

Complaint

IN THE MATTER OF

JERRY ROTHSCHILD TRADING AS V. M. PRODUCTS

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

Docket 5574. Complaint, July 9, 1948—Decision, Dec. 14, 1949

Where an individual engaged in the interstate sale and distribution of a tablet drug preparation designated "V. M." or "VegeMucene"; through statements in newspapers and other advertising—

- (a) Falsely represented that colitis and gas stomach are due to hyperacid conditions of the stomach; when in fact the condition of gas stomach is usually caused by swallowing air, and colitis may be due to causes many of which are not definitely known, and all of which require careful examination diagnosis, and medical experimentation before relief may be obtained;
- (b) Falsely represented that said preparation contained mucine, a gluco-protein material derived from the glands of various animals; the facts being it contained a vegetable material of a slimy, mucilaginous nature;
- (c) Falsely represented that said preparation, taken as directed, had therapeutic value in the relief and treatment of inflammation of the stomach and intestine, acid stomach, gas stomach, colitis, and ulcers of the stomach and intestines; and
- (d) Falsely represented that it would correct hyperacid conditions and absorb excess stomach acids, provide a lining for the stomach and connecting intestines, and give inflammation of those areas a chance to heal;

With effect of misleading a substantial portion of the purchasing public into the erroneous belief that such representations were true, and with capacity and tendency so to do, and thereby induce its purchase of his said 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. Frank Hier*, trial examiner.

Mr. Joseph Callaway for the Commission.

Miller, Sher & Oppenheimer, of Washington, D. C., and *Gottlieb, Schwartz & Friedman*, of Chicago, Ill., 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 Jerry W. Rothschild, an individual, doing business as V. M. Products, 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:

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PARAGRAPH 1. Respondent, Jerry W. Rothschild, is an individual with his office and principal place of business located at 2561 North Clark Street, Chicago, Ill.

PAR. 2. Respondent, Jerry W. Rothschild, is now and has been for several years last past engaged in the business of selling and distributing a certain drug preparation as "drug" is defined in the Federal Trade Commission Act. The designation used by respondent for his preparation, the formula and directions for its use are as follows:

Designation: V. M., a vegetable mucinoid; also known as VegeMucene.	
Formula:	<i>Grains</i>
Okra (dehydrated) -----	17.5
Excipients:	
Glucose -----	4.1
Talc -----	1.3
Directions for use: Average dosage 1 tablet every 2 hours to be chewed thoroughly and followed by one-fourth glass of cold water. Dosage may be increased or decreased as required.	

Said respondent causes said preparation when sold to be transported from his place of business in the State of Illinois to purchasers thereof located in various other States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of his business, respondent, subsequent to March 21, 1938, has disseminated and caused the dissemination of certain advertisements concerning the said preparation by means of the United States mails and by various means in commerce as "commerce" is defined in the Federal Trade Commission Act, including but not limited to advertisements furnished and paid for by respondent but published over the name of various retail establishments in the following newspapers on the dates mentioned, as follows:

Fall River Herald News, Fall River, Mass., April 12, 1946;
 Indianapolis News, Indianapolis, Ind., April 9, 1946;
 Cleveland Plain Dealer, Cleveland, Ohio, April 2, 1946;
 Philadelphia Record, Philadelphia, Pa., March 24, 1946;
 Newark News, Newark, N. J., March 13, 1946;
 Evansville Sunday Courier and Express, Evansville, Ind., March 10, 1946;
 Portsmouth Times, Portsmouth, Ohio, March 7, 1946;
 Minneapolis Tribune, Minneapolis, Minn., March 10, 1946;
 San Francisco Chronicle, San Francisco, Calif., February 17, 1946;
 Indianapolis Star, Indianapolis, Ind., January 31, 1946;
 Kansas City Star, Kansas City, Mo., January 27, 1946;
 Pittsburgh Sun Telegraph, Pittsburgh, Pa., November 11, 1945;
 Bellingham Herald, Bellingham, Wash., January 9, 1946;

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Minneapolis Daily Times, Minneapolis, Minn., August 10, 1945;
 Philadelphia Daily News, Philadelphia, Pa., August 10, 1945;
 San Francisco News, San Francisco, Calif., July 6, 1945;
 Minneapolis Shopping News, Minneapolis, Minn., April 13, 1945;
 Columbus Citizen, Columbus, Ohio, February 27, 1945;
 Arizona Republican, Phoenix, Ariz., January 7, 1945;
 and respondent has disseminated and caused the dissemination of advertisements concerning the said preparation including but not limited to the advertisements referred to above for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparation in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Among the statements and representations contained in said advertisements disseminated as aforesaid are the following:

ULCERS	COLITIS
ACID	STOMACH

due to hyperacidity can be quickly relieved by a revolutionary DRUGLESS preparation known as V. M.

Here's Amazing Relief From

ACID STOMACH

and Ulcers Due to Acidity

Correct hyperacid conditions of Ulcers, Colitis, Gas and Acid Stomach with V. M. * * * Provides stomach and connecting intestines with protective lining of vegetable mucin, coating over inflamed surfaces and protecting them against excess stomach acids and irritating food roughages, thus giving inflammations a chance to heal. V. M. also absorbs excess stomach acids.

PAR. 5. Through the use of the advertisements hereinabove set forth and others of the same import but not specifically set out herein, respondent represented that colitis and "gas" stomach are due to hyperacid conditions of the stomach; that said preparation when taken as directed has therapeutic value in the relief and treatment of inflammations of the stomach and intestines, acid stomach, gas stomach, colitis, and ulcers of the stomach and intestines; that it contains mucin; that it will provide a protective lining for the stomach and connecting intestines and will give inflammations in those areas a chance to heal; that it will correct hyperacid conditions and will absorb excess stomach acids.

PAR. 6. Said advertisements are misleading in material respects and are "false advertisements" as that term is defined in the Federal Trade Commission Act. In truth and in fact, "gas stomach" is usually due

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to swallowing air and not usually related to hyperacidity. Colitis is never due to hyperacidity and V. M. will not relieve colitis or be of value in the treatment thereof. Ulcers of the colon, inflammation of the colon, stomach ulcers, duodenal ulcers, and peptic ulcers require a definite appraisal of the condition and a careful regimen of diet, rest, and other corrective measures to hold out any hope of relief. The same is true of other diseases and conditions which have acid stomach as one of their symptomatic manifestations. The free acid in the stomach is not absorbed or reduced in any significant amount by respondent's preparation nor is it corrected by V. M. which is itself rather promptly digested and then nearly all of it is removed by absorption from the intestinal tract. V. M. tablets contain no mucin. When the tablets are taken as directed, it will not furnish a protective coating for inflamed surfaces of the stomach or intestines or give inflammations a chance to heal.

PAR. 7. The aforesaid acts and practices 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 July 9, 1948, issued and subsequently served its complaint in this proceeding upon the respondent, Jerry W. Rothschild, an individual trading as V. M. Products, charging him with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. After respondent filed his answer, testimony and other evidence in support of and in opposition to the allegations of the complaint were introduced before a trial examiner of the Commission theretofore duly designated by it, and such testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, this proceeding regularly came on for final hearing by the Commission upon the complaint, the answer thereto, testimony and other evidence, recommended decision of the trial examiner, and brief in support of the complaint (no brief having been filed by respondent and no oral argument 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. Respondent, Jerry W. Rothschild, is an individual trading and doing business as V. M. Products, with his office and principal place of business located at 2561 North Clark Street, Chicago, Ill. He is now, and for several years last past has been, engaged in the offering for sale, sale, and distribution of a drug preparation designated "V. M." or "VegeMucene," prepared in tablet form. Each tablet contains 18 grains dehydrated okra, 5.5 grains of glucose and excipients, and 0.5 grain of talc. Respondent recommends the use of said preparation as follows: "Average dosage 1 tablet every 2 hours to be chewed thoroughly and followed by one-fourth glass of cold water. Dosage may be increased or decreased as required."

PAR. 2. In the course and conduct of his aforesaid business, respondent causes, and has caused, his said preparation, when sold, to be shipped from his place of business in the State of Illinois to purchasers thereof at their respective points of location in various other States of the United States and in the District of Columbia, and maintains, and at all times mentioned herein has maintained, a course of trade in said preparation in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. (a) In the course and conduct of his aforesaid business, respondent has disseminated and is now disseminating, and has caused and is now causing the dissemination of, false advertisements concerning his said preparation by 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 his said preparation by various means, for the purpose of inducing, and which are likely to induce, directly or indirectly, the purchase of his said preparation in commerce as "commerce" is defined in the Federal Trade Commission Act.

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

Ulcers	Colitis
Acid	Stomach

due to hyperacidity can be quickly relieved by a revolutionary
Drugless preparation known as V. M.

* * * * *

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Here's Amazing Relief from

ACID STOMACH

and Ulcers Due to Acidity

Correct hyperacid conditions of Ulcers, Colitis, Gas and Acid Stomach with V. M. * * * Provides stomach and connecting intestines with protective lining of vegetable mucin, coating over inflamed surfaces and protecting them against excess stomach acids and irritating food roughages, thus giving inflammations a chance to heal. V. M. also absorbs excess stomach acids."

PAR. 4. Through the use of the foregoing statements and representations and others similar thereto not specifically set out herein, respondent represents, and has represented; (a) That colitis and gas stomach are due to hyperacid conditions of the stomach; (b) that the preparation "V. M." or "VegeMucene" contains mucin; (c) that said preparation, when taken as directed, has therapeutic value in the relief and treatment of inflammation of the stomach and intestines, acid stomach, gas stomach, colitis, and ulcers of the stomach and intestines; (d) that said preparation will provide a lining for the stomach and connecting intestines and will give inflammation of those areas a chance to heal; and (e) that said preparation will correct hyperacid conditions and absorb excess stomach acids.

PAR. 5. (a) The statements and representations set forth in paragraphs three and four above are grossly exaggerated, false, misleading, and deceptive in the following particulars:

(b) Neither colitis nor gas stomach is due to, or caused by, hyperacid conditions of the stomach or hyperacidity. The condition of gas stomach is usually caused by swallowing air, and colitis may be due to causes many of which are not definitely known and all of which require careful examination, diagnosis, and medical experimentation before relief may be obtained.

(c) Mucin is a gluco-protein material derived from the glands of various animals. Respondent's preparation contains no such material. It is a plant material of a slimy, mucilaginous nature, derived from a vegetable source.

(d) Respondent's preparation has no significant beneficial effect on hyperacidity and is wholly ineffective in the relief, treatment, or cure of gas stomach, colitis, acid stomach, ulcers of the stomach or colon, or duodenal or peptic ulcers, or inflammation of the stomach, colon, or intestines. All of said conditions arise from causes many of which are not definitely known but all of which require proper examination, diagnosis, and individual treatment before relief may be expected.

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(e) Said preparation will not absorb excess stomach acids and will not provide a lining or coating for the stomach or intestines which may protect them from excess stomach acids or food roughages, and therefore its use will not give inflammations in these areas a chance to heal.

PAR. 6. The use by the respondent of the foregoing false, deceptive, and misleading statements and representations with respect to his preparation, disseminated as aforesaid, has had, and now has the capacity and tendency to, and does, mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements, representations, and advertisements are true, and to induce a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to purchase respondent's said preparation.

CONCLUSION

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

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony, and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner, and brief in support of the complaint (no brief having been filed by respondent and oral argument not having been requested); and the Commission having made its findings as to the facts and conclusion that respondent has violated the Federal Trade Commission Act:

It is ordered, That respondent, Jerry W. Rothschild, an individual, trading and doing business as V. M. Products or under any other name or names, his agents, representatives, and employees, directly or through any corporate or other device in connection with the offering for sale, sale, and distribution of his preparation designated "V. M." or "VegeMucene," or any other product or products of substantially similar composition or possessing substantially similar properties, whether sold under the same name or any other name or names, do forthwith cease and desist from, directly or indirectly:

1. Disseminating, or causing to be disseminated, any advertisement by means of the United States mails or by any other means in commerce, as "commerce" is defined in the Federal Trade Commission

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Act, which advertisement represents, directly or through inference,

(a) Either colitis or gas stomach is due to, or caused by, hyperacid conditions of the stomach or hyperacidity.

(b) The preparation "V. M." or "VegeMucene" contains mucin.

(c) Said preparation has any significant beneficial effect on hyperacidity, or will correct hyperacid conditions.

(d) Said preparation constitutes an effective relief, treatment, or cure for inflammation of the stomach and intestines, gas stomach, colitis, acid stomach, or ulcers of the stomach or intestines.

(e) Said preparation will absorb excess stomach acids or will provide a lining or coating for the stomach or intestines which may protect them from excess stomach acids or food roughage.

(f) The use of said preparation will give inflammation of the stomach or intestines a chance to heal.

2. Disseminating, or causing the dissemination of, any advertisement by any means for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said preparation, which advertisement contains any of the representations prohibited in paragraph 1 hereof.

It is further ordered, That the respondent shall, within sixty (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 it.

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IN THE MATTER OF

BERTRAM A. UNGER, TRADING AS CELLO-PLASTIC
CHEMICAL COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914*Docket 5390. Complaint, Oct. 15, 1945—Decision, Dec. 20, 1949*

The protective-coating industry has known and made use of raw materials used in the manufacture of plastics for more than 25 years, and it is not unusual for the basic film-forming ingredients of surface coatings to be composed in whole or in part of one or more of such raw materials.

The term "molded plastic products" applies generally to a large number of useful articles, such as ash trays, telephones, luggage, jewelry, etc. which have been fashioned through application of pressure and heat to certain synthetic organic substances, some of which are derived from coal, petroleum or wood. Such products, depending upon the use for which they are intended, may have innumerable built-in characteristics, i. e., they may be as hard as rock or as pliable as a sheet of rubber, as thin as tissue, or in solid blocks or any desired shape, transparent or opaque, in varying colors, inflammable, or flame resistant, etc.

Where an individual engaged in the interstate sale and distribution of various types of paints and related products designated "Cello-Plastic"; in advertising his said "Cello-Plastic" paint products in newspapers and periodicals, advertising folders, pamphlets and circular letters and otherwise—

- (a) Falsely represented that his said products were the result of startling new discoveries in liquid plastic; were more than just paints; would provide lifetime finishes; and would not crack, blister or peel; the facts being that the inclusion therein, as claimed, of one or more of the various synthetic resins commonly used in the manufacture of plastics, did not render his products either materially different from or substantially better than those of many of his competitors; and they would not accomplish the results claimed therefor as above set forth;
- (b) Falsely represented that one coat of his "Outside Cello-Plastic" was equivalent to five coats of ordinary paint; the facts being that the composition of said product, including the pigment, volatile vehicle, and nonvolatile vehicle, was substantially the same as that of many other good quality paints on the market;
- (c) Falsely represented that his "Cello-Plastic Floor Finish" produced a tough, bright finish which resisted cigarette burns, alcohol, grease, boiling water and the like; the facts being that the surfaces to which said product was applied in tests by the Bureau of Standards were seriously marred, softened, or removed by burning cigarettes, alcohol, grease, hot water and lye solutions;
- (d) Falsely represented that his "Inside Cello-Plastic" held its color and luster under all conditions; the facts being that a number of users found that it did fade, blister and powder; and

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(e) Falsely represented that his "Cello-Plastic Enamel" had the same properties as genuine molded plastic products; the facts being that the nature and purpose of a product intended for use as a surface coating precluded the possibility of its having the innumerable built-in characteristics, depending upon the use for which intended, associated with such products; and

(f) Falsely represented that his "Cello-Plastic Water Proofed Paint" was a modern miracle of science; and

Where said individual, engaged as aforesaid—

(g) Falsely represented, through the use of the words "Chemical Company" in his business or trade name, and the statement "A House of Chemical Engineers" on his business stationery and elsewhere, that his business was that of a dealer in chemicals and that he had in his employ chemical engineers who scientifically prepared the products he sold;

When in fact he performed no operations in connection with the paint products he sold other than placing his labels upon the containers in which he received them from his suppliers;

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 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 and deceptive acts and practices in commerce.

As respects the charge of the complaint in the instant proceeding, that respondent's use of the term "Cello-Plastic" in his trade name and in designating his products was misleading and deceptive, the Commission was of the opinion and found that his said charges were not sustained by the greater weight of the evidence.

With regard to the paramount issue in the proceeding, in the view of counsel and the trial examiner, namely, respondent's use of the word "plastics" to refer to his paint products, challenged by the complaint on the theory that said products are not plastics as the term is understood by the trade and the purchasing public, and the question as to whether or not this was true: the record did not present an adequate basis for a satisfactory disposition of the questions involved, since aside from a sharp disagreement both in and out of the industry as to whether and under what circumstances, if at all, a surface covering might properly be referred to as a "plastic paint," and the opinion of experts from the Bureau of Standards that a paint might be properly so referred to if the covering contained at least 50 percent of the soluble solids used in the manufacture of plastics, the analyses made in the case, with the possible exception of respondent's "Cello-Plastic Floor Finish," did not place the Commission in a position to find whether or not respondent's products met such a standard; and the Commission accordingly made no findings on the issue of whether or not said individual's paint products might or might not properly be referred to as "plastic" paints.

As respects numerous other misrepresentations which the complaint in said proceeding charged respondent with making in connection with different claims for his various "Cello-Plastic Products," namely, his "Floor Finish," "Waterproof Paint," "Enamel," "Outside Cello-Plastic," and "Inside Cello-Plastic," and including, as the case might be, nonskid plastic floor finish which eliminated waxing and polishing, etc., adaptability for wood, concrete, asphalt, tile, or inlaid linoleum, durability, waterproofing qualities, tile or porcelain like qualities of the finish, qualities of adhesion, penetration, insulation, self-leveling, etc., the Commission was of the opinion and found that charges with respect to the falsity of such representations had not been sustained by the greater weight of the evidence.

Before *Mr. Randolph Preston*, trial examiner.

Mr. Jesse D. Kash for the Commission.

Mr. Melvin A. Albert, of New York City, 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 *Bertram A. Unger*, an individual, trading as Cello-Plastic Chemical Co., hereinafter referred to as the 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. *Bertram A. Unger* is an individual, trading as Cello-Plastic Chemical Co., with his office and principal place of business located at the corner of Cypress and Aspen Streets, Pittsburgh, Pa

PAR. 2. The respondent is now, and for more than 1 year last past, has been engaged in the sale and distribution of paints and varnishes designated as Cello-Plastic.

The respondent causes said products, when sold, to be transported from his said place of business in the State of Pennsylvania to purchasers thereof located at various points in the several 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 said products in commerce between and among the various States and in the District of Columbia.

PAR. 3. In the course and conduct of his said business and for the purpose of inducing the purchase of his products, the respondent has circulated and is now circulating, among prospective purchasers throughout the United States, by United States mails, by means of

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advertisements inserted in newspapers and magazines, by means of advertising folders, pamphlets, circular letters, and other advertising material, all of general circulation, many false statements and representations concerning his said products. Among and typical of such false statements and representations are the following:

HERE IS THE PAINT OF TOMORROW . . . TODAY!

Plasticize Your Floors With Cello Plastic Floor Finish

—remarkable non-skid plastic floor finish that banishes waxing and polishing. Tough, bright, resistant to cigarette burns, alcohol, grease, boiling water and even lye. Ideal for wood, concrete, asphalt, tile, linoleum. 10 attractive colors or clear. \$6.75 per gallon.

CELLO-PLASTIC . . . LIQUID "CELLOPHANE" LIKE FLOOR FINISH NOW! A NON-SKID PLASTIC FLOOR FINISH THAT OUTWEARS WAX 200 to 1.

Representations concerning Cello Plastic Waterproof Paint:

BÉAUTIFY AND WATERPROOF Your Basement with **CELLO PLASTIC** Waterproofed PAINT.

Waterproof, beautify, healthify that recreation room, those basement walls and floor with Cello Plastic, Modern Miracle of Science. Triple action performance. Penetrates, Waterproofs, Preserves. For concrete floors and all masonry **INSIDE** or **OUTSIDE**, damp or dry, painted or unpainted. Several attractive colors.

Representations concerning Cello Plastic:

REPAINT AND WATERPROOF with **CELLO PLASTIC**

The Paint of Tomorrow—TODAY

Cello Plastic, a startling discovery in liquid plastics, makes it possible for you to refinish both exterior and interior with a real plastic coating.

SATISFACTION GUARANTEED

Cello Plastic is more than just a paint. It is a liquid film that flows on easily, then penetrates and clings to the old surface, covering cracks and scratches, leaving that "porcelain-like" finish. This new flexible paint is fadeproof, waterproof and does not crack, blister or peel.

PLASTICS are today's wonder material . . . from Nylon hose to stretchable glass shoes, from radio panels to tropical army helmets, from "CELLOPHANE" to telephones, plastics appear in new form every day. And now, you can get it in liquid form . . . a plastic floor finish that can "take it".

A Scientifically Prepared Plastic Coating for Exterior and Interior Surfaces **CELLO PLASTIC** insulates the home; makes it cool in summer and warmer in winter. * * * it will protect surfaces everywhere.

* * * * *

CELLO PLASTIC is waterproof.

CELLO PLASTIC is fireproof.

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CELLO PLASTIC is more than a paint, it becomes a part of the surface.

* * * * *

Protect your home with the most scientifically modern development in protective coating.

PROTECTS

WATERPROOFS

INSULATES

Self-Cleaning.

It is difficult to describe in words the outstanding qualities of this liquid-plastic finish. You really should see it to appreciate the smooth even surfaces, the tile-like hardness and finish that you get with Cello-Plastic.

When you consider that only one coat is needed—and that it is a permanent, lifetime finish—Cello Plastic is much more economical in the long run than ordinary paints or enamels.

If you can't come in to see this miracle paint⁴ discovery using real plastic solvents as its base, why not order your requirements and try it out.

Representation concerning Outside Cello-Plastic:

For weatherproof, exterior finishes covering clapboard, shingle, stucco, brick, concrete, storm and window frames. Excellent insulating value.

Cello-Plastic exterior is a combination finish and insulation because it seals and weatherproofs every inch of surface it covers . . . filling cracks . . . reconditioning weatherbeaten wood surfaces . . . and permanently beautifying it.

One coat of Cello-Plastic exterior is equivalent to 5 coats of ordinary paint . . . so it, too, is so much cheaper than ordinary paint, both in original paint costs and in labor as well.

Representations concerning Cello-Plastic Interior:

Anyone can apply it without a single trace of brushmarks. Cello-Plastic is a lifetime finish that holds its color and lustre under all condition.

One coat of Cello-Plastic interior paint resurfaces woodwork, walls, plaster, cement masonry, even old wallpaper with a sparkling, self-leveling finish that is water resistant, impervious to heat and one that will not crack, peel or chip.

Representations concerning Cello-Plastic Enamel:—

A NEW MAGIC CELLO PLASTIC ENAMEL

For Exterior and Interior Use. Finishes walls like TILE. Finishes Woodwork like PORCELAIN.

This is really it! Modern science has produced this new PLASTIC coating you apply with a brush. It actually has the same chemical properties of genuine molded plastic products.

A BRUSH-ON PLASTIC

With an ordinary brush you flow this coating on your woodwork and it dries to a smooth porcelain finish—hard, waterproof, abrasion-resistant. Colors: Snow-white, Pale Blue, Ivory, Pale Green, Buff, Peach, Cream, Dusty Rose.

You won't have to wait until after the war for this new, scientific plastic discovery. Limited quantities now available. Order at once.

PAR. 4. Through the foregoing statements and representations hereinabove set forth, and others similar thereto but not specifically set out herein, the respondent represents directly and by implication that

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his product designated "Cello-Plastic Floor Finish" produces a non-skid plastic floor finish that eliminates waxing and polishing and will outwear wax surfaces 200 to 1; that it produces a tough, bright finish which resist cigarette burns, alcohol, grease, boiling water, and lye and is an ideal preparation for wood, concrete, asphalt, tile, and in-laid linoleum, and that said product produces a cellophane-like finish.

Respondent represents directly and by implication, that his product "Cello-Plastic Waterproofed Paint" will waterproof recreation rooms, basement walls and floors; that it is a modern miracle of science; that it penetrates, waterproofs, and preserves concrete floors and all masonry inside or outside, damp or dry, painted, or unpainted.

Respondent further represents directly and by implication, that his product "Cello-Plastic Enamel" finishes walls upon which it is applied like tile, and finishes woodwork upon which it is applied like porcelain and has the same chemical properties of genuine molded plastic and dries to a smooth porcelain finish, hard, waterproof, abrasion resistant, and is a new scientific plastic discovery.

Respondent further represents directly and by implication that his product "Cello-Plastic" is a startling discovery in liquid plastics and gives both exterior and interior surfaces upon which it is applied a real plastic coating; that said product is more than just a paint; that it forms a liquid film that penetrates and clings to old surfaces; covers cracks and scratches, that said product is fadeproof, waterproof, will not crack, blister or peel on surfaces to which it is applied; that one coat of Cello-Plastic gives a permanent lifetime finish and real plastic solvents are used as its base; that it is more economical than ordinary paints or enamels; that said product leaves a porcelain-like finish; that said product has the same chemical properties, nature, consistence, and firmness as molded plastic products and is a scientifically prepared plastic coating for exterior and interior surfaces; that it insulates and makes homes treated with same cool in summer and warmer in winter; that it is waterproof and fireproof, and becomes a permanent part of the surfaces on which it is applied; that it is the most scientifically modern development in protective coating and is self-cleaning; that said product leaves a tile-like hardness and finish; that said product protects surfaces under all climatic conditions everywhere.

Respondent further represents, directly and by implication, that his product "Outside Cello-Plastic" is a combination finish and insulation that finishes, insulates, seals, and waterproofs every inch of surface to which it is applied; that it fills cracks, reconditions weather-beaten wood surfaces, and permanently beautifies said surfaces; that

one coat of said product is equal to five coats of ordinary paint and is much cheaper than ordinary paint; that said product weatherproofs exterior surfaces such as clapboard, shingles, stucco, brick, concrete, and storm and window frames; that said product possesses excellent insulating value.

Respondent further represents, directly and by implication, that one coat of his product "Inside Cello-Plastic" resurfaces woodwork, walls, plaster, cement, masonry, and old wallpaper with a self-leveling finish that is weather-resistant and impervious to heat; that said product will not crack, peel, or chip, and creates a lifetime finish that holds color and luster under all conditions.

PAR. 5. The foregoing statements and representations are false, misleading and deceptive. In truth and in fact, respondent's product "Cello-Plastic Floor Finish" is not a remarkable nonskid plastic floor finish that eliminates waxing and polishing and will not outwear wax surfaces 200 to 1 or any appreciable extent. Said product does not create a tough or bright finish and is not resistant to cigarette burns, alcohol, grease, boiling water, or lye. Said product is not an ideal preparation for wood, concrete, asphalt, tile, or inlaid linoleum and will not produce a cellophane-like finish.

Respondent's product "Cello-Plastic Waterproof Paint" will not waterproof recreation rooms, basement walls and floors, and is not an effective waterproofer under all conditions of use. Said product is not a modern miracle or invention of science. It will not effectively penetrate, waterproof, or preserve surfaces to which it is applied and cannot be used effectively on concrete and all masonry inside or outside, damp or dry, painted, or unpainted.

Respondent's product "Cello-Plastic Enamel" does not finish walls like tile or finish woodwork like porcelain. Said product does not have the same chemical properties of genuine molded plastic products and does not dry to a smooth porcelain finish; said product does not produce a hard surface and is not waterproof and is not abrasion resistant.

Respondent's product "Cello-Plastic" is not a startling discovery in liquid plastic and will not give both exterior and interior surfaces upon which it is applied a real plastic coating. Said product does not contain any more properties than ordinary paint. It does not satisfactorily penetrate and cling to old surfaces and cover cracks and scratches. Said product is not fadeproof or waterproof and will not permanently prevent blistering and peeling on surfaces to which it is applied. Said product Cello Plastic does not leave a porcelain-like finish. Said product is not more economical than ordinary paints or

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varnishes. Said product Cello-Plastic does not leave a tile-like hardness and finish on surfaces to which it is applied and one coat of said product does not give a permanent lifetime finish. Said product does not have the same chemical properties, nature, consistency, or firmness as molded plastic products and is not a scientifically prepared plastic coating for exterior and interior surfaces. It will not insulate and make homes treated with it cool in summer and warm in winter. Said product will not insulate, is not waterproof or fireproof and is not more than ordinary paints and does not become a permanent part of the surfaces on which it is applied. It is not the most scientifically modern development in protective coating and is not self-cleansing. "Cello-Plastic" will not protect surfaces under bad climatic conditions anywhere. Said product Cello-Plastic does not contain real plastic solvents as its base.

Respondent's product "Outside Cello-Plastic" is not weatherproof, does not possess insulating value. Said product is not a combination finish and insulation. Said product will not seal and weatherproof every inch of surface to which it is applied and it does not satisfactorily fill cracks, recondition weather-beaten wood surfaces, and will not permanently beautify same. One coat of said product is not equivalent to five coats of ordinary paint and is not much cheaper than ordinary paint. In truth and in fact, the true worth or value thereof does not exceed that of comparable competitive paints and enamels.

One coat of respondent's product "Inside Cello-Plastic" will not resurface woodwork, walls, plaster, cement, masonry, or old wallpaper with a sparkling self-leveling finish. It is not water-resistant or impervious to heat, and will peel and chip off from surfaces to which it is applied. Said product does not create a lifetime finish and will not hold its color or luster under all conditions.

PAR. 6. The use by respondent of the word "Chemical" in the trade designation of his business "Cello-Plastic Chemical Company" and the statement "A House of Chemical Engineers" is misleading and deceptive in that such word "Chemical" imports and implies that the business of said respondent is that of a dealer in chemical commodities and that he employs chemists who scientifically prepare the products sold by him, and conduct a thorough study of their properties and effects, whereas in truth and in fact, the respondent does not own, operate, or control a chemical plant or factory wherein his paint or varnish is produced, and does not employ chemical engineers who scientifically prepare said products or conduct a thorough study of same. The only operation performed by the respondent in connection

with his products is the packaging of said products which are manufactured by and purchased from others in bulk form.

The use by the respondent of the word "Cello-Plastic" in his trade name and in designating, describing and referring to his said products as aforesaid, is misleading and deceptive in that said products do not possess the characteristics of cellophane and are not plastics as such terms are understood by the trade and the purchasing public, but are paints, varnishes, and enamels of a type sold by many competitors of the respondent at prices substantially less than the prices secured by respondent for his said products.

PAR. 7. The use by the respondent of the aforesaid false, misleading, and deceptive statements and representations has had, and now has, the tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such 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 products.

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 October 15, 1945, issued and subsequently served upon the respondent, Bertram A. Unger, an individual, trading as Cello-Plastic Chemical Co., its complaint, charging said respondent with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of that act. The answer of the said Bertram A. Unger was filed on December 3, 1945. Thereafter, testimony and other evidence were introduced before a trial examiner of the Commission theretofore designated by it, and such testimony and other evidence were duly recorded and filed in the office of the Commission. Subsequently, this proceeding regularly came on for final hearing before the Commission upon the complaint, the respondent's answer, testimony, and other evidence, the trial examiner's recommended decision, and brief in support of the complaint (no brief having been filed on behalf of the respondent 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

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makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The respondent, Bertram A. Unger, is an individual who, for a number of years prior to 1946, traded under the name "Cello-Plastic Chemical Co." Said respondent maintained his office and principal place of business in the Park Building, located at the corner of Fifth Avenue and Smithfield Street, in the city of Pittsburgh, State of Pennsylvania. In 1946, respondent Unger caused to be incorporated under the laws of Pennsylvania a corporation known as Cello-Plastics, Inc., of which he is president, treasurer, and principal stockholder, and since the date of incorporation of said company respondent Unger's business has been conducted by and through the corporation Cello-Plastics, Inc. The office and principal place of business of said corporation is located at 417 Boulevard of the Allies, Pittsburgh, Pa.

PAR. 2. The respondent, Bertram A. Unger, trading as Cello-Plastic Chemical Co. and through the corporation, Cello-Plastics, Inc., is now, and for more than 5 years last past has been, engaged in the sale and distribution of various types of paints and related products designated "Cello-Plastic." Said respondent causes these products, when sold, to be transported from his place of business in the State of Pennsylvania to purchasers thereof located in various other States of the United States and in the District of Columbia. The respondent maintains, and at all times mentioned herein has maintained, a regular course of trade in said products 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 his business, and for the purpose of inducing the purchase of his "Cello-Plastic" paint products, the respondent has circulated to prospective purchasers throughout the United States, by means of advertisements inserted in newspapers and magazines, and by the use of advertising folders, pamphlets, and circular letters, distributed through the United States mails, and otherwise, many statements and representations concerning said products. In the manner and for the purpose aforesaid he has represented, among other things: (a) That his "Cello-Plastic" products are the result of startling new discoveries in liquid plastics; that said products are more than just paints; that they will provide "lifetime" finishes; and that they will not crack, blister, or peel; (b) that one coat of his "Outside Cello-Plastic" is equivalent to five coats of ordinary paint; (c) that his "Inside Cello-Plastic" holds its color and

luster under all conditions; (d) that his "Cello-Plastic Enamel" has the same properties as genuine molded plastic products; (e) that his "Cello-Plastic Floor Finish" produces a tough, bright finish which resists cigarette burns, alcohol, grease, boiling water, and lye; and (f) that his "Cello-Plastic Waterproofed Paint" is a modern miracle of science.

PAR. 4. (a) The respondent throughout this proceeding has contended that the binders or nonvolatile vehicle of his paint products are composed in substantial part of one or more of the various synthetic resins commonly used in the manufacture of plastics. The record shows, however, that it is not unusual for the basic film-forming ingredients of surface coatings to be composed in whole or in part of one or more of the raw materials used in the manufacture of plastics. The protective coating industry has known and made use of such raw materials, originally in the form of natural imported resins, but more recently in the form of synthetics, for more than 25 years; and the fact that the nonvolatile vehicles in the respondent's paints may be composed in part of some of these raw materials does not render his products either materially different from or substantially better than the paint products of many of his competitors. It is not true, as the respondent has represented, that his "Cello-Plastic" products are the result of new discoveries in liquid plastics, or that said products are "more than just paints" or that any of them are "miracle" paints. Neither the respondent's products nor any other paint yet produced will provide a finish which will last for a "lifetime," and there is nothing in this record to indicate that the finish provided by the respondent's products will last for any substantial period of time over and beyond that which may be expected of the finish provided by other good quality paints. A number of witnesses testified that, contrary to the respondent's representations, his "Cello-Plastic" paints, when used on their "homes and elsewhere, would and did crack, blister, and peel.

(b) In an effort to determine the truth or falsity of the respondent's claims for his "Outside Cello-Plastic" and his "Cello-Plastic Floor Finish," representatives of the Commission submitted to the National Bureau of Standards samples of said products for testing, and the testimony of the chemists who conducted the tests and the reports of the Bureau thereon are both in the record. It appears from such testimony and reports that the respondent's "Outside Cello-Plastic," being composed of 29 percent pigment (titanium dioxide and zinc oxide), 31.2 percent volatile vehicle, and 39.8 percent nonvolatile ve-

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hicle (the vehicle being a varnish-like material containing 12 percent phthalic anhydride) is substantially the same as many other good quality paints on the market, and it is obvious that one coat of said product is not equivalent to five coats, or to any multiple number of coats, of such other paints. It appears further from the reports of the Bureau of Standards that while the nonvolatile vehicle of the respondent's "Cello-Plastic Floor Finish" is composed of cellulosic and resinous matter in the approximate ratio of 1 to 2, the surfaces to which this product was applied in the tests were seriously marred, softened, or removed by burning cigarettes, alcohol, grease, hot water, and lye solutions. It is not true, therefore, as the respondent has represented, that one coat of his "Outside Cello-Plastic" is equivalent to five coats of "ordinary" paint or that his "Cello-Plastic Floor Finish" resists cigarette burns, alcohol, grease, boiling water, and lye.

(c) The chemical composition of the respondent's "Inside Cello-Plastic" was not disclosed, but there were a number of witnesses who testified that after using this product they found that it would and did fade, blister, and powder. The respondent's representations that said product will hold its color and luster under all conditions were not justified.

(d) The term "molded plastic products," mentioned in the respondent's advertising, applies generally to a large number of useful articles, such as ash trays, telephones, luggage, jewelry, and many others, which have been fashioned through application of pressure and heat to certain synthetic organic substances, some of which are derived from coal, petroleum, or wood. Depending upon the end use for which they are intended, such products may have innumerable built-in characteristics. Thus, they may be as hard as rock or as pliable as a sheet of rubber, as thin as tissue, or in solid blocks or any desired shape, transparent or opaque, and varying from the lightest pastel shade to solid or variegated dark colors. Such products may be rapid or slow burning or actually flame resistant, and may have special electrical properties and many other engineering characteristics. Obviously, the very nature and purpose of a product intended for use as a surface coating precludes the possibility of such product having these characteristics. The respondent's representations that his "Cello-Plastic Enamel" has the same properties as genuine molded plastic products cannot be supported.

(e) The Commission is of the opinion, therefore, and finds, that in the foregoing respects the respondent's advertising representations were false, misleading, and deceptive.

PAR. 5. The respondent's use of the words "Chemical Company" in his business or trade name, "Cello-Plastic Chemical Company," and of the statement "A House of Chemical Engineers" on his business stationery and elsewhere imported and implied that the business of said respondent was that of a dealer in chemicals and that he had in his employ chemical engineers who scientifically prepared the products he sold. The record shows, however, that the respondent does not and never has owned, operated, or controlled a plant in which any chemical products were produced, and that he does not have in his employ any chemical engineers. The only operation performed by the respondent in connection with the paint products sold by him consists of placing his labels upon the containers in which such products are received by the respondent from his suppliers. The implications from the respondent's use of the words "Chemical Company" in his business name and from the use of the statement "A House of Chemical Engineers" on his stationery were clearly misleading and deceptive.

PAR. 6. (a) The complaint herein listed a number of advertising statements and representations in addition to those above referred to which have been used by the respondent in promoting the sale of his products, and charged that such statements and representations were also false, deceptive, and misleading. It charged, in addition, that the use by the respondent of the term "Cello-Plastic" in his trade name and in designating his products was also misleading and deceptive. The Commission is of the opinion, however, and finds, that the charges with respect to the falsity of these additional statements and representations, and with respect to the use of the term "Cello-Plastic," have not been sustained by the greater weight of the evidence.

(b) The complaint also attacked the respondent's practice of referring to his paint products as "plastics," adopting the theory that said products are not plastics as that term is understood by the trade and the purchasing public, and the question whether or not this is so was treated by both counsel and the trial examiner as the paramount issue in the proceeding. On this phase of the case, however, the record does not present an adequate basis for a satisfactory disposition of either of the two questions involved.

(c) Concerning the question what constitutes a surface covering which may properly be referred to as a "plastic paint," the evidence discloses that there exists at the present time, both in and out of the paint industry, a sharp disagreement. One faction of the paint industry, for example, contends that a plastic paint may be properly defined as a coating whose basic film-forming ingredient is a synthetic resin, high polymer, synthetic, or modified rubber, whose film retains

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the chemical and physical properties of the synthetic resin or rubber. It is contended just as strenuously by another faction of the same industry, and also by the plastic manufacturers, that a surface coating may not under any circumstances be called a plastic, and that the term "plastic" should be reserved for those materials of high molecular weight derived from synthetic resins or cellulose, esters, ethers, etc., which may be molded, cast, or calendered, and the various articles made from such materials. Chemical and plastic experts from the Bureau of Standards who testified in the case were in agreement with that faction of the paint industry whose contention it is that a paint may be properly referred to as a plastic, but they expressed the opinion that such a designation should be limited to those coverings at least 50 percent of the soluble solids of which consist of one or more of the raw materials used in the manufacture of plastics (benzylcellulose, nitrocellulose, cellulose acetate, urea-formaldehyde alkyd resin, phenolic resin, chlorinated rubber, etc.). The members of the purchasing public who were called as witnesses and who testified on this subject stated generally that to them the word "plastic" meant hard, shiny, durable, and water repellent.

(d) Even if the Commission could determine from this record the requirements for a "plastic paint," it would not be in a position to find whether or not the respondent's products, with the possible exception of "Cello-Plastic Floor Finish" meet such requirements. The record shows that one can of "Outside Cello-Plastic" and one can of "Cello-Plastic Floor Finish" were analyzed by chemists of the Bureau of Standards, and in each instance the total percentages of pigment and volatile and nonvolatile vehicles in the paints were determined. In the case of the "Outside Cello-Plastic," however, the amount or percentage of the synthetic resins, if any, in the vehicle was not determined, and, regardless of the nature of any standard that might be adopted to govern whether or not a covering is entitled to be called a "plastic paint," the question whether or not this product meets such a standard could not be answered in the absence of such a determination. As regards the composition of the other products involved, namely "Inside Cello-Plastic," "Cello-Plastic Enamel," and "Cello-Plastic Waterproofed Paint," the record is completely silent.

(e) For the reasons stated, the Commission makes no finding on the issue of whether or not the respondent's paint products may or may not properly be referred to as "plastic" paints.

PAR. 7. The use by the respondent of the false, misleading, and deceptive statements and representations referred to in paragraph 3, 4, and 5 had the tendency and capacity to mislead and deceive a sub-

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stantial portion of the purchasing public into the erroneous and mistaken belief that such statements and representations and the implications thereof were true, and the tendency and capacity to cause such portion of the public, because of such erroneous and mistaken belief, to purchase substantial quantities of the respondent's paint products.

CONCLUSION

The acts and practices of the respondent as herein found (excluding those referred to in paragraph 6) were all of 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.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the respondent's answer thereto, testimony and other evidence introduced before a trial examiner of the Commission theretofore duly designated by it, the trial examiner's recommended decision, and written brief in support of the complaint (no brief having been filed on behalf of the respondent and oral argument not having been requested); and the Commission, having made its findings as to the facts and its conclusion that the respondent, Bertram A. Unger, has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Bertram A. Unger, individually and trading as Cello-Plastic Chemical Co., or trading under any other name, or through any corporate or other device, and said respondent's 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 paints and related products designated "Cello-Plastic," or any other product or products of substantially similar composition, whether sold under the same name or under any other name, do forthwith cease and desist from:

(1) Representing, directly or by implication:

(a) That any of said products are "miracle" paints, or that they differ substantially, either in composition or otherwise, from many other good quality paints on the market;

(b) That any of said products are the result of or constitute new discoveries;

(c) That any of said products will produce a "lifetime" finish or a finish that will last for any substantial period of time beyond that which may be expected from other good quality paints;

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(d) That any of said products will hold their color or luster under all conditions, or provide a finish which will resist cigarette burns, alcohol, grease, hot water, or lye;

(e) That any of said products will not crack, blister, or peel;

(f) That one coat of any of said products is equivalent to any multiple number of coats of other good quality paints or will adequately cover a surface;

(g) That any of said products have the same properties as molded plastic products.

2. Using the words "Chemical Company," or any other word or words of similar import or meaning in the respondent's trade name; or representing in any other manner that the respondent is a dealer in chemical commodities other than paints.

3. Using the words "A House of Chemical Engineers," or any other words of similar import or meaning, on letterheads, stationery, or other advertising material; or representing in any other manner that the respondent manufactures or compounds the products sold by him, unless and until he owns and operates, or directly and absolutely controls, the plant wherein said products are produced.

It is further ordered, That the respondent shall, within sixty (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.

Syllabus

IN THE MATTER OF
PAUL UNGER TRADING AS CELLO-NU PRODUCTS

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

Docket 5392. Complaint, Oct. 15, 1945—Decision, Dec. 20, 1949

In a proceeding in which the respondent contended, on the one hand, that the use of certain representations, which were shown to be false and misleading, had been discontinued from 2 years to 6 months before the issuance of the complaint charging the use thereof, and that, accordingly, the issuance of an order to cease and desist from their use would not be justified, contending also that each and every one of such representations was true and contained no element of falsity or deception: it was manifestly in the public interest for the Commission through the issuance of an appropriate order to prevent the continuation or resumption of the use of such representations.

The protective coating industry has known and made use of raw materials used in the manufacture of plastics for more than 25 years, and it is not unusual for the basic film forming ingredients of surface coatings to be composed in whole or in part of one or more of such raw materials.

The term "molded plastic products" applies generally to a large number of useful articles, such as ash trays, telephones, luggage, jewelry, and many others which have been fashioned through application of pressure and heat to certain synthetic organic substances, some of which are derived from coal, petroleum, or wood. Such products, depending upon the use for which they are intended, may have innumerable built-in characteristics, i. e., they may be as hard as rock or as pliable as a sheet of rubber, as thin as tissue, or in solid blocks or any desired shape, transparent or opaque, or in varying colors, inflammable, or flame resistant, etc.

Where an individual engaged in the interstate sale and distribution of various types of paints and related products designated "Plasti-Cote" and "Cello-Nu"; in advertising through folders, pamphlets, circular letters, and other material, newspapers and periodicals—

(a) Falsely represented that his "Plasti-Cote" products were "miracle" and "amazing" paints and were "more than just paints," were the result of a "new discovery" in liquid plastics, and had the same chemical properties, nature, consistency, and firmness as molded plastic products;

The facts being that the inclusion therein as claimed, in the nonvolatile vehicle of said products of synthetic resins used in plastics, did not render them either materially different from or substantially better than the paint products of many of his competitors; and as a surface coating they could not have the qualities of molded plastic products;

(b) Falsely represented that his said Plasti-Cote products would provide finishes holding their color and luster under all conditions; that one coat would cover the surface to which it was applied; that said paints flowed on smoothly, filling all cracks and surface imperfections and gave extra-durable, fade-proof, and waterproof finishes which would not crack, blister, or peel; were more than just paints, and were exceptionally economical in view of