

IN THE MATTER OF
MILTON MEYER, DOING BUSINESS AS MILTON 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 3825. Complaint, June 17, 1939—Decision, Dec. 29, 1939

Where an individual engaged in sale of books on various subjects, including the playing of various musical instruments, ventriloquism, hypnotism, fortune telling, crystal gazing, mind reading, and the interpretation of dreams, and of watches, optical goods, skeleton keys, and a large number of other articles of various sorts and kinds, to purchasers in other States and in the District of Columbia; in listing and describing various articles sold and distributed by him in catalog containing some 2,000 items and distributed by the mails and otherwise to purchasers and prospective purchasers in various States and in said District—

- (a) Represented that through his said books of instruction one could learn to play various musical instruments quickly without personal instruction, tedious practice, or any knowledge of music, through such statements as "Learn to play the piano by easy method at home," "Play Hawaiian or steel guitar in five minutes," "The famous five minute courses," etc., facts being it is impossible to gain, by the use of his said books, the ability "to play," in the generally accepted sense of the word, the piano, Hawaiian or steel guitar, ukelele, or instruments covered in such "famous five minute courses";
- (b) Represented that through his said books of instruction in hypnotism, purchaser would acquire a power which would enable him to assert influence over those with whom he came in contact, direct affairs of others, increase his own self respect, will power, ambition, and magnetism of his personality, and be enabled to cure bad habits in others, including tobacco, morphine, and drug habits, facts being books in question would not give one such power as above described;
- (c) Represented that through said books of instruction in ventriloquism, fortune telling, crystal gazing, and mind reading, purchaser might become proficient therein, facts being use of said books would not enable purchaser to tell fortunes, foretell future events, read minds of others, or interpret or correctly define the meaning of dreams;
- (d) Represented that certain telescopes offered by him were of fine quality and were of 2½ power, and that the cases of certain watches were guaranteed gold finished and would never tarnish and had exclusive features, facts being said various representations were false; and
- (e) Represented that product "U-Kan-Plate" would give worn-down pieces a brilliant coating of silver, and that his skeleton keys would open all sorts of doors, facts being former would not result in articles upon which used being "silver plated" in generally accepted meaning of term, and any coating deposited would be readily and quickly removed in ordinary usage, and keys sold and distributed and thus referred to would be effective only upon locks of simplest and cheapest construction;

With capacity and tendency to mislead and deceive substantial portion of purchasing public into erroneous belief that all said representations were true, and that he had truthfully represented quality, material, construction, durability, and other characteristics of his various products, and with result that number of purchasing public, by reason of such erroneous and mistaken beliefs, were induced to buy his products aforesaid:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public and constituted unfair and deceptive acts and practices in commerce.

Mr. Randolph W. Branch for the Commission.

Nash & Donnelly, of Washington, D. C., for respondent.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Milton Meyer, an individual, trading and doing business under the name of Milton Products Co., hereinafter referred to as respondent, has violated the provisions of the said act, and it appearing to the 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 Milton Meyer, an individual, conducts his business under the name and style of Milton Products Co., with an office and principal place of business at 2440 Lincoln Avenue, city of Chicago, State of Illinois.

PAR. 2. Respondent is now, and has been for more than 8 months last past, engaged in the business of selling books of instruction in various subjects and other books, watches, optical goods, skeleton keys, and a large number of other articles of various sort and kinds.

The respondent causes and has caused the said books and articles when sold to be transported from the place where his business is conducted in the State of Illinois to purchasers thereof located in States of the United States other than the State of Illinois and in the District of Columbia.

PAR. 3. In the course and conduct of his business the respondent publishes a catalog listing and describing the various articles of merchandise sold and distributed by him, which catalog contains approximately 2,000 items. Respondent distributes this catalog by United States mails and by other means to purchasers and prospective purchasers located in the various States of the United States and in the District of Columbia.

Complaint

30 F. T. C.

For the purpose of inducing the purchase of the various products sold and distributed by him and listed in said catalog, the respondent in the course and conduct of his business has engaged in the practice of falsely representing the quality, material, construction, durability, and other characteristics of the products sold and distributed by him. In furtherance of this practice the respondent places in said catalog various descriptive statements concerning his various products, which statements are exaggerated, false and misleading, and which are designed to mislead and deceive the prospective purchaser of such products.

PAR. 4. Typical of these acts and practices are representations made by respondent with reference to certain books of instruction sold and distributed by him, such as "Learn to Play the Piano by Easy Method at Home," "Learn to Vamp Easily," "Play Hawaiian or Steel Guitar in Five Minutes," "Illustrated Five Minute Ukulele Course," "The Famous Five Minute Courses," and many others. In such advertising respondent represents that the purchaser can learn to play various musical instruments quickly without personal instruction, tedious practice or any knowledge of music. In truth and in fact it is impossible to gain by the use of the respondent's books the ability "to play" in the generally accepted sense of the word the piano, Hawaiian guitar, ukulele, or any other instrument covered by respondent's various books of instruction.

PAR. 5. Also typical of the acts and practices described above are representations that by the use of certain books of instruction sold and distributed by the respondent the purchaser could learn and become proficient in ventriloquism, clog dancing, hypnotism, fortune telling, crystal gazing, mind reading, and interpretation of dreams. It is further represented by the respondent that by means of the instructions on hypnotism the purchaser will acquire a power which will enable him to assert influence over those with whom he comes in contact, direct the affairs of others, increase his own self respect, will power, ambition, and the magnetism of his personality, and will enable him to cure bad habits in others including the tobacco, morphine, and drug habits.

In truth and in fact said books are of no value for self instruction. Respondent's instructions on hypnotism will not give one power to influence or direct the affairs of others, cure bad habits including drug addiction, or enhance the self respect, will power, or personal magnetism of the purchaser. The use of said various instruction books will not enable the purchaser to tell fortunes, foretell future events, read the minds of others, or enable him to interpret or correctly divine the meaning of dreams.

PAR. 6. Another typical example of the acts and practices above described is falsely representing the material, quality, construction, durability, and other characteristics of the various articles of merchandise sold and distributed by respondent. As an example of this practice are representations that respondent's telescopes are fine quality and 2½ power; that his watch cases are guaranteed gold finished, will never tarnish, and have exclusive features; that his product "U-Kan-Plate" will give worn-down pieces a brilliant coating of silver; that his skeleton keys will open all sorts of door locks.

In truth and in fact respondent's telescopes are not of fine quality or two and one-half power. Respondent's watch cases are not guaranteed, will quickly tarnish, and have no exclusive features. The product "U-Kan-Plate" will not result in coating metallic articles on which it is used with a plating of pure silver and any coating deposited by such use will be readily and quickly removed in ordinary usage. The skeleton keys sold and distributed by the respondent are effective only upon locks of the cheapest and simplest construction.

PAR. 7. The use by the respondent of the aforesaid acts and practices has had and now has the capacity and tendency to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that all of said representations are true and that the respondent has truthfully represented the quality, material, construction, durability, and other characteristics of his various products. On account of this erroneous and mistaken belief a number of the purchasing public have been induced to purchase respondent's products.

PAR. 8. The aforesaid acts and practices of respondent, as herein alleged, are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on June 17, 1939, issued, and on June 19, 1939, served its complaint in this proceeding upon respondent Milton Meyer, an individual trading and doing business as Milton Products Co., charging him with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. On August 7, 1939, respondent filed his answer, in which he admitted certain material allegations of fact set forth in said complaint, denied other allegations of fact set forth therein, and waived all intervening procedure and further hearing on the charges set forth in the com-

Findings

30 F. T. C.

plaint. Thereafter the proceeding regularly came on for final hearing before the Commission on the complaint and the answer 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 Milton Meyer, an individual, conducts his business under the name and style of Milton Products Co. with an office and principal place of business at 2440 Lincoln Avenue, City of Chicago, State of Illinois.

PAR. 2. Respondent is now, and was for more than 8 months prior to the issuance of the complaint herein, engaged in the business of selling books of instruction in various subjects and other books, watches, optical goods, skeleton keys, and a large number of other articles of various sorts and kinds.

Respondent causes and has caused the said books and articles, when sold, to be transported from the place where his business is conducted in the State of Illinois to purchasers thereof located in States of the United States other than the State of Illinois and in the District of Columbia.

PAR. 3. In the course and conduct of his business the respondent published a catalog listing and describing the various articles of merchandise sold and distributed by him which catalog contains approximately 2,000 items. Respondent distributed this catalog by United States mails and by other means to purchasers and prospective purchasers located in the various States of the United States and in the District of Columbia.

For the purpose of inducing the purchase of various products sold and distributed by him and listed in said catalog, respondent in the course and conduct of his business has falsely represented the quality, material, construction, durability, and other characteristics of various of the products sold and distributed by him. In furtherance thereof respondent has placed in the said catalog descriptive statements concerning various products, which statements are exaggerated, false, and misleading, and which are designed to deceive and mislead prospective purchasers.

PAR. 4. Among the articles advertised by respondent as aforesaid are certain books of instruction among which are:

Learn to play the piano by easy method at home.

Learn to vamp easily.

Play Hawaiian or steel guitar in five minutes.

Illustrated five minute Ukelele course.

The famous five minute courses. .

In advertising the said books of instruction respondent has represented that the purchaser can learn to play various musical instruments quickly without personal instruction, tedious practice or any knowledge of music. In truth and in fact it is impossible to gain by the use of the respondent's books the ability "to play," in the generally accepted sense of the word, the piano, Hawaiian or steel guitar, ukelele or the instruments covered by the "Famous five minute Courses."

PAR. 5. Among the articles advertised by the respondent as aforesaid, are certain books of instruction in ventriloquism, hypnotism, fortune telling, crystal gazing, mind reading, and the interpretation of dreams. In advertising the said books of instruction respondent has represented that by means of the instructions in hypnotism the purchaser will acquire a power which will enable him to assert influence over those with whom he comes in contact, direct the affairs of others, increase his own self respect, will power, ambition, and the magnetism of his personality and will be enabled to cure bad habits in others, including the tobacco, morphine, and drug habits. Respondent has represented that by the use of his books of instruction in ventriloquism, fortune telling, crystal gazing, and mind reading, the purchaser may become proficient therein.

In truth and in fact respondent's instructions in hypnotism will not give one power to influence or direct the affairs of others, cure bad habits, including drug addiction or enhance the self respect, will power, or personal magnetism of the purchaser. The use of the other instruction books hereinbefore mentioned will not enable the purchaser to tell fortunes, foretell future events, read the minds of others, or enable him to interpret or correctly divine the meaning of dreams.

PAR. 6. Among the articles advertised by respondent as aforesaid are telescopes, watches, a preparation described by respondent as "U-Kan-Plate" and skeleton keys. In advertising the said articles respondent has represented that the said telescopes are of fine quality and are $2\frac{1}{2}$ power, that the cases of the said watches are guaranteed gold finished, will never tarnish and have exclusive features, that the product "U-Kan-Plate" will give worn down pieces a brilliant coating of silver, and that his skeleton keys will open all sorts of door locks. In truth and in fact respondent's telescopes are not of fine quality or $2\frac{1}{2}$ power. Respondent's watch cases are not guaranteed, will quickly tarnish and have no exclusive features. The use of the product "U-Kan-Plate" will not result in the articles upon which it is used being "silver plated" in the generally accepted meaning of

Order

30 F. T. C.

the term and any coating deposited by such use will be readily and quickly removed in ordinary usage. The skeleton keys sold and distributed by respondent are effective only upon locks of simplest and cheapest construction.

PAR. 7. The use by the respondent of the aforesaid acts and practices has had, and now has, the capacity and tendency to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that all of said representations are true, and that the respondent has truthfully represented the quality, material, construction, durability, and other characteristics of his various products. On account of this erroneous and mistaken belief a number of the purchasing public have been induced to purchase respondent's products.

CONCLUSION

The aforesaid acts and practices of respondent as herein alleged are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce in violation of the provisions 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 and the answer of the respondent, in which answer respondent admits certain material allegations of fact set forth in said complaint and denies other allegations of fact set forth therein, and states that he waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondent, Milton Meyer, individually, and trading as Milton Products Co., or under any other name or names, his representatives, agents, and employees, directly or indirectly, or through any corporate or other device, in connection with the offering for sale, sale, and distribution of his merchandise in commerce, as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly that by the use of respondent's books of instruction on the playing of musical instruments, one can acquire the ability to play the piano, guitar or ukelele; or, that by the use of respondent's book of instructions on hypnotism, one can acquire the power to cure one's self of the addiction to drugs or other bad habits, enhance one's self respect, will power or personal magnetism, or influence or direct the affairs of others; or that, by the use of respond-

340

Order

ent's other books of instruction, one may be enabled to tell fortunes, foretell future events, read the minds of others, or interpret or divine the meaning of dreams; or that one can acquire any ability, power, or quality through or by means of any course of instruction, books or other literature of respondent, when such is not the fact.

2. Representing, directly or indirectly, that respondent's telescopes are of $2\frac{1}{2}$ power or that such telescopes or other optical goods sold by respondent are of a quality and power which, in fact, they do not possess.

3. Representing, directly or indirectly, that any watches or jewelry sold by respondent will not tarnish, possess exclusive features or are finished in gold, when such is not the fact.

4. Representing, directly or indirectly, that respondent's product "U-Kan-Plate" or any similar product sold by respondent will, when applied to metal, "plate," as distinguished from "coat," such metal with silver.

5. Representing, directly or indirectly, that skeleton keys sold by respondent will open any and all kinds of door locks, when such is not the fact.

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

Complaint

30 F. T. C.

IN THE MATTER OF

PRIME HAT COMPANY, INC., AND VINCENT GERBINO,
SAMUEL SCIFO, VITO DIGREGORIO AND JOHN SCIFOCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 3830. Complaint, June 22, 1939—Decision, Dec. 29, 1939*

Where a corporation and four individuals, who were general officers thereof and, as such, managed, controlled, and dominated its corporate affairs and activities, engaged in manufacture of hats from felt materials obtained from old, worn, and previously used products, and in so treating and processing, through cleaning, steaming, ironing, and shaping, and fitting with new trimmings, sweat bands and size labels, old, worn, and used felt hat bodies purchased by them that they had the appearance of new hats made from felts which had never been worn—

Sold said hats, with appearance aforesaid, and with no label, marking, or designation stamped thereon to indicate to purchasing public that they were in fact made from old, worn, and previously used bodies, cleaned and renovated as above set forth, to jobbers and wholesalers, by whose retail dealer vendees said hats were resold to purchasing public without disclosing facts aforesaid, and failed, through use of words "Made Over Hat" under such terms as "Quality Hats" and other similar words or names embossed on sweat bands attached thereto, to disclose to purchasers that articles in question were in fact made from old, worn, and previously used hat bodies, as distinguished from products made from shop-worn hat bodies which had never been worn or used, as made in many instances by manufacturers through similar process employed with new but shop-worn hats reclaimed by them from merchants' shelves;

With effect of misleading and deceiving substantial number of purchasing public into erroneous and mistaken belief that said products were made either from new and unused materials or from new but shop-worn bodies which had never been worn or used, and, by reason of such belief, into purchase of substantial number thereof:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice of the public and constituted unfair and deceptive acts and practices in commerce.

Before *Mr. John L. Hornor*, trial examiner.

Mr. Robert Mathis, Jr. for the Commission.

Mr. Alan G. Trebach, of New York City, for respondents.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Prime Hat Co., Inc., a corporation, and Vincent Gerbino, Samuel Scifo, Vito Digre-