

Syllabus

IN THE MATTER OF

HYMAN GREENGLASS TRADING AS GREENGLASS SALES
CO., PROFIT MANUFACTURING CO. AND ZENO GAME
CO.

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

Docket 5556. Complaint, May 24, 1948—Decision, July 7, 1949

There is a marked preference on the part of purchasers for resale, and a substantial portion of the purchasing public, for dealing directly with and buying products from the manufacturer thereof.

Where an individual engaged in the interstate sale and distribution of push cards and punchboards, including (1) many designed for the sale of various specified articles which were awarded at much less than normal retail prices to purchasers of lucky numbers while others received nothing for their money other than the push or punch; and (2) other devices with blank spaces upon which the purchasers placed their own instructions of similar import, and used to sell merchandise by lot or chance—

- (a) Sold and distributed such devices to dealers in candy, cigarettes, clocks, razors, cosmetics, clothing, and other articles in commerce, who sold assortments thereof packed with said cards and boards, for sale to the public in accordance with the aforesaid chance sales plan, contrary to an established public policy of the United States Government and in violation of criminal laws;

With the result that many members of the public were induced to deal with retailers who thus sold such merchandise; many retailers were induced to deal with manufacturers, wholesalers, and jobbers, who followed said practice; gambling was taught and encouraged among members of the public; and he thereby supplied to and placed in the hands of others the means of conducting lotteries, games of chance or gift enterprises in the sale or distribution of their merchandise; and

Where said individual, engaged also in the interstate sale and distribution of games, cigarette lighters, clocks, and other articles, including, as typical of lottery assortments thus sold and dealt in, a number of cigarette lighters and packages of cigarettes with a punchboard for use in their sale and distribution to purchasers punching lucky numbers, while others received nothing for the 5 cents paid—

- (b) Sold and distributed such assortments to dealers and retailers by whom, as direct or indirect purchasers, they were exposed and sold to the purchasing public in accordance with aforesaid chance sales plans, contrary to established public policy;

With the result that he thereby supplied to and placed in the hands of others the means of conducting games of chance in the sale of his product; and many persons were attracted by said sales plans and were thereby induced to buy and sell his merchandise; and

- (c) Conveyed the erroneous impression, through use of the abbreviation "Mfg." as part of his trade name on letterheads, invoices and other statements,

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that he made the articles sold by him or that they were made on premises which he owned or operated or directly controlled; when in fact such merchandise was purchased from others;

With tendency and capacity to mislead and deceive purchasers into the erroneous belief that such representation was true, and thereby cause a substantial portion thereof to purchase quantities of his said products:

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

Before *Mr. W. W. Sheppard*, trial examiner.

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

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 Hyman Greenglass, an individual trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., hereinafter referred to as respondent, has violated the provisions of said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

Count I

PARAGRAPH 1. Respondent, Hyman Greenglass, is an individual trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., with his office and principal place of business located at 39 West Twenty-third Street, in the city of New York, N. Y.

Respondent is now and for more than 3 years last past has been engaged in the sale and distribution of devices commonly known as push cards and punchboards 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.

Respondent causes and has caused said devices when sold to be transported from his 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 respondent 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 his said business as described in paragraph 1 hereof, respondent sells and distributes, and has sold and distributed, to said dealers in merchandise, push cards and punchboards 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. Respondent sells and distributes, and has sold and distributed many kinds of push cards and punchboards, 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 punchboards 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 punchboards vary in accordance with the individual device. Each purchaser is entitled to one push or push from the push card or punchboard, and when a push or punch is made a disk or printed slip is separated from the push card or punchboard 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 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 punchboard devices have no instructions or legends thereon but have blank spaces provided therefor. On those push cards and punchboards 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 punchboard devices first hereinabove described. The only use to be made of said push card and punchboard 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 alleged.

PAR. 3. Many persons, firms and corporations who sell and distribute, and have sold and distributed, candy, cigarettes, clocks, razors,

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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 respondent's said push card and punchboard devices, and pack and assemble, and have packed and assembled, assortments comprised of various articles of merchandise together with said push card and punchboard 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 punchboards 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 punchboards, 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 punchboard devices by respondent as hereinabove alleged supplies to and 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 respondent thus supplies to, and places 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 respondent 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. Respondent, Hyman Greenglass, is an individual trading and doing business as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., with his office and principal place of business located at 39 West Twenty-third Street in the city of New York, N. Y. Respondent is now and for more than 1 year last past has been engaged in the sale and distribution of games, cigarette lighters, clocks, and other articles of merchandise, and has caused said merchandise when sold to be transported from his place of business in the city of New York, N. Y., 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 for more than 1 year last past has been a course of trade by respondent in such 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 its business as described in paragraph 1 hereof, respondent sells and has 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 respondent, consists of a number of cigarette lighters together with a punchboard. The punchboard bears the following legend:

5¢						5¢
Sale		THE FAMOUS "EVANS"				Sale
KNOWN FROM COAST TO COAST AS AMERICA'S BEST PRE-WAR LIGHTER						
No. 100	No. 200	No. 300		No. 400	No. 500	Last Sale
Rec.	Rec.	Rec.		Rec.	Rec.	Rec.
EVANS	EVANS	EVANS	Automatic	EVANS	EVANS	EVANS
Lighter	Lighter	Lighter	One Hand	Lighter	Lighter	Lighter
Plus	Plus	Plus	Operation	Plus	Plus	Plus
1 to 10	1 to 10	1 to 10	SNAP-O	1 to 10	1 to 10	1 to 10
Pks.	Pks.	Pks.		Pks.	Pks.	Pks.
Cigs.	Cigs.	Cigs.		Cigs.	Cigs.	Cigs.
Nos. 125—150—175—225						
250—275—325—350						
375—425—450—475						
525—550—575—625						
650—675—725—750						

EACH REC. 20 CIGS.

Said cigarette lighters are distributed to the purchasing public in accordance with the above legend in the following manner. Sales are

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5 cents each. 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 cigarette lighters and that other specified numbers entitle the purchaser to receive a package of cigarettes. A customer who does not qualify by punching one of the specified numbers receive nothing for his purchase money. The cigarette lighters and the packs of cigarettes are worth more than 5 cents each, and the purchaser who obtains a number calling for one of the cigarette lighters or a pack of cigarettes 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. The cigarette lighters and cigarettes are thus distributed to the purchasers of punches from the board wholly by lot or chance.

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

PAR. 3. Retail dealers who purchase respondent's punchboards and merchandise assortments directly or indirectly expose and sell merchandise to the purchasing public in accordance with the sales plans above described. Respondent thus supplies to and places in the hands of others the means of conducting lotteries or games of chance in the sale of his products in accordance with the sales plans hereinabove set forth. The use by respondent of said sales plan or method in the sale of his 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 respondent and the element of chance involved therein and thereby are induced to buy and sell respondent's merchandise.

The use of respondent 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. In the course and conduct of its business as aforesaid, respondent by use of the abbreviation "Mfg." as part of his trade name which appears on his letterheads, invoices, and other stationery, has conveyed the impression or belief that said respondent makes and manufactures the articles sold by him or that said articles are made or manufactured on premises which the said respondent actually owns or operates or directly and absolutely controls.

PAR. 6. The aforesaid representation is false, misleading, and deceptive. In truth and in fact respondent does not own, operate, or control any plant or factory for the manufacture of the products offered for sale and sold by him as aforesaid, but is engaged in the sale and distribution of merchandise made and manufactured by and purchased from others.

PAR. 7. There is a marked preference on the part of purchasers for resale and a substantial portion of the purchasing public for dealing directly with and buying products from the manufacturer thereof, and the use by respondent of the false, misleading, and deceptive representation with respect to the manufacture of his products as alleged in paragraph 5 hereof has had and now has the tendency and capacity to mislead and deceive purchasers and prospective purchasers into the erroneous and mistaken belief that such representation is true, and has the tendency to cause a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase quantities of respondent's merchandise.

PAR. 8. The aforesaid acts and practices of respondent 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 subsequently served its complaint in this proceeding upon the respondent, Hyman Greenglass, an individual, trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., charging him with the

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use of unfair 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 thereto, respondent, upon motion, withdrew said answer and filed a substitute answer admitting all of the material allegations of fact set forth in said complaint and waiving all intervening procedure and further hearings as to said facts. Thereafter, this proceeding regularly came on for final hearing before the Commission upon said complaint and substitute answer filed by the respondent, 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

I

PARAGRAPH 1. Respondent, Hyman Greenglass, is an individual trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., with his office and principal place of business located at 50-11 Fortieth Street, Long Island City, N. Y.

Respondent is now and for more than 3 years last past has been engaged in the sale and distribution of devices commonly known as push cards and punchboards 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.

Respondent causes and has caused said devices when sold, to be transported from his 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. Respondent maintains, and during all the times mentioned herein has maintained a course of trade in such devices 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 his said business respondent sells and distributes, and has sold and distributed, to said dealers in merchandise, push cards and punchboards 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. Respondent sells and distributes, and has sold and distributed many kinds of push cards and punchboards, 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 punchboards 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 punchboards vary in accordance with the individual device. Each purchaser is entitled to one push or punch from the push card or punchboard, and when a push or punch is made a disk or printed slip is separated from the push card or punchboard 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 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 punchboard devices have no instructions or legends thereon but have blank spaces provided therefor. On those push cards and punchboards the purchasers thereof place instructions or legends which have the same import and meaning as the instructions or legends placed by the respondent on said push card and punchboard devices first hereinabove described. The only use to be made of said push card and punchboard 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 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 respondent's said push card and punchboard devices, and pack and assemble, and have packed and assembled, assortments comprised of various articles of merchandise together with said push card and punchboard devices. Retail dealers who have purchased said assortments either directly or indirectly have exposed the same to the purchasing public and have

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sold or distributed said articles of merchandise by means of said push cards and punchboards in accordance with the sale plan hereinabove described. Because of the element of chance involved in connection with the sale and distribution of said merchandise by means of said push cards and punchboards, 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 punchboard devices by respondent as hereinabove found, supplies to and 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.

II

PAR. 5. In addition to the acts and practices hereinabove described, respondent, Hyman Greenglass, trading and doing business as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., is now and for more than 1 year last past has been engaged in the sale and distribution of games, cigarette lighters, clocks, and other articles of merchandise, and has caused said merchandise, when sold, to be transported from his place of business in the city of New York, N. Y., 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. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in such merchandise, in commerce, between and among the various States of the United States and in the District of Columbia.

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PAR. 6. In the course and conduct of his business, respondent sells and has 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 respondent, consists of a number of cigarette lighters together with a punchboard. The punchboard bears the following legend:

5¢		THE FAMOUS "EVANS"				5¢	
Sale						Sale	
KNOWN FROM COAST TO COAST AS AMERICA'S BEST PRE-WAR LIGHTER							
No. 100	No. 200	No. 300		No. 400	No. 500	Last Sale	
Rec.	Rec.	Rec.		Rec.	Rec.	Rec.	
EVANS	EVANS	EVANS	Automatic	EVANS	EVANS	EVANS	
Lighter	Lighter	Lighter	One Hand	Lighter	Lighter	Lighter	
Plus	Plus	Plus	Operation	Plus	Plus	Plus	
1 to 10	1 to 10	1 to 10	SNAP-O	1 to 10	1 to 10	1 to 10	
Pks.	Pks.	Pks.		Pks.	Pks.	Pks.	
Cigs.	Cigs.	Cigs.		Cigs.	Cigs.	Cigs.	

Nos. 125-150-175-225-250
 275-325-350-375-425
 450-475-525-550-575
 625-650-675-725-750

EACH REC. 20 CIGS.

Said cigarette lighters are distributed to the purchasing public in accordance with the above legend in the following manner. Sales are 5 cents each. 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 cigarette lighters and that other specified numbers entitle the purchaser to receive a package of cigarettes. A customer who does not qualify by punching one of the specified numbers receives nothing for his purchase money. The cigarette lighters and the packs of cigarettes are worth more than 5 cents each, and the purchaser who obtains a number calling for one of the cigarette lighters or a pack of cigarettes 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. The cigarette lighters and cigarettes are thus distributed to the purchasers of punches from the board wholly by lot or chance.

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

PAR. 7. Retail dealers who purchase respondent's punchboards and merchandise assortments directly or indirectly expose and sell merchandise to the purchasing public in accordance with the sales plans above described. Respondent thus supplies to and places in the hands of others the means of conducting lotteries or games of chance in the sale of his products in accordance with the sales plans hereinabove set forth. The use by respondent of said sales plan or method in the sale of his 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. 8. The sale of merchandise to the purchasing public in the manner above found 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 respondent and the element of chance involved therein, and thereby are induced to buy and sell respondent's merchandise.

PAR. 9. In the course and conduct of its business as aforesaid, respondent by use of the abbreviation "Mfg." as part of his trade name which appears on his letterheads, invoices, and other stationery, has conveyed the impression or belief that said respondent makes and manufactures the articles sold by him or that said articles are made or manufactured on premises which the said respondent actually owns or operates or directly and absolutely controls.

PAR. 10. The aforesaid representation is false, misleading, and deceptive. In truth and in fact respondent does not own, operate, or control any plant or factory for the manufacture of the products offered for sale and sold by him as aforesaid, but is engaged in the sale and distribution of merchandise made and manufactured by and purchased from others.

PAR. 11. There is a marked preference on the part of purchasers for resale and a substantial portion of the purchasing public for dealing directly with and buying products from the manufacturer

thereof, and the use by respondent of the false, misleading, and deceptive representation with respect to the manufacture of his products has had and now has the tendency and capacity to mislead and deceive purchasers and prospective purchasers into the erroneous and mistaken belief that such representation is true, and has the tendency to cause a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase quantities of respondent's merchandise.

CONCLUSION

The aforesaid acts and practices of respondent 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 substitute answer of respondent, in which answer respondent admits all of the material allegations of fact set forth in said complaint and states that he waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Hyman Greenglass, an individual, trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., or under any other trade name, and his 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, punchboards, push cards, 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 the respondent, Hyman Greenglass, an individual, trading as Greenglass Sales Co., Profit Manufacturing Co., and Zeno Game Co., or under any other trade name, and his representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of games, cigarette lighters, clocks, or other articles of

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merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Selling or distributing assortments of merchandise so packed or assembled that sales of said merchandise to the public are to be made or, due to the manner in which such merchandise is packed or assembled at the time it is sold by respondent, may be made by means of a game of chance, gift enterprise, or lottery scheme.

2. Supplying or placing in the hands of others push or pull cards, punchboards, or other lottery devices, either with assortments of merchandise or separately, which said push or pull cards, punchboards, or other lottery devices are to be used, or may be used, in selling or distributing merchandise to the public.

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

4. Using the term "Manufacturing" or the abbreviation "Mfg.," or any other word or abbreviation of similar import or meaning, in respondent's trade name or in any other manner to designate or describe respondent's business.

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

Complaint

IN THE MATTER OF

GULF & WEST INDIES CO., INC., AND MILTON COHN

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

Docket 5093. Complaint, May 11, 1945¹—Decision, July 11, 1949

There are basic and fundamental differences between the French and American methods of processing or preparing chamois skins, and there is a preference for the more costly French products, or the product processed by the French method—made use of by no American tanners—on account of its superior softness, absorbent qualities and durability.

Where a corporation and its president, its principal stockholder, engaged in the interstate sale and distribution of chamois skin, in matter stamped or printed on their said product and containers thereof, and on price lists and printed matter supplied to dealers for distribution among prospective purchasers—

Represented that their chamois skins were tanned or processed by the French process and imported from France, or that they had been processed in the United States in accordance with French methods;

When in fact all of the skins in question were imported from Iceland, South America, New Zealand, or Australia and had been tanned by a Philadelphia company, by the domestic process;

With tendency and capacity to deceive a substantial portion of the purchasing public with respect to the origin, method of preparation, character, and qualities of their said product and thereby cause it to purchase substantial quantities thereof; and with result of placing in the hands of dealers means whereby they might mislead and deceive prospective purchasers of such products:

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

Before *Mr. W. W. Sheppard* and *Mr. Andrew B. Duvall*, trial examiners.

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

Mr. Louis H. Solomon, of New York City, for respondents.

AMENDED 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 Gulf & West Indies Co., Inc., a corporation, and Milton Cohn, individually and as president of Gulf & West Indies, Inc., a corporation, hereinafter referred to

¹ Amended.