

Complaint

IN THE MATTER OF

MEDORA WHINREY, TRADING UNDER THE STYLE AND
FIRM NAME OF GLY-CAS MEDICINE COMPANY, AND
ROBERT B. WHINREYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 4432. Complaint, Dec. 21, 1940—Decision, Apr. 25, 1941*

Where two individuals respectively engaged as proprietress and manager and. in their individual capacities also, in interstate sale and distribution of their Gly-Cas medicinal product or preparation; by means of advertisements disseminated by various means and including quotations at length from testimonial or purported testimonial endorsements—

- (a) Represented, directly and by implication, that their preparation was a cure or remedy and competent and effective treatment for constipation, indigestion, gas, bloated and sour stomach, rheumatic and neuritis pains, sore and aching muscles, limbs, and joints; backaches, dizziness, nervousness, kidney trouble, sleeplessness, biliousness, and headaches; and
- (b) Represented that such disorders and conditions are typical symptoms of constipation or faulty elimination, and that use of their preparation will completely cleanse the system, remove toxic impurities, and prevent invasion of intestinal glands by bacteria, and that it is a body conditioner and purifier which will restore one to normal health;

Facts being product in question is not a cure or remedy for constipation, has no therapeutic value in the treatment thereof in excess of temporary relief afforded by causing a partial evacuation of the intestinal tract, and will not accomplish the results above claimed; and conditions above set forth are often caused by other systemic disorders than constipation, in which event their said product would have no therapeutic effect;

With effect of misleading and deceiving a substantial portion of the purchasing public into the mistaken belief that such false representations were true and of thereby inducing it to purchase their said product:

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. John W. Carter, Jr., 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 Medora Whinrey,

Complaint

32 F. T. C.

individually and trading under the style and firm name of Gly-Cas Medicine Co., and Robert B. Whinrey, an individual, hereinafter referred to as respondents, have 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 Medora Whinrey is an individual trading under the style and firm name of Gly-Cas Medicine Co. with her principal place of business located at 533, The Johnson, Muncie, Ind.

PAR. 2. Respondent Robert B. Whinrey is an individual and is manager of Gly-Cas Medicine Co. This respondent, acting in his individual capacity, for his own interest and as manager of Gly-Cas Medicine Co., determines, directs, and administers or assists in determining, directing, and administering the business policies, and is personally and actively engaged in controlling, conducting, and operating the business activities of the aforesaid Gly-Cas Medicine Co.

Respondent Robert B. Whinrey and respondent Medora Whinrey have jointly, severally, and individually, and under the style and firm name of Gly-Cas Medicine Co., engaged in the business activities, at the place of business as aforesaid, as hereinafter set forth.

PAR. 3. Acting in their individual capacities and trading under the style and firm name of Gly-Cas Medicine Co., the respondents are now, and for more than 1 year last past have been, engaged in the advertising, sale, and distribution of a medicinal product or preparation designated by "Gly-Cas," in commerce among and between the various States of the United States.

Respondents cause said medicinal preparation when sold to be transported from respondents' place of business in the State of Indiana to the purchasers thereof located in various other States of the United States and the District of Columbia.

Respondents maintain and at all times mentioned herein have maintained a course of trade in the said medicinal preparation in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 4. In the course and conduct of their aforesaid business respondents have disseminated and are now disseminating, and have caused and are now causing, the dissemination of false advertisements concerning their said preparation "Gly-Cas" by various means in commerce as commerce is defined by the Federal Trade Commission Act; and the respondents have also disseminated, and are now disseminating, and have caused and are now causing the dissemination of false advertisements, concerning their said product by various means for the

1299

Complaint

purpose of inducing, and which are likely to induce, directly or indirectly, the purchase of their said preparation in commerce, as commerce is defined by the Federal Trade Commission Act.

Among and typical of the false statements and representations contained in the aforesaid advertisements, disseminated and caused to be disseminated by respondents as aforesaid, are the following:

"IS WONDERFUL TO FEEL SO GOOD AGAIN" DECLARES MRS. LOGAN

Decatur Lady Was Never As Pleasantly Surprised As With the Results Gly-Cas Gave Her; Says, "Words Cannot Express Her Appreciation of the Modern Herbal Remedy."

"For about twenty years before I began Gly-Cas I had felt miserable," said Mrs. Nora Logan, 1414 Fifth Ave., South, a native of this section and well known resident of this city, recently in talking with the Special Gly-Cas Man who is daily meeting the local public at

(Picture of Mrs. Nora Logan)

the Loyd's Drug Store, this city.

"Faulty bowel action began my health problems," continued Mrs. Logan, "I was often confined to bed, lacked the strength to do anything and what little housework I tried to do was an awful drudgery for me. Very few foods I ate agreed with me and most of them caused me awful distress with gas, bloating and indigestion after every meal. I became extremely nervous, was on such a strict diet I lost over thirty pounds and it seemed I simply could not locate a medicine to give me the results I wanted. My kidneys acted so frequently that my sleep and rest was disturbed, dreadful pains settled across my back and those sharp, stabbing pains were often more than I felt I could endure. But in spite of the failure of the many medicines I tried in my case I finally got results with Gly-Cas * * * it seemed to have just what I had been wanting.

"A good friend recommended that I try this Gly-Cas remedy and now I am so thankful I followed this advice," continued Mrs. Logan, "Never was I so surprised as when this vegetable capsule remedy began to give me the first relief I had had in many years. My bowels began to act regularly and with relief from the effects of those clogged intestinal impurities I was soon feeling better than I had even hoped for. Soon I was eating and enjoying foods I had dared not touch before, am not troubled with gas, bloating, or indigestion after eating, sleep fine, am not so nervous and really enjoy living again. I eat nourishing foods now and enjoy them too, have gained eight pounds and have ample strength and energy to do all my own work without tiring. Even those aches and pains do not bother me now and it is really hard for my words to express my true appreciation of all these Gly-Cas capsules have done for me."

AGONY OF STABBING PAIN HAS LEFT HIS SHOULDERS AND LEGS

Huntington Man Now Walks Good, Sleeps Well; Has Gained Twenty Pounds;
Mr. Albert Elkins So Happy With Surprising Action of the Gly-Cas

Complaint

32 F. T. C.

There are hundreds of Huntington residents today who appreciate the TRUE VALUE of this modern capsule remedy, Gly-Cas and have only the highest of praise for it. They have learned through

(Picture of Mr. Albert Elkins)

actual use how Gly-Cas tends to improve digestion, relieve sourness, gas and bloating, dizzy spells, biliousness, so-called rheumatic and neuritis pains, nervousness, headaches, backaches which so frequently are caused by faulty bowel action and which cannot be understood or accounted for.

"I am now enjoying better health than I have in years and want to give full credit to this Gly-Cas remedy," said Mr. Albert Elkins, 1211 26th Street, Huntington, a well known and highly respected local gentleman who has lived here a number of years, recently in praising Gly-Cas' action to the Gly-Cas Man who is daily meeting the local people at the Boggess Drug Store, 906 Third Ave., this city;

"A stubborn case of constipation had bothered me for years," continued Mr. Albert Elkins. "In later years I developed those terrible so-called neuritis pains and what I endured with this awful suffering could not possibly be described in words alone. My shoulders ached and pained terribly and those sharp, stabbing pains in my arms and legs were almost more than I could stand at times. I could hardly walk at all and I could not sleep when the suffering was so severe. I got practically no rest in my condition for most nights it was past midnight before I could get to sleep. Being so miserable all the time I lost weight and strength and could see nothing ahead of me but continued suffering. But now * * * thanks to Gly-Cas I am feeling like my former self again.

"I did not know a medicine like Gly-Cas existed until I began its use," continued Mr. Elkins. "From the first few doses I began to show rapid improvement and now my bowels are regular and with relief from the effects of those clogged impurities I am feeling better than I have in years. Those awful aches and pains have gone now, sleep and rest well, have gained twenty pounds and have only the highest of praise to offer for this modern capsule remedy. No wonder Gly-Cas has become so popular here in Huntington in this short time it has been known here * * * for it is a medicine of merit."

Assist nature in this condition; prevent invasion of bacteria into the intestinal glands by permitting proper elimination with Gly-Cas' use.

Through the use of the statements and representations hereinabove set forth and in statements and representations similar thereto, not specifically set out herein, all of which purport to be descriptive of the therapeutic properties of said preparation, respondents represent, directly and by implication, that their said preparation is a cure or remedy for constipation; indigestion; gas; bloated and sour stomach; rheumatic and neuritis pains; sore and aching muscles, limbs, and joints; backaches; dizziness; nervousness; kidney trouble; sleeplessness; biliousness; and headaches, and that it constitutes a competent and effective treatment for such conditions.

It is further represented by the respondents that the aforesaid disorders and conditions are typical symptoms of constipation or faulty elimination and that the existence of one or more of such symptoms indicates that constipation is the basic cause of such disorders and conditions. Respondents also represent that the use of their preparation "Gly-Cas" will completely cleanse the system, remove toxic impurities, and prevent invasion of intestinal glands by bacteria, and that it is a body conditioner and purifier which will restore one to normal health.

PAR. 5. The foregoing representations are grossly exaggerated, false, and misleading. Respondents' preparation "Gly-Cas" is not a cure or remedy for constipation and has no therapeutic value in the treatment thereof, in excess of the temporary relief afforded by causing a partial evacuation of the intestinal tract. It will not completely cleanse the system, remove toxic impurities, or prevent invasion of intestinal glands by bacteria. Said preparation is not a body conditioner or purifier and will not restore normal health.

The disorders and conditions such as indigestion; gas; bloated and sour stomach; rheumatic and neuritis pains; sore and aching muscles, limbs, and joints; backache; dizziness; nervousness; kidney trouble; sleeplessness; biliousness; and headaches are not typical symptoms of constipation or faulty elimination but are often caused by other systemic disorders. When such conditions or disorders are due to causes other than constipation or faulty elimination, the use of respondents' preparation will have no therapeutic effect. To the extent that constipation or faulty elimination may be the contributing factor to, or the basic cause of, such conditions or disorders, respondents' preparation has no therapeutic value in the treatment thereof in excess of the temporary relief afforded by causing a partial evacuation of the intestinal tract.

PAR. 6. The use by the respondents of the foregoing false, deceptive, and misleading statements and representations, and others of a similar nature 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 false statements, representations, and advertisements are true and to induce a substantial portion of the purchasing public because of such erroneous and mistaken belief to purchase respondents' preparation.

PAR. 7. The aforesaid acts and practices of the respondents, 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 the 21st day of December 1940, issued and subsequently served its complaint in this proceeding upon respondents Medora Whinrey and Robert B. Whinrey, charging said Medora Whinrey, individually and trading under the style and firm name of Gly-Cas Medicine Co., and Robert B. Whinrey, individually, with unfair and deceptive acts and practices in commerce in violation of the provisions of said act.

Subsequently, respondents jointly and severally, in their individual capacities and trading as Gly-Cas Medicine Co., filed their answer in which they admitted all the material allegations of fact set forth in said complaint and waived all intervening procedure and further hearing as to said facts, and further waived the filing of briefs and the presentation of oral argument.

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. Respondent Medora Whinrey is an individual trading under the style and firm name of Gly-Cas Medicine Co. with her principal place of business located at 533, The Johnson, Muncie, Ind.

PAR. 2. Respondent Robert B. Whinrey is an individual and is manager of Gly-Cas Medicine Co. This respondent, acting in his individual capacity, for his own interest and as manager of Gly-Cas Medicine Co., determines, directs, and administers or assists in determining, directing, and administering the business policies, and is personally and actively engaged in controlling, conducting, and operating the business activities of the aforesaid Gly-Cas Medicine Co.

Respondent Robert B. Whinrey and respondent Medora Whinrey have jointly, severally, and individually, and under the style and firm name of Gly-Cas Medicine Co., engaged in the business activities, at the place of business as aforesaid, as hereinafter set forth.

PAR. 3. Acting in their individual capacities and trading under the style and firm name of Gly-Cas Medicine Co., the respondents are now, and for more than 1 year last past have been, engaged in the advertising, sale, and distribution of a medicinal product or preparation, designated as "Gly-Cas," in commerce among and between the various States of the United States.

Respondents cause said medicinal preparation when sold to be transported from respondents' place of business in the State of Indiana to the purchasers thereof located in various other States of the United States and the District of Columbia.

Respondents maintain and at all times mentioned herein have maintained a course of trade in the said medicinal preparation in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 4. In the course and conduct of their aforesaid business respondents have disseminated and are now disseminating, and have caused and are now causing, the dissemination of false advertisements concerning their said preparation "Gly-Cas" by various means in commerce, as commerce is defined by the Federal Trade Commission Act; and the respondents have also disseminated, and are now disseminating, and have caused and are now causing the dissemination of false advertisements concerning their said product by various means for the purpose of inducing, and which are likely to induce, directly or indirectly, the purchase of their said preparation in commerce, as commerce is defined by the Federal Trade Commission Act.

Among and typical of the false statements and representations contained in the aforesaid advertisements, disseminated and caused to be disseminated by respondents as aforesaid, are the following:

"IS WONDERFUL TO FEEL SO GOOD AGAIN" DECLARES MRS. LOGAN

Decatur Lady Was Never As Pleasantly Surprised As With the Results Gly-Cas Gave Her; Says, "Words Cannot Express Her Appreciation of the Modern Herbal Remedy."

"For about twenty years before I began Gly-Cas I had felt miserable," said Mrs. Nora Logan, 1414 Fifth Ave., South, a native of this section and well known resident of this city, recently in talking with the Special Gly-Cas Man who is daily meeting the local public at

(Picture of Mrs. Nora Logan)

the Loyd's Drug Store, this city.

"Faulty bowel action began my health problems," continued Mrs. Logan, "I was often confined to bed, lacked the strength to do anything and what little housework I tried to do was an awful drudgery for me. Very few foods I ate agreed with me and most of them caused me awful distress with gas, bloating and indigestion."

gestion after every meal. I became extremely nervous, was on such a strict diet I lost over thirty pounds and it seemed I simply could not locate a medicine to give me the results I wanted. My kidneys acted so frequently that my sleep and rest was disturbed, dreadful pains settled across my back and those sharp, stabbing pains were often more than I felt I could endure. But in spite of the failure of the many medicines I tried in my case I finally got results with Gly-Cas * * * it seemed to have just what I had been wanting.

"A good friend recommended that I try this Gly-Cas remedy and now I am so thankful I followed this advice," continued Mrs. Logan, "Never was I so surprised as when this vegetable capsule remedy began to give me the first relief I had had in many years. My bowels began to act regularly and with relief from the effects of those clogged intestinal impurities I was soon feeling better than I had even hoped for. Soon I was eating and enjoying foods I had dared not touch before, am not troubled was gas, bloating or indigestion after eating, sleep fine, am not so nervous and really enjoy living again. I eat nourishing foods now and enjoy them too, have gained eight pounds and have ample strength and energy to do all my own work without tiring. Even those aches and pains do not bother me now and it is really hard for my words to express my true appreciation of all these Gly-Cas capsules have done for me."

AGONY OF STABBING PAIN HAS LEFT HIS SHOULDERS AND LEGS

Huntington Man Now Walks Good, Sleeps Well; Has Gained Twenty Pounds; Mr Albert Elkins So Happy With Surprising Action of the Gly-Cas

There are hundreds of Huntington residents today who appreciate the TRUE VALUE of this modern capsule remedy, Gly-Cas and have only the highest of praise for it. They have learned through actual use how Gly-Cas tends to

(Picture of Mr. Albert Elkins)

Improve digestion, relieve sourness, gas and bloating, dizzy spells, billousness, so-called rheumatic and neuritis pains, nervousness, headaches, backaches which so frequently are caused by faulty bowel action and which cannot be understood or accounted for.

"I am now enjoying better health than I have in years and want to give full credit to this Gly-Cas remedy," said Mr. Albert Elkins, 1211 26th Street, Huntington, a well known and highly respected local gentleman who has lived here a number of years, recently in praising Gly-Cas' action to the Gly-Cas Man who is daily meeting the local people at the Boggess Drug Store, 906 Third Ave., this city;

"A stubborn case of constipation had bothered me for years," contended Mr. Albert Elkins. "In the later years I developed those terrible so-called neuritis pains and what I endured with this awful suffering could not possibly be described in words alone. My shoulders ached and pained terribly and those sharp, stabbing pains in my arms and legs were almost more than I could stand at times. I could hardly walk at all and I could not sleep when the suffering was so severe. I got practically no rest in my condition for most nights it was past midnight before I could get to sleep. Being so miserable all the time I lost weight and strength and could see nothing ahead of me but

continued suffering. But now * * * thanks to Gly-Cas I am feeling like my former self again.

"I did not know a medicine like Gly-Cas existed until I began its use," continued Mr. Elkins. "From the first few doses I began to show rapid improvement and now my bowels are regular and with relief from the effects of those clogged impurities I am feeling better than I have in years. Those awful aches and pains have gone now, sleep and rest well, have gained twenty pounds and have only the highest of praise to offer for this modern capsule remedy. No wonder Gly-Cas has become so popular here in Huntington in this short time it has been known here * * * for it is a medicine of merit."

Assist nature in this condition; prevent invasion of bacteria into the intestinal glands by permitting proper elimination with "Gly-Cas" use.

Through the use of the statements and representations hereinabove set forth and in statements and representations similar thereto, not specifically set out herein, all of which purport to be descriptive of the therapeutic properties of said preparation, respondents represent, directly and by implication, that their said preparation is a cure or remedy for constipation; indigestion; gas; bloated and sour stomach; rheumatic and neuritis pains; sore and aching muscles, limbs, and joints; backaches; dizziness; nervousness; kidney trouble; sleeplessness; biliousness; and headaches, and that it constitutes a competent and effective treatment for such conditions.

It is further represented by the respondents that the aforesaid disorders and conditions are typical symptoms of constipation or faulty elimination and that the existence of one or more of such symptoms indicates that constipation is the basic cause of such disorders and conditions. Respondents also represent that the use of their preparation "Gly-Cas" will completely cleanse the system, remove toxic impurities, and prevent invasion of intestinal glands by bacteria, and that it is a body conditioner and purifier which will restore one to normal health.

PAR. 5. The foregoing representations are grossly exaggerated, false, and misleading. Respondents' preparation "Gly-Cas" is not a cure or a remedy for constipation and has no therapeutic value in the treatment thereof, in excess of the temporary relief afforded by causing a partial evacuation of the intestinal tract. It will not completely cleanse the system, remove toxic impurities, or prevent invasion of intestinal glands by bacteria. Said preparation is not a body conditioner or purifier and will not restore normal health.

The disorders and conditions such as indigestion; gas; bloated and sour stomach; rheumatic and neuritis pains; sore and aching muscles, limbs, and joints; backache; dizziness; nervousness; kidney trouble;

Order

32 F. T. C.

sleeplessness; biliousness; and headaches are not typical symptom of constipation or faulty elimination but are often caused by other systemic disorders. When such conditions or disorders are due to causes other than constipation or faulty elimination, the use of respondents' preparation will have no therapeutic effect. To the extent that constipation or faulty elimination may be the contributing factor to, or the basic cause of, such conditions or disorders, respondents' preparation has no therapeutic value in the treatment thereof in excess of the temporary relief afforded by causing a partial evacuation of the intestinal tract.

PAR. 6. The use by the respondents of the foregoing false, deceptive, and misleading statements and representations, and others of a similar nature 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 false statements, representations and advertisements are true and to induce a substantial portion of the purchasing public because of such erroneous and mistaken belief to purchase respondents' preparation.

CONCLUSION

The aforesaid acts and practices of the respondents, as herein found, 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 joint and separate answer of the respondents, in which answer respondents admit all the material allegations of fact set forth in said complaint and state that they waive all intervening procedure and further hearing as to the said facts, and the Commission having made its findings as to the facts, and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That respondents Medora Whinrey, individually and trading under the style and firm name of Gly-Cas Medicine Co., or under any other trade name, and Robert B. Whinrey, individually, and their respective agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of their medicinal preparation "Gly-

Cas," or any other preparation of substantially similar composition 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 by means of the United States mails or by any means in commerce, as commerce is defined in the Federal Trade Commission Act, which advertisement represents, directly or through inference:

(a) That indigestion; gas; bloated or sour stomach; rheumatic or neuritis pains; sore or aching muscles, limbs, or joints; backaches; dizziness; nervousness; kidney trouble; sleeplessness; biliousness; or headaches are typical or usual symptoms of constipation or faulty elimination.

(b) That respondents' medicinal preparation "Gly-Cas" is a cure or remedy or constitutes a competent or effective treatment for indigestion; gas; bloated or sour stomach; rheumatic or neuritis pains; sore or aching muscles, limbs, or joints; backaches; dizziness; nervousness; kidney trouble; sleeplessness; biliousness; or headaches.

(c) That respondents' preparation is a cure or remedy for constipation or that it has any therapeutic value in the treatment thereof in excess of the temporary relief afforded by causing a partial evacuation of the intestinal tract.

(d) That said preparation will completely cleanse the system or remove toxic impurities.

(e) That said preparation will prevent invasion of intestinal glands by bacteria.

(f) That said preparation is a body conditioner and purifier which will restore one to normal health.

(g) That said preparation has any therapeutic value at all in the treatment of the symptoms, conditions, or disorders set forth in subsection (a) of paragraph 1 hereof, when such symptoms, conditions, or disorders are due to causes other than constipation or faulty elimination.

(h) That said preparation has any therapeutic value in the treatment of any of the symptoms, conditions, or disorders set forth in subsection (a) of paragraph 1 hereof, other than that furnished by causing a partial evacuation of the intestinal tract.

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 said medicinal prepara-

Order

32 F. T. C.

tion "Gly-Cas," which advertisement contains any of the representations prohibited in paragraph 1 hereof, and the respective subdivisions thereof.

It is further ordered, That the respondents shall, within 60 days from the date of service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they are complying with this order.

Complaint

IN THE MATTER OF

HARRY GEMSON

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 28, 1914

Docket 3716. Complaint, Feb. 18, 1939—Decision, Apr. 26, 1941

Where an individual engaged in competitive interstate sale and distribution of outer garment materials, cloth, and allied products, acting as selling agent for various woolen manufacturers; in advertising a certain fabric containing approximately 10 percent camel hair, in trade papers and periodicals and in circulars and other printed matter—

- (a) Made use of and featured the designation "Camelite," together with picturizations of a camel and such statements as "a rich lustrous fleece," and "the rich lustrous fleece that has won approval of leading buyers," and
- (b) Set forth on labels which he caused to be placed on the material in question the statement "Genuine Camelite," together with picturization of a camel;

With result of representing falsely through such designations, statements and picturizations that the product in question was composed entirely of camel's hair, and with tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that his said product was composed entirely of such hair, and with consequence that a number of consuming public purchased a substantial volume of his fabric, and trade was diverted unfairly to him from competitors:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Miles J. Furnas* and *Mr. John W. Addison*, trial examiners.

Mr. J. R. Phillips, Jr., for the Commission.

Mr. Philip Pearlman, of New York City, 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 Harry Gemson, 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: