

Syllabus

IN THE MATTER OF

A. N. S. SALES, 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 5558. Complaint, May 24, 1948—Decision, Feb. 3, 1949*

Where a corporation; its three officers who owned and directed it; and its manager; engaged in the interstate sale and distribution of push cards and punch boards, including (1) many designed for the sale or distribution of various specified articles, as explained by legends or instructions set forth thereon, under plans whereby customer's success or failure in securing a winning number determined whether he received, without additional charge, one of such articles at much less than its normal retail price, or nothing; and (2) other devices with blank spaces upon which the purchasers placed instructions of similar import, and which were used solely by ultimate purchasers in combination with other merchandise, for sale or distribution thereof by lot or chance—

- (a) Sold and distributed such devices to dealers in candy, cigarettes, clocks, razors, cosmetics, clothing, and other articles in commerce, by whom the articles and devices concerned were assembled and sold to retail dealers, and exposed by latter to purchasing public in accordance with aforesaid sales plan; and

Where said corporation and individuals, engaged in interstate sale and distribution also of certain assortments of guns, knives, pipes, cigarette lighters, field glasses, and other articles, and punch boards, for use in the sale and distribution of such articles under a plan whereby, as announced thereon, the success or failure of the purchaser in securing certain numbers determined whether or not he received for 5 cents one of the aforesaid articles, the retail value of which was in excess of said amount, or nothing further—

- (b) Sold such assortments to retailers, by whom they were similarly exposed and sold to the purchasing public in accordance with the aforesaid plan, and thus distributed the articles to the purchasers of punches from the board, wholly by lot or chance; and thereby

Supplied to and placed in the hands of others the means of conducting lotteries, gift enterprises, or games of chance in the sale or distribution of their merchandise, contrary to an established public policy of the Government of the United States, and in violation of the criminal laws;

With the result that many members of the purchasing public by reason of the element of chance involved, were induced to trade or deal with retailers who thus sold or distributed their merchandise; many retailers were induced to deal or trade with manufacturers, wholesalers, and jobbers who sold and distributed their products together with said push cards or punch boards; and gambling was taught and encouraged; all to the injury of the public:

Complaint

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

Mr. John W. Brookfield, Jr., for the Commission.

Mr. Nathan H. Blitman, of Syracuse, N. Y., 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 A. N. S. Sales, Inc., a corporation, Robert E. Passmore, Albert Wertheimer, and Paul Davis, individuals and officers of said A. N. S. Sales, Inc., and Murray R. Hitter, an individual, 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:

COUNT I

PARAGRAPH 1. Respondent A. N. S. Sales, Inc., is a corporation organized and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 312 East Market Street, Elmira, N. Y. Respondent Robert E. Passmore is president, respondent Paul Davis is secretary, respondent Albert Wertheimer is treasurer, and respondent Murray R. Hitter is general manager of respondent corporation A. N. S. Sales, Inc., and said respondent corporation is owned, dominated, controlled, and directed by the individual respondents Robert E. Passmore, Paul Davis, and Albert Wertheimer, and is managed and its affairs conducted by respondent Murray R. Hitter. All of said respondents have cooperated and acted together in the performance of the acts and practices hereinafter alleged.

Respondents are now and for more than 3 years last past have been engaged in the sale and distribution of devices commonly known as push cards and punch boards to dealers in various articles of merchandise, in commerce, between and among the various States of the United States and in the District of Columbia, and to dealers in various articles of merchandise located in the various States of the United States and in the District of Columbia.

Respondents cause and have caused said devices when sold to be transported from their place of business in the State of New York to purchasers thereof at their respective points of location in the

various States of the United States other than New York and in the District of Columbia. There is now and has been for more than 3 years last past a course of trade in such devices by said respondents in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of their said business as described in paragraph 1 hereof, respondents sell and distribute, and have sold and distributed, to said dealers in merchandise, push cards and punch boards so prepared and arranged as to involve games of chance, gift enterprises, or lottery schemes when used in making sales of merchandise to the consuming public. Respondents sell and distribute, and have sold and distributed many kinds of push cards and punch boards, but all of said devices involve the same chance or lottery features when used in connection with the sale or distribution of merchandise and vary only in detail.

Many of said push cards and punch boards have printed on the faces thereof certain legends or instructions that explain the manner in which said devices are to be used or may be used in the sale or distribution of various specified articles of merchandise. The prices of the sales on said push cards and punch boards vary in accordance with the individual device. Each purchaser is entitled to one push or push from the push card or punch board, and when a push or punch is made a disk or printed slip is separated from the push card or punch board and a number is disclosed. The numbers are effectively concealed from the purchasers and prospective purchasers until a selection has been made and the push or punch completed. Certain specified numbers entitles purchasers to designated articles of merchandise. Persons securing lucky or winning numbers receive articles of merchandise without additional cost at prices which are much less than the normal retail price of said articles of merchandise. Persons who do not secure such lucky or winning number receive nothing for their money other than the privilege of making a push or punch from said card or board. The articles of merchandise are thus distributed to the consuming or purchasing public wholly by lot or chance.

Others of said push card and punch board devices have no instructions or legends thereon but have blank spaces provided therefor. On those push cards and punch boards the purchasers thereof place instructions or legends which have the same import and meaning as the instructions or legends placed by the respondents on said push card and punch board devices first hereinabove described. The only use to be made of said push card and punch board devices, and the only manner in which they are used, by the ultimate purchasers thereof, is in combination with other merchandise so as to enable said

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ultimate purchasers to sell or distribute said other merchandise by means of lot or chance as hereinabove alleged.

PAR. 3. Many persons, firms, and corporations who sell and distribute, and have sold and distributed, candy, cigarettes, clocks, razors, cosmetics, clothing, and other articles of merchandise in commerce between and among the various States of the United States and in the District of Columbia, purchase and have purchased respondents' said push card and punch board devices, and pack and assemble, and have packed and assembled, assortments comprised of various articles of merchandise together with said push cards and punch board devices. Retail dealers who have purchased said assortments either directly or indirectly have exposed the same to the purchasing public and have sold or distributed said articles of merchandise by means of said push cards and punch boards in accordance with the sales plan as described in paragraph 2 hereof. Because of the element of chance involved in connection with the sale and distribution of said merchandise by means of said push cards and punch boards, many members of the purchasing public have been induced to trade or deal with retail dealers selling or distributing said merchandise by means thereof. As a result thereof many retail dealers have been induced to deal with or trade with manufacturers, wholesale dealers, and jobbers who sell and distribute said merchandise together with said devices.

PAR. 4. The sale of merchandise to the purchasing public through the use of, or by means of, such devices in the manner above alleged, involves a game of chance or the sale of a chance to procure articles of merchandise at prices much less than the normal retail price thereof and teaches and encourages gambling among members of the public, all to the injury of the public. The use of said sales plan or methods in the sale of merchandise and the sale of merchandise by and through the use thereof, and by the aid of said sales plan or method is a practice which is contrary to an established public policy of the Government of the United States and in violation of criminal laws, and constitutes unfair acts and practices in said commerce.

The sale or distribution of said push cards and punch board devices by respondents as hereinabove alleged supplies to the places in the hands of others the means of conducting lotteries, games of chance or gift enterprises in the sale or distribution of their merchandise. The respondents thus supply to, and place in the hands of, said persons, firms and corporations the means of, and instrumentalities for, engaging in unfair acts and practices within the intent and meaning of the Federal Trade Commission Act.

PAR. 5. The aforesaid acts and practices of respondents as hereinabove alleged are all to the prejudice and injury of the public and

constitute unfair acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

COUNT II

PARAGRAPH 1. Respondents A. N. S. Sales, Inc., a New York corporation, Robert E. Passmore, Albert Wertheimer, Paul Davis, and Murray R. Hitter, individuals as described in paragraph 1 of count I hereof, have also been engaged in the sale and distribution of guns, knives, pipes, cigarette lighters, and other articles of merchandise to dealers. Respondents cause, and have caused, their said merchandise when sold to be shipped or transported from their aforesaid place of business in the State of New York to purchasers thereof at their respective points of location in various other States of the United States and in the District of Columbia. There is now and for more than 6 months last past has been a course of trade by said respondents in said merchandise, in commerce, between and among the various States of the United States and in the District of Columbia.

PAR. 2. In the course and conduct of their business as described in paragraph 1 hereof, respondents sell and have sold to dealers certain assortments of merchandise so packed and assembled as to involve the use of a game of chance, gift enterprise or lottery scheme when said merchandise is sold and distributed to the purchasing public. One of said assortments, typical of the various assortments sold by the said respondents, consist of a number of articles of merchandise together with a punch board bearing the following legend:

"5¢ Per Sale	Win a Stevens Shot Gun—Kabar Hunt- ing Knives or Other Valuable Premiums			5¢ Per Sale
Nos. 10-20 Choice of 4" HOLLOW GROUND HUNTING KNIFE	Nos. 30-40-50 Choice of 4" REGULAR GROUND HUNTING KNIFE	Number 60 Receives FIELD GLASS and CASE	Number 70 Receives HULL AUTO COMPASS	Number 80 Receives GIANT PIPE
Nos. 90-100 110-120 Choice of CANDID CAMERA	Nos. 130-140 150-160 Choice of BRIAR PIPE	Nos. 170 180-190- 200-210- 220 Choice of FLASH LIGHT	Nos. 230- 240-250 260-270 280 Choice of CIGARETTE LIGHTER	Nos. 290- 300 Choice of ALUMINUM PIPE

LAST SALE ON BOARD RECEIVES STEVENS SHOTGUN

Said merchandise is distributed to the purchasing public in accordance with the above legend in the following manner. Sales are 5 cents each, and when a punch is made a number is disclosed. The numbers begin with 1 and continue to the number of punches there are on the board, but the numbers are not arranged in numerical sequence. The board bears the legend above described, informing purchasers and prospective purchasers that a certain specified number entitles the purchaser thereof to receive one of the articles listed on the board. A customer who does not qualify by punching one of the specified numbers receives nothing for his purchase money. Each of the various articles has a retail value in excess of 5 cents, and the purchaser who punches a number calling for one of the various articles receives the same for 5 cents. The numbers are effectively concealed from purchasers and prospective purchasers until the punch or selection has been made and the particular punch separated from the board. The articles of merchandise are thus distributed to the purchasers of punches from the board wholly by lot or chance.

The respondents sell and have sold various punch boards and assortments to be distributed by the use of said punch boards in the manner above described, and these punch boards vary only in detail as to the individual items of merchandise to be sold by said boards, the plans of all of said boards and assortments being similar to the one hereinabove described.

PAR. 3. Retail dealers who purchase respondents' punch boards and merchandise assortments directly or indirectly expose and sell merchandise to the purchasing public in accordance with the sales plans above described. Respondents thus supply to and place in the hands of others the means of conducting lotteries or games of chance in the sale of their products in accordance with the sales plans hereinabove set forth. The use by respondents of said sales plan or method in the sale of their merchandise, and the sale of said merchandise by and through the use thereof and by the aid of said sales plans or methods, is a practice which is contrary to an established public policy of the Government of the United States.

PAR. 4. The sale of merchandise to the purchasing public in the manner above alleged involves a game of chance or the sale of a chance to procure one of the said articles of merchandise at a price much less than the normal retail price thereof. Many persons are attracted by said sales plans or methods used by respondents and the element of chance involved therein and thereby are induced to buy and sell respondents' merchandise.

The use by respondents of a sales plan or method involving distribution of merchandise by means of chance, lottery, or gift enterprise is contrary to the public interest and constitutes unfair acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

PAR. 5. The aforesaid acts and practices of respondents as herein alleged are all to the prejudice and injury of the public and constitute unfair 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 May 24, 1948, issued and thereafter served on the respondents named in the caption hereof its complaint charging said respondents with the use of unfair acts and practices in commerce in violation of the provisions of said act. On September 30, 1948, the respondents filed their joint answer, in which answer they admitted all of the material allegations of fact set forth in said complaint and waived all intervening procedure and further hearing as to said facts. Thereafter, the proceeding regularly came on for final hearing before the Commission upon the complaint and the answer thereto; and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent A. N. S. Sales, Inc., is a corporation organized and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 312 East Market Street in the city of Elmira, State of New York. Respondent Robert E. Passmore is president, respondent Paul Davis is secretary, respondent Albert Wertheimer is treasurer, and respondent Murray R. Hitter is general manager of respondent corporation A. N. S. Sales, Inc., and said respondent corporation is owned, dominated, controlled, and directed by the individual respondents Robert E. Passmore, Paul Davis, and Albert Wertheimer, and is managed and its affairs conducted by respondent Murray R. Hitter. All of said respondents have cooperated and acted together in the performance of the acts and practices hereinafter described.

PAR. 2. The respondents are now, and for more than 3 years last past have been, engaged in the sale and distribution of devices com-

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monly known as push cards and punch boards, and in the sale and distribution of said devices to dealers in various other articles of merchandise in commerce among and between the various States of the United States and in the District of Columbia, and to dealers in various articles of merchandise located within the various States of the United States and in the District of Columbia. The respondents cause and have caused said devices, when sold, to be transported from their place of business in the State of New York to the purchasers thereof at their respective points of location in the various States of the United States other than New York and in the District of Columbia. There is now, and at all times mentioned herein there has been, a course of trade in such devices by the respondents 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 business as aforesaid, the respondents sell and distribute, and have sold and distributed, to many dealers in merchandise, push cards and punch boards so prepared and arranged as to involve games of chance, gift enterprises, or lottery schemes when used by such dealers in making sales of their merchandise to the consuming public. The respondents sell and distribute, and have sold and distributed, many kinds of push cards and punch boards, but all of said devices, when used in connection with the sale and distribution of merchandise, involve the same chance or lottery features and vary only in detail.

Many of said push cards and punch boards have printed on the faces thereof certain legends or instructions that explain the manner in which said devices are to be used or may be used in the sale or distribution of various specified articles of merchandise. The prices of the sales on said push cards and punch boards vary in accordance with the individual device. Each purchaser is entitled to one push or punch from the push card or punch board, and when a push or punch is made a disk or printed slip is separated from the push card or punch board and a number is disclosed. The numbers are effectively concealed from the purchasers and prospective purchasers until a selection has been made and the push or punch completed. Certain specified numbers entitle purchasers to designate articles of merchandise. Persons securing lucky or winning numbers receive articles of merchandise without additional cost at prices which are much less than the normal retail prices of said articles of merchandise. Persons who do not secure such lucky or winning numbers receive nothing for their money other than the privilege of making pushes or punches from said cards or boards. The articles of merchandise are thus distributed to the consuming or purchasing public wholly by lot or chance.

Others of said push card or punch card board devices have no instructions or legends thereon but have blank places provided therefor. On those push cards and punch boards the purchasers thereof place instructions or legends which have the same import and meaning as the instructions or legends placed by the respondents on said push card and punch card board devices first herein above described. The only use to be made of said push card and punch board devices, and the only manner in which they are used, by the ultimate purchasers thereof, is in combination with other merchandise so as to enable said ultimate purchasers to sell or distribute said other merchandise by means of lot or chance as hereinabove described.

PAR. 4. Many persons, firms, and corporations who sell and distribute candy, cigarettes, clocks, razors, cosmetics, clothing, and other articles of merchandise in commerce among and between the various States of the United States and in the District of Columbia purchase, and have purchased, the respondents' push card and punch board devices. Such persons pack and assemble, and have packed and assembled, assortments consisting of various articles of merchandise, together with said push card and punch board devices, and sell and have sold their merchandise so packed and assembled to retail dealers for resale to the public.

PAR. 5. In addition to selling push cards and punch boards as separate items as herein described, the respondents as a regular part of their business also sell and distribute to retail dealers guns, knives, pipes, cigarette lighters, and other articles of merchandise, and have caused this merchandise, when sold, to be transported from their place of business in the State of New York to purchasers thereof at their respective points of location in the various States of the United States other than the State of New York and in the District of Columbia. There is now and for more than 6 months last past there has been a course of trade by the respondents in said merchandise in commerce among and between the various States of the United States and in the District of Columbia.

In connection with this phase of the respondents' business it has been the respondents' practice to so pack and assemble their merchandise and assortments as to involve the use of a game of chance, gift enterprise, or lottery scheme when said merchandise is sold and distributed to the purchasing public. One of such assortments, which is typical of the various assortments sold by the respondents, as aforesaid, consists of a number of articles of merchandise, together with a punch board bearing the following legend:

Findings					45 F. T. C.
5¢ Per Sale	Win a Stevens Shot Gun—Kabar Hunt- ing Knives or Other Valuable Premiums				5¢ Per Sale
Nos. 10-20 Choice of 4" HOLLOW GROUND HUNTING KNIFE	Nos. 30-40-50 Choice of 4" REGULAR GROUND HUNTING KNIFE	Number 60 Receives FIELD GLASS and CASE	Number 70 Receives HULL AUTO COMPASS	Number 80 Receives GIANT PIPE	
Nos. 90-100 110-120 Choice of CANDID CAMERA	Nos. 130-140 150-160 Choice of BRIAR PIPE	Nos. 170- 180-190- 200-210- 220 Choice of FLASH LIGHT	Nos. 230- 240-250- 260-270- 280 Choice of CIGARETTE LIGHTER	Nos. 290- 300 Choice of ALUMINUM PIPE	

LAST SALE ON BOARD RECEIVES STEVENS SHOTGUN

In such an assortment the plan is for the merchandise to be distributed to the purchasing public in accordance with the above legend in the following manner. Sales are 5 cents each, and when a punch is made a number is disclosed. The numbers begin with 1 and continue to the number of punches there are on the board, but the numbers are not arranged in numerical sequence. The board bearing the legend above described informs purchasers and prospective purchasers that a certain specified number entitles the purchaser thereof to receive one of the articles listed on the board. A customer who does not qualify by punching one of the specified numbers receives nothing for his purchase money. Each of the various articles has a retail value in excess of 5 cents, but the purchaser who punches a number calling for one of the various articles receives the same for 5 cents. The numbers are effectively concealed from purchasers and prospective purchasers until a punch or selection has been made and the particular punch separated from the board. Under the respondents' sales plan the articles of merchandise are thus distributed to the purchasers of punches from the board wholly by lot or chance.

The respondents sell and have sold various punch boards and assortments to be distributed by the use of said punch boards in the manner above described, and these punch boards vary only in detail as to the individual items of merchandise to be sold through the use of said boards, the plans of all of said boards and assortments being similar to the one hereinabove described.

PAR. 6. Retail dealers who purchase the assortments of merchandise herein referred to, both those packed and assembled by the respondents and those packed and assembled by the purchasers of the

respondents' push cards and punch boards as separate items, directly or indirectly expose and sell said merchandise to the purchasing public by means of the push cards and punch boards in accordance with the aforesaid sales plan. Thus, both in the sale of its guns, knives, pipes, cigarette lighters, and other merchandise packed and assembled by the respondents as herein above described, and in the sale of its push cards and punch boards as separate items, the respondents supply to and place in the hands of others the means of conducting lotteries, gift enterprises, or games of chance in the sale and distribution of their products.

PAR. 7. Because of the element of chance involved in the purchase of merchandise by means of push cards and punch boards, many members of the purchasing public have been induced to trade or deal with retail dealers selling or distributing their merchandise by means thereof. As a result, many retail dealers have been induced to deal or trade with manufacturers, wholesale dealers, and jobbers who sell and distribute their products together with said push card or punch board devices.

PAR. 8. The sale of merchandise to the purchasing public through the use of, or by means of, push cards or punch boards in the manner above described, involves a game of chance or the sale of a chance to procure articles of merchandise at prices much less than the normal retail prices thereof, and teaches and encourages gambling, all to the injury of the public. The use of said sales plan or method in the sale of merchandise, and the sale of merchandise by and through the use thereof, and by the aid of said sales plan or method, is a practice which is contrary to an established policy of the Government of the United States and is in violation of the criminal laws, and constitutes unfair acts and practices in commerce.

CONCLUSION

The acts and practices of the respondents, as herein found, are all to the prejudice and injury of the public and constitute unfair 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 respondents, in which answer said respondents admitted all of the material allegations of fact set forth in the complaint and stated that they waived all intervening procedure and further hearing as to said

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facts; and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent A. N. S. Sales, Inc., a corporation, and its officers, and the respondents Robert E. Passmore, Paul Davis, Albert Wertheimer, and Murray R. Hitter, and said respondents' agents, representatives, and employees, directly or through any corporate or other device, do forthwith cease and desist from:

Selling or distributing in commerce, as "commerce" is defined in the Federal Trade Commission Act, push cards, punch boards, or other lottery devices, which are to be used, or may be used, in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That said corporate respondent and its officers, and the respondents Robert E. Passmore, Paul Davis, Albert Wertheimer, and Murray R. Hitter, and said respondents' agents, representatives, and employees, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of guns, knives, pipes, cigarette lighters, or any other article of merchandise, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others, push cards, punch boards, or other lottery devices, either with assortments of guns, knives, pipes, cigarette lighters, or other merchandise or separately, which said push cards or punch boards are to be used, or may be used, in selling or distributing such guns, knives, pipes, cigarette lighters, or other merchandise to the public.

2. Selling or distributing guns, knives, pipes, cigarette lighters, or other merchandise so packed or assembled that sales of such guns, knives, pipes, cigarette lighters, or other merchandise to the public are to be made or, due to the manner in which such merchandise is packed and assembled at the time it is sold by the respondents, may be made, by means of a game of chance, gift enterprise, or lottery scheme.

3. Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

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

ARTHUR A. GACHE, MORTON GACHE, AND IRVING
GREENWOOD TRADING AS ENCYCLOPEDIA EDUCA-
TIONAL SERVICE

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

Docket 5513. Complaint, Oct. 14, 1947—Decision, Feb. 11, 1949

Where two individuals engaged in the competitive interstate sale and distribution of a set of reference books in 20 volumes designated as the "Standard American Encyclopedia"; in advertising in newspapers, letters, leaflets, and other advertising material—

- (a) Falsely represented and implied that said reference books ranked in quality, merit, authority, completeness, and general excellence with the largest, finest, and most complete encyclopedias in the world; were famous throughout the world and entitled to be classed among the world's great encyclopedias; and constituted one of America's most remarkable encyclopedias;
- (b) Falsely represented and implied that the books contained authoritative, complete, and up-to-date information on all subjects in every field of knowledge;
- (c) Falsely represented that they offered said books to the general public at a price that was only a small fraction of their actual value, and that said value equaled or exceeded that of similar reference books that were sold regularly by their competitors at prices several times greater;
- (d) Falsely represented that the quality of the paper and printing used in their said books was superior to that used in similar books sold by their competitors, and that the books had a lifetime binding;
- (e) Falsely represented that volume 1 of their said encyclopedia constituted a "gift offer," and "amazing gift offer," or "sensational gift offer," and was being given away free and without cost to the recipient thereof, or profit to them;
- (f) Falsely represented that the remaining 19 volumes were offered at a "special low price" or at "an amazingly low price" which constituted a "new sensational offer," "almost a gift" or "practically a gift"; the facts being that they were sold at the customary prices obtained for such a product;
- (g) Falsely represented that the offer made in connection with the sale of their said encyclopedias was limited, made for a limited time only, and might be withdrawn at any time;
- (h) Falsely represented, directly and by implication, through use of the word "Service" in their trade name, that they were engaged in, or that their business comprehended and included, the furnishing of an educational service, to purchasers and users of their said encyclopedias, affording current information on the subjects generally covered by such reference books;

The facts being the only such service they supplied was that of supplying sets to the public on an installment basis, and rendering a current service from time to time which supplemented said books; and

- (i) Falsely represented in certain of their advertising material that they at times had supplied newspapers and magazines with surveys which showed