

Complaint
IN THE MATTER OF
PERMA-RID, INC.

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

Docket 5244. Complaint, Nov. 2, 1944—Decision, May 16, 1946

Where a corporation engaged in the interstate sale and distribution of a cosmetic preparation which it designated "Perma-Rid"—

- (a) Falsely represented, through advertisements in newspapers and other advertising literature, that its said preparation permanently removed superfluous hair from the body, destroyed such hair thereby terminating its regrowth, and rejuvenated and beautified the skin, aided in the removal of blackheads, and reduced enlarged pores; when in fact its only action was that of a bleach and astringent; and
- (b) Falsely represented, through use of term "Perma-Rid" in its corporate name and a trade name for its said preparation, that the preparation would rid one of superfluous hair and that its effects were permanent;

With effect of misleading and deceiving a substantial portion of the purchasing public into the erroneous belief that said representations were true, and of thereby inducing its purchase of substantial quantities of the preparation:

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.

Before *Mr. Clyde M. Hadley*, trial examiner.

Mr. James I. Rooney and *Mr. Charles S. Cox* for the Commission.

Matot & Seelig, of Los Angeles, 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 Perma-Rid, Inc., a corporation, 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, Perma-Rid, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Wisconsin, with its office and principal place of business located at 2947 North Forty-fifth Street, Milwaukee, Wis. The respondent is now, and for more than 2 years last past has been, engaged in the offering for sale, sale, and distribution of a certain cosmetic preparation designated as "Perma-Rid."

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PAR. 2. Respondent causes said preparation, when sold, to be transported from its place of business in the State of Wisconsin, to purchasers located in various States of the United States and the District of Columbia. Respondent maintains, and at all times mentioned herein had maintained, a course of trade in its said preparation, in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its aforesaid business, the respondent has disseminated and is now disseminating, and has caused and is now causing the dissemination of false advertisements concerning said preparation, by the United States mails and by various other means in commerce, as "commerce" is defined in the Federal Trade Commission Act; and the respondent has also disseminated and is now disseminating, and has caused and is now causing the dissemination of false advertising 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 in commerce as "commerce" is defined in the Federal Trade Commission Act.

Among, and typical of the false, misleading, and deceptive statements and representations contained in said advertisements disseminated and caused to be disseminated as above set forth, by the United States mails, by advertisements inserted in newspapers, and other advertising literature, are the following:

BANISH UGLY HAIR FOREVER, by using **PERMA-RID**. Lifetime Results * * * **PERMA-RID** is Simple, Safe, Painless and Permanent. Start now with these treatments, and have a hair-free face, arms, and legs for the summer.

DESTROY Superfluous Hair, Scientifically, Harmlessly, so that it absolutely disappears. **PERMA-RID** has an 8-year record of satisfactory service.

After years of experimentation and research, a chemical formula has been discovered which can and does destroy the growth of unwanted hair.

REMOVE Ugly Unwanted Hair from face, arms, and legs. You definitely can * * * Safely, Painlessly, and Permanently, by **PERMA-RID**.

PERMA-RID is a **HAIR DESTROYER**—not a hair remover. Hair will diminish after each treatment * * *. **PERMA-RID** aids greatly in beautifying and rejuvenating the skin. **PERMA-RID** also aids in the removal of blackheads, and reduces enlarged pores.

PAR. 4. Through the use of the foregoing statements and representations and others similar thereto but not specifically set out herein, respondent represents and has represented that its preparation **Perma-Rid** permanently removes superfluous hair from the body; that application of said preparation destroys such hair, thereby terminating its regrowth, and that the use of said preparation rejuvenates and beautifies the skin, aids in the removal of blackheads, and reduces enlarged pores.

PAR. 5. The aforesaid statements and representations are false, misleading, and deceptive. In truth and in fact, respondent's said preparation will not remove hair, either permanently or temporarily, its only action being that of a bleach and astringent. It will not destroy hair in any sense and will not prevent or terminate the regrowth of hair. It will not rejuvenate or beautify the skin, nor will its use be effective in removing blackheads or reducing enlarged pores.

PAR. 6. The use by the respondent of the corporate name Perma-Rid, Inc., in connection with said preparation and the trade name Perma-Rid for said preparation is false, misleading, and deceptive in that said corporate name and said trade name serve as representations that said preparation will rid one of superfluous hair and that its effects are permanent, which is not in accordance with the facts.

PAR. 7. The use by the respondent of the foregoing false, misleading, and deceptive statements and representations has had, and now has, the tendency and capacity to, and does mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that said statements and representations are true, and to induce a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase said preparation.

PAR. 8. The aforesaid acts and practices of the 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 November 2, 1944, issued and thereafter served its complaint in this proceeding upon the respondent, Perma-Rid, Inc., a corporation, charging it with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answer, the Commission, by order entered herein, granted respondent's motion for permission to withdraw said answer and to substitute therefor an answer admitting all of the material allegations of fact set forth in said complaint and waiving all intervening procedure and further hearings as to the facts, which substitute answer was duly filed in the office of the Commission. Thereafter, this proceeding regularly came on for final hearing before the Commission on the complaint and substitute answer, and the Commission, having duly considered the matter and being now fully advised in the

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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, Perma-Rid, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Wisconsin, with its office and principal place of business located at 2947 North Forty-fifth Street, Milwaukee, Wis. Respondent is now, and for more than 2 years last past has been, engaged in the offering for sale, sale, and distribution of a certain cosmetic preparation designated "Perma-Rid."

PAR. 2. Respondent causes said preparation, when sold, to be transported from its place of business in the State of Wisconsin to purchasers located 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 its said preparation in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of its business, respondent has disseminated and is now disseminating, and has caused and is now causing the dissemination of, false advertisements concerning said preparation by the United States mails and by various other means in commerce, as "commerce" is defined in the Federal Trade Commission Act; and respondent has also disseminated and is now disseminating, and has caused and is 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 in commerce, as "commerce" is defined in the Federal Trade Commission Act.

Among and typical of the statements and representations contained in said advertisements disseminated and caused to be disseminated, as above set forth, by the United States mails, by advertisements inserted in newspapers, and other advertising literature, are the following:

BANISH UGLY HAIR FOREVER, by using **PERMA-RID**. Lifetime Results * * * **PERMA-RID** is Simple, Safe, Painless, and Permanent. Start now with these treatments, and have a hair-free face, arms, and legs for the summer.

DESTROY Superfluous Hair, Scientifically, Harmlessly, so that it absolutely disappears. **PERMA-RID** has an 8-year record of satisfactory service.

After years of experimentation and research, a chemical formula has been discovered which can and does destroy the growth of unwanted hair.

REMOVE Ugly Unwanted Hair from face, arms, and legs. You definitely can * * * Safely, Painlessly, and Permanently, by PERMA-RID.

PERMA-RID is a **HAIR DESTROYER**—not a hair remover. Hair will diminish after each treatment * * *. PERMA-RID aids greatly in beautifying and rejuvenating the skin. PERMA-RID also aids in the removal of blackheads, and reduces enlarged pores.

PAR. 4. Through the use of the foregoing statements and representations and others similar thereto, respondent represents and has represented that its preparation Perma-Rid permanently removes superfluous hair from the body; that application of said preparation destroys such hair, thereby terminating its regrowth, and that the use of said preparation rejuvenates and beautifies the skin, aids in the removal of blackheads, and reduces enlarged pores.

PAR. 5. These statements and representations are false, misleading, and deceptive. In truth and in fact, respondent's preparation will not remove hair either permanently or temporarily, its only action being that of a bleach and astringent. It will not destroy hair in any sense and will not prevent or terminate the regrowth of hair. It will not rejuvenate or beautify the skin, nor will its use be effective in removing blackheads or reducing enlarged pores.

PAR. 6. The term "Perma-Rid" used by respondent as the trade name for its preparation, and in respondent's corporate name in connection with the preparation, is false, misleading, and deceptive in that it represents that the preparation will rid one of superfluous hair and that its effects are permanent.

PAR. 7. The use by respondent of the foregoing false, misleading, and deceptive statements and representations has had, and now has, the tendency and capacity to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that said statements and representations are true. In consequence, such portion of the public has been induced to purchase, and has purchased, substantial quantities of said preparation.

CONCLUSION

The acts and practices of the respondent, 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 the respondent, in which answer respondent admits all of the material

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allegations of fact set forth in said complaint and states that it waives all intervening procedure and further hearing as to the facts, 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, Perma-Rid, Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of respondent's cosmetic preparation heretofore designated as "Perma-Rid," or any other preparation of substantially similar composition or possessing substantially similar properties, do forthwith cease and desist from directly or indirectly:

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

(a) That said preparation destroys superfluous hair or prevents or terminates the regrowth of such hair, or that said preparation removes superfluous hair either temporarily or permanently.

(b) That said preparation will rejuvenate or beautify the skin, or that it is effective in removing blackheads or reducing enlarged pores.

2. Disseminating or causing to be disseminated by any means any advertisement 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.

It is further ordered, That said respondent, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of said preparation, or any other preparation of substantially similar composition or possessing substantially similar properties, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from using the term "Perma-Rid," or any term of similar import, as a part of respondent's corporate name or as the trade name for said preparation.

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

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IN THE MATTER OF

THE PIONEER MANUFACTURING CO.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914, AND OF AN ACT OF CONGRESS APPROVED OCT. 14, 1940

Docket 5344. Complaint, June 28, 1945—Decision, May 16, 1946

Where a corporation engaged in the manufacture and interstate sale and distribution, among other things, of floor mops—

- (a) Falsely represented through use of trade name "Woolvet" in catalogs and on container labels and tags, and through such statements as "Chemically Treated," "Wool-Rayon Cotton," and "Texture Yarn" and "The Yarn in this Mop is manufactured from WOOL-RAYON SILK AND COTTON," that its mops were composed of wool or of a combination of wool and other fibers; When in fact they were not made entirely of wool, some contained no wool, and some were entirely cotton;

With tendency and capacity to mislead prospective purchasers into the erroneous belief that such representations were true, and thereby to induce them to purchase substantial quantities of said mops; and

Where said corporation, in connection with the introduction or manufacture for introduction into commerce, or sale, transportation, or distribution in commerce of certain of said mops, which were composed in part of wool, reprocessed wool or reused wool—

- (b) Misbranded them in violation of the Wool Products Labeling Act and Rules and Regulations promulgated thereunder, in that they did not have on or affixed thereto the required stamp, tag, label, or other means of identification showing the percentage of the total fiber weight of wool, reprocessed wool, reused wool, nonwool fiber and aggregate thereof, including filler or adulterating matter, and proper identification of the manufacturer or seller:

Held, That acts, practices, and methods last referred to constituted violation of said Wool Products Act and Rules, etc., and that all acts, practices, and methods aforesaid were to the prejudice and injury of the public and constituted unfair and deceptive acts and practices in commerce, within the intent and meaning of the Federal Trade Commission Act.

Mr. J. W. Brookfield, Jr., and *Mr. G. M. Martin* for the Commission.
Burgess, Fulton & Fullmer, of Cleveland, Ohio, for respondent.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said acts, the Federal Trade Commission, having reason to believe that the Pioneer Manufacturing Co., a corporation, hereinafter referred to as respondent, has violated the provisions of said acts and the rules and regulations promulgated under the Wool Products Labeling Act of 1939, and it appearing to the Commission that a proceeding by it in respect thereof would be