

IN THE MATTER OF
THE FROMMES METHOD, INC. ET AL.

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

Docket 6037. Complaint, Sept. 4, 1952—Decision, Dec. 2, 1952

Where a corporation and its three officers, engaged in the interstate sale and distribution of cosmetics and medicinal preparations for the hair and scalp, in that connection issuing franchise agreements granting the use of the "Frommes Method" to "Resident Managers," giving them the exclusive right to advertise, sell, render the services, and use the materials and preparations of the Frommes Method in their assigned territories, and undertaking to furnish advertising mats, stationery, and other forms of advertising material to said managers, who were to advertise in local newspapers, using copy furnished by the corporation at a specified rate, and to make certain reports and payments to it;

In carrying on their business under the aforesaid plan, in connection with which (1) the corporation furnished the managers with advertising mats, stationery, and other forms of advertising material representing that the manager could diagnose and cure scalp trouble, stop falling hair, regrow hair on bald heads, etc., to induce persons to come to his place of business; (2) the manager sold "Home Treatment Kits" to the public for home use; and (3) the corporation sent representatives to various cities and extensively advertised their visits and invited the public to call upon them for diagnosis and advice on a "free clinic", where the purchase of the aforesaid kits was recommended—

- (a) Falsely represented directly and by implication in their advertisements in newspapers and periodicals of general circulation and through other advertising literature disseminated directly and in cooperation with their said Resident Managers, that the use of their said preparations, methods, and treatments by the said managers and their operators, and by purchasers in their homes would prevent baldness, including small bald patches, and cause the growth of hair on bald heads, and develop "fuzz" on the head into normal hair;
- (b) Falsely represented as aforesaid that said preparations, etc., were effective in treating all kinds of scalp disorders; that their use would permanently eliminate dandruff, falling hair, dry itchy and irritated scalp, brittle hair, and oily hair and scalp; would normalize circulation in the scalp and revitalize the entire cycle of hair growing activity; would sterilize the scalp and normalize its acidity; and that certain of said preparations would destroy subscalp bacteria and prevent and cure psoriasis; and
- (c) Falsely represented through the use of the designation "Trichologists" in their advertisements that said Resident Managers and their employees had had competent training in dermatology and branches of medicine having to do with diagnosis and treatment of the scalp and hair;

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With the result of placing in the hands of said Resident Managers means and instrumentalities whereby they might and did mislead the public as to the benefits which might be derived through use of the preparations they sold to said managers; and

With capacity and tendency to mislead a substantial portion of the purchasing public into the mistaken belief that said representations were true and thereby induce it to visit the office of said Resident Managers to obtain treatments and to purchase their said products and Home Treatment Kits:

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. James A. Purcell*, hearing examiner.

Mr. Michael J. Vitale and *Mr. Edward F. Downs* for the Commission.

Henderson & Halpern, of Minneapolis, Minn., for respondents.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission having reason to believe that The Frommes Method, Inc., a corporation, and Leo N. Frommes, Merlon Frommes and Marion McNeive individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. The Frommes Method, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota, with its principal office and place of business at 925 Metropolitan Building, Minneapolis, Minnesota.

Leo N. Frommes, Merlon Frommes and Marion McNeive are President, Vice President and Secretary-Treasurer, respectively, of corporate respondent. The office and principal place of business of the individual respondents is the same as that of the corporate respondent. The individual respondents as officers of the corporate respondent formulate, direct and control all of its business activities and policies.

PAR. 2. In the course and conduct of their business, the respondents for several years last past have been engaged in the sale and distribution of various cosmetics and medicinal preparations for external and internal use for the treatment of conditions of the hair and scalp in the manner as hereinafter set forth. Respondents cause said preparations when sold to be transported from their place of business in

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the State of Minnesota to the purchasers thereof located in various other States of the United States. Respondents maintain, and at all times mentioned herein have maintained, a course of trade in said preparations in commerce between and among the various States of the United States. Their business in such commerce has been and is substantial.

PAR. 3. In the course and conduct of its business, corporate respondent issues franchise agreements to others granting the use of the "Frommes Method" for the treatment of the hair and scalp in particular localities for stated periods of time. Said agreements provide, among other things, that the persons obtaining said agreements, called Resident Managers, shall have the exclusive right to advertise, sell, render the services and use the materials and preparations of the "Frommes Method" in the territory assigned; that corporate respondent shall furnish advertising mats, stationery and other forms of advertising at cost to said Resident Managers with the provision that all advertising and publicity copy shall be subject to the approval of the corporate respondent. The Resident Managers agree, among other things, to advertise in local newspapers using copy furnished by corporate respondent in an amount not less than 10% of their gross receipts during each month; to give all their time to the business and to furnish daily and monthly reports to corporate respondent showing gross receipts and expenses; to use only the formula and products of corporate respondent and to pay to it a fixed percentage of the gross receipts of his business monthly. Corporate respondent has issued at least 20 franchise agreements mostly in the West and Midwest, in addition to one in Havana, Cuba.

PAR. 4. Corporate respondent has adopted several methods in connection with the sale of its various preparations. First, it furnishes the various Resident Managers with advertising mats, stationery and other forms of advertising material in accordance with the provision of the franchise agreements, said advertising material being to the effect that said Resident Managers can diagnose and cure scalp trouble, stop falling hair, regrow hair on bald heads and similar representations, for the purpose of inducing persons to come to the place of business of the various Resident Managers where the various preparations are sold and administered to the purchaser. Second, where it is not possible for the purchaser to come to the Resident Managers at intervals for the aforesaid purposes, an assortment of products known as "Home Treatment Kits" are sold to the public for administration in the home. Third, corporate respondent sends traveling representatives to various cities whose visits are extensively advertised in the cities to be visited, which advertisements invite the public to call upon

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said representatives who conduct a "free clinic" for diagnosis and advice. The representatives at such times recommend the purchase of the Home Treatment Kits above described.

PAR. 5. The designations for the various preparations sold by corporate respondent to the Resident Managers, some of which preparations are included in the Home Treatment Kits, and the formulae thereof are as follows:

Shampoo #2

Oleic Acid.....	48%.
Triethanolamine.....	35%.
Diethylene Glycol Monoethylether.....	8.8%.
Sodium Hexamethaphosphate.....	1.66%.
Synthetic Detergent (Dupont WAT).....	6.4%.
Rhodesia Perfume.....	0.14%.

General Mills, Inc.—Aliphet 44A may be used in place of part or all of the Oleic Acid.

Special Shampoo

Synthetic Detergent.....	77%.
Deodorant.....	1.2%.
Water.....	21.8%.
Brown Color.....	1½ gr. per 5 gallons.
Red Color.....	0.4 gr. per 5 gallons.

Hair Dress (Pomade)

Resorcinol monoacetate, oil, Petrolatum, wax, Cetyl alcohol, and Perfume.

Fromoil #8

Sulphonated Castor Oil.....	78%.
Lanamine (Robinson Wagner Co.).....	8.6%.
Mineral Oil.....	4.2%.
Polyethylene Glycol Monolaurate.....	8.6%.
Deodorant #5 (Felton Chemical Co.).....	0.4%.
Lanolin.....	0.2%.

Perfume with Wisteria and Isocyclo Citral S.
Color with Brown and Cherry Red.

Ointment #31

Acid Salicylic.....	14 oz. 30 grs.
Sulphur Sublimed.....	37½ oz.
Amber Petrolatum.....	37 lbs.
Oil Petrolatum.....	10 lbs.
Oxyquinoline Sulph.....	350 grs.

Ointment #35

Acid Salicylic.....	7¼ oz.
Sulphur Sublimed.....	18½ oz.
Oleoresin Capsicum.....	144 grs.
Fl. Ext. Jaborandi.....	305 MMs.
Amber Petrolatum.....	18 lbs.
Oil Petrolatum.....	6 lbs.

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Formula #36

Oxyquinoline Sulphate.....	10 gr.
Resorcinol ½%.....	280 gr.
Oil Lavender.....	30 min.
Alcohol.....	840 cc.
Glycerine.....	200 cc.
Yellow Coloring q. s.	
Water q. s.....	1 gal.

Formula #37

Oxyquinoline Sulphate.....	10 gr.
Resorcinol.....	280 gr.
Alcohol.....	840 cc.
Glycerine.....	200 cc.
Oil Melissa.....	7.2 min.
Oil Bergamot.....	7.2 min.
Oil Lemon.....	3.6 min.
Oil Orange.....	1.2 min.
Oil Rosemary.....	1.2 min.
F. E. Jaborandi.....	550 gr.
Caromel q. s.	
Water q. s.....	1 gal.

Formula #38

Liq. Picis Carbonis.....	26 oz.
Acid Salicylic.....	9 oz.
Castor Oil.....	36 oz.
Oil Rosemary.....	6 oz.
Oil Lavender.....	6 oz.
Oil Bergamot.....	4 drams.
Oil Carnation.....	4 drams.
Isopropyl Alcohol q. s.....	8 gal.

Formula #39

Aqua Ammonia 28%.....	2½ gals.
Oil Rosemary.....	20 oz.
Benzaldehyde.....	5 oz.
Oil Lavender.....	5 oz.
Tr. Cantharides.....	2½ gals.
Isopropyl Alcohol q. s.....	20 gals.

Formula #43

Zinc peroxide.....	700 gr.
Jasamine.....	5 min.
Pink Coloring.....	5 min.
White Petrolatum q. s.....	1 lb.

Formula #44

Salicylic Acid.....	20 oz.
Sulphur Sublimed.....	2½ lbs.
Borax.....	150 grs.
Oxyquinoline Sulph.....	300 grs.
Resorcinol.....	17½ oz.
White Petrolatum.....	48 lbs.
Rosenol M. M. R.....	360 Mn.

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Formula #45

Zinc Oxide.....	4 oz.
Boric Acid.....	2 oz.
Methyl Sal.....	80 min.
Petrolatum.....	1 lb. 14 oz.
Merusol.....	4 oz.
Green Coloring.....	50 min.

Formula #51

Eucalyptol.
 Oil of Rosemary.
 Thymol.
 Petroleum Oil Base.

Formula #53

Oxyquinoline Sulphate.....	10 gr.
Resorcinol.....	280 gr.
Alcohol.....	840 cc.
Oil Melissa.....	7.2 min.
Oil Lemon.....	3.6 min.
Oil Orange.....	1.2 min.
Oil Rosemary.....	1.2 min.
Green coloring q. s.	
F. E. Jaborandi.....	24 cc.
Water q. s.....	1 gal.

Formula #55

Oil of Bergamot Art.....	1 oz.
Red Coloring q. s.	
Heavy Mineral Oil q. s.....	1 gal.

Formula #61

Testosterone in a special base of pure sterols, Oil of Eucalyptus.....	0.1%.
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Formula #62

Diethyl Stilbesterol in a special base of pure sterols, oil of Eucalyptus.....	0.1%.
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Formula #85

Ammoniated Mercury.....	1½ oz. 45 gr.
Petrolatum.....	1 lb. 10½ oz.
Merusol.....	4 oz.

Formula #86

5% Sulfathiazole Ointment.
 Special base.

Formula #87

Ammoniated Mercury.....	5 lbs.
Zinc Oxide.....	5 lbs.
Eucalyptol.....	8 oz.
Lanolin Anhyd.....	20 lbs.
Amber Petrolatum.....	16 lbs.
Oil Petrolatum.....	4 lbs.

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Formula #99

Resorcin.....	30 oz. 202 grs.
Oxyquinoline Sulph.....	14 oz. 209 grs.
Tr. Jaborandi.....	6½ pts.
Glycerine.....	13 pts.
Isopropyl Alcohol.....	10 gal. 72 oz.
Caramel.....	27 fl. oz.
Neutralizer.....	¼ oz.
Water q. s.....	50 gals.

Frommes Vitamins

Each Tabsule Contains—

Vitamin A.....	5000 U. S. P. Units.
Vitamin D.....	800 U. S. P. Units.
Vitamin C.....	600 U. S. P. Units.
30 MG Ascorbic Acid	
Vitamin B ₁	500 International Units.
Vitamin B ₂	1000 Gammas.
Vitamin B ₆	50 Gammas.
Calcium	
Pantothenate.....	1000 gammas.
Niacinamide.....	20 Milligrams.

Frommes Minerals

Each Tablet Contains 1/1000 gr. of —

Calcium Fluoride.
 Calcium Phosphate.
 Calcium Sulphate.
 Iron Phosphate.
 Potassium Chloride.
 Potassium Phosphate.
 Potassium Sulphate.
 Magnesium Phosphate.
 Sodium Chloride.
 Sodium Phosphate.
 Sodium Sulphate.
 Silica.

PAR. 6. In the course and conduct of their business, respondents, directly and in cooperation and conjunction with their Resident Managers, have disseminated and caused the dissemination of various advertisements concerning the preparations above referred to by 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 inserted in newspapers and periodicals of general circulation and by circulars, pamphlets, leaflets, and other advertising literature for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparations or some of them; and respondents, as aforesaid, have also disseminated and caused the dissemination of advertisements by various means including, but not limited to, the advertisements above de-

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scribed for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparations or some of them in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 7. Among and typical of the statements and representations contained in said advertisements disseminated as aforesaid are the following:

NOTED SCALP SPECIALIST WILL SHOW YOU HOW TO STOP BALDNESS, ELIMINATE DANDRUFF, GROW STRONGER, THICKER HAIR AT HOME

Trichologist C. G. Aasve in Attendance.

* * *

He will explain the Frommes treatment that helps you stop baldness and grow thicker, stronger hair * * * AT HOME.

Frommes treatment combines physical and chemical therapy. Among the exclusive formulae included in most treatments are fast-acting germicides, scalp cleaners and subscalp stimulants.

Each of the 14 kinds of external scalp disorders require a different therapy * * *.

As a rule, if your scalp grows "fuzz" your case is not hopeless.

Meet H. T. Casperson. He's a professional trichologist (hair specialist to you and me) and head of the Minneapolis offices of the Frommes Scalp Specialists. He has helped thousands prevent baldness—and often performed what seems to be the "miracle" of making hair grow on bald heads * * *.

How does he do it? He says it's partly old-fashioned common sense, mainly the scientific treatments and formulas employed exclusively in the Frommes method. For most people don't need to be bald! Close to 100% of baldness can be prevented with proper treatment. One of the first things he pointed out in our interview was that baldness is not inherited—it's the bad habits of hair and scalp care that are passed on from generation to generation.

Our treatments at Frommes, using our exclusive scientific formulae, clear up the specific condition that is causing baldness and start the growth of a healthy, good-looking head of hair.

No matter how bald a person is, we can start the regrowth of strong, healthy hair if the hair roots in the scalp have not died.

I am happy to say that we can and do help close to 100% of the cases that come to us.

New developments in the Frommes Formulae, combined with Biochemistry, Electrotherapy and Physiotherapy have perfected a technique never before equalled.

Case histories prove the diagnostic soundness of the Frommes Method in thousands of cases of scalp disorders with 95% of accepted clients responding to treatment.

Latest Scientific developments point to these facts:

Luxuriant virile hair regrown—95% of baldness corrected.

Sore itchy scalp conditions relieved—Falling hair and dandruff stopped.

SCIENCE STOPS FALLING HAIR.

Exclusive Treatment restore healthy hair.

Excessive falling hair.

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Dry, itchy scalp, brittle hair.
Receding hair line.
Small bald patches.
Excess dandruff.
Too oily hair and scalp.

These are all danger signals that can lead you to baldness. Check them quickly and chances are 19 out of 20 that exclusive Frommes Treatments can prevent baldness and restore a natural, thick healthy head of hair for you.

L. N. Frommes, founder of the nationally famous Frommes Scalp Specialists says "New Specially developed Frommes hormone formulae are the most important advance in successfully treating hair and scalp disorders in the last ten years. Combined with other steps of Frommes treatments, they bring results that are truly amazing".

GET MORE VIRILE HAIR IN JUST 30 DAYS.

HAIR SPECIALISTS * * *.

Demonstrates New Methods That Stop Hair Loss, Eliminate Dandruff, and Grow Stronger, Thicker Hair.

HAIR FALL STOPPED.

Dandruff eliminated

Baldness prevented.

Our intensive trichological treatments scientifically combine ultra-violet therapy, professional stimulation and exclusive laboratory created formulae; they penetrate clogged hair passages, attack subscalp bacteria, eliminate itchiness and irritation, normalize the blood circulation which "feeds" the hair roots, and revitalizes the entire cycle of hair-growing activity.

First, the Frommes expert sterilizes the scalp and normalizes acidity.

* * * A specific for psoriasis.

PAR. 8. Through the use of the statements and representations appearing in the aforesaid advertisements and others similar thereto, but not specifically set out herein, respondents represented, directly or by implication, that the use of their said preparations, methods and treatments by the Resident Managers and their operators in their various places of business and the use by purchasers of said preparations in their homes will prevent baldness including small bald patches and cause the growth of hair on bald heads; that fuzz on the head will develop into normal hair by reason of their treatments; that they are effective in treating all kinds of scalp disorders; that their use will permanently eliminate dandruff, falling hair, dry, itchy and irritated scalp, brittle hair, and oily hair and scalp; that their use will normalize the blood circulation in the scalp and revitalize the entire cycle of hair-growing activity; that certain of their preparations will penetrate clogged pores and destroy subscalp bacteria; that their use will sterilize the scalp, normalize the acidity of the scalp and that certain of said preparations will prevent and cure psoriasis.

Respondents, by the use of the designation "Trichologist" in their advertisements in referring to Resident Managers and their employ-

ees, thereby represent that said persons have had competent training in dermatology or branches of medicine having to do with the diagnosis and treatment of scalp disorders affecting the hair.

PAR. 9. The aforesaid representations are misleading in material respects and constitute "false advertisements" as that term is defined in the Federal Trade Commission Act. In truth and in fact, the said preparations, methods and treatments used by the Resident Managers or their operators or the use of the preparations by purchasers in their homes will not prevent baldness including small bald patches and will not cause the growth of hair on bald heads. Their use will not cause fuzz on the head to develop into normal hair, nor will they be effective in the treatment of all kinds of scalp disorders. Their use will not permanently eliminate dandruff, falling hair, dry, itchy or irritated scalp, brittle hair or oily hair or scalp. Their use will not have any significant effect upon blood circulation of the scalp nor will they revitalize or have any significant effect upon any hair-growing activity of the scalp. None of said preparations will penetrate clogged pores or destroy subscalp bacteria. The preparations, methods and treatments will not sterilize the scalp nor normalize the acidity of the scalp. None of the preparations will prevent or cure psoriasis.

The Resident Managers and their employees, in connection with which the designation "Trichologist" is used, have not undergone competent training in dermatology or any other branch of medicine pertaining to the treatment of scalp disorders affecting the hair.

PAR. 10. Respondents, by supplying to the Resident Managers the advertising matter, containing the materially misleading statements and representations hereinabove referred to, place in the hands of said Resident Managers means and instrumentalities by and through which said Resident Managers may and do mislead the public as to the benefits which may be derived through the use of the preparations sold by respondents to said Resident Managers. Further, respondents, by reason of the provisions of the franchise agreement set out in Paragraph Three hereof, are jointly responsible with their Resident Managers for the dissemination of said advertising matter.

PAR. 11. The use by the respondents of the foregoing false, deceptive and misleading statements and representations disseminated as aforesaid, has had and now has, the capacity and tendency to mislead and deceive a substantial portion of the public into the erroneous and mistaken belief that all such statements and representations are true, and to induce a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to visit the office of various Resident Managers for the purpose of obtaining treatments and to

purchase respondents' products hereinabove referred to and also to purchase home treatment kits, all because of such erroneous and mistaken belief engendered as above set forth.

PAR. 12. The aforesaid acts and practices of the respondents, 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.

CONSENT SETTLEMENT ¹

Pursuant to the provisions of the Federal Trade Commission Act the Federal Trade Commission on September 4, 1952, issued and subsequently served its complaint on the respondents named in the caption hereof, charging them with unfair and deceptive acts and practices in violation of the provisions of said Act.

The respondents, desiring that this proceeding be disposed of by the consent settlement procedure provided in Rule V of the Commission's Rules of Practice, solely for the purposes of this proceeding, any review thereof, and the enforcement of the order consented to, and conditioned upon the Commission's acceptance of the consent settlement hereinafter set forth, and in lieu of answer to said complaint, hereby:

1. Admit all the jurisdictional allegations set forth in the complaint.
2. Consent that the Commission may enter the matters hereinafter set forth as its findings as to the facts, conclusion, and order to cease and desist. It is understood that the respondents, in consenting to the Commission's entry of said findings as to the facts, conclusion, and order to cease and desist, specifically refrain from admitting or denying that they have engaged in any of the acts or practices stated therein to be in violation of law.
3. Agree that this consent settlement may be set aside in whole or in part under the conditions and in the manner provided in paragraph (f) of Rule V of the Commission's Rules of Practice.

The admitted jurisdictional facts, the statement of the acts and practices which the Commission had reason to believe were unlawful, the conclusion based thereon, and the order to cease and desist, all of which the respondents consent may be entered herein in final disposition of this proceeding, are as follows:

¹ The Commission's "Notice" announcing and promulgating the consent settlement as published herewith, follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted by the Commission on December 2, 1952 and ordered entered of record as the Commission's findings as to the facts, conclusion, and order in disposition of this proceeding.

The time for filing report of compliance pursuant to the aforesaid order runs from the date of service hereof.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. The Frommes Method, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota, with its principal office and place of business at 925 Metropolitan Building, Minneapolis, Minnesota.

Leo N. Frommes, Merlon Frommes and Marion McNeive are President, Vice President and Secretary-Treasurer, respectively, of corporate respondent. The office and principal place of business of the individual respondents is the same as that of the corporate respondent. The individual respondents as officers of the corporate respondent formulate, direct and control all of its business activities and policies.

PAR. 2. In the course and conduct of their business, the respondents for several years last past have been engaged in the sale and distribution of various cosmetics and medicinal preparations for external and internal use for the treatment of conditions of the hair and scalp in the manner as hereinafter set forth. Respondents cause said preparations when sold to be transported from their place of business in the State of Minnesota to the purchasers thereof located in various other States of the United States. Respondents maintain, and at all times mentioned herein have maintained, a course of trade in said preparations in commerce between and among the various States of the United States. Their business in such commerce has been and is substantial.

PAR. 3. In the course and conduct of its business, corporate respondent issues franchise agreements to others granting the use of the "Frommes Method" for the treatment of the hair and scalp in particular localities for stated periods of time. Said agreements provide, among other things, that the persons obtaining said agreements, called Resident Managers, shall have the exclusive right to advertise, sell, render the services and use the materials and preparations of the "Frommes Method" in the territory assigned; that corporate respondent shall furnish advertising mats, stationery and other forms of advertising at cost to said Resident Managers with the provision that all advertising and publicity copy shall be subject to the approval of the corporate respondent. The Resident Managers agree, among other things, to advertise in local newspapers using copy furnished by corporate respondent in an amount not less than 10% of their gross receipts during each month; to give all their time to the business and to furnish daily and monthly reports to corporate respondent showing gross receipts and expenses; to use only the formula and products of corporate respondent and to pay to it a fixed percentage of the gross receipts of his business monthly. Corporate respondent has issued

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at least 20 franchise agreements mostly in the West and Midwest, in addition to one in Havana, Cuba.

PAR. 4. Corporate respondent had adopted several methods in connection with the sale of its various preparations. First, it furnishes the various Resident Managers with advertising mats, stationery and other forms of advertising material in accordance with the provision of the franchise agreements, said advertising material being to the effect that said Resident Managers can diagnose and cure scalp trouble, stop falling hair, regrow hair on bald heads and similar representations, for the purpose of inducing persons to come to the place of business of the various Resident Managers where the various preparations are sold and administered to the purchaser. Second, where it is not possible for the purchaser to come to the Resident Managers at intervals for the aforesaid purposes, an assortment of products known as "Home Treatment Kits" are sold to the public for administration in the home. Third, corporate respondent sends traveling representatives to various cities whose visits are extensively advertised in the cities to be visited, which advertisements invite the public to call upon said representatives who conducts a "free clinic" for diagnosis and advice. The representatives at such times recommend the purchase of the Home Treatment Kits above described.

PAR. 5. The designations for the various preparations sold by corporate respondent to the Resident Managers, some of which preparations are included in the Home Treatment Kits, and the formulae thereof are as follows:

Shampoo #2

Oleic Acid.....	48%.
Triethanolamine.....	35%.
Diethylene Glycol Monoethylether.....	8.8%.
Sodium Hexamethaphosphate.....	1.66%.
Synthetic Detergent (Dupont WAT).....	6.4%.
Rhodesia Perfume.....	0.14%.

General Mills, Inc.—Aliphet 44A may be used in place of part or all of the Oleic Acid.

Special Shampoo

Synthetic Detergent.....	77%.
Deodorant.....	1.2%.
Water.....	21.8%.
Brown Color.....	1½ gr. per 5 gallons.
Red Color.....	0.4 gr. per 5 gallons.

Hair Dress (Pomade)

Resorcinol menoacetate, oil, Petrolatum, wax, Cetyl alcohol, and Perfume.

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Sulphonated Castor Oil.....	78%.
Lanamine (Robinson Wagner Co.).....	8.6%.
Mineral Oil.....	4.2%.
Polyethylene Glycol Monolaurate.....	8.6%.
Deodorant #5 (Felton Chemical Co.).....	0.4%.
Lanolin.....	0.2%.
Perfume with Wisteria and Isocyclo Citral S.	
Color with Brown and Cherry Red.	

Ointment #31

Acid Salicylic.....	14 oz. 30 grs.
Sulphur Sublimed.....	37½ oz.
Amber Petrolatum.....	37 lbs.
Oil Petrolatum.....	10 lbs.
Oxyquinoline Sulph.....	350 grs.

Ointment #35

Acid Salicylic.....	7¼ oz.
Sulphur Sublimed.....	18½ oz.
Oleoresin Capsicum.....	144 grs.
Fl. Ext. Jaborandi.....	305 MMs.
Amber Petrolatum.....	18 lbs.
Oil Petrolatum.....	6 lbs.

Formula #36

Oxyquinoline Sulphate.....	10 gr.
Resorcinol ½%.....	280 gr.
Oil Lavender.....	30 min.
Alcohol.....	840 cc.
Glycerine.....	200 cc.
Yellow Coloring q. s.	
Water q. s.....	1 gal.

Formula #37

Oxyquinoline Sulphate.....	10 gr.
Resorcinol.....	280 gr.
Alcohol.....	840 cc.
Glycerine.....	200 cc.
Oil Melissa.....	7.2 min.
Oil Bergamot.....	7.2 min.
Oil Lemon.....	3.6 min.
Oil Orange.....	1.2 min.
Oil Rosemary.....	1.2 min.
F. E. Jaborandi.....	550 gr.
Caromel q. s.	
Water q. s.....	1 gal.

Formula #38

Liq. Picis Carbonis.....	26 oz.
Acid Salicylic.....	9 oz.
Castor Oil.....	36 oz.
Oil Rosemary.....	6 oz.
Oil Lavender.....	6 oz.
Oil Bergamot.....	4 drams.
Oil Carnation.....	4 drams.
Isopropyl Alcohol q. s.....	8 gal.

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Formula #39

Aqua Ammonia 28%.....	2½ gals.
Oil Rosemary.....	20 oz.
Benzaldehyde.....	5 oz.
Oil Lavender.....	5 oz.
Tr. Cantharides.....	2½ gals.
Isopropyl Alcohol q. s.....	20 gals.

Formula #43

Zinc peroxide.....	700 gr.
Jasamine.....	5 min.
Pink Coloring.....	5 min.
White Petrolatum q. s.....	1 lb.

Formula #44

Salicylic Acid.....	20 oz.
Sulphur Sublimed.....	2½ lbs.
Borax.....	150 grs.
Oxyquinoline Sulph.....	300 grs.
Resorcinol.....	17½ oz.
White Petrolatum.....	48 lbs.
Rosenol M. M. R.....	360 Mn.

Formula #45

Zinc Oxide.....	4 oz.
Boric Acid.....	2 oz.
Methyl Sal.....	80 min.
Petrolatum.....	1 lb. 14 oz.
Merusol.....	4 oz.
Green Coloring.....	50 min.

Formula #51

Eucalyptol.	
Oil of Rosemary.	
Thymol.	
Petroleum Oil Base.	

Formula #53

Oxyquinoline Sulphate.....	10 gr.
Resorcinol.....	280 gr.
Alcohol.....	840 cc.
Oil Melissa.....	7.2 min.
Oil Lemon.....	3.6 min.
Oil Orange.....	1.2 min.
Oil Rosemary.....	1.2 min.
Green coloring q. s.	
F. E. Jaborandi.....	24 cc.
Water q. s.....	1 gal.

Formula #55

Oil of Bergamot Art.....	1 oz.
Red Coloring q. s.	
Heavy Mineral Oil q. s.....	1 gal.

Formula #61

Testosterone in a special base of pure sterols, Oil of Eucalyptus.....	0.1%.
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Formula #62

Diethyl Stilbesterol in a special base of pure sterols, oil of

Eucalyptus..... 0.1%.

Formula #85

Ammoniated Mercury..... 1½ oz. 45 gr.

Petrolatum..... 1 lb 10½ oz.

Merusol..... 4 oz.

Formula #86

5% Sulfathiazole Ointment.

Special base.

Formula #87

Ammoniated Mercury..... 5 lbs.

Zinc Oxide..... 5 lbs.

Eucalyptol..... 8 oz.

Lanolin Anhyd..... 20 lbs.

Amber Petrolatum..... 16 lbs.

Oil Petrolatum..... 4 lbs.

Formula #99

Resorcin..... 30 oz. 202 grs.

Oxyquinoline Sulph..... 14 oz. 209 grs.

Tr. Jaborandi..... 6½ pts.

Glycerine..... 13 pts.

Isopropyl Alcohol..... 10 gal. 72 oz.

Caramel..... 27 fl. oz.

Neutralizer..... ¼ oz.

Water q. s..... 50 gals.

Frommes Vitamins

Each Tabsule Contains—

Vitamin A..... 5000 U. S. P. Units.

Vitamin D..... 800 U. S. P. Units.

Vitamin C..... 600 U. S. P. Units.

30 MG Ascorbic Acid

Vitamin B₁..... 500 International Units.Vitamin B₂..... 1000 Gammas.Vitamin B₆..... 50 Gammas.

Calcium

Pantothenate..... 20 Gammas.

Niacinamide..... 20 Milligrams.

Frommes Minerals

Each Tablet Contains 1/1000 gr. of —

Calcium Fluoride.

Calcium Phosphate.

Calcium Sulphate.

Iron Phosphate.

Potassium Chloride.

Potassium Phosphate.

Potassium Sulphate.

Magnesium Phosphate.

Sodium Chloride.

Sodium Phosphate.

Sodium Sulphate.

Silica.

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PAR. 6. In the course and conduct of their business, respondents, directly and in cooperation and conjunction with their Resident Managers, have disseminated and caused the dissemination of various advertisements concerning the preparation above referred to by 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 inserted in newspapers and periodicals of general circulation and by circulars, pamphlets, leaflets, and other advertising literature for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparations or some of them; and respondents, as aforesaid, have also disseminated and caused the dissemination of advertisements by various means including, but not limited to, the advertisements above described for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparations or some of them in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 7. Among and typical of the statements and representations contained in said advertisements disseminated as aforesaid are the following:

NOTED SCALP SPECIALIST WILL SHOW YOU HOW TO STOP BALDNESS, ELIMINATE DANDRUFF, GROW STRONGER, THICKER HAIR AT HOME.

Trichologist C. G. Aasve in Attendance.

* * *

He will explain the Frommes treatment that helps you stop baldness and grow thicker, stronger hair * * * AT HOME.

Frommes treatment combines physical and chemical therapy. Among the exclusive formulae included in most treatments are fast-acting germicides, scalp cleaners and sub-scalp stimulants.

Each of the 14 kinds of external scalp disorders require a different therapy * * *.

As a rule, if your scalp grows "fuzz" your case is not hopeless.

Meet H. T. Casperson. He's a professional trichologist (hair specialist to you and me) and head of the Minneapolis offices of the Frommes Scalp Specialists. He has helped thousands prevent baldness—and often performed what seems to be the "miracle" of making hair grow on bald heads * * *.

How does he do it? He says it's partly old-fashioned common sense, mainly the scientific treatments and formulas employed exclusively in the Frommes method. For most people don't need to be bald! Close to 100% of baldness can be prevented with proper treatment. One of the first things he pointed out in out interview was that baldness is not inherited—it's the bad habits of hair and scalp care that are passed on from generation to generation.

Our treatments at Frommes, using our exclusive scientific formulae, clear up the specific condition that is causing baldness and start the growth of a healthy, good-looking head of hair.

No matter how bald a person is, we can start the regrowth of strong, healthy hair if the hair roots in the scalp have not died.

I am happy to say that we can and do help close to 100% of the cases that come to us.

New developments in the Frommes Formulae, combined with Biochemistry, Electrotherapy and Physiotherapy have perfected a technique never before equalled.

Case histories prove the diagnostic soundness of the Frommes Method in thousands of cases of scalp disorders with 95% of accepted clients responding to treatment.

Latest Scientific developments point to these facts:

Luxuriant virile hair regrown—95% of baldness corrected.

Sore itchy scalp conditions relieved—Falling hair and dandruff stopped.

SCIENCE STOPS FALLING HAIR.

Exclusive Treatments restore healthy hair.

Excessive falling hair.

Dry, itchy scalp, brittle hair.

Receding hair line.

Small bald patches.

Excess dandruff.

Too oily hair and scalp.

These are all danger signals that can lead you to baldness. Check them quickly and chances are 19 out of 20 that exclusive Frommes Treatments can prevent baldness and restore a natural, thick healthy head of hair for you.

L. N. Frommes, founder of the nationally famous Frommes Scalp Specialists says "New Specially developed Frommes hormone formulae are the most important advance in successfully treating hair and scalp disorders in the last ten years. Combined with other steps of Frommes treatments, they bring results that are truly amazing."

GET MORE VIRILE HAIR IN JUST 30 DAYS.

HAIR SPECIALISTS * * *

Demonstrate New Methods That Stop Hair Loss, Eliminate Dandruff, and Grow Stronger, Thicker Hair.

HAIR FALL STOPPED.

Dandruff eliminated.

Baldness prevented.

Our intensive trichological treatments scientifically combine ultraviolet therapy, professional stimulation and exclusive laboratory created formulae; they penetrate clogged hair passages, attack subscalp bacteria, eliminate itchiness and irritation, normalize the blood circulation which "feeds" the hair roots, and revitalizes the entire cycle of hair-growing activity.

First, the Frommes expert sterilizes the scalp and normalizes acidity.

* * * A specific for psoriasis.

PAR. 8. Through the use of the statements and representations appearing in the aforesaid advertisements and others similar thereto, but not specifically set out herein, respondents represented, directly or by implication, that the use of their said preparation, methods and treatments by the Resident Managers and their operators in their various places of business and the use by purchasers of said preparations in their homes will prevent baldness including small bald patches and cause the growth of hair on bald heads; that fuzz on the head will

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develop into normal hair by reason of their treatments; that they are effective in treating all kinds of scalp disorders; that their use will permanently eliminate dandruff, falling hair, dry, itchy and irritated scalp, brittle hair, and oily hair and scalp; that their use will normalize the blood circulation in the scalp and revitalize the entire cycle of hair growing activity; that certain of their preparations will destroy subscalp bacteria; that their use will sterilize the scalp, normalize the acidity of the scalp and that certain of said preparations will prevent and cure psoriasis.

Respondents, by the use of the designation "Trichologist" in their advertisements in referring to Resident Managers and their employees, thereby represent that said persons have had competent training in dermatology or branches of medicine having to do with diagnosis and treatment of scalp disorders affecting the hair.

PAR. 9. The aforesaid representations are misleading in material respects and constitute "false advertisements" as that term is defined in the Federal Trade Commission Act. In truth and in fact, the said preparations, methods and treatments used by the Resident Managers or their operators or the use of the preparations by purchasers in their homes will not prevent baldness including small bald patches and will not cause the growth of hair on bald heads. Their use will not cause fuzz on the head to develop into normal hair, nor will they be effective in the treatment of all kinds of scalp disorders. Their use will not permanently eliminate dandruff, falling hair, dry, itchy or irritated scalp, brittle hair or oily hair or scalp. Their use will not have any significant effect upon blood circulation of the scalp nor will they revitalize or have any significant effect upon any hair growing activity of the scalp. None of said preparations will destroy subscalp bacteria. The preparations, methods and treatments will not sterilize the scalp nor normalize the acidity of the scalp. None of the preparations will prevent or cure psoriasis.

The Resident Managers and their employees, in connection with which the designation "Trichologist" is used, have not undergone competent training in dermatology or any other branch of medicine pertaining to the treatment of scalp disorders affecting the hair.

PAR. 10. Respondents, by supplying to the Resident Managers the advertising matter, containing the materially misleading statements and representations hereinabove referred to, place in the hands of said Resident Managers means and instrumentalities by and through which said Resident Managers may and do mislead the public as to the benefits which may be derived through the use of the preparations sold by respondents to said Resident Managers. Further, respondents, by reason of the provisions of the franchise agreement set out in Paragraph

Three hereof, are jointly responsible with their Resident Managers for the dissemination of said advertising matter.

PAR. 11. The use by the respondents of the foregoing false, deceptive and misleading statements and representations disseminated as aforesaid, has had and now has, the capacity and tendency to mislead and deceive a substantial portion of the public into the erroneous and mistaken belief that all such statements and representations are true, and to induce a substantial portion of the purchasing public, because of such erroneous and mistaken belief, to visit the office of various Resident Managers for the purpose of obtaining treatments and to purchase respondents' products hereinabove referred to and also to purchase home treatment kits, all because of such erroneous and mistaken belief engendered as above set forth.

CONCLUSION

The aforesaid acts and practices of the 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

It is ordered, That the respondent, The Frommes Method, Inc., a corporation, and its officers, and the respondents, Leo N. Frommes, Merlon Frommes and Marion McNeive, individually and as officers of said respondent corporation, and respondents' respective representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale and sale of treatments of the hair and scalp in which the various cosmetic and medicinal preparations, as set out in the findings herein, are used; and in connection with the sale, offering for sale or distribution of the various cosmetic and medicinal preparations, as set out in the findings herein, which are used in the treatment of conditions of the hair and scalp, or any other products or preparations of substantially similar composition or possessing substantially similar properties, whether sold under the same or any other name, 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 means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which represents directly or through inference:

- (a) That the use of said preparations, methods and treatments by respondents' Resident Managers or their operators, in their various

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places of business or the use by purchasers of said preparations, in their homes;

(1) Will prevent baldness or small bald patches or cause the growth of hair on bald heads.

(2) Will cause fuzz on the scalp to develop into normal hair.

(3) Are an effective treatment for all kinds of scalp disorders.

(4) Will permanently eliminate dandruff, falling hair, dry, itchy or irritated scalp, brittle hair or oily hair or scalp.

(5) Will normalize the blood circulation in the scalp or revitalize or have any effect upon any hair growing activity of the scalp.

(6) Will sterilize the scalp or normalize the acidity of the scalp.

(b) That any of their preparations will destroy subscalp bacteria.

(c) That any of their said preparations will prevent or cure psoriasis.

2. Disseminating or causing to be disseminated, by any means, any advertisement for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase of said preparations in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement contains any of the representations prohibited in subparagraphs (a) through (c) of Paragraph 1 hereof or which represents, directly or by implication, that respondents' resident managers or any of their employees who have not had competent training in dermatology or other branches of medicine having to do with the diagnosis and treatment of scalp disorders affecting the hair are trichologists.

It is further ordered, That respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

THE FROMMES METHOD, INC.,

A CORPORATION,

By (S) Leo N. Frommes,

LEO N. FROMMES,

*Individually and as Officers of The Frommes Method, Inc.,
a Corporation.*

By (S) Merlon Frommes,

MERLON FROMMES,

*Individually and as Officers of The Frommes Method, Inc.,
a Corporation.*

By (S) Marion McNeive,

MARION MCNEIVE,

*Individually and as Officers of The Frommes Method, Inc.,
a Corporation.*

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Date: October 27, 1952.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this 2nd day of December 1952.

IN THE MATTER OF
RADIATOR SPECIALTY COMPANY ET AL.

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

*Docket 5790. Complaint, June 27, 1950—Decision, Dec. 4, 1952*¹

Where a corporation and its two officers, engaged in the interstate sale and distribution of a gasoline additive designated as "Nu-Power" and "Nu-Power Upper Cylinder Lubricant"; and also of its "Nu-Power Tune-Up Solvent", supplied with a "Vacuumatic Injector"; in advertisements and pamphlets, leaflets, and copies of testimonial letters and on labels on containers—

- (a) Falsely represented that "Nu-Power Upper Cylinder Lubricant", used as directed, would increase mileage obtained from gasoline and oil, add motor power and improve engine performance, create faster pick-up, and cause smoother motor idling;
- (b) Falsely represented that it would keep spark plugs cleaner, free sticky valves, reduce gas knocks and ping, supply requisite lubrication for valves, valve stems, upper cylinders and piston rings; and keep valves and rings free;
- (c) Falsely represented that it would lengthen the life of spark plug and valves, reduce friction and prevent wear, protect metal surfaces, cause quicker starting, and increase compression; and
- (d) Falsely represented that it was a special combination of heat-resisting oils and would prevent wear and scuffing of cylinder walls;

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

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

As respects a formal stipulation executed by respondent Blumenthal, president of the corporate respondent, on May 12, 1944, and accepted by the Commission, namely, as Stipulation No. 03215, 38 F. T. C. 819, in which respondents admitted, among other things, that the fuel value or energy of gasoline was not affected by the addition of "Nu-Power", that tests had not conclusively demonstrated that a 25% increase in mileage might be obtained by its use, that it would not keep spark plugs clean or eliminate knocks from motor ping; and agreed, in the event of a future complaint and formal proceedings that such stipulation might be received as evidence of the prior use by respondent corporation of the acts and practices referred to: such stipulation was relevant and was received in evidence.

¹ "Decision", etc. announcing failure of appeal, and fruition of initial decision, dated June 9, 1953.