

Syllabus

IN THE MATTER OF
GILJAN MEDICINE COMPANY, INC. ET AL.

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

Docket 5216. Complaint, Sept. 14, 1944—Decision, May 10, 1945

Where a corporation and its three officers, engaged in the interstate sale and distribution of a medicinal preparation called "Giljan" and sometimes "Giljan Laxative Compound," together with their advertising agent;

In advertising said preparation in newspapers, reprints thereof, radio broadcasts, leaflets, charts, diagrams and other printed matter and by advertising mats and radio scripts furnished retail drug stores—cost of which they paid in whole or in part—and by oral statements of their officers and agents who called upon wholesalers and druggists and assisted in the sale of said preparations, and which included such statements as "DON'T PAY OVER 25¢ for GILJAN MEDICINE Today, Friday, Saturday CROWDS THROUG CUNNINGHAM'S DRUG STORE TO BUY 25¢ MEDICINE" and "George Remus, the dynamic Giljan 'Miracle Man' will be at Cunningham's in person to explain how this amazing 'natural medicine' works its wonders," along with a picture of said individual and "This offer is made because Cunningham's Drug Store believes it is only fair that everyone who suffers should have a chance to try a medicine at this low cost in order to see if it will help them, before they pay the full size price for it"; and purported testimonial quotations accompanied by depictions of the individual and diagrams, as asserted, of an afflicted liver, stomach, or kidney—

Represented through statements and depictions therein that said preparation was a natural medicine which was made from a new scientific formula and contained 18 ingredients, all of which were of substantial aid in bringing health to the user; constituted a cure or competent treatment for stomach trouble in its various forms, constipation, weak kidneys, rheumatism and neuritis and the pains associated therewith, backaches, night risings, sallowness due to a sluggish liver, gas pains, sour stomach, bloating, belching, stomach, liver and kidney ailments in general, and a general run-down condition; aided in the proper functioning of the kidneys and liver; was effective in relieving headaches, dizziness, a lazy, drowsy, tired feeling, or lack of energy, and was an effective diuretic; made the stomach, liver and kidneys more active and flushed poisons from the kidneys; cleared old bile out of the system; was effective in relieving bladder irritations; strengthened the nerves, and improved the appetite and digestion, relieved digestive disorders and regulated the bowels; and that use thereof made one healthy, feel years younger and brought relief to 87 percent of those who had used it;

The facts being that it was not a natural medicine either in the sense that its ingredients were entirely of natural origin or that it acted in a natural manner upon the system; the formula thereof was neither new nor scientific; with the exception of cascara bark, senna leaves, aloes and mandrake root, the ingredients in said preparation were not in sufficient amounts to have any therapeutic value; it had no value in the treatment of headaches, dizziness or a tired feeling in excess of affording temporary relief when such conditions were caused by constipation; its value in the treatment of constipation was limited to affording temporary relief by reason of its laxative qualities; it was not an effective diuretic; and in other respects it would not accomplish the results claimed since in truth and in fact it was only a laxative with no therapeutic value except as such;

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- (b) Failed to reveal facts material in the light of the representations made in said advertisements and with respect to the consequences which might result from the use of the preparation under prescribed and usual conditions in that, as an irritant laxative, it was potentially dangerous when taken in the presence of abdominal pains, nausea, vomiting or other symptoms of appendicitis;

With the effect of misleading and deceiving a substantial number of the purchasing public into the erroneous belief that such representations were true and that said preparation might be used at all times and under all conditions without ill effects, and of inducing a substantial number of the purchasing public, because of such belief, to purchase the same:

Held, That said 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. D. E. Hoopingarner for the Commission.

Mr. Paul V. Connolly, of Cincinnati, Ohio, and *Mr. M. Manning Marcus*, of Washington, D. C., 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 Giljan Medicine Company, Inc., a corporation, Henry S. Dunlap, George E. Remus and Mrs. Blanche Watson, officers of Giljan Medicine Company, Inc., and The Key Advertising Company, 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, Giljan Medicine Company, Inc., is a corporation, organized and doing business under and by virtue of the laws of the State of Ohio, with its office and principal place of business at 1002 Keith Building, Cincinnati, Ohio.

Respondents, Henry S. Dunlap, George E. Remus and Mrs. Blanche Watson, individuals, have their office and principal place of business at said address of said Giljan Medicine Company, Inc. Said individual respondents are officers of said corporate respondent and are in active control of its management. They formulate, control and direct its policies and practices in advertising and selling its products.

PAR. 2. Respondent, Giljan Medicine Company, Inc., and said individual respondents, are now, and for more than two years last past have been, engaged in the sale and distribution of a medicinal preparation called "Giljan," also sometimes called "Giljan Laxative Compound" consisting of the following ingredients per fluid ounce:

Cascara Bark	14.22 gr.
Senna Leaves	2.74 gr.
Curacao Aloes	1.37 gr.
Mandrake Root	.55 gr.
Cayenne Pepper	.08 gr.
Barberry Root	.55 gr.
Wild Cherry Bark	.55 gr.
Sarsaparilla Root	.55 gr.
Burdock Root	.55 gr.

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Licorice Root	.55 gr.
Juniper Berries	.55 gr.
Poke Root	.55 gr.
Gentian Root	.55 gr.
Sodium Benzoate	2.75 gr.
Glycerine	4.80 min.
Caramel	4.80 min.
Saccharin	.28 gr.
Oil Camphor Sassafras	.22 min.
Methyl Salicylate	.22 min.

The composition of said preparation Giljan has been varied from that above from time to time, but such variations have not been sufficient to change the therapeutic value thereof.

PAR. 3. In the course and conduct of their business, respondent, Giljan Medicine Company, Inc., and said individual respondents have caused and now cause said preparation Giljan, when sold, to be transported from their place of business in the State of Ohio to purchasers thereof located in various States of the United States other than the State of Ohio and in the District of Columbia. Said respondents maintain, and at all times mentioned herein have maintained, a course of trade in said preparation in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 4. Respondent, The Key Advertising Company, is a corporation, organized and doing business under and by virtue of the laws of the State of Ohio, with its office and principal place of business in the Fountain Square Building, Cincinnati, Ohio. Said last named respondent is the advertising agent of said respondent, Giljan Medicine Company, Inc., and it is engaged in formulating, editing, and causing to be published, the advertisements used in connection with the sale of the products of respondent, Giljan Medicine Company, Inc., including the advertising matter hereinafter set forth.

PAR. 5. In the course and conduct of their businesses, as aforesaid, respondents have disseminated and are now disseminating, and have caused and are now causing the dissemination of, false advertisements concerning said preparation by United States mails and by various means in commerce, as commerce is defined in the Federal Trade Commission Act; and respondents have also disseminated and are now disseminating, and have caused and are now causing the dissemination of, false advertisements concerning said preparation, by various means, for the purpose of inducing, and which are likely to induce, directly or indirectly, the purchase of said preparation Giljan, in commerce, as commerce is defined in the Federal Trade Commission Act.

PAR. 6. Respondents advertise said preparation Giljan by means of advertisements in newspapers, reprints thereof, radio broadcasts, leaflets, charts, diagrams, and other printed matter, and by advertising mats and radio scripts furnished retail drug stores. The agents, officers and employees of respondent, Giljan Medicine Company, Inc., call upon wholesalers and druggists and make to them the representations contained in said printed matter. Certain drug stores cause advertisements to be placed in newspapers, following said advertising mats, and radio broadcasts to be made, repeating said radio scripts, which are furnished as aforesaid by respondents, a part or all of the cost of which is paid by respondents. By the cooperation of said drug stores, the agents, officers and employees of

respondent, Giljan Medicine Company, Inc., appear at said drug stores and make said representations regarding the preparation Giljan to members of the public at said drug stores and there assist in the sale of, and sell, said preparation to members of the public.

PAR. 7. Among and typical of the advertisements and representations made, published and disseminated by respondents as aforesaid, with reference to the preparation Giljan, are:

**DON'T PAY OVER 25¢ for GILJAN MEDICINE Today, Friday, Saturday
CROWDS THROG CUNNINGHAM'S DRUG STORE TO BUY
25¢ MEDICINE**

(Picture of George
Remus)

George Remus, the dynamic Giljan "Miracle Man" will be at Cunningham's in person" to "explain" how this amazing "natural medicine" works its wonders. If you are now suffering, come in and hear Mr. Remus tell how Giljan has brought "Health from the Good Earth" to others like you.

Immediately following yesterday's announcement that Cunningham's Drug Store would sell medicine to anyone for 25¢—for only 3 days (today, Friday and Saturday)—crowds began thronging this popular drug store.

Reason for Amazing Offer

This offer is made because Cunningham's Drug Store believes it is only fair that everyone who suffers should have a chance to try a medicine at this low cost in order to see if it will help them, before they pay the full size price for it. Cunningham's also believes that a large percentage of the people of Saginaw need a "natural" medicine for such ailments as stomach trouble, constipation, weak kidneys, rheumatic pains and run-down conditions.

18 Helpful Ingredients Used

The medicine referred to is the new, scientific formula of juices made from 18 of Nature's finest health-giving herbs. It is called Giljan. It should be taken before meals, so that it mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach trouble and to permit the kidneys and liver to function properly. It is estimated that this medicine has helped 87 percent of those who have taken it. Therefore, we offer each person one introductory bottle for 25¢ (three days ONLY) because we believe those who are benefited will keep on using it. The regular full-sized price of this medicine is \$1.23.

What It Will Do

Giljan will help cleanse your bowels (gradually—not drastically or severely)—as they were NEVER CLEANSED BEFORE.

It will aid in bringing out gases and impurities (frequently from the first dose) which may have been inside you a long time, causing you many days of misery with headaches, dizzy spells, skin eruptions, and that lazy, drowsy, tired feeling, Giljan is of genuine assistance in making the digestive organs sweet and clean.

Many who have used Giljan find that Giljan acts as an excellent diuretic to sluggish kidneys and helps flush out quantities of impurities that may have become dammed up inside, causing BACKACHE, SHARP PAINS and GETTING UP FREQUENTLY AT NIGHT.

Giljan will assist in clearing up skin eruptions that are caused by the impurities in the organs, will aid in overcoming the sallowness ("muddy" complexion) that is due to sluggish liver, will help relieve rheumatic and neuritis pains by removing accumulations of poisons from the kidneys and bloodstream, and can be of great value in putting the ROSY GLOW OF HEALTH into your cheeks.

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Users say that GILJAN will help make your stomach, liver, kidneys and bowels more active; assist in building you up in general and make you LOOK, ACT and FEEL like a DIFFERENT MAN or WOMAN . . . years younger than your real age.

How It Acts

Giljan is taken before meals and mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach troubles and aiding the kidneys and liver in their proper functions. It usually acts within 10 minutes to stop gas pains, sourness, bloat and belching. It will not gripe or nauseate you like ordinary liver medicines, but its effectiveness will go far toward making your liver more active and in clearing away the old bile from your system. At the same time, Giljan tends to drive the poisons from the kidneys and to relieve backache, bladder irritation and weakness. Strengthens the nerves by natural means.

Now, whether or not it will help you as it has helped thousands of others—whether it will end your suffering in a day or a week—remains to be seen. But, in the light of what it has done for others, it is surely a mistake not to try it for 25¢, only a fraction of its actual cost. This offer is good 3 days ONLY, so read the rest of this announcement and act at once. Do this in your own interest and for your own health.

DON'T SUFFER! NEW "NATURAL" MEDICINE OFFERS RELIEF FROM TORTURES OF CONSTIPATION, GAS PAINS, RHEUMATISM, NEURITIS, and other STOMACH, LIVER, AND KIDNEY AILMENTS. Read what these grateful men and women of Detroit have to say about the "amazing" medicine, Giljan, which is bringing "Health From The Good Earth" to Thousands of Sufferers.

We could fill this newspaper with the statements of praise and endorsement that we have received from the users of Giljan. Among them you might find the names of friends, relatives or neighbors who are now feeling fit and enjoying life because they took Giljan to rid themselves from the agonies of stomach, liver, and kidney disorders. They make these statements willingly and gladly because they want to help others, who suffer as they did, regain the good health that makes life worth living.

What is this "Natural" medicine?

Giljan is a new, advanced medicine compound containing juices from 18 health-giving herbs, that is prepared according to a scientific formula to bring you "Health From The Good Earth." It is taken before meals, and mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach troubles and to permit the kidneys and liver to function properly. It usually acts within 10 minutes to stop gas pains, sourness, bloat, and belching. Users say it will not gripe or nauseate you like ordinary liver medicines.

It tends to make your liver more active and to clear away the old bile from your system. At the same time, Giljan relieves sluggish kidneys, backache.

But, if you really want to discover what Giljan can do for you, read what these Detroit men and women say Giljan has done for them.

(Diagram of liver, with the word "liver" on it, and the words "afflicted torpid area" identifying a darkened portion.)

The liver when sluggish and inactive, slows down the "bile flow," causing headaches and lack of energy.

Night Risings

(Picture of Thomas Black)

Mr. Thomas Black, Detroit, said: "I have suffered for 10 years from stomach trouble, due to constipation and bloating gas. I wasn't able to sleep at nights because I had to get up several times every night. My digestion and appetite were poor and my bowels irregular. Then I took Giljan. Now, I can eat and enjoy my food, I don't have to get up nights and I feel like a different person. Giljan surely helped me."

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HEARTBURN, ACID STOMACH AND GAS BLOATING MADE HIM MISERABLE.

(Picture of Mr. Jay C. Griffin)

Mr. Jay C. Griffin, 3340 Mayburg Grand, Detroit, says he felt like a stuffed toad—the very sight of food made him sick—had no energy, couldn't sleep—feels like a different person since taking Giljan.

(Diagram of stomach with word "stomach" on it, and the words "deep-seated impurity" identifying a darkened portion.)

It is really remarkable to see how many men and women, who have suffered for years from

the agonies of stomach troubles, digestive disorders, and their accompanying aches and pains, come forward with statements of praise and endorsement for this marvelous new medicine, Giljan, which is now being introduced daily to crowds of Detroit people at Cunningham's Drug Stores. And Mr. Griffin's statement, while unusual in many respects, is merely typical of what scores of others have to say in praise of Giljan. Read it.

SOUR STOMACH CAUSED CONSTANT AGONY FROM BLOATING BEFORE SHE GOT HELP FROM GILJAN.

Mrs. J. H. Billadow of Battle Creek, Mich., was in Misery Most Of the Time—Suffered Greatly From Bloating, Gas Pains, Backaches (Due to Kidney Trouble)—Complained of Terrible Headaches and Constipation. Since Taking Giljan She Says, "I have Been Greatly Relieved—I Don't Have Those Terrible Headaches Anymore."

(Picture of Mrs. Billadow)

"I was troubled with a sour stomach most of the time and also was in constant agony from

bloating, and gas pains. I was also suffering from backaches due to bad kidney trouble. But, since taking Giljan I have been greatly relieved."

That's what Mrs. Billadow writes, a woman who has suffered for many years. "Now, due to the proper elimination of the poisons that settle in sluggish kidneys, I don't have those terrible backaches. Giljan has also helped me from suffering from rheumatism because the terrible pains in my arms and legs have been greatly relieved. My bowels have been regulated and I have not been constipated since taking my first dose of Giljan. I sleep better and have renewed energy which makes life seem worthwhile."

(Diagram of kidney with the word "kidney" on it, and the words "acid deposits" identifying a darkened portion.)

That is what so many people are saying about Giljan, the "amazing mixture of juices from 18

of nature's health-giving herbs"—which is now being introduced to crowds of suffering Lansing men and women daily by Cunningham's Drug Store.

Giljan is a Medicinal Compound of Nature's Roots and Herbs—blended with other ingredients—which compose a formula beneficial for common ailments such as occasional Constipation, Rheumatic Pains, Neuritis, and General Nervous condition due to constipation. It acts as a mild diuretic to the kidneys, as a liver activator, and as a stomachic.

Giljan is a liquid mixture of 12 extracts from medicinal herbs, expertly combined with 6 other splendid ingredients. It contains so many fine ingredients that it helps accomplish several things within the human system at the same time.

Giljan, the "natural" medicine, has a direct influence on the whole system.

PAR. 8. By and through the use of the aforesaid statements, representations and depictions, and others of similar import but not set out herein,

respondents represent that said preparation is a natural medicine, is made from a new scientific formula and contains 18 ingredients all of which are of substantial aid in bringing health to the user; that said preparation constitutes a cure and remedy or a competent and effective treatment for stomach trouble in its various forms, constipation, weak kidneys, rheumatism and neuritis and the pains associated therewith, backaches, night risings, sallowness due to a sluggish liver, gas pains, sour stomach, bloating, belching, stomach, liver and kidney ailments in general, and a general run down condition; that it aids in the proper functioning of the kidneys and liver; that it is effective in relieving headaches, dizziness, a lazy, drowsy, tired feeling, or lack of energy; that it is an effective diuretic, makes the stomach, liver and kidneys more active and flushes poisons from the kidneys; that it clears old bile out of the system, is effective in relieving bladder irritations, strengthens the nerves, improves the appetite and digestion, relieves digestive disorders and regulates the bowels; that the use of said preparation makes one healthy, feel years younger and brings relief to 87 percent of those who have used it.

PAR. 9. The aforesaid statements, representations and depictions are false, misleading and deceptive. In truth and in fact, said preparation is not a natural medicine either in the sense that its ingredients are entirely of natural origin or that it acts in a natural manner upon the system. The formula of said preparation is neither new or scientific. With the exception of cascara bark, senna leaves, aloes and mandrake root, the ingredients in said preparation are not in sufficient amounts to afford any therapeutic value. Said preparation is not a cure or remedy and has no therapeutic value in the treatment of stomach trouble in its various forms, weak kidneys, rheumatism and neuritis and the pains associated therewith, backaches, night risings, sallowness from any cause, gas pains, sour stomach, bloating, belching stomach, liver and kidney ailments, or a general run down condition. It has no value in the treatment of kidney or liver ailments and will have no effect on their functioning. It will not relieve a lazy or drowsy feeling or restore energy. It has no value in the treatment of headaches, dizziness or a tired feeling in excess of affording temporary relief when such conditions are caused by constipation. Its value in the treatment of constipation is limited to affording temporary relief by reason of its laxative qualities. Said preparation is not an effective diuretic. It will not make the stomach, liver and kidneys more active. It will not flush poisons from the kidneys, will not clear old bile out of the system, relieve bladder irritations, strengthen the nerves, improve the appetite or digestion, relieve digestive disorders or regulate the bowels. The use of said preparation will not make one healthy or feel younger. There is no basis in fact for respondents' claim that 87 percent, or any other specified number, of those taking this preparation have been benefited. In truth and in fact, said preparation is only a laxative and has no therapeutic value in excess of that of a laxative.

PAR. 10. The foregoing advertisements constitute false advertisements for the further reason that they fail to reveal facts material in the light of such representations and material with respect to the consequences which may result from the use of the preparation to which the advertisements relate, under the conditions prescribed in said advertisements and under such conditions as are customary and usual. In truth and in fact, said preparation is an irritant laxative and is potentially dangerous when taken in the presence of abdominal pains, nausea, vomiting, or other symptoms of appendicitis.

PAR. 11. The use by the respondents of the aforesaid false advertisements and said false and deceptive representations and implications with respect to the preparation Giljan has had, and now has, the capacity and tendency to, and does, mislead and deceive a substantial number of the purchasing public into the erroneous and mistaken belief that such advertisements, representations and implications are true and that said preparation may be used at all times and under all conditions without ill effects, and to induce a substantial number of the purchasing public, because of such erroneous and mistaken belief, to purchase said preparation.

PAR. 12. The aforesaid acts and practices of the respondents, as herein alleged, are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on September 14, 1944, issued and on September 16, 1944, served its complaint in this proceeding upon the respondents, Giljan Medicine Company, Inc., a corporation, Henry S. Dunlap, George E. Remus, and Mrs. Blanche Watson, officers of Giljan Medicine Company, Inc., and The Key Advertising Company, a corporation, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. Subsequently the respondents filed their answer, in which answer they admitted all the material allegations of fact set forth in said complaint and waived all intervening procedure and further hearing as to the said facts, and further setting forth that the correct name of respondent, George E. Remus, is George Remus, and the correct name of Mrs. Blanche Watson, is Blanche Watson, and also consented that the complaint herein may be amended to name the respondents, George Remus and Blanche Watson, by such names, being their correct names, instead of as George E. Remus and Mrs. Blanche Watson. Thereafter, this proceeding regularly came on for final hearing before the Commission on said complaint and the answer thereto, and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Giljan Medicine Company, Inc., is a corporation, organized and doing business under and by virtue of the laws of the State of Ohio, with its office and principal place of business at 1002 Keith Building, Cincinnati, Ohio.

Respondents, Henry S. Dunlap, George Remus and Blanche Watson, individuals, have their office and principal place of business at said address of said Giljan Medicine Company, Inc. Said individual respondents are officers of said corporate respondent and are in active control of its management. They formulate, control and direct its policies and practices in advertising and selling its products.

PAR. 2. Respondent, Giljan Medicine Company, Inc., and said individual respondents, are now, and for more than two years last past have been, engaged in the sale and distribution of a medicinal preparation called

"Giljan," also sometimes called "Giljan Laxative Compound" consisting of the following ingredients per fluid ounce:

Cascara Bark	14.22 gr.
Senna Leaves	2.74 gr.
Curacoa Aloes	1.37 gr.
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Barberry Root	.55 gr.
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Burdock Root	.55 gr.
Licorice Root	.55 gr.
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Poke Root	.55 gr.
Gentian Root	.55 gr.
Sodium Benzoate	2.75 gr.
Glycerine	4.80 min.
Caramel	4.80 min.
Saccharin	.28 gr.
Oil Camphor Sassafras	.22 min.
Methyl Salicylate	.22 min.

The composition of said preparation Giljan has been varied from that above from time to time, but such variations have not been sufficient to change the therapeutic value thereof.

PAR. 3. In the course and conduct of their business, respondent, Giljan Medicine Company, Inc., and said individual respondents have caused and now cause said preparation Giljan, when sold, to be transported from their place of business in the State of Ohio to purchasers thereof located in various States of the United States other than the State of Ohio and in the District of Columbia. Said respondents maintain, and at all times mentioned herein have maintained, a course of trade in said preparation in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 4. Respondent, The Key Advertising Company, is a corporation, organized and doing business under and by virtue of the laws of the State of Ohio, with its office and principal place of business in the Fountain Square Building, Cincinnati, Ohio. Said last named respondent is the advertising agent of said respondent, Giljan Medicine Company, Inc., and it is engaged in formulating, editing, and causing to be published, the advertisements used in connection with the sale of the products of respondent, Giljan Medicine Company, Inc., including the advertising matter hereinafter set forth.

PAR. 5. In the course and conduct of their businesses, as aforesaid, respondents have disseminated and are now disseminating, and have caused and are now causing the dissemination of, false advertisements concerning said preparation by United States mails and by various means in commerce, as commerce is defined in the Federal Trade Commission Act; and respondents have also disseminated and are now disseminating, and have caused and are now causing the dissemination of, false advertisements concerning said preparation, by various means, for the purpose of inducing, and which are likely to induce, directly or indirectly, the purchase of said

preparation Giljan, in commerce, as commerce is defined in the Federal Trade Commission Act.

PAR. 6. Respondents advertise said preparation Giljan by means of advertisements in newspapers, reprints thereof, radio broadcasts, leaflets, charts, diagrams, and other printed matter, and by advertising mats and radio scripts furnished retail drug stores. The agents, officers and employees of respondent, Giljan Medicine Company, Inc., call upon wholesalers and druggists and make to them the representations contained in said printed matter. Certain drug stores cause advertisements to be placed in newspapers, following said advertising mats, and radio broadcasts to be made, repeating said radio scripts, which are furnished as aforesaid by respondents, a part or all of the cost of which is paid by respondents. By the cooperation of said drug stores, the agents, officers and employees of respondent, Giljan Medicine Company, Inc., appear at said drug stores and make said representations regarding the preparation Giljan to members of the public at said drug stores and there assist in the sale of, and sell, said preparation to members of the public.

PAR. 7. Among and typical of the advertisements and representations made, published and disseminated by respondents as aforesaid, with reference to the preparation Giljan, are:

DON'T PAY OVER 25¢ for GILJAN MEDICINE Today, Friday, Saturday

CROWDS THROG CUNNINGHAM'S DRUG STORE TO BUY 25¢ MEDICINE

(Picture of George
Remus)

George Remus, the dynamic Giljan "Miracle Man" will be at Cunningham's in person to explain how this amazing "natural medicine" works its wonders. If you are now suffering, come in and hear Mr. Remus tell how Giljan has brought "Health from the Good Earth" to others like you.

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Reason for Amazing Offer

This offer is made because Cunningham's Drug Store believes it is only fair that everyone who suffers should have a chance to try a medicine at this low cost in order to see if it will help them, before they pay the full size price for it. Cunningham's also believes that a large percentage of the people of Saginaw need a "natural" medicine for such ailments as stomach trouble, constipation, weak kidneys, rheumatic pains and run-down conditions.

18 Helpful Ingredients Used

The medicine referred to is the new, scientific formula of juices made from 18 of Nature's finest health-giving herbs. It is called Giljan. It should be taken before meals, so that it mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach trouble and to permit the kidneys and liver to function properly. It is estimated that this medicine has helped 87 percent of those who have taken it. Therefore, we offer each person one introductory bottle for 25¢ (three days ONLY) because we believe those who are benefited will keep on using it. The regular full-sized price of this medicine is \$1.23.

What It Will Do

Giljan will help cleanse your bowels (gradually—not drastically or severely)—as they were NEVER CLEANSED BEFORE.

It will aid in bringing out gases and impurities (frequently from the first dose) which may have been inside you a long time, causing you many days of misery with headaches, dizzy spells, skin eruptions, and that lazy, drowsy, tired feeling. Giljan is of genuine assistance in making the digestive organs sweet and clean.

Many who have used Giljan find that Giljan acts as an excellent diuretic to sluggish kidneys and helps flush out quantities of impurities that may have become dammed up inside, causing BACKACHE, SHARP PAINS and GETTING UP FREQUENTLY AT NIGHT.

Giljan will assist in clearing up skin eruptions that are caused by the impurities in the organs, will aid in overcoming the sallowness ("muddy" complexion) that is due to sluggish liver, will help relieve rheumatic and neuritis pains by removing accumulations of poisons from the kidneys and bloodstream, and can be of great value in putting the ROSY GLOW OF HEALTH into your cheeks.

Users say that GILJAN will help make your stomach, liver, kidneys and bowels more active; assist in building you up in general and make you LOOK, ACT and FEEL like a DIFFERENT MAN or WOMAN . . . years younger than your real age.

How It Acts

Giljan is taken before meals and mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach troubles and aiding the kidneys and liver in their proper functions. It usually acts within 10 minutes to stop gas pains, sourness, bloat and belching. It will not gripe or nauseate you like ordinary liver medicines, but its effectiveness will go far toward making your liver more active and in clearing away the old bile from your system. At the same time, Giljan tends to drive the poisons from the kidneys and to relieve backache, bladder irritation and weakness. Strengthens the nerves by natural means.

Now, whether or not it will help you as it has helped thousands of others—whether it will end your suffering in a day or a week—remains to be seen. But, in the light of what it has done for others, it is surely a mistake not to try it for 25¢, only a fraction of its actual cost. This offer is good 3 days ONLY, so read the rest of this announcement and act at once. Do this in your own interest and for your own health.

DON'T SUFFER! NEW "NATURAL" MEDICINE OFFERS RELIEF FROM TORTURES OF CONSTIPATION, GAS PAINS, RHEUMATISM, NEURITIS, and other STOMACH, LIVER, AND KIDNEY AILMENTS. Read what these grateful men and women of Detroit have to say about the "amazing" medicine, Giljan, which is bringing "Health From The Good Earth" to Thousands of Sufferers.

We could fill this newspaper with the statements of praise and endorsement that we have received from the users of Giljan. Among them you might find the names of friends, relatives or neighbors who are now feeling fit and enjoying life because they took Giljan to rid themselves from the agonies of stomach, liver, and kidney disorders. They make these statements willingly and gladly because they want to help others, who suffer as they did, regain the good health that makes life worth living.

What is this "Natural" medicine?

Giljan is a new, advanced medicine compound containing juices from 18 health-giving herbs, that is prepared according to a scientific formula to bring you "Health From The Good Earth." It is taken before meals, and mixes with the food in one's stomach, thus helping to eliminate the poisons that foster stomach troubles and to permit the kidneys and liver to function properly. It usually acts within 10 minutes to stop gas pains, sourness, bloat, and belching. Users say it will not gripe or nauseate you like ordinary liver medicines.

It tends to make your liver more active and to clear away the old bile from your system. At the same time, Giljan relieves sluggish kidneys, backache.

But, if you really want to discover what Giljan can do for you, read what these Detroit men and women say Giljan has done for them.

(Diagram of liver, with the word "liver" on it, and the words "afflicted torpid area" identifying a darkened portion.)

The liver when sluggish and inactive, slows down the "bile flow," causing headaches and lack of energy.

Night Risings

(Picture of Thomas Black)

"Mr. Thomas Black, Detroit, said: "I have suffered for 10 years from stomach trouble, due to constipation and bloating gas. I wasn't able to sleep at nights because I had to get up several times every night. My digestion and appetite were poor and my bowels irregular. Then I took Giljan. Now, I can eat and enjoy my food, I don't have to get up nights and I feel like a different person. Giljan surely helped me."

HEARTBURN, ACID STOMACH AND GAS BLOATING MADE HIM MISERABLE.

(Picture of Mr. Jay C. Griffin)

(Diagram of stomach with word "stomach" on it, and the words "deep-seated impurity" identifying a darkened portion.)

the agonies of stomach troubles, digestive disorders, and their accompanying aches and pains, come forward with statements of praise and endorsement for this marvelous new medicine, Giljan, which is now being introduced daily to crowds of Detroit people at Cunningham's Drug Stores. And Mr. Griffin's statement, while unusual in many respects, is merely typical of what scores of others have to say in praise of Giljan. Read it.

Mr. Jay C. Griffin, 3340 Mayburg Grand, Detroit, says he felt like a stuffed toad—the very sight of food made him sick—had no energy, couldn't sleep—feels like a different person since taking Giljan.

It is really remarkable to see how many men and women, who have suffered for years from

SOUR STOMACH CAUSED CONSTANT AGONY FROM BLOATING BEFORE SHE GOT HELP FROM GILJAN.

Mrs. J. H. Billadow of Battle Creek, Mich., was in Misery Most of the Time—Suffered Greatly From Bloating, Gas Pains, Backaches (Due to Kidney Trouble)—Complained of Terrible Headaches and Constipation. Since Taking Giljan She Says, "I have Been Greatly Relieved—I Don't Have Those Terrible Headaches Anymore."

(Picture of Mrs. Billadow)

bloating, and gas pains. I was also suffering from backaches due to bad kidney trouble. But, since taking Giljan I have been greatly relieved."

That's what Mrs. Billadow writes, a woman who has suffered for many years. "Now, due to the proper elimination of the poisons that settle in sluggish kidneys, I don't have those terrible backaches. Giljan has also helped me from suffering from rheumatism because the terrible pains in my arms and legs have been greatly relieved. My bowels have been regulated and I have not been constipated since taking my first dose of Giljan. I sleep better and have renewed energy which makes life seem worthwhile."

(Diagram of kidney with the word "kidney" on it, and the words "acid deposits" identifying a darkened portion.)

That is what so many people are saying about Giljan, the "amazing mixture of juices from 18

of nature's health-giving herbs"—which is now being introduced to crowds of suffering Lansing men and women daily by Cunningham's Drug Store.

Giljan is a Medicinal Compound of Nature's Roots and Herbs—blended with other ingredients—which compose a formula beneficial for common ailments such as occasional Constipation, Rheumatic Pains, Neuritis, and General Nervous condition due to constipation. It acts as a mild diuretic to the kidneys, as a liver activator, and as a stomachic.

Giljan is a liquid mixture of 12 extracts from medicinal herbs, expertly combined with 6 other splendid ingredients. It contains so many fine ingredients that it helps accomplish several things within the human system at the same time.

Giljan, the "natural" medicine, has a direct influence on the whole system.

PAR. 8. By and through the use of the aforesaid statements, representations and depictions, and others of similar import but not set out herein, respondents represent that said preparation is a natural medicine, is made from a new scientific formula and contains 18 ingredients, all of which are of substantial aid in bringing health to the user; that said preparation constitutes a cure and remedy or a competent and effective treatment for stomach trouble in its various forms, constipation, weak kidneys, rheumatism and neuritis and the pains associated therewith, backaches, night risings, sallowness due to a sluggish liver, gas pains, sour stomach, bloating, belching, stomach, liver and kidney ailments in general, and a general run down condition; that it aids in the proper functioning of the kidneys and liver; that it is effective in relieving headaches, dizziness, a lazy, drowsy, tired feeling, or lack of energy; that it is an effective diuretic, makes the stomach, liver and kidneys more active and flushes poisons from the kidneys; that it clears old bile out of the system, is effective in relieving bladder irritations, strengthens the nerves, improves the appetite and digestion, relieves digestive disorders and regulates the bowels; that the use of said preparation makes one healthy, feel years younger and brings relief to 87 percent of those who have used it.

PAR. 9. The aforesaid statements, representations and depictions are false, misleading and deceptive. In truth and in fact, said preparation is not a natural medicine either in the sense that its ingredients are entirely of natural origin or that it acts in a natural manner upon the system. The formula of said preparation is neither new or scientific. With the exception of cascara bark, senna leaves, aloes and mandrake root, the ingredients in said preparation are not in sufficient amounts to afford any therapeutic value. Said preparation is not a cure or remedy and has no therapeutic value in the treatment of stomach trouble in its various forms, weak kidneys, rheumatism and neuritis and the pains associated therewith, backaches, night risings, sallowness from any cause, gas pains, sour stomach, bloating, belching, stomach, liver and kidney ailments, or a general run down condition. It has no value in the treatment of kidney or liver ailments and will have no effect on their functioning. It will not relieve a lazy or drowsy feeling or restore energy. It has no value in the treatment of headaches, dizziness or a tired feeling in excess of affording temporary relief when such conditions are caused by constipation. Its value in the treatment of constipation is limited to affording temporary relief by reason of its laxative qualities. Said preparation is not an effective diuretic. It will not make the stomach, liver and kidneys more active. It will not flush poisons from the kidneys, will not clear old bile out of the system, relieve bladder irritations, strengthen the nerves, improve the appetite or

digestion, relieve digestive disorders or regulate the bowels. The use of said preparation will not make one healthy or feel younger. There is no basis in fact for respondents' claim that 87 percent, or any other specified number, of those taking this preparation have been benefited. In truth and in fact, said preparation is only a laxative and has no therapeutic value in excess of that of a laxative.

PAR. 10. The foregoing advertisements constitute false advertisements for the further reason that they fail to reveal facts material in the light of such representations and material with respect to the consequences which may result from the use of the preparation to which the advertisements relate, under the conditions prescribed in said advertisements and under such conditions as are customary and usual. In truth and in fact, said preparation is an irritant laxative and is potentially dangerous when taken in the presence of abdominal pains, nausea, vomiting, or other symptoms of appendicitis.

PAR. 11. The use by the respondents of the aforesaid false advertisements and said false and deceptive representations and implications with respect to the preparation Giljan has had, and now has, the capacity and tendency to, and does, mislead and deceive a substantial number of the purchasing public into the erroneous and mistaken belief that such advertisements, representations and implications are true and that said preparations may be used at all times and under all conditions without ill effects, and to induce a substantial number of the purchasing public, because of such erroneous and mistaken belief, to purchase said preparation.

CONCLUSION

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

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of respondents, in which answer respondents admit all the material allegations of fact set forth in said complaint and state that they waive all intervening procedure and further hearing as to the said facts, and the Commission having made its findings as to the facts and conclusion that the respondents herein have violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents, Giljan Medicine Company, Inc., a corporation, its officers, representatives, agents and employees, Henry S. Dunlap, George Remus and Blanche Watson, individually and as officers of Giljan Medicine Company, Inc., their representatives, agents and employees, and The Key Advertising Company, a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of the preparation "Giljan," sometimes called "Giljan Laxative Compound," or any other preparation of substantially similar composition or possessing substantially similar properties, whether sold under the same name or under any other name, do forthwith cease and desist from, directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement by means of the United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement represents, directly or through inference:

(a) That said preparation is a natural medicine, either in the sense that its ingredients are of natural origin or that it acts in a natural manner upon the system.

(b) That the formula of said preparation is either new or scientific.

(c) That the ingredients as contained in said preparation other than cascara bark, senna leaves, aloes and mandrake root have any therapeutic value.

(d) That said preparation is a cure or remedy for or has any therapeutic value in the treatment of stomach trouble in its various forms, weak kidneys, rheumatism or neuritis or the pains associated therewith, back-aches, night risings, sallowness from any cause, gas pains, sour stomach, bloating, belching, liver and kidney ailments or a general run down condition, or that it has any beneficial effect upon the functioning of the kidneys, liver or stomach.

(e) That said preparation will relieve a lazy or drowsy feeling or restore energy.

(f) That said preparation has any therapeutic value in the treatment of headaches, dizziness or a tired feeling in excess of affording temporary relief when such conditions are due to constipation and that it has any therapeutic value in the treatment of constipation in excess of affording temporary relief by reason of its laxative qualities.

(g) That said preparation is an effective diuretic; will flush poisons from the system, will clear old bile out of the system; will relieve bladder irritation, strengthen the nerves, improve the appetite or digestion, relieve digestive disorders or regulate the bowels.

(h) That said preparation will make one healthy or feel younger.

(i) That 87 percent or any specified number of persons have been benefited through the use of said preparation.

(j) That said preparation has any therapeutic value in excess of that of a laxative.

2. 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 fails to reveal that said preparation should not be used in the presence of nausea, vomiting, abdominal pains, or other symptoms of appendicitis: *Provided, however*, that such advertisement need contain only the statement, "CAUTION: Use only as Directed," if and when the directions for use, wherever they appear, on the label, in the labeling, or both on the label or in the labeling, contain a warning to the above effect.

3. 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 of said preparation in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement contains any representation prohibited in paragraph 1 hereof, or which fails to comply with the affirmative requirements set forth in paragraph 2 hereof.

It is further ordered, That the respondents 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.

IN THE MATTER OF

CHARLES P. HALFHILL, THEODORE A. HALFHILL, HARRY J. HALFHILL AND HARRY J. HALFHILL, JR. DOING BUSINESS AS THE HALFHILL COMPANY AND AS OCEAN FOOD PRODUCTS COMPANY

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2 (c) OF AN ACT OF CONGRESS APPROVED OCT. 15, 1914, AS AMENDED BY ACT OF JUNE 19, 1936

Docket 5267. Complaint, Jan. 26, 1945—Decision, May 12, 1945

Where four partners engaged in buying and in selling and distributing canned salmon, tuna, mackerel, sardines and other canned food products for their own account for resale, (1) to buyers through brokers who acted as said partners' agents and to whom they customarily paid commissions or brokerage fees based on a percentage of the invoice sales prices; and (2) to direct buyers who bought said products in their own names and for their own account for resale, including so-called "buying brokers," chain stores, large wholesalers, members of buying groups and others—Paid to such direct buyers—to whom they invoiced and shipped their food products directly and from whom they collected the purchase price and who, contrary to the manner in which brokers operate, were traders for profit, who purchased and resold such food products in their own names and for their own accounts, took title thereto, assumed all risk incident to ownership, and warehoused and insured the same, and financed their dealing therein—commissions or brokerage fees on their purchases by deducting or allowing from the invoice price an amount approximating the commissions paid by them to their legitimate brokers, or by selling to them at a net price which reflected the same:

Held, That such paying and granting of commissions, brokerage, or other compensation, and allowances or discounts in lieu thereof, to the buyers of said food products on their own purchases, constituted violations of subsection (c) of Section 2 of the Clayton Act as amended.

Mr. Edward S. Ragsdale for the Commission.

Tapper & Tapper, of Los Angeles, Calif., for respondents.

COMPLAINT

The Federal Trade Commission having reason to believe that the parties respondent named in the caption hereof, and hereinafter more particularly designated and described, since June 19, 1936, have violated and are violating the provisions of subsection (c) of Section 2 of the Clayton Act (U.S.C. Title 15, Sec. 13) as amended by the Robinson-Patman Act, approved June 19, 1936, hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondents, Charles P. Halfhill, Theodore A. Halfhill, Harry J. Halfhill, and his son, Harry J. Halfhill, Jr., are partners, engaged in business under the registered fictitious trade names of The Halfhill Company and Ocean Food Products Company, in accordance with the laws of the State of California, having their principal office and place of business located at 714 West Olympic Boulevard, Los Angeles, Calif.