

## Syllabus

## IN THE MATTER OF

## U. S. AIR SEAL, INC.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION  
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 4187. Complaint, July 13, 1940—Decision, Jan. 15, 1941*

Where a corporation engaged in manufacture of its "Air Seal" automobile accessory compound to prevent tire blow-outs, and in interstate sale thereof, in statements with reference thereto, through pamphlets and circular advertising and otherwise—

- (a) Represented that use of its said product would cause tires to be immune to and safe from blow-outs, and would control blown-out tire by retaining enough air in tube for safe stopping, through such statements as "Not one manufacturer has produced a blow-out proof tire, but all makes of tires are immediately made safe by Air Sealing from this danger," and "Air Seal will absolutely control a blown-out tire by retaining enough air after a blow-out to allow you to come to a straight-a-head, safe stop—sometimes even permitting you to go on to a service station for repairs," and through invitation, as a test, to "DRIVE A NAIL IN AN AIR-SEALED TIRE" and depiction of nail being driven into tire, facts being such product would not cause tires to be immune and safe from such happenings or prevent blow-outs caused by large holes, tube punctures or broken beads, and would not control a blown-out tire by retaining enough air for safe stopping or otherwise; and
- (b) Represented, as aforesaid, that use of its said "Air Seal" would eliminate friction and extend life of tube, and preserve rubber, and that such "Air Seal" was superior to similar products used to prevent escape of air from tubes, and that use thereof produced a 25 percent increase in tire mileage, through such statements as "\* \* \* unlike most other products which are designed for blow-out control and puncture proofing, does not engender friction (heat), thus, it eliminates the primary cause of blow-outs," and "Air Sealed tubes will outlast two or three casings," and "\* \* \* preserves the rubber," and "Regardless of the number of tire miles you are now getting, Air Seal will positively give you 25 percent or more," facts being it would not eliminate friction, extend life of tube, give 25 percent or any appreciable increased tire mileage nor accomplish other results claimed for it as above set forth, and was not superior in such particulars to similar products used to prevent escape of air from tubes;

With effect, through use of such false, deceptive, and misleading statements, representations and claims, of misleading and deceiving substantial portion of purchasing public into erroneous and mistaken belief that such statements, representations and claims were true, and of causing substantial portion of purchasing public, because of such erroneous and mistaken belief, to purchase substantial quantities of its said product:

*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.

*Mr. Jesse D. Kash* for the Commission.

*Mr. Paul Z. Hodge*, of Warren, Ohio, for respondent.

Complaint

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## 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 U. S. Air Seal, Inc., 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 would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The respondent, U. S. Air Seal, Inc., is a corporation organized, existing, and doing business under the laws of the State of Ohio, with its principal place of business located at Broadway and High Streets, Girard, Ohio.

PAR. 2. The respondent is now, and for more than 1 year last past has been, engaged in the manufacture and sale of an automobile accessory compound designed to prevent blow-outs in tires, known and designated as "Air Seal." Respondent causes its product, when sold by it, to be transported from its aforesaid place of business in the State of Ohio to the purchasers thereof located in various 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 automobile accessory compound "Air Seal" in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its said business and for the purpose of inducing the purchase of its said product, respondent, by means of advertising in pamphlets and circulars and by other means, has made, and is now making, false statements and representations regarding the efficacy and effect of its product, and the results that are achieved by its use.

Among and typical of the false statements and representations contained in said advertisements, so used and disseminated as aforesaid, are the following:

Not one manufacturer has produced a blow-out proof tire, but all makes of tires are immediately made safe by Air Sealing from this danger.

Air Seal will absolutely control a blown-out tire by retaining enough air after a blow-out to allow you to come to a straight-a-head, safe stop—sometimes even permitting you to go on to a service station for repairs.

Air Seal, unlike most other products which are designed for blow-out control and puncture proofing, does not engender friction (heat), thus, it eliminates the primary cause of blow-outs.

Air Sealed tubes will outlast two or three casings.

Air Seal preserves the rubber.

Make this test—drive a nail into your tire and after removing it you will discover not one pound of air has escaped. Do you know of any other tire or tube that will withstand this torture.

DRIVE  
A NAIL IN AN  
AIR-SEALED  
TIRE.

Picture of  
nail being  
driven into  
tire.

Regardless of the number of tire miles you are now getting, Air Seal will positively give you 25% or more.

PAR. 4. The foregoing statements and representations are grossly exaggerated, misleading, and untrue. In truth and in fact, respondent's said product will not cause tires to be immune and safe from blow-outs, or prevent blow-outs caused by large holes, tube punctures, or broken beads; it will not control a blow-out tire by retaining enough air for safe stopping or otherwise; it will not eliminate friction; it will not extend the life of the tube; it will not preserve rubber; it is not superior to similar products used to prevent the escape of air from tubes; and it will not give 25 percent or any appreciable increased tire mileage.

PAR. 5. The use by the respondent of the foregoing false, deceptive, and misleading statements, representations, and claims with respect to its product, disseminated as aforesaid, has had, and now has, the tendency and capacity to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements, representations and claims are true, and to cause, and it has caused, a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase substantial quantities of respondent's product.

The aforesaid acts and practices of the 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 July 13, 1940, issued and served its complaint in this proceeding upon respondent U. S. Air Seal, Inc., charging it with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. On December 4, 1940, the respondent filed its answer, in which answer it admitted

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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 the 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. The respondent U. S. Air Seal, Inc., is a corporation organized and doing business under the laws of the State of Ohio, with its principal place of business formerly located at Broadway and High Street, Girard, Ohio, but now located at 33 Cherry Street, Niles, Ohio.

PAR. 2. The respondent is now and for more than 1 year last past has been engaged in the manufacture and sale of an automobile accessory compound designed to prevent blow-outs in tires, known and designated as "Air Seal." Respondent causes its product, when sold by it, to be transported from its aforesaid place of business in the State of Ohio to the purchasers thereof located in various 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 automobile accessory compound "Air Seal" in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its said business and for the purpose of inducing the purchase of its said product, respondent, by means of advertising in pamphlets and circulars and by other means, has made, and is now making, false statements and representations regarding the efficacy and effect of its product, and the results that are achieved by its use.

Among and typical of the false statements and representations contained in said advertisements, so used and disseminated as aforesaid, are the following:

Not one manufacturer has produced a blow-out proof tire, but all makes of tires are immediately made safe by Air Sealing from this danger.

Air Seal will absolutely control a blown-out tire by retaining enough air after a blow-out to allow you to come to a straight-a-head, safe stop—sometimes even permitting you to go on to a service station for repairs.

Air Seal, unlike most other products which are designed for blow-out control and puncture proofing, does not engender friction (heat), thus, it eliminates the primary cause of blow-outs.

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Air Sealed tubes will outlast two or three casings.

Air Seal preserves the rubber.

Make this test—drive a nail into your tire and after removing it you will discover not one pound of air has escaped. Do you know of any other tire or tube that will withstand this torture.

DRIVE  
A NAIL IN AN  
AIR-SEALED  
TIRE.

Picture of  
nail being  
driven into  
tire.

Regardless of the number of tire miles you are now getting, Air Seal will positively give you 25% or more.

PAR. 4. The foregoing statements and representations are grossly exaggerated, misleading, and untrue. In truth and in fact, respondent's said product will not cause tires to be immune and safe from blow-outs, or prevent blow-outs caused by large holes, tube punctures, or broken beads; it will not control a blown-out tire by retaining enough air for safe stopping or otherwise; it will not eliminate friction; it will not extend the life of the tube; it will not preserve rubber; it is not superior in these particulars to similar products used to prevent the escape of air from tubes; and it will not give 25 percent or any appreciable increased tire mileage.

PAR. 5. The use by the respondent of the foregoing false, deceptive, and misleading statements, representations, and claims with respect to its product, disseminated as aforesaid, has had, and now has, the tendency and capacity to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements, representations and claims are true, and to cause, and it has caused, a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase substantial quantities of respondent's product.

## CONCLUSION

The aforesaid acts and practices of respondent 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 and the answer of respondent, in which answer respondent admits all the material

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allegations of fact set forth in said complaint and states that it 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, U. S. Air Seal, Inc., its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution for use in inner tubes of its product designated "Air Seal," or any other product of substantially the same composition, whether sold under the name "Air Seal" or some other name, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing:

1. That the use of its product will cause tires to be immune to, or safe from, blow-outs or prevent blow-outs caused by large holes, tube punctures, or broken beads.
2. That the use of its product will control a blown-out tire by retaining enough air in the tube for safe stopping.
3. That its use will eliminate friction, extend the life of the tube, or preserve rubber, or that said product is superior to similar products used to prevent the escape of air from tubes; or
4. That its use produces a 25 percent, or any other appreciable, increase in tire mileage.

*It is further ordered*, That 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.

## Complaint

IN THE MATTER OF  
NATIONAL PROPRIETARIES, INC.

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

*Docket 4271. Complaint, Aug. 27, 1940—Decision, Jan. 15, 1941*

Where a corporation engaged in sale and distribution of its "Nuga-Tone" to purchasers in various States; in advertisements of its said product, which it disseminated and caused to be disseminated through the mails and by various other means in commerce and otherwise, and including advertisements in newspapers, circulars and other advertising literature, and which were intended and likely to induce purchase of its said product—

- (a) Represented, directly and by implication, that its said "Nuga-Tone" possessed substantial therapeutic value in treatment of nervous disorders, facts being it possessed no such value and was not a safe and harmless preparation, in that it contained drugs Corrosive Sublimate, Strychnine Sulphate, Arsenic Trioxide, Reduced Iron, Extract Gentian, Extract Cascara Sagrada, Extract Taraxacum and Zinc Phosphide in quantities sufficient to produce serious and irreparable injury to health if used under conditions prescribed in said advertisements or under such conditions, as are customary and usual, and use thereof might result in chronic poisoning which may be recognized by renal irritations, nervous irritability, neuritis, psychoses, nutritional disturbances leading to cachexia, muscular atrophy, decalcification of the bones, and anemia; and
- (b) Failed to reveal in said advertisements facts material in light of such representations, and that use of said product, under conditions prescribed in said advertisements or under such conditions as are customary or usual, might result in serious and irreparable injury to health;

With capacity and tendency to mislead and deceive substantial portion of purchasing public into erroneous and mistaken belief that said false, misleading and deceptive statements, representations and advertisements were true, and that said "Nuga-Tone" was a valuable medicine for treatment of nervous disorders, and to induce, directly or indirectly, purchase by such public of said preparation:

*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. William L. Taggart* for the Commission.

*Newby, Simmons & Cessna*, of Chicago, Ill., 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 National Proprie-