

IN THE MATTER OF
HAROLD M. MAY, DOING BUSINESS AS UNITED INHERITANCE BUREAU AND GUARDIAN SERVICE BUREAU

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 23, 1914

Docket 4874. Complaint, Dec. 3, 1942—Decision, Jan. 19, 1943

Where an individual, engaged in interstate sale and distribution of envelopes and questionnaire forms designed to be used by creditors and collection agencies in obtaining information concerning debtors, which bore the trade name, United Inheritance Bureau, and address of said individual, and which contained such statements as "Real Estate Title and Mortgage Reports," "Unclaimed Assets Recovered," "Affiliations in the Principal Cities of the United States, Canada, and Correspondents in Europe," "Genealogical Analysis," "Estate Researching," and statement that the Bureau was "endeavoring to contact a person bearing your name" and that in order for it "to make further progress" recipient was asked to supply certain information, including his name, address, and previous address, and names of his present and former employers and banks;

Making use of a plan under which said questionnaires were (1) assigned a code number identifying the customer involved, (2) had inserted the names and addresses of the debtors or others, from whom information was sought for said customer, (3) were signed by the customer, usually with some fictitious name, (4) were placed in stamped envelopes addressed to debtors or other persons, (5) had enclosed a reply envelope addressed to the trade name and place of business of aforesaid individual, and (6) were delivered, stamped, and with said enclosure, by the customer to said individual, who mailed them at his city, and who was further compensated by an additional fee of 50 cents for replies thus secured which gave such information as the debtor's current address and disclosed that he was employed and the name of his employer—

- (a) Falsely represented, and placed in the hands of his customers the means of falsely representing through said letters and envelopes, directly and by implication, to customers' debtors and others from whom information concerning debtors was sought, that the "United Inheritance Bureau" had affiliations in the principal States of the United States and Canada, and correspondents in Europe;
- (b) Falsely represented, etc., as above set forth, that said "Bureau" was engaged in genealogical research, examined real estate titles, was engaged in locating heirs to estates or interests therein, and was in a position to advise persons of their ownership of assets of which they were unaware; and
- (c) Falsely represented, etc., as above set forth, that the persons concerning whom information was sought had, or might have had, interests in estates or land or other property which might be of financial benefit to them;

When in fact, as above set out, said various representations were false, and sole purpose of said questionnaires and letters was to secure information concerning debtors of his customers in aid of the collection of alleged delinquent accounts; and

132

Complaint

(d) Represented, through use of said name "United Inheritance Bureau," directly and by implication, that his business bore some relation to estates, and to the rights and interests of heirs therein;

When in fact he had nothing to do with such matters, and name employed was merely a disguise for the true nature of the business;

With effect of misleading and deceiving many persons to whom such letters were sent into the mistaken belief that such representations were true, and that name "United Inheritance Bureau" truthfully indicated character of concern making the inquiry, and, by reason thereof, into giving information which they would not otherwise have supplied:

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. Randolph W. Branch for the Commission.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, and the Federal Trade Commission, having reason to believe that Harold M. May, an individual, trading under the names United Inheritance Bureau and Guardian Service Bureau, 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, Harold M. May, is an individual, trading under the names United Inheritance Bureau and Guardian Service Bureau, with an office and principal place of business at 1278 Jefferson Avenue, Buffalo, N. Y.

PAR. 2. Respondent is now, and has been for more than 2 years last past, engaged in the business of selling and distributing envelopes and form letters in the nature of questionnaires designed and intended to be used by creditors and collection agencies in obtaining information concerning debtors.

Respondent causes said envelopes and letters to be transported from his aforesaid place of business in the State of New York, to purchasers thereof located in various other States of the United States and in the District of Columbia.

Said respondent maintains, and at all times mentioned herein has maintained, a course of trade in said envelopes and form letters in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. Said form letters sold and distributed by the respondent are in the forms exemplified by copies thereof marked Exhibit A and

B, attached hereto, and by this reference incorporated herein and made a part hereof.¹

Respondent assigns to each of his customers a code number which identifies the customers to him. Said customers insert in the appropriate spaces in the form letters as exemplified by Exhibit A and B, the names and addresses of debtors or others from whom information is sought, and their code numbers, and cause them to be signed, usually with fictitious names. The letters are then placed in stamped envelopes addressed to the debtors, or such other persons, which bear in the upper left corners:

United Inheritance Bureau
Ferkel Building,
1278 Jefferson Avenue
Buffalo, New York.

together with a reply envelope addressed as above. Such reply envelopes are stamped by respondent's customers. Said customers thereafter cause the stamped envelopes and enclosures to be delivered to respondent at his place of business in Buffalo, N. Y., who in turn deposits them in the United States mails at Buffalo, N. Y., for delivery to the various addressees.

Such replies as are returned to respondent are received by him, the customers identified by the code numbers and the enclosures sent to the appropriate customers. For each reply which gives the current address of the debtor and discloses that he is employed and the name of his employer, an additional fee of 50 cents is charged to the customer by the respondent.

PAR. 4. By the means of the aforesaid letters and envelopes respondent has falsely represented, and placed in the hands of his customers means of falsely representing directly and my implication, to customers' debtors and to others from whom information concerning such debtors is sought, that United Inheritance Bureau has affiliations in the principal States of the United States and Canada and correspondents in Europe; is engaged in genealogical research; examines real estate titles; is engaged in the business of locating heirs to estates or interests therein; is in a position to advise persons of their ownership of assets of which such persons are unaware and that the persons concerning whom information is sought have or may have interests in estates or land or other property which may be of financial benefit to them.

PAR. 5. Said representations are false, deceptive, and misleading. In truth and in fact, respondent, in conducting the business aforesaid, does not have affiliations in the principal States of the United States and Canada, nor correspondents in Europe. He is not engaged in

¹ Exhibits published in the findings at p. 138.

genealogical research nor does he examine titles to real estate. He is not engaged in the business of locating heirs to estate or interests therein. He is not in a position to advise persons of their ownership of assets of which such persons are unaware. He has no knowledge of any interests in estates or lands or other property to which the persons concerning whom information is sought may be entitled, and is not in position to furnish such persons with information that may be of financial benefit to them. On the contrary the sole purpose of said questionnaire letters is to secure the addresses, names of employers and other information concerning debtors of his customers in aid of collection of alleged delinquent accounts.

PAR. 6. Through the use of the name "United Inheritance Bureau" respondent has represented, directly and by implication, that his said business bears some relation to estates and to the rights and interests of heirs thereof.

In truth and in fact, respondent in conducting the business of "United Inheritance Bureau" has nothing whatever to do with estates or the rights or interests of persons therein, and the said name is merely a disguise for the true nature of the business.

PAR. 7. The use as hereinabove set forth of the foregoing false and misleading statements, representations, and designations, has had the capacity and tendency to, and has, misled and deceived many persons to whom said letters were sent into the erroneous and mistaken belief that said statements and representations were true and that the name "United Inheritance Bureau," truthfully indicated and described the character of the concern making the inquiry and requesting the information and by reason thereof to give information which they would not otherwise supply.

PAR. 8. The aforesaid acts and practices of respondent, as herein alleged, are all to the prejudice and injury of the public, and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on December 3, 1942, issued and subsequently served its complaint in this proceeding upon the respondent, Harold M. May, an individual, trading under the names United Inheritance Bureau and Guardian Service Bureau, charging him with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of that act. On December 16, 1942, the respondent filed his answer, in which answer he admitted all the

material allegations of fact set forth in the complaint and waived all intervening procedure and further hearing as to the facts. Thereafter, the proceeding regularly came on for final hearing before the Commission on the 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, Harold M. May, is an individual, trading under the names United Inheritance Bureau and Guardian Service Bureau, with an office and principal place of business at 1278 Jefferson Avenue, Buffalo, N. Y. Respondent is now, and has been for more than 2 years last past, engaged in the business of selling and distributing envelopes and form letters in the nature of questionnaires designed and intended to be used by creditors and collection agencies in obtaining information concerning debtors.

PAR. 2. Respondent causes his envelopes and letters, when sold, to be transported from his place of business in the State of New York to 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 his envelopes and form letters in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. The form letters sold and distributed by respondent are in the forms exemplified by copies thereof marked Exhibits A and B, attached hereto and by this reference incorporated herein and made a part hereof.

Respondent assigns to each of his customers a code number which identifies the customer to him. The code number and the names and addresses of debtors or others from whom information is sought are inserted in the appropriate spaces in the form letters by the customer, who causes the letters to be signed, usually with fictitious names. The letters are then placed in stamped envelopes addressed to the debtors or such other persons. In the upper left-hand corner of the envelopes appears the following:

United Inheritance Bureau
Ferkel Building
1278 Jefferson Avenue
Buffalo, New York

Enclosed in each letter is a reply envelope addressed to the United Inheritance Bureau, as set forth above. The postage on such envelopes is supplied by the customer. The customer then causes the stamped envelopes and enclosures to be delivered to respondent at his place of business in Buffalo, N. Y., who in turn deposits them in the United States mails at Buffalo, N. Y., for delivery to the various addresses.

Upon receipt by respondent of the replies to such letters, the customer is identified by the code number and the enclosures are forwarded to the customer. For each reply which gives the current address of the debtor and discloses that he is employed and the name of his employer, an additional fee of fifty cents is charged the customer by respondent.

PAR. 4. By means of these letters and envelopes respondent has falsely represented, and placed in the hands of his customers means of falsely representing, directly and by implication, to customers' debtors and to others from whom information concerning such debtors is sought, that United Inheritance Bureau has affiliations in the principal States of the United States and Canada, and correspondents in Europe; is engaged in genealogical research; examines real estate titles; is engaged in the business of locating heirs to estates or interests therein; and is in a position to advise persons of their ownership of assets of which such persons are unaware, and that the persons concerning whom information is sought have or may have interests in estates or land or other property which may be of financial benefit to them.

PAR. 5. These representations are false, deceptive, and misleading. In truth and in fact, respondent, in conducting his business, does not have affiliations in the principal States of the United States or in Canada, or correspondents in Europe. He is not engaged in general-logical research, nor does he examine titles to real estate. He is not engaged in the business of locating heirs to estates or interests therein. He is not in a position to advise persons of their ownership of assets of which such persons are unaware. He has no knowledge of any interests in estates or lands or other property to which the persons concerning whom information is sought may be entitled, and is not in a position to furnish such persons with information that may be of financial benefit to them. On the contrary, the sole purpose of the questionnaire letters is to secure the addresses, names of employers, and other information concerning debtors of his customers in aid of collection of alleged delinquent accounts.

PAR. 6. Through the use of the name "United Inheritance Bureau" respondent has represented, directly and by implication, that his business bears some relation to estates and to the rights and interests of

heirs thereof. In truth and in fact, respondent, in conducting the business of "United Inheritance Bureau," has nothing whatever to do with estates or the rights or interests of persons therein, and the name is merely a disguise for the true nature of the business.

PAR. 7. The use of these false and misleading statements and representations, including the use of the name "United Inheritance Bureau," has had the capacity and tendency to and has misled and deceived many persons to whom such letters were sent into the erroneous and mistaken belief that such statements and representations were true and that the name "United Inheritance Bureau" truthfully indicated and described the character of the concern making the inquiry and requesting the information, and; by reason thereof, into giving information which they would not otherwise have supplied.

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.

EXHIBIT A

Real Estate Title and Mortgage Reports	Unclaimed Assets Recovered Affiliations in the Principal Cities of the United States, Canada, and Correspondents in Europe	Genealogical Analysis Estate Re- searching
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UNITED INHERITANCE BUREAU

Missing and Unknown Heirs Located
Office: Ferkel Building
1278 Jefferson Avenue
Buffalo, N. Y.

Please refer
to file number

To

We are endeavoring to contact a person bearing your name. In order for us to make further progress in our investigation, will you kindly answer the following? This may be of great importance to you.

Full Name.....	Date of Birth and Place.....
Present Residence.....	Name of Father.....
Street	
City	State
Birthplace of Father.....	
Previous Address.....	Nearest Living Relative.....
(Use other side for more)	
City	State
Address	
City	State
Occupation.....	
City	State
If Married, Mate's Name.....	

132

Exhibits

REFERENCES

Your Employer.....	-----	-----	-----	-----
or own business	Firm Name	Street	City	State
Former Employers.....	-----	-----	-----	-----
	Firm Name	Street	City	State
	-----	-----	-----	-----
Name of Your Bank.....	-----	-----	-----	-----
	-----	Street	City	State
	-----	Street	City	State
Personal Description.....	-----			
General Remarks: (Use other side of this blank if necessary).....	-----			

If the above information confirms with our records, other information will be unfolded to you. Use enclosed envelope and a prompt reply will facilitate matters.

Yours truly,

UNITED INHERITANCE BUREAU
Manager, Research Department

Form 200A

EXHIBIT B

Real Estate Title	Unclaimed Assets Recovered	Genealogical
and Mortgage	Affiliations in the Principal	Analysis
Reports	Cities of the United States,	Estate Re-
	Canada, and Correspondents in	searching
	Europe	

UNITED INHERITANCE BUREAU
Missing and Unknown Heirs Located
Office: Ferkel Building
1278 Jefferson Avenue
Buffalo, N. Y.

Please refer
to File Number

To Subject

We have been requested to contact a person bearing name of above subject and our records indicate that you may be able to help us.

Can you give us information as to the present whereabouts of this subject or the name of some one who is acquainted with this subject? It is possible that you can furnish the name and address of a relative.

Please fill in the questions below and mail in the enclosed envelope.

This is a matter of importance to the subject and an early reply will be appreciated.

Yours truly,

UNITED INHERITANCE BUREAU
Manager, Research Department

Full name of subject.....	-----		
Now residing at.....	-----		
	Street	City	State
Employer's name.....	-----		
	Street	City	State
Business name.....	-----		
	Street	City	State
Remarks: (Write on other side of blank if necessary)	-----		

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 allegations of fact set forth in the complaint and states that he waives all intervening procedure and further hearing as to the facts, and the Commission having made its findings as to the facts and conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Harold M. May, individually, and trading as United Inheritance Bureau and as Guardian Service Bureau, or trading under any other name, and his agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of respondent's form letters and envelopes in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "United Inheritance Bureau," or any other word or words of similar import, to designate, describe, or refer to respondent's business; or otherwise representing, directly or by implication, that respondent's business bears any relation to estates, or to the rights or interests of heirs therein.

2. Representing, directly or by implication, that respondent has affiliations in the principal States of the United States or Canada, or that respondent has correspondents in Europe.

3. Representing, directly or by implication, that respondent is engaged in genealogical research.

4. Representing, directly or by implication, that respondent's business includes the examination of titles to real estate.

5. Representing, directly or by implication, that respondent's business is that of locating heirs to estates or to interests therein; or that respondent is in a position to advise persons with respect to interests in estates or the ownership of assets; or that persons concerning whom information is sought through respondent's form letters have or may have any interest in estates or any other property.

6. Selling or distributing form letters or envelopes which represent, directly or by implication, that respondent's business is other than that of obtaining information to be used in the collection of debts; or which represent, directly or by implication, that the information sought through such letters is for any purpose other than for use in the collection of debts.

132

Order

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

IN THE MATTER OF

ALFRED KOHLBERG, INC.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 20, 1914

Docket 4604. Complaint, Oct. 3, 1941—Decision, Jan. 26, 1943

Where a corporation, engaged in interstate sale and distribution of laces and linen goods—

- (a) Represented, through unqualified use of such typical terms and names as "Tuscany," "Binche," "Cluny," "Flat Venise," "Venise Rounds," and "Valenciennes" in its invoices and advertising literature and on labels attached to its products that the lace products to which they were applied were made in certain countries of continental Europe noted for such production, and particularly Belgium, France, and Italy, as long understood by purchasing public when used in aforesaid connection;

The facts being that said products, while resembling the laces made in the lace-producing countries of Europe, markedly preferred by a substantial portion of the purchasing public over those made in China or other countries, were in fact made in China and imported therefrom into the United States by it; and

- (b) Failed to disclose adequately the place of origin of such products through affixing to some of them tags or stickers which bore the legend "Made in China" or "Made in Shantung, China" in much smaller and less conspicuous type than designations above set forth; and, in some cases, particularly as to products sold in bulk, through attaching said tags or stickers insecurely so that they were likely to become separated from the article before its offer for sale at retail by the dealer-purchaser;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public with respect to the nature and place of origin of said products, thereby causing substantial purchase thereof by reason of such mistaken belief:

Held; That such acts and practices, under the circumstances set forth, were all to the prejudice of the public, and constituted unfair and deceptive acts and practices in commerce.

Before *Mr. John W. Addison* and *Mr. Andrew B. Duvall*, trial examiners.

Mr. Jesse D. Kash 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 the Alfred Kohlberg, Inc., hereinafter referred to as respondent, has violated the provisions of said act, and it appearing to the Commission that a