

IN THE MATTER OF

MOHAWK CHEMICAL PRODUCTS, INC., AND BAINBRIDGE,
KIMPTON & HAUPT, INC.

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

Docket 5200. Complaint, Aug. 3, 1944—Decision, June 10, 1947

Where two corporations engaged in the interstate sale and distribution of their "Sten-O-Fren" fluid, recommended for use on typewriter platens and other rubber articles and to clean typewriter type, and which was a solvent useful in removing accumulations of dirt, wax, and grease; in folders, pamphlets, circular letters, and other advertising material, directly or by implication—

Represented that their said product made rubber platens and feed rolls like new; revitalized, revived and renewed old or hardened rubber articles and caused them to function like new; removed therefrom all indications of use, wear or age; and restored their original pliability and efficacy;

The facts being that the effect of their said product was to swell soft rubber temporarily, and soften and slightly swell the surface of hardened rubber; and while in certain instances where performance is largely dependent upon the surface condition of a rubber article, said product might cause it to function temporarily like new and, in the case of old, glazed, and hardened typewriter platens and feed rolls, cause them to grip and hold paper more firmly and increase the cushioning effect, it would not materially affect the functioning of many rubber articles;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous belief that such representations were true and thereby induce its purchase of substantial quantities thereof:

Held, That such acts and practices were all to the injury and prejudice of the public, and constituted unfair and deceptive acts and practices in commerce.

Before *Mr. Randolph Preston*, trial examiner.

Mr. Jesse D. Kash for the Commission.

Mr. Leon Edelson, of Philadelphia, Pa., for Mohawk Chemical Products, Inc.

Mr. William H. Greenleaf, of New York City, for Bainbridge, Kimpton & Haupt, Inc.

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 Mohawk Chemical Products, Inc., a corporation, and Bainbridge, Kimpton & Haupt, Inc., a corporation, hereinafter referred to as respondents, have violated the provisions of said act, and it appearing to the Commission

that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Mohawk Chemical Products, Inc., is a corporation with its office and principal place of business located at Land Title Building, Philadelphia, Pa.

The respondent, Bainbridge, Kimpton & Haupt, Inc., is a corporation with its office and principal place of business located at 218 Greenwich Street, New York, N. Y.

PAR. 2. The respondents are now and for more than 1 year last past have been engaged in the sale and distribution of a cleansing fluid designated "Sten-O-Fren" used on rubber products, such as typewriter platens, and to cleanse typewriter types.

The respondents cause their said product, when sold by them, to be transported from their aforesaid place of business located in the States of New York and Pennsylvania to purchasers located in various other States of the United States and in the District of Columbia. The respondents maintain, and at all times mentioned herein have maintained, a course of trade in said product 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 their aforesaid business, and for the purpose of inducing the purchase of their product "Sten-O-Fren," the respondents have circulated, and are now circulating among prospective purchasers, throughout the United States, by United States mails, advertisements in newspapers and trade journals, by means of advertising folders, pamphlets, circular letters, and other advertising material, all of general circulation, many false statements and representations concerning their said product. Among and typical of such false statements and representations are the following:

STEN O FREN . . . MAKES RUBBER PLATENS and FEED ROLLS LIKE NEW!

STEN-O-FREN re-vitalizes anything and everything made of rubber:

REVIVES, REVITALIZES, AND MAKES USED RUBBER FUNCTION AGAIN

Depiction of a typewriter platen being treaded with "Sten-O-Fren," the treated portion having an appearance of newness while the untreated portion appears to be deeply pitted and worn. Such depiction is followed by the statement:

JUST WIPE WITH STEN-O-FREN and—it's good as new! . . . STEN-O-FREN was devised to revitalize rubber—to make old, hardened rubber as resilient as when it was new. Its action is rapid. A hard, glazed, pitted platen

from a typewriter, adding machine or multigraph machine, etc., is transformed into a NEW roller. The platen not only LOOKS NEW but FUNCTIONS LIKE A NEW ONE.

PAR. 4. Through the statements and representations hereinabove set forth and others similar thereto not specifically set out herein, the respondents have represented, directly and by implication, that their product makes rubber platens and feed rollers like new; that said preparation revitalizes, revives and renews old or hardened rubber articles; that it transforms old or worn typewriter platens and other old or worn rubber articles to their original condition; that it causes used or worn rubber articles to function like new and removes therefrom all indications of use, wear or age; that it restores the original pliability and efficacy of old rubber.

PAR. 5. The foregoing claims and representations are grossly exaggerated, false, and misleading. In truth and in fact said product does not make rubber platens and feed rollers like new. It does not revitalize, revive, or renew old or hardened rubber articles; it does not transform old or worn articles to their original condition; it does not cause used or worn rubber articles to function like new; it does not remove therefrom all indications of usage and wear or age, and does not restore original pliability or efficacy to old rubber, said product will swell or soften rubber but said result is only temporary. It acts as a solvent and will remove, to a certain extent, accumulations of dirt, wax, and grease.

PAR. 6. The use by the respondents of the foregoing false and misleading representations, disseminated as aforesaid, has a tendency and capacity to and does mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such false advertisements are true and do induce the public to purchase substantial quantities as a result of such belief.

PAR. 7. The aforesaid acts and practices of the said respondent, as herein alleged, are all to the injury and prejudice of the public and constitute unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on August 3, 1944, issued and subsequently served its complaint in this proceeding upon the respondents named in the caption hereof, charging them 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, respondent Bainbridge, Kimpton & Haupt, Inc., filed answer admitting all material allegations of fact set forth in the complaint and waiving all intervening procedure and further hearing as to said facts; and no answer having been filed by respondent, Mohawk Chemical Products Co., testimony and other evidence in support of the allegations of the complaint were introduced before an examiner of the Commission theretofore duly designated by it, and said 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, answer, testimony, and other evidence, report of the trial examiner, and brief in support of the complaint (respondents not having filed brief and oral argument not having been requested); and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. (a) Respondent, Mohawk Chemical Products, Inc., is a corporation organized and existing under the laws of the State of Pennsylvania, with its office and principal place of business at 1420 Cahill Street, Philadelphia, Pa.

(b) Respondent, Bainbridge, Kimpton & Haupt, Inc., is a corporation with its office and principal place of business at 218 Greenwich Street, New York, N. Y.

PAR. 2. Said respondents are now, and for several years last past have been, engaged in the sale and distribution of a fluid designated "Sten-O-Fren" recommended for use on rubber typewriter platens and other rubber articles and to clean typewriter type. Respondents cause said product, when sold, to be transported from their respective places of business in the States of New York and Pennsylvania to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a course of trade in said product among and between various States of the United States.

PAR. 3. In the course and conduct of their aforesaid businesses and for the purpose of inducing the purchase of "Sten-O-Fren" respondents have circulated among prospective purchasers in many States of the United States advertising folders, pamphlets, circular letters, and

other advertising material containing statements and representations concerning their said product, of which the following are typical:

STEN-O-FREN

Makes Rubber

Platens and Feed Rolls

LIKE NEW!

* * * * *

Will revitalize anything that is made of rubber.

* * * * *

Just wipe it with Sten-O-Fren and . . . it's as good as new!

* * * * *

STEN-O-FREN was devised to revitalize rubber . . . to make old, hardened rubber as resilient as when it was new. Its action is rapid . . . A hard, glazed, pitted platen roll from a typewriter, adding machine or multigraph machine, etc., is transformed into a NEW roller. The platen not only LOOKS NEW but FUNCTIONS LIKE A NEW ONE.

* * * * *

If it is hard rubber it will be restored to a hard resiliency . . .

If it is soft, its original pliability will be revived.

* * * * *

Revives, revitalizes and makes used rubber function again.

PAR. 4. By means of the statements and representations set forth above, and others similar thereto not specifically set out herein, respondents have represented, directly and by implication, that their product makes rubber platens and feed rolls like new, that said product revitalizes, revives, and renews old or hardened rubber articles, that it transforms old or worn typewriter platens and other worn or old rubber articles to their original condition, that it causes used or worn rubber articles to function like new and removes therefrom all indications of use, wear, or age, and that it restores the original pliability and efficacy of old rubber.

PAR. 5. As a matter of fact, respondents' product "Sten-O-Fren" is a solvent useful in removing accumulations of dirt, wax, and grease. Respondents' product does not, however, revitalize, revive, or renew old or hardened rubber articles, nor does it transform old or pitted typewriter platens or other old or worn rubber articles to their original condition or remove the indications of use, wear, or age. It does not restore the original flexibility and efficacy to old rubber. The effect of respondents' product is to temporarily swell soft rubber and to temporarily soften and slightly swell the surface of hardened rubber. It does not counteract the natural deterioration of rubber. With respect to respondents' representation that "Sten-O-Fren" causes old or worn rubber articles to function like new, it may in instances where the function is largely dependent, as in the case of a typewriter

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platen, upon the surface condition of the rubber article, cause it to temporarily function like new. The softening and slight swelling of the surface of old, glazed, and hardened typewriter platens and feed rolls will cause them to grip and hold paper more firmly in the machine and will increase the cushioning effect of such a platen. There are many rubber articles, however, in which the effect of respondents' product upon rubber would not materially affect their function.

PAR. 6. The use by respondents of the aforesaid false and misleading representations has a tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such representations and statements are true and to induce the public to purchase substantial quantities of respondents' said product as a result of such belief.

CONCLUSION

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

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of Bainbridge, Kimpton & Haupt, Inc., admitting all material allegations of fact set forth in the complaint and waiving all intervening procedure and further hearing as to said facts, and upon testimony and other evidence taken before an examiner of the Commission theretofore duly designated by it, report of the trial examiner, and brief in support of the complaint (respondents not having filed brief and oral argument not having been requested); and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondent, Mohawk Chemical Products, Inc., a corporation, and respondent Bainbridge, Kimpton & Haupt, Inc., a corporation, jointly or severally, their respective officers, representatives, agents, 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 the product "Sten-O-Fren," or any product of sub-

stantially the same composition or possessing substantially similar properties, whether sold under the same or any other name, do forthwith cease and desist from representing, directly or by implication:

1. That said product will make the rubber platen or feed rolls of a typewriter like new.

2. That said product revitalizes, revives, or renews old or hardened rubber articles.

3. That said product transforms old or worn rubber articles to their original condition.

4. That said product restores to old rubber its original flexibility and efficacy.

5. That said product causes used or worn rubber articles to function like new, unless the restoration of the function of any such article is dependent upon slightly softening or swelling its surface.

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.

Syllabus

IN THE MATTER OF
UNITED BUYERS CORP. ET AL.
MODIFIED CEASE AND DESIST ORDER

Docket 3221. Order, June 17, 1947

Modified order in proceeding in question, which involved the purchasing of certain wholesale grocery concerns and their cooperative buying organization, and in which findings as to the facts, and original order issued on November 13, 1941, 34 F. T. C. 87—

- (a) Requiring respondent United Buyers Corporation, its officers, etc., to cease and desist from (1) accepting from sellers any brokerage or commission, upon purchase of commodities in interstate commerce, by itself, or by any of its stockholders, etc.; and from (2) transmitting, etc., to buyers of commodities any brokerage received on such buyers' purchases of commodities in interstate commerce, etc.;
- (b) Requiring respondent stockholders in said corporation, their officers, etc., to cease and desist from accepting from sellers of commodities or from respondent United Buyers Corporation, any brokerage upon their purchases of commodities in interstate commerce, etc.; and
- (c) Requiring respondent sellers, their officers, etc., to cease and desist from paying or granting to United Buyers Corporation, any brokerage upon their sales of commodities in interstate commerce except where said corporation renders them a bona fide selling service as their selling agent or broker, and does not act for or on behalf of, or under the direct or indirect control of, the purchasers in such transactions; all as in detail set forth therein.

Before *Mr. W. W. Sheppard* and *Mr. Arthur F. Thomas*, trial examiners.

Mr. Allen C. Phelps, *Mr. J. J. Smith, Jr.*, and *Mr. J. B. Truly* for the Commission.

Mr. I. J. Berkson, of Chicago, Ill., for respondent United Buyers Corporation, and respondent individuals, as officers and directors thereof; with whom also appeared for former *Taylor & Conradis*, of Washington, D. C.

Squire, Sanders & Dempsey, of Cleveland, Ohio for William Edwards Co.

Kirkland, Fleming, Green, Martin & Ellis, of Washington, D. C., for Angelus Campfire Co.

Weil, Gotshal & Manges, of New York City, for Champion Chemical Works.

Mr. George F. Nelson, of Chicago, Ill., for J. B. Inderrieden Co.