

IN THE MATTER OF
WHITE KING SOAP COMPANY

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

Docket 3928. Complaint, Oct. 14, 1939—Decision, Jan. 10, 1941

Where a corporation engaged as subsidiary of manufacturing consumer in interstate sale and distribution of various soaps in active competition with others also engaged in sale and distribution of laundry and toilet soaps and other products used for similar purposes in commerce as aforesaid; in advertising certain of its said products in newspapers and other publications circulated among the various States and in folders, circulars, and other printed matter distributed to members of the purchasing public as aforesaid and in continuities broadcast from radio stations of extrastate audience—

- (a) Representing that its White King Granulated Soap was the only soap with which fabrics could be satisfactorily washed in cool water and that washing of fabrics in cool water caused them to be brighter and whiter than if done in hot water and that washing of fabrics in latter caused them to shrink and fade whereas, through use of its said soap with cool water such fading and shrinking would be prevented;

Facts being its said soap was not the only one permitting satisfactory use of cool water for purposes aforesaid, certain fabrics are preferably washed in cool water while best results for others are obtained with hot water, and its statements aforesaid with respect to consequences of use of cool or hot water as case might be were false and misleading, question of fastness of colors depending largely upon dye used and question of shrinking being dependent largely upon nature and quality of fabric, and action of water and soap used having no actual effect on fading or shrinkage;

- (b) Represented that the use of its said soap in washing textiles made it unnecessary to use bleaching and bluing and that through application of a jelly made from soap, all spots and stains on fabric treated would be removed and that such soap was superior in quality and effectiveness to all others;

Facts being said statements were false and misleading, use of said soap does not make unnecessary bleaching and bluing, which, regardless of soap used, are necessary in washing certain types of fabrics, and, while use of jelly made of soap in question would remove certain spots, there were others including mildew and indelible ink which could not be so removed, as soap in question contained no ingredients which rendered same superior in quality or effectiveness in use to others of similar general character on the market; and

- (c) Represented that its White King Toilet Soap would keep the skin fresh and supple and use thereof would remove and prevent wrinkles in skin of users;

Facts being said product would not accomplish such results and contained no ingredients which rendered it substantially different from other toilet soaps of the same general character;

With effect of misleading and deceiving substantial portions of purchasing public into erroneous and mistaken belief that such statements and representations were true and with result, as consequence of such belief, that said public was induced to and did purchase substantial quantities of its said products and trade was thereby diverted unfairly to it from its competitors aforesaid; to the substantial injury of competition in commerce: *Held*, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public and constitute unfair methods of competition in commerce and unfair and deceptive acts and practices therein.

Before *Mr. Miles J. Furnas* and *Mr. William C. Reeves*, trial examiners.

Mr. B. G. Wilson for the Commission.

Dockweiler & Dockweiler, of Los Angeles, Calif., 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 White King Soap Co., a corporation, 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. Respondent White King Soap Co. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its office and principal place of business at 617 East First Street, Los Angeles, Calif.

PAR. 2. The respondent is now, and has been for several years last past, engaged in the business of selling and distributing a laundry soap designated "White King Granulated Soap," a toilet soap designated "White King Toilet Soap" and other soaps in commerce between and among the various States of the United States and in the District of Columbia. Respondent causes, and has caused, said soaps, when sold, to be shipped or transported from its place of business in the State of California or from the State of origin of the shipment thereof to purchasers thereof at their respective points of location in various States of the United States, other than the State of origin of the shipment thereof, and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said soaps in commerce among and between the various States of the United States and in the District of Columbia.

In the course and conduct of its business, respondent is in competition with other corporations and with partnerships, firms, and indi-

viduals, also engaged in the sale and distribution of laundry and toilet soaps and other products used for similar purposes in commerce between and among the various States of the United States and in the District of Columbia. Among such competitors in said commerce are many who do not in any manner misrepresent the properties or the efficacy of their respective soaps or other products.

PAR. 3. In the course and conduct of its said business and for the purpose of inducing the purchase of its said products, respondent has caused advertisements containing statements and representations with respect to the properties of its said products, and the results that may be expected to be obtained from the use thereof, to be inserted in advertisements in newspapers and other publications having a circulation among and between the various States of the United States and in the District of Columbia, in circulars, folders, booklets, and other printed matter distributed to members of the purchasing public situated in various States of the United States and in the District of Columbia, and in continuities broadcast from radio stations which convey the programs emanating therefrom to the listeners thereto situated in the various States of the United States and in the District of Columbia.

Among and typical of said statements and representations, used and disseminated by respondent as aforesaid, regarding respondent's White King Granulated Soap, are the following:

Hot water is destructive. It makes hands red and ugly. It makes fine fabrics harsh and brittle. It shrinks mats and woolens. It fades colors. It is expensive. Why use it? White King—the COOL WATER SOAP.

Save $\frac{1}{3}$ in soap—learn to measure White King. Every package contains $\frac{1}{3}$ more soap value.

With White King Granulated Soap, the one cool water soap, you never have to use hot water for White King's longer lasting suds do all their work in water comfortable cool to the hands.

But remember, cool-water washing is possible with WHITE KING only—it's the one soap that washes thoroughly in water at 98 degrees.

HOW TO REMOVE SPOTS AND STAINS: Stains as well as soil on collars and cuffs can be easily removed by applying White King Granulated Soap jelly on the stained or soiled parts of the dry fabric. Let stand 15 minutes. Wash usual way.

Free Bleach—Free Blue—clothes washed with White King are washed CLEAN—no need to cover up the poor cleansing action of lazy soaps—Your linens are snowy white when washed the White King Cool Water Way—Saves what you spend for bleach and blue.

Be neutral * * * To wash fine fabrics without injury to color or fabric a soap must be neutral—that is, contain no free alkali . . . Quick Dissolving White King Granulated is a neutral soap, safe for all fine fabrics.

RED ACHING HANDS, runs in hosiery, harsh woolens, silks, rayons, faded colors—What causes them? Hot Water is the answer.

* * * it does three times the work of ordinary soaps.

* * * it actually protects the fabrics and your hands with its superior ingredients.

White King won't shrink or fade fine materials.

HOT WATER causes hands to become reddened, rough, dry and harsh looking. WHITE KING in Cool Water keeps hands soft and lovely.

Laundering in COOL WATER prevents reddened, "hot water hands."

Your hands are never parched or reddened, for WHITE KING washes efficiently in water so cool that it cannot possibly harm them!

No other washing method can keep them that way, because ordinary soaps require water so hot it cracks and roughens hands!

And White King is so kind to your hands too! Even when you wash dishes three times a day and have your hands in water many times in between, with White King it's easy to keep them smooth and white.

You're missing that extra whiteness in your clothes that marks you as a meticulous housewife. You're missing that extra money that WHITE KING GRANULATED SOAP saves you with its sensible economy. And you're missing those extra hours of leisure that WHITE KING makes possible with its busy, active suds. So start using WHITE KING GRANULATED SOAP now * * * you're entitled to all these advantages that WHITE KING alone can give you.

Among and typical of said statements and representation used and disseminated by respondent as aforesaid regarding respondent's White King Toilet Soap are the following:

The soap that's so rich in beauty oils that it's safe for every type of skin. Let its pure, bland lather reach deep down in the pores * * * removing all dirt and stale make-up, leaving the skin refreshed.

But wrinkles disappear if the skin is soft and pliable. And regular use of White King Toilet Soap is one of the surest ways to keep your skin so fresh and supple that it's almost wrinkleproof.

PAR. 4. Through the use of the aforesaid statements and representations relative to respondent's White King Granulated Soap, and other statements and representations of similar import and meaning not herein set-out, the respondent represents that White King Granulated Soap is the only soap with which articles can be satisfactorily washed in cool water and in water at 98° temperature, that the washing of clothes in cool water causes them to be brighter and whiter than washings in hot water, that users of said soap get one-third more in soap value because of the use thereof than users of any other soaps, that the use of said soap in washing textiles makes it unnecessary to use bleaching and bluing, that the washing of articles with said soap will remove all spots and stains therefrom, that said soap is three times as efficient in the cleansing of articles as other soaps, that the ingredients of said soap are superior to the ingredients of all other soaps, that the washing of fabrics in hot water injures the fabrics and causes them to shrink and fade, that the use of hot water in washings causes the hands to be red and ugly but that the use

of cool water does not have such effect, and that the use of said soap in washings prevents fine fabrics from fading or shrinking.

Through the use of the aforesaid statements and representations relative to respondent's White King Toilet Soap, and other statements and representations of similar import or meaning not herein set out, the respondent represents that the use of said soap keeps the skin fresh and supple regardless of the age or the condition of the skin of the user thereof, that the use of said soap prevents wrinkles and removes wrinkles.

PAR. 5. The aforesaid statements and representations by respondent are false and misleading. In truth and in fact, said White King Granulated Soap is not the only soap with which articles can be satisfactorily washed in cool water or in water at 98° temperature. There are other soaps on the market with which articles can be satisfactorily washed in cool water and with water at 98° temperature. Washing clothes in cool water does not always cause such clothes to be brighter or whiter than washings in hot water. In fact, in many cases the washing of clothes in hot water causes them to be brighter and whiter than washings in cool water. Users of said soap do not get one-third more in soap value than users of other soaps. There are other soaps on the market equal in soap value to respondent's said soap. The washing of textiles with said soap does not make it unnecessary to use bleaching and bluing. Some textiles are normally washed without bleaching and bluing but other textiles may require bleaching and bluing regardless of the soap used. The washing of articles with said soap will not remove all stains and spots therefrom. Said soap is not three times as efficient in the cleansing of articles as other soaps on the market. The ingredients of said soap and the efficiency thereof in cleansing articles are not superior to the ingredients and the efficiency in cleansing of other good quality soaps on the market. All fabrics do not fade or shrink when washed in hot water and are not injured by washings in hot water. Cool water will produce the same effect on the hands as hot water, but cool water requires a longer period of time to produce such effect. The use of said soap does not prevent fine fabrics from shrinking or fading in washings. The fastness of the color of textiles in washings depends largely upon the dye used and the shrinkage of textiles in washings is dependent upon the action of the water. The kind of soap used in washing textiles has very little effect on the fastness of the color or of the resistance to shrinkage of the textiles.

In truth and in fact, the use of said White King Toilet Soap will not keep the skin fresh or supple and will not prevent wrinkles or remove wrinkles.

PAR. 6. The use by respondent of the foregoing false and misleading statements, representations, and advertisements 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, representations, and advertisements are true and that respondent's said products possess the properties claimed and represented and will accomplish the results indicated, and causes a substantial portion of the purchasing public, because of said erroneous and mistaken belief, to purchase substantial quantities of respondent's said products. As a result, trade has been diverted unfairly to the respondent from its said competitors who do not falsely advertise the effectiveness in use of their respective soaps or other products. In consequence thereof, substantial injury has been, and is now being done, by respondent to competition in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 7. The aforesaid acts and practices of the respondent, as herein alleged, are all to the prejudice and injury of the public and of respondent's competitors and constitute unfair methods of competition in commerce and 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 14, 1939, issued and subsequently served its complaint in this proceeding upon respondent, White King Soap Co., a corporation, charging it with the use of unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answer thereto, testimony and other evidence in support of the allegations of said complaint and in opposition thereto were introduced before examiners of the Commission theretofore duly designated by it, and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, this proceeding regularly came on for final hearing before the Commission on the said complaint, the answer thereto, testimony and other evidence, and brief in support of the complaint (respondent not having filed brief or requested oral argument) 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, White King Soap Co., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its office and principal place of business at 617 East First Street, Los Angeles, Calif. Said respondent is a wholly owned and controlled subsidiary of the Los Angeles Soap Co., also a corporation organized under the laws of the State of California with its principal place of business at Los Angeles, in said State. The respondent, White King Soap Co., is now, and has been, engaged for a number of years in the business of selling and distributing a laundry soap, designated "White King Granulated Soap," a toilet soap, designated "White King Toilet Soap," and other soaps, all of which are manufactured by the Los Angeles Soap Co.

Respondent has caused said soaps, when sold, to be transported from its place of business at Los Angeles in the State of California to the purchasers thereof located in various other States of the United States and in the District of Columbia. Respondent maintains and has maintained a course of trade in its said products in commerce between and among the various States of the United States and in the District of Columbia.

In the course and conduct of its said business, the respondent has been and is now in active competition with various persons and partnerships and with other corporations also engaged in the sale and distribution of laundry and toilet soaps, and other products used for similar purposes, in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the conduct of its business and for the purpose of inducing the purchase of its products, respondent has caused advertisements containing statements and representations with respect to the properties of its said products, and the results that may be expected to be obtained from the use thereof, to be inserted in newspapers and other publications having a circulation among and between the various States of the United States, and in circulars, folders, booklets, and other printed matter distributed to members of the purchasing public situated in various States of the United States, and in continuities broadcast from radio stations which convey the programs emanating therefrom to the listeners thereto situated in various States of the United States.

Among and typical of said statements and representations used and disseminated regarding respondent's White King Granulated Soap are the following:

Hot water is destructive. It makes hands red and ugly. It makes fine fabrics harsh and brittle. It shrinks mats and woolens. It fades colors. It is expensive. Why use it? White King—the COOL WATER Soap.

Save $\frac{1}{3}$ in soap—learn to measure White King. Every package contains $\frac{1}{3}$ more soap value.

With White King Granulated Soap, the one cool water soap, you never have to use hot water for White King's longer lasting suds do all their work in water comfortably cool to the hands.

But remember, cool-water washing is possible with WHITE KING only—it's the one soap that washes thoroughly in water at 98 degrees.

HOW TO REMOVE SPOTS AND STAINS: Stains as well as soil on collars and cuffs can be easily removed by applying White King Granulated Soap jelly on the stained or soiled parts of the dry fabric. Let stand 15 minutes. Wash usual way.

Free Bleach—Free Blue—clothes washed with White King are washed CLEAN—no need to cover up the poor cleansing action of lazy soaps—Your lines are snowy white when washed the White King Cool Water Way—Saves what you spend for bleach and blue.

RED ACHING HANDS, runs in hosiery, harsh woolens, silks, rayons, faded colors—What causes them? Hot Water is the answer.

* * * it does three times the work of ordinary soaps.

* * * it actually protects the fabrics and your hands with its superior ingredients.

White King won't shrink or fade fine materials.

Among and typical of such statements and representations used and disseminated regarding respondent's White King Toilet Soap are the following:

But wrinkles disappear if the skin is soft and pliable. And regular use of White King Toilet Soap is one of the surest ways to keep your skin so fresh and supple that it's almost wrinkle-proof.

Through the use of the statements and representations hereinabove set forth, and others similar thereto, not set-out herein, the respondent represented, among other things, that said product designated "White King Granulated Soap" was the only soap with which fabrics can be satisfactorily washed in cool water; that the washing of fabrics in cool water causes them to be brighter and whiter than if washed in hot water; that the use of such soap in washing textiles makes it unnecessary to use bleaching and bluing; that by the application of a jelly made from respondent's soap all spots and stains on the fabric treated will be removed; that said soap is superior in quality and effectiveness to all other soaps; that the washing of fabrics in hot water causes them to shrink and fade; that by the use of such

soap in the washing of fabrics in cool water, fading and shrinking of such fabrics will be prevented.

Through the use of the aforesaid statements and representations relative to respondent's product designated as "White King Toilet Soap," the respondent represented that the use of said soap will keep the skin fresh and supple, and that the use of such soap will prevent and remove wrinkles in the skin of the user.

PAR. 3. The Commission finds that the statements and representations made by respondent as set-out in paragraph 2 hereof are false and misleading. In truth and in fact, respondent's soap designated "White King Granulated Soap" is not the only soap with which fabrics can be satisfactorily washed in cool water. Such fabrics as silks and woollens are preferably washed in cool water, while best results are obtained by washing cotton fabrics in hot water. The washing of all fabrics in cool water does not cause such fabrics to be brighter and whiter than when washed in hot water. White cotton fabrics are brighter and whiter when washed in hot water than when washed in cool water. The washing of textiles with such soap does not make it unnecessary to use bleaching and bluing. In washing certain types of fabrics it is necessary to use bleaching and bluing, regardless of the soap used. While the use of a jelly made from said soap will remove certain spots or stains from fabrics, there are other spots and stains, such as mildew and indelible ink stains, which cannot be so removed. The Commission finds that respondent's soap contains no ingredients which render such soap superior in quality or effectiveness in use to other soaps of the same general character on the market. All fabrics do not fade or shrink when washed in hot water. The use of said soap does not prevent fabrics from fading or shrinking. In truth and in fact, the fastness of the color of textiles depends largely upon the dye used, and the shrinkage of textiles is dependent largely upon the nature and quality of the fabric and upon the action of the water. The kind of soap used has no material effect upon the fading or shrinkage of fabrics.

The Commission further finds that respondent's toilet soap designated "White King Toilet Soap" will not keep the skin fresh or supple nor will it prevent or remove wrinkles in the skin. Said soap contains no ingredients which render it substantially different from other toilet soaps of the same grade and character.

PAR. 4. The use by respondent of said false and misleading statements and representations concerning its said products has the tendency and capacity to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken

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belief that such statements and representations are true. As a result of such erroneous and mistaken belief the purchasing public has been induced to purchase, and has purchased, substantial quantities of respondent's products and thereby trade has been diverted unfairly to the respondent from its competitors. In consequence thereof, substantial injury has been done and is being done by the respondent to competition in commerce between and among the various States of the United States and in the District of Columbia.

CONCLUSION

The aforesaid acts and practices of the respondent, as herein found, are all to the prejudice and injury to the public and of respondent's competitors, and constitute unfair methods of competition in commerce and 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, testimony and other evidence taken before examiners of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, brief filed by counsel for the Commission (no brief having been filed on behalf of the respondent and oral argument not having been requested), and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act.

It is ordered, That respondent, White King Soap Co., a corporation, its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of its soaps designated "White King Granulated Soap" and "White King Toilet Soap," or any other soaps composed of substantially similar ingredients or possessing substantially similar properties, whether sold under the same names or under any other names, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing that said soap designated "White King Granulated Soap" is the only soap with which fabrics may satisfactorily be washed in cool water; that the washing of all types of fabrics in cool water causes such fabrics to be brighter or whiter than when

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washed in hot water; that the use of said soap renders the use of bleaching and bluing unnecessary; that the use of a jelly made from said soap will remove all spots or stains from fabrics; that said soap is superior in quality or effectiveness to other soaps of the same general character on the market; that all fabrics fade or shrink when washed in hot water; that the use of said soap prevents fabrics from fading or shrinking.

2. Representing that said soap designated "White King Toilet Soap" will keep the skin fresh or supple, or prevent or remove wrinkles in the skin.

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

Syllabus

IN THE MATTER OF
**MAX KRAUSS, TRADING AS AMERICAN CORD &
 WEBBING COMPANY**

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

· *Docket 4112. Complaint, Apr. 26, 1940—Decision, Jan. 10, 1941*

Where an individual engaged in competitive interstate sale and distribution of cloth tape or web for use in manufacturing venetian blinds, and including among those to whom he sold said product, manufacturers or wholesalers of such blinds, for use in making same—

- (a) Represented that all of his colors were produced by means of vat dyes, through such statements, on advertising folders distributed among prospective customers and displaying tape showing various colors in which such tape might be obtained, as "VAT DYES are the FASTEST Dyes known to science—made to resist the color destroying action of sunlight, washing, dry cleaning, etc.," "THE PERMANENCE OF VAT DYES is due both to their natural characteristics and to the processes by which they are applied. * * *," and "LABORATORY TESTS prove superior fastness of vat dyes";

Facts being not all of their said colors, as thus represented, were produced by means of vat dyes, but two of such colors portrayed on folder in question, namely, "Chinese Red" and "Black," were not vat dyes, but those produced by other methods, as was not disclosed in folder and descriptive matter referred to;

- (b) Represented that the colors of his products were superior in fastness and durability to other colors used for similar purposes, and that his said products had been subjected to certain tests extending over designated periods and that results thereof demonstrated that colors used therein would not fade or change and that they were in fact impervious to effects of sunlight, through such statements in certain of his advertising material, displaying in parallel columns results, as there set forth, of tests made with an instrument producing "artificial sunlight, stronger than midday sun," and such statements therein, under respective captions "Direct or any Other Ordinary Commercial Colors," and "Yarn Dyed Vat Colors used in Lintex Brand Venetian Blind Web," as "Chocolate. Exposed 50 hours. Result—decided fade," and "Chocolate. Exposed 240 hours. Result—no appreciable sign of fading," and other more or less comparable statements for other colors;

Facts being that, as shown by tests made at instance of Commission, his colors were not superior in all cases to the other colors used for similar purposes, and were not impervious to the effects of sunlight and would not resist change for the periods of time designated by him, but faded appreciably when subjected to sunlight for periods of time which were much shorter than that which he designated;

- (c) Made use of coined word "Lintex" as trade name for some of his products; Facts being web or tape thus branded was made of cotton entirely and was not, as substantial portion of purchasing public would understand from use of word "Lintex," linen or fabric or product of flax, as long associated in mind