

IN THE MATTER OF
VERONICA IGNATOVITCH, TRADING AS MADAME VERA,
MADAM VERA, AND MME. VERA

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

Docket 3906. Complaint, Oct. 3, 1939—Decision, July 9, 1940

Where an individual engaged in manufacture of her "Madame Vera Hair Grower Salve" for use on hair and scalp, and in sale thereof to purchasers in various other States and in District of Columbia, in advertisements of her said product, which she disseminated and caused to be disseminated through the mails, insertions in newspapers and periodicals having general circulation, and through other printed or written matter, distributed in commerce among the various States and by other means in commerce, and otherwise, and which advertisements were intended and likely to induce purchase of her said product—

- (a) Represented, through various statements in said advertisements and including "before and after" pictures, that her said preparation was a competent and effective remedy for conditions known as dandruff and falling hair and that it grew new hair and that it had been used successfully by thousands of persons; facts being, it was not a competent or effective remedy for conditions above set forth, and would not grow new hair and had not been used successfully by thousands of persons or any other number; and
- (b) Represented that price at which said preparation was offered for sale was a special price and was substantially less than that at which it was customarily offered, through such statement as "Special 30-day offer. Send only \$1 for treatment. Regularly \$3"; facts being, price at which it was offered was not specially reduced one, but price at which it was regularly and customarily sold;

With capacity and tendency to, and effect of, misleading and deceiving substantial portion of purchasing public into erroneous and mistaken belief that such false statements and representations were true and to induce substantial portion of such public, because of said belief thus engendered, to purchase her medicinal preparation aforesaid:

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. Lewis C. Russell*, trial examiner.

Mr. John M. Russell for the Commission.

Gould & Price, of Bridgeport, Conn., 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 Veronica Ignatovitch, trading as Madame Vera, Madam Vera, and as Mme. Vera, hereinafter referred to as respondent, has violated the provisions of 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. The respondent, Veronica Ignatovitch, is an individual trading as Madame Vera, Madam Vera, and as Mme. Vera, having her office and principal place of business located in Room No. 322, Meigs Building, Bridgeport, Conn.

Respondent is now, and for more than 1 year last past has been, engaged in the business of manufacturing and selling a preparation for use on the hair and scalp known as "Madam Vera Hair Grower Salve." Respondent causes said product, when sold, to be transported from her place of business in the State of Connecticut to purchasers thereof located in other States of the United States and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said salve in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of her aforesaid business, the respondent has disseminated and is now disseminating and has caused and is now causing the dissemination of false advertisements concerning her said preparation by the United States mails, by insertions in newspapers and periodicals having a general circulation, and also in other printed or written matter, all of which are distributed in commerce among and between the various States of the United States, and by other means in commerce as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing and which are likely to induce, directly or indirectly, the purchase of said preparation; and has disseminated and is now disseminating, and has caused and is now causing, the dissemination of false advertisements concerning her said preparation by various means for the purpose of inducing and which are likely to induce, directly or indirectly, the purchase of said preparation in commerce as "commerce" is defined in the Federal Trade Commission Act.

Among and typical of the false representations contained in the advertisements disseminated as aforesaid are the following:

Madam Vera Hair Grower Salve.

After washing your head, rub in * * * enough salve to cover the whole scalp. After three or four days * * * repeat this operation until you will find dandruff has entirely disappeared and a new growth of hair started. To obtain permanent results, keep using the salve at weekly intervals.

Picture of man
with bald head

BEFORE

Picture of same
man with a growth
of heavy black hair

AFTER

Findings

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Stops dandruff and hair loss and grows new hair or money refunded.

Helps grow new hair or no charge.

Used successfully by thousands of men and women.

Special 30-day offer. Send only \$1 for treatment. Regularly \$3.

PAR. 3. By the use of the representations hereinabove set forth, and other representations similar thereto not specifically set out herein, respondent represents that her said preparation is a competent and effective remedy for the conditions known as dandruff and falling hair; that it grows new hair; that it has been used successfully by thousands of persons; and that the price at which said preparation is offered for sale is a "special" price and is substantially less than the price at which said preparation is customarily offered for sale.

PAR. 4. The statements and representations made by the respondent, as aforesaid, are false, misleading, and untrue. In truth and in fact, said preparation is not a competent or effective remedy for dandruff or falling hair; it will not grow new hair; nor has it been used successfully by thousands of persons, or any other number. The price at which said preparation is offered for sale is not a special or reduced price, but is the price at which said preparation is regularly and customarily sold.

PAR. 5. The use by the respondent of the foregoing false, deceptive, and misleading statements and representations, disseminated as aforesaid, has had and now has the capacity and tendency to and does mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such false statements and representations are true, and to induce a substantial portion of the purchasing public to purchase respondent's medicinal preparation because of such erroneous and mistaken belief engendered as above set forth.

PAR. 6. 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 October 3, 1939, issued and thereafter served its complaint in this proceeding upon said respondent, Veronica Ignatovitch, trading as Madame Vera, Madam Vera, and Mme. Vera, charging her with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. On October 20, 1939, the respondent filed her answer in this proceeding. Thereafter, a stipulation was entered into, subject to the approval of the Commission, between Robert H. Gould, attorney for the respond-

ent, the respondent in person, and John M. Russell, attorney for the Federal Trade Commission, wherein it was agreed that the stipulation may be taken as the facts in this proceeding and in lieu of testimony in support of the charges stated in the complaint or in opposition thereto, and that the said Commission may proceed upon such stipulation to make its report stating its findings as to the facts and its conclusion based thereon, and enter its order disposing of the proceeding without the presentation of argument or the filing of briefs.

Thereafter, this proceeding regularly came on for final hearing before the Commission on said complaint and answer and stipulation, said stipulation having been approved and accepted, and the Commission having duly considered the same and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent Veronica Ignatovitch, is an individual, trading as Madam Vera, Madame Vera, and Mme. Vera, having her office and principal place of business located in Room 322, Meigs Building, Bridgeport, Conn.

Respondent is now, and for more than one year last past has been, engaged in the business of manufacturing and selling a preparation for use on the hair and scalp known as "Madam Vera Hair Grower Salve." Respondent causes said product, when sold, to be transported from her place of business in the State of Connecticut to purchasers thereof located in other States of the United States and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said salve in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of her aforesaid business prior to the date of the service of the complaint upon her, the respondent disseminated and caused the dissemination of false advertisements concerning her said preparation by the United States mails, by insertions in newspapers and periodicals having a general circulation, and also in other printed or written matter, all of which are distributed in commerce among and between the various States of the United States, and by other means in commerce as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing and which are likely to induce, directly or indirectly, the purchase of said preparation; and also disseminated and caused the

dissemination of false advertisements concerning her said preparation by various means for the purpose of inducing and which are likely to induce, directly or indirectly, the purchase of said preparation in commerce as "commerce" is defined in the Federal Trade Commission Act.

Among and typical of the false representations contained in the advertisements disseminated as aforesaid are the following:

Madam Vera Hair Grower Salve.

After washing your head, rub in * * * enough salve to cover the whole scalp. After three or four days * * * repeat this operation until you will find dandruff has entirely disappeared and a new growth of hair started. To obtain permanent results, keep using the salve at weekly intervals.

Picture of man
with bald head

BEFORE

Picture of same man
with a growth of
heavy black hair

AFTER

Stops dandruff and hair loss and grows new hair or money refunded.

Helps grow new hair or no charge.

Used successfully by thousands of men and women.

Special 30-day offer. Send only \$1 for treatment. Regularly \$3.

Respondent has not disseminated or issued any such statements or advertisements as hereinbefore set forth since the complaint was served on her herein.

PAR. 3. By the use of the representations herein set forth, and other representations similar thereto not specifically set out herein, respondent represents that her said preparation is a competent and effective remedy for the conditions known as dandruff and falling hair; that it grows new hair; that it has been used successfully by thousands of persons; and that the price at which said preparation is offered for sale is a "special" price and is substantially less than the price at which said preparation is customarily offered for sale.

PAR. 4. The statements and representations made by the respondent, as aforesaid, are false, misleading, and untrue. In truth and in fact, said preparation is not a competent or effective remedy for dandruff or falling hair; it will not grow new hair; nor has it been used successfully by thousands of persons, or any other number. The price at which said preparation is offered for sale is not a special or reduced price, but is the price at which said preparation is regularly and customarily sold.

PAR. 5. The use by the respondent of the foregoing false, deceptive, and misleading statements and representations, disseminated as aforesaid, has had the capacity and tendency to and did mislead and deceive a substantial portion of the purchasing public into the errone-

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ous and mistaken belief that such false statements and representations are true, and to induce a substantial portion of the purchasing public to purchase respondent's medicinal preparation because of such erroneous and mistaken belief engendered as above set forth.

CONCLUSION

The aforesaid acts and practices of the respondent, Veronica Ignatovitch, trading as Madame Vera, Madam Vera, and Mme. Vera, as herein found are all to the prejudice 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, the answer of the respondent and a stipulation of facts entered into between Robert H. Gould, attorney for the respondent, the respondent in person, and John M. Russell, attorney for the Federal Trade Commission, which stipulation provides among other things that without further evidence or other intervening procedure the Commission may issue and serve upon the respondent herein findings as to the facts and conclusion based thereon and an order disposing of the proceedings, and the Commission having made its findings as to the facts and conclusion that respondent has violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondent, Veronica Ignatovitch, trading as Madame Vera, Madam Vera, and Mme. Vera, or trading under any other name or names, her agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of her medicinal preparation advertised as "Madam Vera Hair Salve", or any other medicinal preparation composed of substantially similar ingredients or possessing substantially similar properties, whether sold under the same name or under any other name, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement (a) by means of the United States mails, or (b) by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisements represent directly or through inference that said preparation is a competent or effective remedy for the condition known as dandruff or falling hair; that it grows new hair; that it has been used successfully by anyone; or that any price which is

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the customary and usual price at which said preparation is offered for sale is a special or reduced price.

2. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of any said preparation which advertisements contain any of the representations prohibited in paragraph 1 hereof.

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

Syllabus

IN THE MATTER OF

GEORGE C. HUSKINS, MINA D. HUSKINS, AND HOWARD
W. ELLISON, TRADING AS CARTER SALES COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 4028. Complaint, Feb. 8, 1940—Decision, July 9, 1940*

Where three individuals engaged in sale and distribution of their "Carter's Special Formula," drug-containing preparation, which they recommended for use as treatment and cure for alcoholism and for liquor habit to purchasers in various other States and in the District of Columbia; in advertisements of their said product which they disseminated and caused to be disseminated through the mails, through insertion in newspapers of general circulation, and through circulars and other printed or written matter distributed in commerce among the various States and through continuities broadcast from radio stations of extrastate audience, and otherwise, and which advertisements were intended, and likely to, induce purchase of their said product—

Represented, directly and by implication, that their said formula was a cure or remedy for and a competent and effective treatment for alcoholism and the liquor habit, and that through its use desire for alcoholic stimulants would be eradicated, and that it was absolutely harmless and contained no harmful drugs, through such statements, among others, as "It contains no harmful drugs"; "* * * In most cases at the end of three days the desire for alcohol is gone"; "* * * complete relief from this vicious habit"; and "* * * the modern, inexpensive THREE DAY LIQUOR TREATMENT * * * with an absolute MONEY BACK GUARANTEE CERTIFICATE"; and others of similar tenor; facts being, said product was not a cure or remedy nor competent or effective treatment for alcoholism or liquor habit, use thereof would not eradicate desire for alcoholic stimulants, and product was not absolutely harmless, in that it might, in some cases, cause skin rashes, dermatitis, and injury to liver and intestinal mucosa;

With capacity and tendency to mislead and deceive substantial portion of purchasing public into erroneous and mistaken belief that such statements and representations were true and to induce substantial portion of said public, because of such belief, to purchase their medicinal preparation 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.

Before *Mr. William C. Reeves*, trial examiner.

Mr. Randolph W. Branch 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 George C. Huskins,