than \$2,500 worth of goods.

PAR. 7. Respondent The Zanol Products Co., in the course and conduct of its business as sales subsidiary of respondent The American Products Co., and in its own corporate entity, in its endeavor to secure the services of representatives or salesmen has

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advertised and caused to be advertised, in trade magazines, newspapers, and other periodicals having an interstate circulation, statements of the following nature and to the following effect.

## AGENTS SIX DOLLARS A DAY

Wonderful chance to make \$6 a day taking orders for No-Frost.

Man—I want a man for local tea and coffee route paying up to \$27.50 first week. Opportunity for steady cash increases. Approximately 200 customers. Everything furnished, including capital. Apply 9 to 11 mornings, 118 W. Pico, near Broadway. (Los Angeles Examiner, Sunday, November 17, 1935)

Men—(2) at once for est. grocery routes, paying up to \$27.50 per week. No experience or capital, but you must have reference. Free auto if you qualify. Apply between 9:30 and 11 a. m., 118 West Pico, near Broadway. (Los Angeles Examiner, Saturday, December 14, 1935)

Man—I want a man for local tea and coffee routes paying up to \$32.50 first week. Opportunity for steady cash increases. Approximately 150 customers. Everything furnished, including capital. Apply between 9:30 and 11 Monday a. m., 118 West Pico, near Broadway. (Los Angeles Examiner, Sunday, December 15, 1935)

*\$80 in One Week.* One dealer I have in mind is a man up in New York State. His name is William Newcomb, 62 years old. Now you know that a man this age could not carry on the business unless it was light, pleasant and agreeable. Any way, Newcomb reported he made better than \$80 in a week on his route and I think that is fine for a man his age.

*Got Ford in Six and One-Half Months.* Hans Coordes, another good steady working dealer, made good in a big way, when he started a ZANOL route. He did not have a penny, but in only six and one-half months he was 'boss' in a good business of his own and had \$1200 in savings. I gave him a brand new Ford Tudor Sedan as a bonus, in addition to his regular cash earnings. Every cent he made was profit from his ZANOL business. He said that some days he made as high as \$20.

*Women \$50 a Week!* And now let me tell you that women, too, can make plenty of money with this wonderful proposition. Let me tell you about Mrs. Carrie McCalmant, of Nebraska. She reported that her profits in a day ran around \$15 to \$25. As she had two small children and her husband was not well she could only work about two days out of every week. However, she said she never let her weekly profits run below \$50. Where can a woman find a salaried job paying that well? (Mills Exhibit No. 2)

Free Auto If You Qualify.

Automobile Given to Producers.

Automobile Given to Man Who Qualifies.

*Five Million a Year.* These ideas are the rock on which I built my business and on which it has grown and prospered and brought money to hundreds and hundreds of men and women. When I tell you that I started with practically nothing and that now housewives buy five millions dollars worth of Zanol products annually you know how successful my ideas have been,

and other statements of like tenor and effect, intended and calculated by said respondent to represent to potential representatives large earnings to be gained by contracting with the respondent; and

to induce the person so contacted to contract with the said respondent for the purpose of vending its goods.

PAR. 8. In truth and in fact the average earnings of the salesmen and representatives of respondents under normal conditions are but a small percentage of the amount as represented by such statements.

PAR. 9. The aforesaid acts and practices of the respondents, and each of them, in the manner above detailed have a tendency and capacity to, and do, mislead and deceive potential representatives and salesmen into the false beliefs that the earnings to be achieved by vending the wares and commodities of the respondents, as herein described, are far in excess of the earnings which it is actually possible to obtain by so doing, and that the volume of business and scope of operations of respondents are far greater than they actually are.

PAR. 10. There are among the competitors of the respondents other persons, firms, corporations, and copartnerships engaged in the business of selling and distributing, in commerce among and between the various States of the United States merchandise and commodities similar to those vended by the respondents who advertise and cause to be advertised statements reflecting the potential earning possibilities of salesmen and representatives for the purpose of securing the services of such representatives and salesmen but who do not falsely represent in such advertisements the potential profit which can be realized by such salesmen or representatives to be far in excess of the profit actually possible.

PAR. 11. The acts and practices of the respondents, as aforesaid, have a capacity and tendency to cause substantial injury to competition of respondents in interstate commerce by attracting to the respondents as a result of the advertisements hereinabove set forth, employees of competitors or potential employees of competitors. Because of the advertisements hereinabove set forth, respondents have been able to maintain a large staff of representatives, agents or employees and through the medium of such staff, and the volume of sales maintained by them, have unfairly diverted trade to the respondents from competitors of respondents, in interstate commerce.

#### CONCLUSION

The acts and practices of respondents as herein found are all to the prejudice and injury 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.

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## ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of the respondents, in which answer respondents admit the material allegations of fact set forth in said complaint, and the Commission having made its findings as to the facts and conclusion that the said respondents have violated the provisions of the Federal Trade Commission Act.

*It is ordered*, That the respondents, The American Products Co., a corporation, and The Zanol Products Co., a corporation, their officers, representatives, agents, and employees, directly or through any corporate or other device in connection with the offering for sale, sale and distribution of food and toilet products and household cleaners in commerce, as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Misrepresenting in any manner the volume of respondents' business.

2. Representing that salesmen or distributors of respondents' merchandise incur no risk or expense when in fact respondents require a deposit from such persons for the goods, samples or sales equipment supplied.

3. Using the term "free" or any other terms of similar import or meaning to describe or refer to articles offered as compensation for distributing respondents' merchandise unless all of the terms and conditions of such offer are clearly and unequivocally stated in equal conspicuousness and in immediate connection or conjunction with the term "free" or other terms of similar import or meaning and there is no deception as to the price, quality, character, or any other feature of such articles or as to the services to be performed in connection with obtaining such articles.

4. Representing any specified sum of money as earnings or profits of any specified dealer or sales person for any stated period of time unless such sum of money has in fact been earned net, by such dealer or sales person, averaged over a period of at least 2 months in the ordinary course of business and under normal conditions and unless such representation is immediately accompanied by a statement to the effect that such a dealer or sales person is an exceptional or unusual dealer or sales person.

*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  
ABRAHAM STARR, TRADING AS SUPERIOR  
TEXTILE MILLS

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

*Docket 3190. Complaint, July 27, 1937—Decision, Nov. 15, 1939*

Where an individual engaged in sale and distribution of shirts and various articles of wearing apparel for men, through some 75 salesmen who sold said products to consumers in other States through house-to-house canvass, in substantial competition with others engaged in sale and distribution in commerce among the various States and in the District of Columbia of men's shirts, wearing apparel, and other articles of haberdashery, and including among competitors manufacturers and distributors of like and similar products who truthfully advertise and represent their business status and refrain from advertising or representing, through price lists and other advertisements, that they are an old-established house and own and operate mills or sell direct from mill to wearer when such is not the case; in advertising his commodities through price lists, advertisements and other printed matter published, issued, and circulated through the mails to his customers and prospective customers in the various States and in said District—

- (a) Represented, through such statements as "Important Announcement To All Superior Representatives" describing or purporting to describe "Free Merchandise Sale" being conducted and to expire on the day therein named, that there were being offered "Four Shirts for the price of Three" and "Four Ties for the price of Three" and, similarly, other articles of apparel including undergarments, work shirts, pajamas, hose, and sweaters, facts being purchasers and prospective purchasers did not receive one article absolutely free when they purchased stated number of articles for advertised price, in that price purportedly charged for stated number also actually covered total sales price for entire number of articles;
- (b) Represented, as aforesaid, that there was a time limitation within which purchasers or prospective purchasers might purchase aforementioned articles and receive, upon such purchase, one article absolutely free, facts being there was no such limitation within which they might buy haberdashery in question for purported special prices;
- (c) Represented, through use of word "mills" in trade name employed by said individual, and through use of such words as "Direct from Mills to Wearer" and "We are manufacturers \* \* \*," etc., that he was a manufacturer of the apparel sold by him and owned and operated textile mill selling direct from mill to wearer, facts being he was not such manufacturer, did not own, operate, or directly and absolutely control any such mill or sell direct as aforesaid; and
- (d) Represented, through such statements, in aforesaid connection, as "Established 1905," etc., that his business dated from said year as above set forth, facts being it was not established until after 1925;