

Syllabus

IN THE MATTER OF
PEGGIE MORAN COMPANY, INC., AND IRENE
JOHNSTON, INC.

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

Docket 4415. Complaint, Dec. 13, 1940—Decision, July 7, 1942

Where two corporations, engaged in the interstate sale and distribution—principally to retail dealers, including department stores, drug stores, and beauty shops—of "Peggie Moran Savon" reducing soap, which the second, also operating a beauty shop, purchased from the first;

Acting in conjunction with each other and following a plan of cooperative advertising pursued by said first corporation under which it assisted its customers in the advertisement of said product, supplying advertising circulars and leaflets for distribution, paying a portion of the cost of advertising through allowing discounts on dealers' invoices upon the submission by the dealer of a tear sheet showing the newspaper advertisement, supplying its dealers with mats and copies for their use in newspaper advertising, and assisting them in the preparation of other newspaper advertisements—

Represented, through extensive advertisement of said soap by means of circulars and leaflets distributed among the public, and through advertisements inserted in Los Angeles newspapers of wide circulation in California and other States, directly or by implication, that their soap was an effective reducing agent through the use of which excessive flesh or fat could be removed from the body or from any particular portion or area thereof;

The facts being said soap was incapable of affecting the size or weight of the body; while Bentonite clay—the only ingredient therein for which they claimed any reducing properties—might, because of its hygroscopic action or affinity for water, withdraw small amounts thereof from the body through the skin, such amounts would be negligible; and any such hygroscopic action would also be materially lessened by reason of the substantial quantities of water used in manufacture of the soap and preparation of the lather therefrom;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the mistaken belief that said soap possessed reducing properties and values, thereby inducing it to purchase substantial quantities thereof;

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.

As respects the validity of claims in behalf of a soap represented as capable of and effective for reducing the body or certain parts thereof through use in bathing, by reason of the Bentonite clay included therein, with its hygroscopic properties or affinity for water, testimony offered in support of such claims by witnesses to the effect that they had obtained satisfactory results therefrom was insufficient to overcome the expert testimony that the soap was incapable,

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through said properties or otherwise, of affecting the size or weight of the body; it appearing that other users had testified that they had experienced no reduction and that some of those who testified to a reduction in weight following the use of the soap had been contemporaneously dieting.

Before *Mr. Edward E. Reardon*, trial examiner.

Mr. Morton Nesmith and *Mr. Merle P. Lyon* for the Commission.

Mr. John F. Roberts, of Los Angeles, Calif., for respondents.

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 Peggie Moran Co., Inc., a corporation, and Irene Johnston, Inc., a corporation, 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, Peggie Moran Co., Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its principal office and place of business located at 1729 $\frac{3}{4}$ North Wilcox Avenue in the city of Hollywood, State of California.

Respondent, Irene Johnston, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of California, with its principal place of business located at Suite 207, 811 West Seventh Street, in the city of Los Angeles, State of California.

PAR. 2. Said respondent, Peggie Moran Co., Inc., is now and for more than 2 years last past has been engaged in the sale and distribution of a soap product, which it is claimed possesses reducing properties, and which is currently sold under the trade name "Peggie Moran Savon." This product was formerly designated and sold under the name of "Peggie Moran Deluxus." Said respondent causes said product to be made up or manufactured for it on special order according to its own formula. Said respondent causes said product, when sold by it, to be transported from its place of business in Hollywood, Calif., to purchasers thereof located in various States of the United States other than the State of California, and in the District of Columbia. Said respondent maintains and at all times mentioned herein has maintained a course of trade in said product in commerce between and among the various States of the United States and in the District of Columbia.

The respondent, Irene Johnston, Inc., operates a permanent-wave and beauty salon, and in connection with this business distributes and sells said product known as "Peggie Moran Savon" and formerly sold and distributed as "Peggie Moran Deluxus," purchased from Peggie Moran Co., Inc. This respondent, likewise, causes said product, when sold by it, to be transported from its said place of business in Los Angeles, Calif., to purchasers thereof located in various States of the United States other than the State of California, and in the District of Columbia. This respondent maintains and at all times mentioned herein has maintained a course of trade in said product in commerce between and among the various States of the United States and in the District of Columbia.

Said respondents have cooperated each with the other in the sale and distribution of said product in said commerce.

PAR. 3. In the course and conduct of their aforesaid business the respondents have disseminated and are now disseminating and have caused and are now causing the dissemination of false advertisements concerning said product known as "Peggie Moran Deluxus" and "Peggie Moran Savon" by insertion in newspapers having a general circulation, 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 product and have disseminated and are now disseminating and have caused and are now causing the dissemination of false advertisements concerning said product by various means, for the purpose of inducing and which are likely to induce, directly or indirectly, the purchase of said product in commerce as commerce is defined in the Federal Trade Commission Act. Among and typical of the false statements and representations contained in said advertisements disseminated and caused to be disseminated as aforesaid are the following:

I GAVE MYSELF A NEW FIGURE

(Picture of Mrs. May B. Moran, president of respondent Peggie Moran Co., Inc., before using Peggie Moran Savon). Come in today and get my circular with true and remarkable stories of what some women have done with SAVON—giving to themselves new contours and trimmer lines—truly "new figures for old"—adding charm and gracefulness where bulging lines had marred their attractiveness.

(Picture of same person after using Peggie Moran Savon, showing marked reduction). Many drugs taken to reduce are often dangerous to health. Dieting and violent exercise are not always advisable. Women who have

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duction in size, stature and weight.)

used SAVON have not resorted to any of these. Yet we have on file unsolicited letters from women who say **THEY HAVE CUT DOWN THE MEASUREMENTS OF THEIR HIPS, LEGS, ANKLES, WAIST, BUST, NECK and ARMS.** Among my personal acquaintances I have seen a wonderful change. I know what it has done for me. One can not read these letters and actually see the changes in the figures of SAVON users without MARVELLING at what has taken place.

As you read these letters and see these pictures you will realize why, to me, SAVON means a **NEW ERA FOR WOMEN** with those embarrassing bulges who have found it impossible to wear the clothes every woman desires.

My records—filed with my own physician—show my measurements before—and after—I started applying SAVON.

DATE	HIPS	WAIST	NECK	BUST
4/1/38	48	44	13½	50
9/6/39	43	34	12½	41

I want you to use SAVON with the full knowledge of what it really is—a way other women and I have trimmed inches from bulging curves. I hope SAVON will bring to YOU the same gratifying pleasure and delight it has to me—and to those whose letters are reproduced in my circular.

(Dealer's signature and address)

* * * * *

I GAVE MYSELF A NEW FIGURE

(Picture of Mrs. Charlotte Russell, Bishop, Calif., or 8227 Kirkwood Dr., Hollywood, Calif., after using Peggie Moran Savon, showing marked reduction in size and weight.)

Actual photographs of the woman who wrote the letter below. From her new figure Miss R. gets genuine pleasure increased by the inner feeling we all get when we realize we are "better looking" and can pick and wear styles in clothes we formerly hesitated to even try on. There is nothing in SAVON which by any medical or scientific actions, should act as a "reducer," yet women say they have given themselves new contours and trimmer lines, truly "new figures for old"!

"Dear Mrs. Moran:

I want so very much to let you know how very happy I am over the loss of inches, after the use of Peggie Moran SAVON. (Picture of Mrs. Charlotte Russell, before using Peggie Moran Savon.)

I started using SAVON September 21, 1938; my measurements were

HIPS	WAIST	BUST	UPPER ARM
42 in.	31 in.	37 in.	13 in.

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My measurements today, September 14, 1939, are:

HIPS	WAIST	BUST	UPPER ARM
38 in.	26½ in.	33 in.	10 in.

It is so easy and pleasant to use. With time you will really get the inches off that you desire.

Miss C. R."

(Dealer's signature and address)

REDUCE SAFELY

* * * with Peggy Moran Reducer, believe it or not "A Soap." Its magic lather reduces superfluous flesh. No special diet or strenuous exercise, live sensibly. The results of this simple treatment will amaze you. One month's daily use of this non-irritating lather proves its efficiency. \$2 per bar. Mail orders invited.

IRENE JOHNSTON

5th Floor
811 W. 7th St.
Tucker 9487

REDUCE—SAFELY

PEGGIE
MORAN
REDUCER
A Soap

It washes away excess pounds, causes superfluous flesh to disappear.

Remember—

No medicine, no diet, no strenuous exercise, it takes only a few minutes daily.

\$2.00

Mail Orders Invited

Irene Johnston
5th Floor, 811 W. 7th St.
Tucker 9487

WANT TO REDUCE?

No diet! No exercise! Use Peggy Moran soapy lather on fatty spots a few minutes daily at home, Easy! Quick! Sane! The results will amaze you. Ask us about Peggy Moran Deluxus at \$2 per bar. Mail orders invited.

IRENE JOHNSTON

5th Floor
811 W. 7th St.

STREAMLINE YOUR FIGURE

WITHOUT strenuous EXERCISE or DIET

Use Peggie Moran's soapy lather a few spare minutes daily on fatty spots. In the privacy of your home, the results of this simple treatment will amaze you. Women who have used Savon say they have cut down the measurements

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of their hips, legs, ankles, bust, neck and arms. Easy to apply. PEGGIE MORAN'S SAVON

(Picture of a cake of soap)

\$1 Regular \$2.00 Cake

SPECIAL PRICE

During August only

Phone Tu. 9487 or Mail

This Coupon Today

IRENE JOHNSTON, 2nd Floor, 811 W. 7th St., L. A. Please send me-----
Cakes Peggy Moran's SAVON-----Cash enclosed-----c. o. d.

Name-----

Address-----

City-----

* * * * *

"I gave myself a new figure" is the boast of hundreds of women who have used Peggy Moran's way to slenderness. Peggy Moran Savon, applied nightly, will assist in changing your figure to the proportions you desire. At drug and department stores.

Peggie Moran's Savon, mineral clay soap to help you be trimmer!

"New figures for old" is the watchwork of Peggy Moran's pine scented SAVON! If you're concerned about bulging lines, you'll like the help this soap offers. Apply nightly.

Cake-----\$2.00

(Picture of slender woman)

ROBINSONS'

(J. W. Robinson Co.,

7th Street at Grand Avenue,
Los Angeles, Calif.)

* * * * *

"I GAVE MYSELF A NEW FIGURE"
PEGGY MORAN

(Picture of Peggie Moran, president of respondent, before using Peggie Moran Savon.) The true and remarkable story of what some women have done with SAVON—giving to themselves new contours and trimmer lines—truly

(Picture of same person after using Peggie Moran Savon, showing marked reduction in size, stature, and weight.) NEW FIGURES FOR OLD—adding charm and gracefulness where BEFORE bulging lines had marred their attractiveness.

SCIENCE AND MEDICINE SAY
"IT CAN'T HAPPEN"—BUT IS HAS—
AND I DON'T KNOW WHY!

(Picture of Peggie Moran.)

Two years ago I was excessively overweight. My physician would not allow me to diet or exercise, but with his consent, I experimented with various combination of soaps—and at last discovered SAVON.

There is nothing in SAVON which, by any medical or scientific action, should act as a "reducer." Yet as I continued to use it, friends and business associates

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noticed the improvement in my figure and asked for samples of SAVON. They came back with enthusiastic reports of what SAVON had done for them. The demand grew and voluntary publicity directed other women to me.

Many drugs taken to reduce are often dangerous to health. Dieting and violent exercise are not always advisable. Women who have used SAVON have not resorted to any of these. Yet we have on file unsolicited letters from women in various parts of the country who say **THEY HAVE CUT DOWN THE MEASUREMENTS OF THEIR HIPS, LEGS, ANKLES, WAIST, BUST, NECK and ARMS.** Among my personal acquaintances I have seen a wonderful change. I know what it has done for me. One cannot read these letters and actually see the changes in the figures of SAVON users without **MARVELLING** at what has taken place.

* * * * *

All of said statements, together with other statements of similar import and meaning appearing in respondents' advertising literature, purport to be descriptive of respondents' product and of its effectiveness in use. In all of said advertising literature respondents directly, through the statements and representations herein set out and through other statements and representations of like and similar import and effect, represent, and have represented, that the product formerly known as "Peggie Moran Deluxus" and currently known as "Peggie Moran Savon," was and is, in fact, a reducing soap and that the application of said soap to the fatty portions of the body will cut down the measurements thereof and will cause one to reduce at those portions of the body where applied; will cause one to become slender; that it will "wash away" pounds and cause superfluous flesh to disappear without resort to a diet or exercise, and that it will give one a new figure.

PAR. 4. The representations made by the respondents and the implications therefrom as to the nature and effectiveness of said product, are false, misleading, and deceptive, and greatly exceed those which might truthfully be made for said preparation. In truth and in fact the use of said product will not rid the body of any excess fat; its use will not "wash away" pounds and cause superfluous flesh to disappear without resort to a diet or exercise; its use will not give one a new figure nor cause one to become slender. It does not contain or possess any reducing properties or ingredients.

PAR. 5. The use by the respondents of the foregoing false, deceptive, and misleading statements, representations, and advertisements, disseminated as aforesaid with respect to said product "Peggie Moran Deluxus" and "Peggie Moran Savon," has had and now has the capacity and tendency to 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

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respondents' said product is in fact a reducing agent; that it will rid the body of excess fat; that it will "wash away" pounds and cause superfluous flesh to disappear without resort to a diet or exercise; that it will give one a new figure and cause one to become slender, and that it possesses reducing properties or contains reducing ingredients; and causes a portion of the purchasing public, because of said erroneous and mistaken belief so engendered, to purchase said product.

PAR. 6. The aforesaid acts and practices of the respondents, as herein alleged, 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.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on December 13, 1940, issued and subsequently served its complaint in this proceeding upon the respondents, Peggie Moran Co., Inc., a corporation, and Irene Johnston, Inc., a corporation, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of that act. After the filing of respondents' answers, testimony, and other evidence in support of the allegations of the complaint were introduced by the attorney for the Commission, and in opposition thereto by the attorney for one of the respondents, before a trial examiner of the Commission theretofore duly designated by it, which testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the complaint, the answers of the respondents, testimony, and other evidence, report of the trial examiner upon the evidence and the exceptions to such report, and brief in support of the complaint (no brief having been filed by respondents and oral argument not having been requested); 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, Peggie Moran Co., Inc., is a corporation organized and existing under the laws of the State of California, with its principal office and place of business at 1729 $\frac{3}{4}$ North Wilcox Avenue, Hollywood, Calif.

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Respondent, Irene Johnston, Inc., is a corporation organized and existing under the laws of the State of California, with its principal office and place of business at 811 West Seventh Street, Los Angeles, Calif.

PAR. 2. Respondent, Peggie Moran Co., Inc., has since January 1939 been engaged in the sale and distribution of a cosmetic product in the form of a soap, intended for use in the removal of excess flesh from the human body. The soap was formerly designated as "Peggie Moran Deluxus" and as "Peggie Moran Reducer," but the name was later changed to "Peggie Moran Savon."

Respondent, Irene Johnston, Inc., is engaged in the operation of a beauty shop, and in connection with this business it has also engaged in the sale and distribution of the soap referred to above, such soap having been purchased by it from Peggie Moran Co., Inc.

In the course and conduct of their businesses the respondents have caused the soap, when sold by them, to be transported from their places of business in the State of California to purchasers thereof located in various other States of the United States. The respondents have maintained a course of trade in the soap in commerce among and between the various States of the United States.

The record indicates that the respondents have discontinued the sale of the product since this proceeding was instituted.

PAR. 3. The Peggie Moran Co., Inc., sold its soap principally to retail dealers, including department stores, drug stores, and beauty shops, and for the purpose of promoting the resale of the soap by its customers to the public it has assisted its customers in advertising the soap. Advertising circulars and leaflets have been supplied to dealers for distribution to the public. To encourage newspaper advertising, the company has also followed the practice of paying a portion of the cost of such advertising, such payment being made by means of discounts allowed dealers on their invoices. Before allowing such discounts, the company has required that the dealer submit a tear sheet of the newspaper showing the advertisement. The company has not only supplied its dealers with mats and copy for use in newspaper advertising, but through its advertising manager has also assisted its dealers from time to time in the preparation of other newspaper advertisements.

Following this plan of cooperative advertising, the respondents, acting in conjunction with each other, have advertised the soap extensively both by means of circulars and leaflets distributed among the public, and by means of advertisements inserted in Los Angeles newspapers having a wide circulation not only in the State of California

but in other States as well. Among and typical of the statements appearing in the advertisements were the following:

I GAVE MYSELF A NEW FIGURE

Come in today and get my circular with true and remarkable stories of what some women have done with SAVON—giving to themselves new contours and trimmer lines—truly “new figures for old”—adding charm and gracefulness where bulging lines has marred their attractiveness.

Many drugs taken to reduce are often dangerous to health. Dieting and violent exercise are not always advisable. Women who have used SAVON have not resorted to any of these. Yet we have on file unsolicited letters from women who say **THEY HAVE CUT DOWN THE MEASUREMENTS OF THEIR HIPS, LEGS, ANKLES, WAIST, BUST, NECK and ARMS.** Among my personal acquaintances I have seen a wonderful change. I know what it has done for me. One can not read these letters and actually see the changes in the figures of SAVON users without MARVELLING at what has taken place.

As you read these letters and see these pictures you will realize why, to me, SAVON means a **NEW ERA FOR WOMEN** with those embarrassing bulges who have found it impossible to wear the clothes every woman desires.

My records—filed with my own physician—show my measurements before—and after—I started applying SAVON.

DATE	HIPS	WAIST	NECK	BUST
4/1/38	48	44	13½	50
9/6/39	43	34	12¼	41

I want you to use SAVON with the full knowledge of what it really is—a way other women and I have trimmed inches from bulging curves. I hope SAVON will bring to YOU the same gratifying pleasure and delight it has to me—and to those whose letters are reproduced in my circular.

(In connection with this reading matter there also appeared pictures of Mrs. May B. Moran, president of the Peggie Moran Co., Inc., purporting to show reduction in size and weight resulting from the use of the soap.)

I GAVE MYSELF A NEW FIGURE

Actual photographs of the woman who wrote the letter below. From her new figure Miss R. gets genuine pleasure increased by the inner feeling we all get when we realize we are “better looking” and can pick and wear styles in clothes we formerly hesitated to even try on. There is nothing in SAVON which by any medical or scientific action, should act as a “reducer,” yet women say they have given themselves new contours and trimmer lines, truly “new figures for old!”

Dear Mrs. Moran:

I want so very much to let you know how very happy I am over the loss of inches, after the use of Peggie Moran SAVON.

I started using SAVON September 21, 1938; my measurements were

HIPS	WAIST	BUST	UPPER ARM
42 in.	31 in.	37 in.	13 in.

27

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My measurements today, September 14, 1939, are:

HIPS	WAIST	BUST	UPPER ARM
38 in.	26½ in.	33 in.	10 in.

It is so easy and pleasant to use. With time you will really get the inches off that you desire.

Miss C. R.

(In connection with this reading matter there also appeared pictures of the writer of the letter, purporting to show reduction in her size and weight resulting from the use of the soap.)

* * * * *

REDUCE SAFELY

* * * with Peggy Moran Reducer, believe it or not "A Soap." Its magic lather reduces superfluous flesh. No special diet or strenuous exercise, live sensibly. The results of this simple treatment will amaze you. One month's daily use of this non-irritating lather proves its efficiency. \$2 per bar. Mail orders invited.

REDUCE — SAFELY
PEGGIE MORAN REDUCER
A SOAP

It washes away excess pounds, causes superfluous flesh to disappear.

Remember—

No medicine, no diet, no strenuous exercise, it takes only a few minutes daily.

* * * * *

WANT TO REDUCE?

No diet! No exercise! Use Peggy Moran soapy lather on fatty spots a few minutes daily at home. Easy! Quick! Sane! The results will amaze you. Ask us about Peggy Moran Deluxus at \$2 per bar. Mail orders invited.

* * * * *

STREAMLINE YOUR FIGURE
WITHOUT strenuous EXERCISE or DIET

Use Peggie Moran's soapy lather a few spare minutes daily on fatty spots. In the privacy of your home, the results of this simple treatment will amaze you. Women who have used Savon say they have cut down the measurements of their hips, legs, ankles, bust, neck and arms. Easy to apply. PEGGY MORAN'S SAVON.

* * * * *

Peggie Moran's Savon, mineral clay soap to help you be trimmer!
"New figures for old" is the watchword of Peggie Moran's pine scented SAVON!
If you're concerned about bulging lines, you'll like the help this soap offers. Apply nightly.

* * * * *

SCIENCE AND MEDICINE SAY
IT CAN'T HAPPEN! — BUT IT HAS —
AND I DON'T KNOW WHY!

Two years ago I was excessively overweight. My physician would not allow me to diet nor exercise, but with his consent, I experimented with various combination of soaps—and at last discovered SAVON.

There is nothing in SAVON which, by any medical or scientific action, should act as a "reducer." Yet as I continued to use it, friends and business associates noticed the improvement in my figure and asked for samples of SAVON. They came back with enthusiastic reports of what Savon had done for them. The demand grew and voluntary publicity directed other women to me.

PAR. 4. Through the use of these advertisements and others of a similar nature, the respondents represented, directly or by implication, that their soap was an effective reducing agent and that through the use of the soap excess flesh or weight could be removed from the body and from any particular portion or area of the body.

PAR. 5. The soap was manufactured for the Peggie Moran Company, Inc., by a Los Angeles manufacturer according to a formula supplied by the Company. The formula was:

Bentonite clay-----	35%
Pure soap-----	42%
Oil of pine-----	3%
Distilled water-----	20%

The directions for the use of the soap were as follows:

Before retiring, make a lather of Savon and apply either with the hands or a soft brush over desired parts of the body, RUBBING INTO THE SKIN FOR NOT OVER FIVE MINUTES. Then apply another lather of Savon and allow to dry. In the morning take a warm bath or shower.

PAR. 6. The only ingredient in the soap for which any reducing properties are claimed by respondents is the Bentonite clay. Bentonite clay is a common industrial clay consisting principally of silica and aluminum, but containing other chemical substances in minor proportions, the exact analysis depending upon the region from which the clay is obtained. The clay is used in industry principally as a bonding agent, being employed in the making of such products as emery wheels, glasses, and porcelains. It possesses hygroscopic properties to a slight degree; that is, it has an affinity for water and draws water to it. Because of its hygroscopic action the clay in respondents' soap might conceivably withdraw small amounts of water from the body through the skin, but such amounts would be so small as to be negligible. Moreover, the hygroscopic action of the clay would be materially lessened by reason of the fact that substantial quantities of water are used both in the manufacture of the soap and in the preparation of the lather therefrom, with the result that the point of saturation of the clay might be reached or at least approached before the application of the lather to the body. The expert testimony in the record establishes

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that the soap is incapable, through its hygroscopic properties or otherwise, of affecting the size or weight of the body.

PAR. 7. The respondents offered no expert testimony in support of their claims, but rest their case on the statements of certain witnesses who testified that they had obtained satisfactory results from the use of the soap. Other users of the soap, however, testified that they had experienced no reduction in weight. It appears also that some of the witnesses who testified to a reduction in weight following the use of the soap had been observing a diet during the same period, and it is questionable whether the reduction testified to by them was due to the dieting or to the use of the soap. After careful consideration of the testimony of these witnesses, the Commission is of the opinion that it is insufficient to overcome the expert testimony in the record.

PAR. 8. The Commission therefore finds that the representations made by the respondents with respect to their product, as set forth in paragraphs 3 and 4 hereof, were erroneous and misleading, and constituted false advertisements.

PAR. 9. The Commission further finds that the use by the respondents of these false advertisements had the tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that respondents' product possessed properties and values which it did not in fact possess, and the tendency and capacity to cause such portion of the public to purchase substantial quantities of respondents' product as a result of such erroneous and mistaken belief.

CONCLUSION

The acts and practices of the 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, the answers of the respondents, testimony and other evidence in support of the allegations of the complaint and in opposition thereto, taken before a trial examiner of the Commission theretofore duly designated by it, the report of the trial examiner upon the evidence and the exceptions to such report, and brief in support of the complaint (no brief having been filed by respondents and oral argument not having been requested), and the Commission having made its findings as to the facts and its

conclusion that the respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents, Peggie Moran Co., Inc., a corporation, and Irene Johnston, Inc., a corporation, and their officers, agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of respondents' cosmetic product designated "Peggie Moran Savon," or any other product of substantially similar composition or possessing substantially similar properties, whether sold under the same name or 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 by implication, that respondents' product possesses any value in the removal of excess flesh or excess weight from the body or from any particular part or area of the body.

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 respondents' product, which advertisement contains any representation prohibited in paragraph 1 hereof.

It is further ordered, That the respondent shall, within 60 days after 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 have complied with this order.

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IN THE MATTER OF

THE CLIMAX CLEANER MANUFACTURING COMPANY

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

Docket 4668. Complaint, Jan. 13, 1942—Decision, July 7, 1942

Where a corporation, engaged in the interstate sale and distribution of its
"Climax Wall Paper Cleaner"—

Represented that its said product would not crumble when used for cleaning all
types of wall paper, through the use particularly of the terms "Non-
Crumbling" and "Crumble-less" in statements in radio continuities, postal
cards, window and counter display cards, and other advertising matter
broadcast and distributed, and through labels on the containers thereof;

When, used for cleaning certain types and varieties, it would and did crumble;
With effect of misleading and deceiving a substantial portion of the purchasing
public into the mistaken belief that such statements were true, and into
purchase of substantial quantities of said product as a result of such mis-
taken belief:

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 decep-
tive acts and practices in commerce.

Before *Mr. James A. Purcell*, trial examiner.

Mr. Maurice C. Pearce and *Mr. William M. King* for the Com-
mission.

Thompson, Hine & Flory, of Cleveland, Ohio, 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 The Climax Cleaner
Manufacturing Co., a corporation, hereinafter referred to as respond-
ent, 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, The Climax Cleaner Manufacturing Co.,
is a corporation duly chartered, organized, and existing under and by
virtue of the laws of the State of Ohio, with its principal office and
place of business located at 2080 West 110th Street, Cleveland, State
of Ohio.

PAR. 2. Respondent is now and for many years last past has been
engaged in the sale and distribution of a product designated "Climax