

Syllabus

IN THE MATTER OF
HENRY BERGMANCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 4026. Complaint, Feb. 8, 1940—Decision, June 19, 1940*

Where an individual engaged in sale and distribution to purchasers in various States and in the District of Columbia, of instruments for locating gold and silver, of booklet designated "Jacob's Rod," of so-called "crystal balls" for use, allegedly, in telling fortunes, of metal disks designated by him "Universal Good Luck Coins," and of list of names and addresses of parties or concerns from whom or which devices used in searching for treasures or minerals could be obtained; in advertisements of his said products in circulars, pamphlets, newspapers, and magazines distributed and circulated among prospective purchasers throughout the United States—

- (a) Represented and implied to purchasing public through statements made, as aforesaid, that his instrument for locating gold and silver would enable person using same to locate said metals and hidden treasures, and that various testimonials published and disseminated by him in said advertisements in said connection were true and that persons giving same had actually located said metals or hidden treasures through use of his instrument, and, further, that through use of his said list of names and addresses of concerns selling devices used in searching for treasures or minerals a person would be able to pick particular device suitable for such person's needs, and that information contained in said booklet was valuable to anyone interested in locating lost, buried or hidden treasure, gold, silver, lead, or other ores;
- (b) Represented, as aforesaid, that his said booklet entitled "Jacob's Rod" imparted information which would enable person to ascertain his psychic powers, make his own goldometer and locate gold, silver, and hidden treasure, and that such booklet was rare and that directions given therein were practiced by Jacob of old, and many other ancient patriarchs, and that it was offered by him at a very special price of \$1; and
- (c) Represented, as aforesaid, that his so-called fortune telling crystal ball foretold future and answered all questions concerning a person's past, present, and future, and that his "Universal Good Luck Coins" possessed mysterious powers and would bring good luck to those carrying one;

Facts being various testimonials published and disseminated by him, as aforesaid, were not from people who had located gold, silver, or hidden treasure with his instrument, booklet "Jacob's Rod" was not rare and there was no basis in fact for statement that directions given therein were practiced by Jacob of old or any other ancient patriarch's, price thereof of \$1 was not a special one, but regular price at which he sold it, and supply thereof was not limited, and list of names and addresses sold by him, as aforesaid, was worthless, none of the devices thus procurable being suitable or effective for purpose represented, or accomplishing any results claimed therefor and his statements and representations in other respects, as above set forth, were false, misleading, and deceptive;

Complaint

31 F. T. C.

With effect, through use of said various false and misleading representations and implications, as above set forth, of misleading and deceiving substantial number of purchasing public into erroneous and mistaken belief that said representations and implications were true, and with result, as consequence of such belief that many members of purchasing public bought substantial volume of his said product:

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

Mr. Charles S. Cox for the Commission.

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 Henry Bergman, an individual, 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, Henry Bergman, is an individual with his principal place of business located in Springfield, Mo. He resides at 2004 Milton Avenue, Springfield, Mo. Respondent is now, and has been for more than 3 years last past, engaged in the sale and distribution of instruments intended for locating gold and silver, and the sale and distribution of a booklet designated "Jacob's Rod." For more than 6 months last past, respondent has also been engaged in the sale and distribution of "crystal balls," allegedly for use in telling fortunes, metal disks which he calls "Universal Good Luck Coins" and a list of names and addresses of parties or concerns from which devices used in searching for treasures or minerals can be obtained. Respondent sells his said products to members of the purchasing public situated in the various States of the United States and in the District of Columbia, and causes said products when sold by him to be transported from his place of business in the State of Missouri, to the purchasers thereof at their respective points of location in the various States of the United States other than the State of Missouri and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of his business in said commerce, as aforesaid, and for the purpose of inducing the purchase of said products, the respondent has caused various statements and representations relating to said products to be inserted in advertisements in circulars, pamphlets, newspapers, and magazines distributed and circulated among prospective purchasers throughout the United States generally. Among and typical of the representations made by the respondent, as aforesaid, concerning his so-called gold and silver locator are the following:

WANTED—Hear From Parties interested gold or silver ores, buried or hidden treasures. Bergman's Instrument, \$5.00. Particulars free.

HENRY BERGMAN,

Box 70-F, Springfield, Missouri.

This letter is to inform you about Bergman's Instrument.

It is small, weighing only six ounces, and can be easily carried in your pocket.

The ingredients, including Gold, Silver and Mercury (quicksilver) are enclosed in bottles and incased in walnut tubes and covered with clear lacquer, connected with 24 inch No. 19 Brass coppered chain. It will last a life-time and does not require recharging. With each instrument is included 2 cut-offs and directions for operating.

It does not contain Loadstone, Magnetic Sand, or any Magnetic Substance that may cause an attraction to different metals or minerals.

The price of the instrument is \$5.00 postpaid.

I will send it insured, postpaid, to you and allow you a 30-day free trial. If you are not satisfied, return the instrument and the two cut-offs, postpaid, to me within 32 days of date you receive the instrument, and I will immediately refund the \$5.00 by Post Office Money Order.

Do not hesitate to give Bergman's Instrument a trial.

WANTED—Hear from parties interested gold or silver ores, buried or hidden treasures. Bergman's Instrument \$5.00 Postpaid. 30 days free trial. Satisfaction guaranteed or your money immediately refunded without question. By Post Office Money Order upon return of the instrument. Particulars free:

Among and typical of the representations made by respondent through the publication of testimonials concerning his gold and silver locator are the following:

It works perfect (100%) for me. I'm sitting on top of the world, so to speak.

I have been informed of you by F-K * * * that you have the best instruments for locating buried treasures and hidden treasures.

* * * I tried it on a gold watch chain and ring. It worked in a circle over it. I have some nuggets and gold ore. I thought it was gold.

Those gold nuggets and ore, the locating instrument works something fine. The only way I can stop it is to put the cut-off on it. Then it will stop. I have taken it out to my farm once. I found a nugget and some quartz.

Complaint

31 F. T. C.

Received the gold finder and have tried it out. It works good for me. A friend took me yesterday up to Gold Creek to see if it would point out a place where he knew there was gold. It located it exactly, swinging in a circle over the place and at the same time a little sideways toward quartz deposit.

I have got one of your mineral rods and it works very well * * *.

The gold instrument I received from you last November I have had great success with it * * *.

I got one of your Gold and Silver Locating Instruments and it works fine for me. I have tested the instrument thoroughly and know it will work.

Among and typical of the representations made by respondent, as aforesaid, in connection with his booklet entitled, "Jacob's Rod," are the following:

HIDDEN TREASURES located by your own Goldometer on your own farms, mines, or old homestead,—Don't sell until you have investigated by this wonderful Psychic Power in yourself.

This very rare old book tells how to find all kind of Minerals, Water, Coal, Iron Ores, Lost and Hidden Treasures, etc., * * * which could no doubt be found by studying and following the directions given in this Rare Old Book, the same which have been practiced by Jacob and many other ancient patriarchs.

Remember the price of this rare and scarce Cloth Bound Book is only \$2.00 if you order now. Sent prepaid.

SPECIAL NOTICE.—We have obtained a quantity of these books in paper binding, which we can furnish at \$1.00 each postpaid. This is a great chance for those who want the book, but don't feel like paying \$2.00 for the cloth binding.

Among and typical of the representations made by the respondent, as aforesaid, in connection with his so-called Fortune Telling Crystal Ball are the following:

Amaze and astound your friends with uncanny revelations. Let the Crystal Ball tell you about yourself, your sweetheart, friends and enemies. Ask it any of the 180 questions of interest to you. Will you be successful in money, love, games or business?

It answers all questions put to it. So simple that anyone may use it. Many professional Fortune Tellers swear by it.

Among and typical of the representations made by the respondent, as aforesaid, in connection with his so-called "Universal Good Luck Coins" are the following:

UNIVERSAL LUCK COINS.—It is believed by many that this wonderful LUCK TOKEN has a Mysterious and Attracting Power. It will amaze you. Many people carry it as a GOOD LUCK BRINGER and believe it will help them in everything they undertake. Looks Like Gold; Wears Like Iron; Everlasting Metal.

A Life-time souvenir that has no equal. The last word in an original luck token. Bears 26 well known and accepted symbols of good fortune. * * *

Good Luck may Come to You if You Always Carry the Good Luck Coin.

Each coin in attractive Descriptive Envelope 50¢ postpaid.

Free with Order—Seven Rules of Success, advice of which if followed may change your whole career, bringing Fame and Fortune.

Among and typical of the representations made by the respondent, as aforesaid, in connection with the offering for sale and sale of a list

of names and addresses of concerns from which devices used in searching for treasures or minerals can be obtained are the following:

PROSPECTORS

Buried Treasure Hunters!

Names and Addresses of 15 places where you can obtain various devices used when searching for treasures or minerals.

By carefully observing their free literature and circulars, you can pick the most suitable one for your particular need.

Useful and valuable information to any party interested in locating lost, buried or hidden treasure, gold, silver, lead or other ores.

The best method of searching for buried treasures and ores that I know without any investment.

The above information is of great value on all treasure seeking or prospecting trips.

All for 50¢ Postpaid.

PAR. 3. Through the use of the aforesaid statements and representations and others of similar import and meaning not herein set out, respondent represents and implies to the purchasing public that his instrument for locating gold and silver will enable a person using the same to locate gold, silver, and hidden treasures and that the various testimonials published and disseminated as aforesaid are true, and that the persons giving such testimonials have actually located gold, silver, or hidden treasure by using respondent's said instrument.

In the manner aforesaid, respondent represents that his booklet entitled "Jacob's Rod" imparts information which will enable a person to ascertain his psychic powers, make his own goldometer and locate gold, silver, and hidden treasure, that said booklet is rare and that the directions given therein were practiced by Jacob of old and many other ancient patriarchs, and that said booklet is being offered for sale by the respondent at a very special price of \$1.

In the manner aforesaid, respondent represents that his so-called Fortune Telling Crystal Ball foretells the future and answers all questions concerning a person's past, present, and future.

In the manner aforesaid, respondent represents that his "Universal Good Luck Coins" are possessed of mysterious powers and will bring good luck to persons carrying one of said coins.

In the manner aforesaid, the respondent represents that through the use of his list of names and addresses of concerns selling devices used in searching for treasures or minerals a person will be able to pick the particular device suitable for his needs and that the information contained in said booklet is valuable to any person interested in locating lost, buried, or hidden treasure, gold, silver, lead, or other ores.

PAR. 4. In truth and in fact the aforesaid representations and implications used and disseminated by the respondent, as aforesaid, are

Findings

31 F. T. C.

false, misleading, and deceptive, for the use of respondent's said gold, silver, and treasure locating instrument will not enable one to locate gold, silver, or hidden treasure, and said instrument has no value in searching for gold, silver, or hidden treasure. The various testimonials published and disseminated by respondent, as aforesaid, are not from persons who have located gold, silver, or hidden treasure with respondent's said instrument. The reading of respondent's booklet entitled "Jacob's Rod" will not enable the reader to ascertain his psychic powers or make his own goldometer, or enable him to locate hidden treasure. Said booklet is not rare and there is no basis in fact for the statement that the directions given therein were practiced by Jacob of old or any other ancient patriarchs. The price of \$1 at which respondent offers said booklet to the purchasing public, is not a special price, but is the regular price at which respondent sells this booklet. The supply of copies of the booklet is not limited. Respondent's fortune telling crystal balls do not foretell the future or answer questions concerning a person's past, present, or future. Respondent's "Universal Good Luck Coins" do not possess any power and will not bring good luck in any undertaking to a person carrying one of said coins. The following of the seven rules of success furnished with said good luck coins will not bring to the purchaser thereof fame and fortune. Respondent's list of names and addresses of concerns from which devices used in searching for gold, silver, and buried treasure can be obtained is worthless for none of the devices procured from any of the concerns listed is suitable or effective for the purposes represented by the respondent and will not locate gold, silver, or hidden treasure.

PAR. 5. The use of each and all of the false and misleading representations and implications made and used by the respondent, as aforesaid, has had and now has the tendency and capacity to and does mislead and deceive a substantial number of the purchasing public into the erroneous and mistaken belief that said representations and implications are true. As a result of such erroneous and mistaken belief many members of the purchasing public have purchased a substantial volume of respondent's said products.

PAR. 6. The aforesaid acts and practices of the respondent 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 February 8, 1940, issued and served its complaint in this proceeding upon respondent, Henry Bergman, an individual, charging him with the use of unfair and deceptive

acts and practices in commerce in violation of the provisions of said act. On March 21, 1940, the respondent filed his answer, in which answer he admitted all the material allegations of fact set forth in said complaint and waived all intervening procedure and further hearing as to said facts. Thereafter, the proceeding regularly came on for final hearing before the Commission on said 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, Henry Bergman, is an individual with his principal place of business located in Springfield, Mo. He resides at 2004 Milton Avenue, Springfield, Mo. Respondent is now, and has been for more than 3 years last past, engaged in the sale and distribution of instruments intended for locating gold and silver, and the sale and distribution of a booklet designated "Jacob's Rod." For more than 6 months last past, respondent has also been engaged in the sale and distribution of "crystal balls," allegedly for use in telling fortunes, metal discs which he calls "Universal Good Luck Coins" and a list of names and addresses of parties or concerns from which devices used in searching for treasures or minerals can be obtained. Respondent sells his said products to members of the purchasing public situated in the various States of the United States and in the District of Columbia, and causes said products when sold by him to be transported from his place of business in the State of Missouri, to the purchasers thereof at their respective points of location in the various States of the United States other than the State of Missouri and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of his business in said commerce, as aforesaid, and for the purpose of inducing the purchase of said products, the respondent has caused various statements and representations relating to said products to be inserted in advertisements in circulars, pamphlets, newspapers, and magazines distributed and circulated among prospective purchasers throughout the United States generally. Among and typical of the representations made by the respondent, as aforesaid, concerning his so-called gold and silver locator are the following:

WANTED—Hear From Parties interested gold or silver ores, buried or hidden treasures. Bergman's Instrument, \$5.00. Particulars free.

Findings

31 F. T. C.

HENRY BERGMAN,

Box 70-F, Springfield, Missouri.

This letter is to inform you about Bergman's Instrument.

It is small, weighing only six ounces, and can be easily carried in your pocket.

The ingredients, including Gold, Silver and Mercury (quick silver) are enclosed in bottles and incased in walnut tubes and covered with clear lacquer, connected with 24 inch No. 19 Brass coppered chain. It will last a lifetime and does not require recharging. With each instrument is included 2 cut-offs and directions for operating.

It does not contain Loadstone, Magnetic Sand, or any Magnetic Substance that may cause an attraction to different metals or minerals.

The price of the instrument is \$5.00 postpaid.

I will send it insured, postpaid, to you and allow you a 30 day free trial. If you are not satisfied, return the instrument and the two cut-offs, postpaid, to me within 32 days of date you receive the instrument, and I will immediately refund the \$5.00 by Post Office Money Order.

Do not hesitate to give Bergman's Instrument a trial.

WANTED—Hear from parties interested gold or silver ores, buried or hidden treasures. Bergman's Instrument \$5.00 Postpaid. 30 days free trial. Satisfaction guaranteed or your money immediately refunded without question. By Post Office Money Order upon return of the instrument. Particulars free:

Among and typical of the representations made by respondent through the publication of testimonials concerning his gold and silver locator are the following:

It works perfect (100%) for me. I'm sitting on top of the world, so to speak.

I have been informed of you by F-K * * * that you have the best instruments for locating buried treasures and hidden treasures.

* * * I tried it on a gold watch chain and ring. It worked in a circle over it. I have some nuggets and gold ore. I thought it was gold.

Those gold nuggets and ore, the locating instrument works something fine. The only way I can stop it is to put the cut-off on it. Then it will stop. I have taken it out to my farm once. I found a nugget and some quartz.

Received the gold finder and have tried it out. It works good for me. A friend took me yesterday up to Gold Creek to see if it would point out a place where he knew there was gold. It located it exactly, swinging in a circle over the place and at the same time a little sideways toward quartz deposit.

I have got one of your mineral rods and it works very well * * *.

The gold instrument I received from you last November I have had great success with it * * *.

I got one of your Gold and Silver Locating Instruments and it works fine for me. I have tested the instrument thoroughly and know it will work.

Among and typical of the representations made by respondent, as aforesaid, in connection with his booklet entitled, "Jacob's Rod," are the following:

HIDDEN TREASURES located by your own Goldometer on your own farms, mines, or old homestead.—Don't sell until you have investigated by this wonderful Psychic Power in yourself.

This very rare old book tells how to find all kinds of Minerals, Water, Coal, Iron Ores, Lost and Hidden Treasures, etc., * * * which could no doubt be found by studying and following the directions given in this Rare Old Book, the same which have been practiced by Jacob and many other ancient patriarchs.

Remember the price of this rare and scarce Cloth Bound Book is only \$2.00 if your order now. Sent prepaid.

SPECIAL NOTICE.—We have obtained a quantity of these books in paper binding, which we can furnish at \$1.00 each postpaid. This is a great chance for those who want the book, but don't feel like paying \$2.00 for the cloth binding.

Among and typical of the representations made by the respondent, as aforesaid, in connection with his so-called Fortune Telling Crystal Ball are the following:

Amaze and astound your friends with uncanny revelations. Let the Crystal Ball tell you about yourself, your sweetheart, friends and enemies. Ask it any of the 180 questions of interest to you. Will you be successful in money, love, games or business? It answers all questions put to it. So simple that anyone may use it. Many professional Fortune Tellers swear by it.

Among and typical of the representations made by the respondent, as aforesaid, in connection with his so-called "Universal Good Luck Coins" are the following:

UNIVERSAL LUCK COINS. It is believed by many that this wonderful LUCK TOKEN has a Mysterious and Attracting Power. It will amaze you. Many people carry it as a GOOD LUCK BRINGER and believe it will help them in everything they undertake. Looks Like Gold; Wears Like Iron; Everlasting Metal.

A Life-time souvenir that has no equal. The last word in an original luck token. Bears 26 well known and accepted symbols of good fortune. * * *

Good Luck may Come to You if You Always Carry the Good Luck Coin. Each coin in attractive Descriptive Envelope 50¢ postpaid.

Free with Order—Seven Rules of Success, advice of which if followed may change your whole career, bringing Fame and Fortune.

Among and typical of the representations made by the respondent, as aforesaid, in connection with the offering for sale and sale of a list of names and addresses of concerns from which devices used in searching for treasures or minerals can be obtained are the following:

PROSPECTORS

Buried Treasure Hunters!

Names and Addresses of 15 places where you can obtain various devices used when searching for treasures or minerals.

By carefully observing their free literature and circulars, you can pick the most suitable one for your particular need.

Useful and valuable information to any party interested in locating lost, buried or hidden treasure, gold, silver, lead or other ores.

The best method of searching for buried treasures and ores that I know without any investment.

The above information is of great value on all treasure seeking or prospecting trips.

All for 50¢ postpaid.

PAR. 3. Through the use of the aforesaid statements and representations and others of similar import and meaning not herein set out, respondent represents and implies to the purchasing public that his instrument for locating gold and silver will enable a person using the same to locate gold, silver and hidden treasures and that the various testimonials published and disseminated as aforesaid are true, and that the persons giving such testimonials have actually located gold, silver, or hidden treasure by using respondent's said instrument.

In the manner aforesaid, respondent represents that his booklet entitled "Jacob's Rod" imparts information which will enable a person to ascertain his psychic powers, make his own gold meter and locate gold, silver, and hidden treasure, that said booklet is rare and that the directions given therein were practiced by Jacob of old and many other ancient patriarchs, and that said booklet is being offered for sale by the respondent at a very special price of \$1.

In the manner aforesaid, respondent represents that his so-called Fortune Telling Crystal Ball foretells the future and answers all questions concerning a person's past, present, and future.

In the manner aforesaid, respondent represents that his "Universal Good Luck Coins" are possessed of mysterious powers and will bring good luck to persons carrying one of said coins.

In the manner aforesaid, the respondent represents that through the use of his list of names and addresses of concerns selling devices used in searching for treasures or minerals a person will be able to pick the particular device suitable for his needs and that the information contained in said booklet is valuable to any person interested in locating lost, buried, or hidden treasure, gold, silver, lead, or other ores.

PAR. 4. In truth and in fact the aforesaid representations and implications used and disseminated by the respondent, as aforesaid, are false, misleading and deceptive, for the use of respondent's said gold, silver, and treasure locating instrument will not enable one to locate gold, silver, or hidden treasure, and said instrument has no value in searching for gold, silver, or hidden treasure. The various testimonials published and disseminated by respondent, as aforesaid, are not from persons who have located gold, silver, or hidden treasure with respondent's said instrument. The reading of respondent's booklet entitled "Jacob's Rod" will not enable the reader to ascertain his psychic powers or make his own gold meter, or enable him to locate hidden treasure. Said booklet is not rare and there is no basis in fact for the statement that the directions given therein were practiced by Jacob of old or any other ancient patriarchs. The price of \$1

at which respondent offers said booklet to the purchasing public is not a special price, but is the regular price at which respondent sells this booklet. The supply of copies of the booklet is not limited. Respondent's fortune telling crystal balls do not foretell the future or answer questions concerning a person's past, present, or future. Respondent's "Universal Good Luck Coins" do not possess any power and will not bring good luck in any undertaking to a person carrying one of said coins. The following of the seven rules of success furnished with said good luck coins will not bring to the purchaser thereof fame and fortune. Respondent's list of names and addresses of concerns from which devices used in searching for gold, silver, and buried treasure can be obtained is worthless for none of the devices procured from any of the concerns listed is suitable or effective for the purposes represented by the respondent and will not locate gold, silver, or hidden treasure.

PAR. 5. The use of each and all of the false and misleading representations and implications made and used by the respondent, as aforesaid, has had and now has the tendency and capacity to and does mislead and deceive a substantial number of the purchasing public into the erroneous and mistaken belief that said representations and implications are true. As a result of such erroneous and mistaken belief many members of the purchasing public have purchased a substantial volume of respondent's said products.

CONCLUSION

The aforesaid acts and practices of the respondent 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.

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 respondent, in which answer respondent admits all the material allegations of fact set forth in said complaint, and states that he waives all intervening procedure and further hearings 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, Henry Bergman, his representatives, agents, or employees, directly or through any corporate or other device, in connection with the offering for sale, sale and dis-

Order

31 F. T. C.

tribution of any instrument or device for locating gold and silver, a booklet known as "Jacob's Rod," so-called fortune telling balls known as "Crystal Balls," metal disks known as "Universal Good Luck Coins," and a list of names and addresses of parties or concerns from which devices used in searching for treasures or minerals can be obtained, in interstate commerce or in the District of Columbia, do forthwith cease and desist from representing:

1. That the respondent's gold, silver and treasure locating instrument has any value in searching for gold, silver or hidden treasure or that said instrument or any other instrument will enable one to locate gold, silver, or hidden treasure.

2. By testimonials, or in any other manner, that persons have located gold, silver or hidden treasure by using the respondent's said instrument.

3. That a person reading the booklet known as "Jacob's Rod," sold by respondent, will be enabled thereby to ascertain his psychic powers, make his own goldometer, or locate hidden treasure.

4. There is any basis, in fact, for the statement that the directions given in the booklet known as "Jacob's Rod" were practiced by Jacob of old or any other ancient patriarch; that the booklet known as "Jacob's Rod" is rare or that the price of \$1 is any other than the regular price at which respondent sells the same or that the supply of the copies thereof is limited.

5. That the so-called fortune-telling ball known as "Fortune Telling Crystal Ball," or any other device, foretells the future, or answers questions concerning a person's past, present, or future.

6. That the metal disks known as "Universal Good Luck Coins" possess power that assures success in any undertaking to the person carrying one of said coins.

7. That a person following "The Seven Rules of Success" furnished by respondent will attain fame and fortune.

8. That the respondent's list of names and addresses from which devices used in searching for gold, silver and buried treasure may be obtained has any value, or that devices which can be procured from any of such concerns are suitable and effective for locating gold, silver, or hidden treasure.

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

Syllabus

IN THE MATTER OF

NORMAN D. LOUGHLIN, L. E. RUPPE, BERNAL H. DYAS,
RUTH C. HEMSTREET, VOLNEY T. JAMES, AND PAGE
H. LAMOREAUX, TRADING AS RULO COMPANY; AND
RULO CORPORATION

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

Docket 3761. Complaint, Apr. 14, 1939—Decision, June 22, 1940

Where three individuals and a corporation which succeeded to business theretofore conducted by them and of which they were officers or directors, and sales policies, advertisements and other activities of which, with respect to acts and practices below set forth, they directed and controlled, engaged in sale and distribution of their "Rulo Automatic Injector" for attachment to automotive engines and of their "Rulo Energy Fluid" for use in said devices; in advertisements of their said devices in newspapers, and circulars or printed matter distributed in commerce, and in continuities broadcast from radio stations of extra-state audience—

- (a) Represented, directly and by implication, that use of said device and fluid would effect substantial economy in the operation of an automobile through lessening gasoline and oil consumption and would effect a saving of from 20 percent to 55 percent in the gasoline used, and 10 percent of the gasoline used in the operation of every car driven 1,500 miles or more a month;
- (b) Represented that use thereof would substantially increase the power and compression of the motor and would remove carbon therefrom and prevent its formation therein, and would substantially lessen engine friction and attendant engine wear; and
- (c) Represented that use thereof would eliminate necessity of grinding valves and prevent them from sticking and seat valves and prevent motor from knocking, and that through use of said device and fluid, first-grade or Ethyl gasoline performance could be obtained with third grade gasoline, and that such use would prolong life of motor and cause it to operate more smoothly and with less heat, and would prolong the life and seal rings of motor, and stop or lessen oil pumping thereby;

Facts being use thereof would not save any substantial amount in cost of gasoline and oil consumed by any car driven any distance for any length of time, and would not accomplish any such savings as above represented, such use would not bring about same performance with third grade gasoline as that obtained from first-grade or Ethyl gas, and would not otherwise bring about various results and improvements claimed therefor as above set out; and

- (d) Represented that said Rulo Energy Fluid was a synthetic product scientifically made from a secret formula, and that use thereof removed hard carbon, and that said fluid was a perfect heat resistant lubricant, and that through use thereof perfect lubrication in the upper cylinder was assured even when motor was cold when starting, and that use thereof stopped motor wear;