

Syllabus

IN THE MATTER OF

JACK SILVERMAN, TRADING UNDER THE NAMES J. SILVERMAN AND ASSOCIATES, GENERAL FORWARDING SYSTEM, AND COMMERCIAL PEN CO.

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

Docket 4846. Complaint, Oct. 6, 1942—Decision, Nov. 29, 1943

Where an individual engaged in interstate sale and distribution of postcards for use by creditors and collection agencies in obtaining information concerning debtors, some of which displayed trade name "General Forwarding System" and, captioned "Final Notice," advised the debtor—or other recipient from whom information was sought—that "we have on hand a prepaid package for party whose name appears on reverse side of this card," that "due to change or error of address and lack of identification we cannot make delivery," and under caption "Consignee Must Be Identified, Fill in All Spaces Below or Package Will Not Be Delivered," asked for such information as the person's address and that of his employer;

Making use of a plan under which he placed on the postage prepaid reply cards, a serial number to identify the particular customer, purchaser inserted on blank line following "charges" the word "none" and on blank line following "Dept." the word "unclaimed"; purchaser stamped and addressed cards to debtors or others from whom information was sought, and forwarded them to said individual, who deposited them in the mail and sent back to customers reply cards received, identified as aforesaid, and to the debtor an ordinary pen point worth a cent or so, together with a printed circular advertising a pen and pencil set—

- (a) Falsely represented, directly, through use of trade name "General Forwarding System," in connection with said cards, that he was connected with the delivery of shipments to the proper consignee; and
- (b) Falsely represented through said cards, and placed in the hands of his customers the means of representing to debtors and others, that such debtors were consignees of packages sent by business concerns which had come into his hands in the usual course of business; and that delivery of the packages could not be made because of change or error in the address or lack of identification of the consignee;

The facts being the sole purpose of the cards was to obtain, through subterfuge, information concerning debtors of his customers; and

Where said individual, engaged as aforesaid, making use of name "Commercial Pen Co." on similar cards, which, captioned "To Introduce Our Pens," advised consignee that "We will mail you one of them absolutely free of charge provided you will show it to your friends and fellow employees where you work," that "in order to avoid duplication, name of employer must be given," that "you must act promptly, as only a limited number of pens will be distributed in this manner," that "Yours will be sent you as soon as this request card is returned," and on reply cards under caption "Free Coupon," following question blanks for name and address of debtor and of his employer, displayed legends "Coupon Expires after 30 days" and "This Coupon is Not Transferable"—

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(c) Falsely represented through the use of these cards, and placed in the hands of his customers means of representing, that the pen referred to was such that the debtor's friends might be interested in purchase thereof, and that the proposal made through the card was for the purpose of introducing the pen to prospective purchasers; and

(d) Falsely represented directly through use of trade name, "Commercial Pen Company," in connection with said cards, that his business was that of selling and distributing pens;

The facts being the pen sent to those who returned the "reply card" was nothing more than an ordinary pen point, and the sole purpose of said cards was to obtain, through subterfuge, information concerning debtors;

With tendency and capacity to mislead and deceive persons to whom his cards were sent into the mistaken belief that such representations were true, and to cause them to supply 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.

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

Mr. Randolph W. Branch for the Commission.

Seaman & Jackson, of San Francisco, Calif., for respondent.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that Jack Silverman, an individual, trading under the names Jack Silverman and Associates, General Forwarding System, and Commercial Pen Co., 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, Jack Silverman, is an individual, trading under the names Jack Silverman and Associates, General Forwarding System, and Commercial Pen Co., with an office and principal place of business at 821 Market Street, San Francisco, Calif.

PAR. 2. Respondent is now, and has been for more than 3 years last past, engaged in the business of selling and distributing post cards designed and intended to be used by creditors and collection agencies in obtaining information concerning debtors.

Respondent causes the said post cards to be transported from his aforesaid place of business in the State of California to purchasers thereof in various other States of the United States and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in said post cards in com-

merce between and among the various States of the United States, and in the District of Columbia.

In his business of selling and distributing the said post cards, respondent has traded under the names Jack Silverman and Associates, General Forwarding System, and Commercial Pen Co.

PAR. 3. The said cards sold and distributed by respondent when using the name "General Forwarding System," are in the form exemplified by photostatic copies thereof, marked "Exhibits A and B," attached hereto and by this reference made a part hereof; when using the name "Commercial Pen Co." the cards are in the form exemplified by a photostatic copy thereof, marked "Exhibit C," attached hereto, and by this reference made a part hereof.

PAR. 4. In the space for "Package Reference Number" on the cards as exemplified by exhibits A and B, when they are delivered to purchasers thereof, respondent has placed a number, which is his serial number and identifies the customer to him, and after the words "Charge" and "Dept.," respondent has placed the words "None" and "Unclaimed."

Respondent's purchasers address the cards to the debtors, or others from whom information concerning debtors is sought, attach the necessary postage stamps to both parts of the cards, and cause them to be delivered to respondent in San Francisco, Calif. Respondent then deposits the individual cards in the United States mail.

Such of the return cards as are filled out and mailed are received by respondent, the customers identified by the serial numbers, and sent by him to the proper customer.

Respondent then sends to the debtor about whom the information has been sought, in a cardboard mailing envelope, a pen point, together with a circular advertising a pen and pencil set. The pen points cost respondent less than a penny each.

PAR. 5. By means of the aforesaid cards respondent has falsely represented, and placed in the hands of his customers means of falsely representing, directly or by implication, to customers' debtors, and others from whom information concerning such debtors is sought, that such debtors are consignees of packages, sent by firms other than respondent and in the hands of respondent in the usual course of his business; that the shipments involved transportation charges which had been prepaid by the consignor; that the packages were of more than the trivial value of a penny, and that delivery could not be made by reason of change of or error in the address of the consignee and lack of identification.

PAR. 6. Through the use of the name "General Forwarding System" respondent has represented, directly and by implication, that he is, in some capacity, connected with the movement and transportation of goods, and their delivery to the proper consignees.

PAR. 7. The said representations were false and misleading. In truth and in fact, respondent's business has, so far as the recipients of said cards are concerned, nothing whatever to do with the movement or transportation of goods, or their delivery to the proper consignees. The persons with respect to whom the said cards are intended to elicit information are not consignees of packages sent by others than respondent, and in the hands of respondent. The packages to which the cards refer are those made up by respondent, containing the pen point and circular referred to in paragraph 4 hereof. The whole scheme was merely an attempt to obtain information by subterfuge.

PAR. 8. In the space opposite "No" on the cards exemplified by exhibit C, when they are delivered to purchasers thereof, respondent has placed a number which is his serial number and identifies the customer to him. The cards are used and handled to all practical intents and purposes, in the same manner as are the "General Forwarding System" cards, as set forth in paragraph 4 hereof.

PAR. 9. By means of the aforesaid cards respondent has falsely represented, and placed in the hands of his customers means of falsely representing, directly or by implication, to customers' debtors, that the pens are something other than common pen points and are of such a character that the debtor's fellow employees and friends might be interested in the purchase thereof, and that respondent's proposal was made in order to introduce them to prospective purchasers.

PAR. 10. Through the use of the name "Commercial Pen Co." respondent has represented, directly and by implication, that the said cards are in some fashion connected with the business of selling and distributing pens.

PAR. 11. The said representations were false and misleading. In truth and in fact the pen sent by respondent to those who return the "Reply Card" is a common pen point, the cost of which to respondent is less than a penny. Such pen points are readily obtainable at retail for a penny or two, were not of such a character as to be of any possible interest to the persons to whom they might be exhibited, and were not sent to debtors as a method of getting their merits before possible purchasers. The said cards had no substantial connection with the sale and distribution of pens. The whole scheme was merely a subterfuge for obtaining information.

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PAR. 12. The use, as hereinabove set forth, of the foregoing false and misleading statements and representations, has had the tendency and capacity to, and has misled and deceived many persons to whom the said cards were sent into the erroneous and mistaken belief that said statements and representations were true, and by reason thereof to give information which they would not otherwise supply.

PAR. 13. 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.

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MAIL THIS CARD TO US PROMPTLY
GENERAL FORWARDING SYSTEM
SAN FRANCISCO, CALIF.

Package Reference Number 10766	Checked By..... Charges..... NONE Dept. UNCLAIMED
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Please send package (Fully Prepaid, with NO CHARGES) to me. My address and correct identification is as follows:

Consignee Must Be Identified
 Fill in All Spaces Below
OR PACKAGE WILL NOT BE DELIVERED
DELIVER THE ABOVE PACKAGE TO

NAME.....

ADDRESS.....

CITY..... STATE.....

For Identification I Refer you to My Employer
 and Bank and Friend

BANK.....

ADDRESS.....

PRESENT EMPLOYER.....

ADDRESS.....

FRIEND.....

ADDRESS.....

NO POSTAGE OR ADDRESSING NECESSARY

Place
stamp
here

Exhibit "A"

General Forwarding System
 821 Market Street, Room 806
 San Francisco, Calif.

POSTPAID
 POSTAGE AND
 FEE PAID

FINAL NOTICE

We have on hand a PREPAID package for party whose name appears on reverse side of this card.

Due to change or error of address and lack of identification, we cannot make delivery.

We will hold same at your risk, subject to your forwarding directions, and FULL and PROPER identification as indicated.

General Forwarding System
 821 MARKET STREET
 SAN FRANCISCO, CALIF.

No Postage required on the attached Reply Card. Please answer Promptly.

Always refer to Package reference number when corresponding

Place
1 cent
stamp
here

Exhibit "A"

REPLY CARD

GENERAL FORWARDING SYSTEM

821 Market Street

San Francisco, Calif.

Unclaimed Package Division
 Room 806

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MAIL THIS CARD TO US PROMPTLY.

GENERAL FORWARDING SYSTEM
SAN FRANCISCO, CALIF.

Package Reference Number	Checked By.....
	Charges..... NONE
	Dept..... UNCLAIMED

We are holding a package for

Name.....

ADDRESS.....

which we are unable to deliver owing to change of address. Will you kindly fill in the present address below and mail to us using stamped card for your convenience?

Fill In All Spaces Below
 Consignee Must Be Identified
OR PACKAGE WILL NOT BE DELIVERED

Deliver the Above Package To

Name.....

RESIDENCE.....

CITY.....

Present Employer.....

Address.....

Bank.....

Address.....

Package will be sent direct to the person intended for only at their address, and not in care of anyone else.

NO POSTAGE OR ADDRESSING NECESSARY

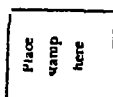


Exhibit "B"

General Forwarding System
 821 Market Street, Room 866
 San Francisco, Calif.

POSTMASTER
 RETURN TO
 FORWARDING
 SYSTEM.

FINAL NOTICE

We have on hand a PREPAID package for party whose name appears on reverse side of this card.

Due to change or error of address and lack of identification, we cannot make delivery.

Package will be forwarded with NO CHARGES to proper party if you will fill in and return the attached Reply Card.

General Forwarding System

821 MARKET STREET
 SAN FRANCISCO, CALIF.

No Postage required on the attached Reply Card. Please answer Promptly.

Always refer to Package reference number when corresponding

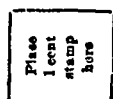


Exhibit "B"

REPLY CARD

GENERAL FORWARDING SYSTEM

821 Market Street,

San Francisco, Calif.

Unclaimed Package Division
 SUITE 804

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TO INTRODUCE OUR PENS



We will mail you one of them **ABSOLUTELY FREE OF CHARGE** provided you will show it to your friends and fellow employees where you work.

In order to avoid duplication, name of employer must be given.

You must act promptly, as only a limited number of pens will be distributed in this manner. Yours will be sent you as soon as this request card is returned.

Place
1 cent
stamp
here

REPLY CARD

COMMERCIAL PEN COMPANY

866 PACIFIC BUILDING

SAN FRANCISCO CALIF.

Exhibit "C"

FREE COUPON		NO.	
This certifies that is entitled to one pen free of charge and without any obligation when filled and returned to the Commercial Pen Co., San Francisco, California.			
NAME	ADDRESS		
CITY	STATE		
EMPLOYED BY	DEPT.	ADDRESS	
Coupon Expires after 30 days		This Coupon is Not Transferable	

Place
1 cent
stamp
here

COMMERCIAL PEN CO
866 PACIFIC BUILDING
SAN FRANCISCO, CALIF.

POSTMASTER:
FORWARD IF
NECESSARY

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on October 6, 1942, issued and subsequently served its complaint in this proceeding upon the respondent, Jack Silverman, an individual, trading under the names J. Silverman and Associates, General Forwarding System, and Commercial Pen Co., charging him with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of that act. After the filing of respondent's answer, testimony and other evidence in support of, and in opposition to, the allegations of the complaint were introduced before a trial examiner of the Commission theretofore duly designated by it, and such 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 answer thereto, testimony and other evidence, report of the trial examiner upon the evidence, and briefs in support of, and in opposition to, the complaint (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. The respondent, Jack Silverman, is an individual, trading under the names J. Silverman and Associates, General Forwarding System, and Commercial Pen Co., with his office and principal place of business located at 821 Market Street, San Francisco, Calif. Respondent is now, and for more than 4 years last past has been, engaged in the business of selling and distributing post cards designed and intended for use by creditors and collection agencies in obtaining information concerning debtors.

PAR. 2. Respondent causes, and has caused, his post cards, when sold, to be transported from his place of business in the State of California 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 post cards in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. The cards sold and distributed by respondent under the name General Forwarding System are in the form exemplified by copies thereof attached hereto as Exhibits A and B. In the space

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provided for the so-called "Package Reference Number" on these cards, respondent places a number when the cards are sold. This number is a serial number and serves to identify the particular customer purchasing the card. On the blank line following the word "Charges," respondent inserts the word "None"; and on the blank line following the word "Dept.," respondent inserts the word "Unclaimed."

The purchasers of the cards address them to the debtors or to others from whom information concerning debtors is sought, attach the required postage stamps to the cards, and then forward the cards to respondent at his place of business in San Francisco. Upon receiving the cards, respondent deposits them in the United States mail. Upon receipt of such of the reply cards as are filled out and mailed by the recipients thereof, respondent identifies his various customers by the serial numbers on the cards and then forwards the cards to the proper customers. Respondent sends to the debtor an ordinary pen point of the value of a penny or so, together with a printed circular advertising a pen and pencil set.

PAR. 4. Through the use of these cards, respondent represents and places in the hands of his customers the means of representing, directly or by implication, to debtors and others from whom information concerning debtors is sought, that such debtors are consignees of packages sent by business concerns other than respondent and which have come into the hands of respondent in the usual course of business; and that delivery of the packages cannot be made because of some change or error in the address of the consignee and because of lack of identification of the consignee.

The use by respondent of the trade name "General Forwarding System" in connection with such cards constitutes within itself a representation that respondent is in some way connected with the movement and transportation of goods and with the delivery of shipments to the proper consignees thereof.

PAR. 5. These representations are wholly false. Respondent's business is in no way connected with the movement or transportation of goods or the delivery of shipments to the proper consignees. The persons concerning whom information is sought through the cards are not consignees of packages sent by business concerns other than respondent and which have come into respondent's hands in the usual course of business. The sole purpose of the cards is to obtain, through subterfuge, information concerning debtors of respondent's customers.

PAR. 6. The cards sold and distributed by respondent under the name Commercial Pen Co. are in the form exemplified by a copy

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Exhibits

thereof attached hereto as Exhibit C. These cards are used and handled in substantially the same manner as those referred to above, except that they are sent only to the debtors themselves. The various purchasers of these cards are identified by respondent through serial numbers inserted on the blank line following the word "No." (number) on the card.

PAR. 7. Through the use of these cards, respondent represents and places in the hands of his customers the means of representing, directly or by implication, that the pen referred to on the card is something more than an ordinary pen point and is of such character that the debtor's friends and fellow employees may be interested in the purchase thereof, and that the proposal made through the card is for the purpose of introducing the pen to prospective purchasers.

The use by respondent of the trade name "Commercial Pen Co." in connection with such cards constitutes within itself a representation by respondent that his business is that of selling and distributing pens.

PAR. 8. These representations are wholly false. The pen sent by respondent to those who return the "reply card" is in fact nothing more than an ordinary pen point which is readily obtainable at retail for a penny or so. The pen points can be of no possible interest to any persons to whom they might be exhibited and are not sent to debtors for the purpose of introducing them to prospective purchasers. As in the case of the other cards referred to above, the sole purpose of these cards is to obtain, through subterfuge, information concerning debtors.

PAR. 9. The use as herein set forth of these false and misleading representations has the tendency and capacity to mislead and deceive many persons to whom respondent's cards are sent into the erroneous and mistaken belief that such representations are true, and the tendency and capacity to cause such persons to supply 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

(Card addressed to debtor)

FINAL NOTICE

We have on hand a PREPAID package for party whose name appears on reverse side of this card.

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Due to change or error of address and lack of identification, we cannot make delivery.

We will hold same at your risk, subject to your forwarding directions, and FULL and PROPER identification as indicated.

GENERAL FORWARDING SYSTEM

821 Market Street

San Francisco, Calif.

No postage required on the attached
Reply Card. Please answer Promptly.
Always Refer to Package reference number
when corresponding.

(Reply card to be filled out and returned)

MAIL THIS CARD TO US PROMPTLY

GENERAL FORWARDING SYSTEM

San Francisco, Calif.

Package Reference Number

Checked By _____
Charges _____ NONE _____
Dept _____ UNCLAIMED _____

Please send package (Fully Prepaid, with NO CHARGES) to me. My address and correct identification is as follows:

Consignee Must be Identified

Fill in All Spaces Below

OR PACKAGE WILL NOT BE DELIVERED

DELIVER THE ABOVE PACKAGE TO

NAME _____
ADDRESS _____
CITY _____ STATE _____

For Identification I refer you to My
Employer and Bank and Friend

BANK _____
ADDRESS _____
Present
EMPLOYER _____
ADDRESS _____
FRIEND _____
ADDRESS _____

NO POSTAGE OR ADDRESSING NECESSARY

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EXHIBIT B

(Card addressed to person other than debtor)

FINAL NOTICE

We have on hand a PREPAID package for party whose name appears on reverse side of this card.

Due to change or error of address and lack of identification, we cannot make delivery.

Package will be forwarded with NO CHARGES to proper party if you will fill in and return the attached Reply Card.

GENERAL FORWARDING SYSTEM

821 Market Street
San Francisco, Calif.

No postage required on the attached
Reply Card. Please answer Promptly.
Always refer to Package reference number
when corresponding.

(Reply card to be filled out and returned)

MAIL THIS CARD TO US PROMPTLY

GENERAL FORWARDING SYSTEM

San Francisco, Calif.

Package
Reference
Number

Checked By _____
Charges _____ NONE _____
Dept. _____ UNCLAIMED _____

We are holding a package for

NAME _____

ADDRESS _____

which we are unable to deliver owing to change of address. Will you kindly fill in the present address below and mail to us using stamped card for your convenience?

Fill In All Spaces Below

Consignee Must Be Identified

OR PACKAGE WILL NOT BE DELIVERED

Deliver the Above Package To

Name _____

RESIDENCE _____

CITY _____

Order

37 F. T. C.

Present Employer _____
 Address _____
 Bank _____
 Address _____

Package will be sent direct to the person intended for only at their address, and not in care of anyone else.

NO POSTAGE OR ADDRESSING NECESSARY

EXHIBIT C

(Card addressed to debtor)

TO INTRODUCE OUR PENS

We will mail you one of them **ABSOLUTELY FREE OF CHARGE** provided you will show it to your friends and fellow employees where you work.

In order to avoid duplication, name of employer must be given.

You must act promptly, as only a limited number of pens will be distributed in this manner. Yours will be sent you as soon as this request card is returned. (Reply card to be filled out and returned)

FREE COUPON

No. _____

This certifies that _____
 is entitled to one pen **FREE OF CHARGE AND WITHOUT ANY OBLIGATION** when filled and returned to the Commercial Pen Co., San Francisco, California.

Name _____

Address _____

City _____

State _____

Employed by _____

Dept. _____

Address _____

Coupon Expires after
30 days

This Coupon is Not
Transferable

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and other evidence taken before a trial examiner of the Commission theretofore duly designated by it, report of the trial examiner upon the evidence, and briefs in support of and in opposition to the complaint (oral argument not having been requested); and the Commission having made its findings as to the

facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondent, Jack Silverman, individually, and trading as J. Silverman and Associates, General Forwarding System, and Commercial Pen Co., 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 in commerce, as "commerce" is defined in the Federal Trade Commission Act, of post cards designed for use in obtaining information concerning debtors, or any other printed or written material of a substantially similar nature, do forthwith cease and desist from:

1. Using the name "General Forwarding System," or any other name of similar import, to designate, describe, or refer to respondent's business; or otherwise representing, directly or by implication, that respondent is connected in any way with the movement or transportation of goods or shipments, or with the delivery of goods or shipments to the consignees thereof.

2. Representing, directly or by implication, that persons concerning whom information is sought through respondent's post cards or other material are, or may be, consignees of goods or packages in the hands of respondent, or that the information sought through such means is for the purpose of enabling respondent to make delivery of goods or packages to such persons.

3. Using the name "Commercial Pen Co.," or any other name of similar import, to designate, describe, or refer to respondent's business; or otherwise representing, directly or by implication, that respondent is engaged in the business of selling or distributing pens or other merchandise.

4. Using, or supplying to others for use, post cards or other material which represents, directly or by implication, that such cards or other material are for the purpose of introducing pens or any other merchandise to the public.

5. Using, or supplying to others for use, post cards or other material which represents, directly or by implication, that respondent's business is other than that of obtaining information for use in the collection of debts, or that the information sought through such cards or other material is for any purpose other than for use in the collection of debts.

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

ROY A. WHIPPLE AND MRS. RUTH CARTER WHIPPLE,
TRADING AS McFADDEN 3 SISTERS SPRINGSCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 4940. Complaint, Apr. 12, 1943—Decision, Nov. 30, 1943*

Where two individuals engaged in interstate sale and distribution of mineral waters; through statements in advertisements, circulars, and other advertising material—

- (a) Falsely represented that their mineral water from Spring No. 1 was a cure or remedy and a competent and effective treatment for arthritis, neuritis, rheumatism, Bright's disease, diabetes, dropsy, pus in kidney, bladder and urethra, cystitis, enlarged prostate gland paralysis, stones in kidneys, and other urinary troubles, change of life and female irregularities, insomnia, anemia, nervous prostration, high- and low-blood pressure, gout, and hyperacidity;
 - (b) Falsely represented that their mineral water from Spring No. 2 was a cure or remedy and a competent and effective treatment for chronic constipation, acute and chronic indigestion, catarrh of stomach and intestines, excessive acid, gastritis, ulcerated stomach, poor assimilation and elimination, stagnant or poor circulation, nervousness, high- or low-blood pressure, gall stones, and mucous colitis;
 - (c) Falsely represented that the water from Spring No. 3 was a cure or remedy and a competent and effective treatment for flux, diarrhea, dysentery, cholera infantum, diabetic sores, eczema, granulated and sore eyes, catarrh of head and nose, and sinusitis; and
 - (d) Represented that accumulated wastes in the body form poisons which attack the liver, kidneys, and bladder, resulting in many different ailments, and that their mineral waters were effective in removing such poisons by flushing process, thereby preventing or curing aforesaid ailments; and that said waters, being alkaline, were effective in the elimination of excess acids and impurities through the kidneys and bladder and that use of them would maintain a proper balance of minerals in the body;
- The facts being that while waters in question possess a slight alkaline reaction, the amount of alkaline material provided by their use would not significantly affect the acid base balance of the body and be effective in eliminating excess acids and impurities;

With effect of deceiving a substantial portion of the purchasing public into the mistaken belief that said representations were true, and of inducing it by reason, thereof, to purchase substantial quantities of their said products:

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. B. G. Wilson for the Commission.

Mr. Curtis L. Ridgway, of Hot Springs, Ark., for respondents.