

IN THE MATTER OF

THE BROWN-CELL LABORATORIES, INC. ET AL.

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

Docket 5791. Complaint, June 28, 1950—Decision, Jan. 29, 1953

Where a corporation and five officers and directors thereof, engaged in the manufacture and interstate sale, lease, and distribution of their "Brown-Cell Matrix Disc" for use for plants and soil, made by combining two parts sand and one part cement with water containing a culture of organisms, which were to be immersed in from five to ten gallons of water for 24 hours or longer and the water then used as below set forth; in advertising their product through postcards, leaflets, circulars, mimeographed brochures, lease forms, labels and other media, including reproductions of statements of users—

- (a) Falsely represented that they employed agricultural experts to make recommendations for the use thereof;
- (b) Falsely represented that their said product used as directed was a soil and plant conditioner which produced organic matter useful to plants and soil, combatted poisons in the soil, and contributed to every need of plant life;
- (c) Falsely represented that soaking seeds before planting in the water thus produced would increase crop production;
- (d) Falsely represented that the product purified water and kept it free from all impurities;
- (e) Falsely represented that it eliminated weeds, destroyed all plant parasites, and eliminated the necessity for the use of insect sprays;
- (f) Falsely represented that it was a soil fertilizer which resulted in better quality and higher yield in crops, flowers, trees, and fruits; and
- (g) Falsely represented that it was of value in insuring healthy chickens, increasing the weight of chickens and ducks, reducing mortality of young chickens and ducks, and would substantially increase egg production;

With effect of misleading a substantial portion of the purchasing public into the erroneous belief that such representations were true and with tendency and capacity so to do, and thereby induce its purchase or lease 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 and deceptive acts and practices in commerce.

As respects the charges of the complaint that respondents also misrepresented that they owned, operated, and controlled a laboratory containing substantial equipment and apparatus for use in the study, experimentation and production by scientists and technicians employed for such purposes, and

that the president of respondent corporation was a scientist and director of an established research organization and laboratory: the Commission was of the opinion and found that such allegations were not sustained by the evidence.

Before *Mr. John W. Addison* and *Mr. J. Earl Cox*, hearing examiners.

Mr. George M. Martin for the Commission.

Mr. Allan M. Hale, of Middleboro, Mass., 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 Brown-Cell Laboratories, Inc., a corporation and John C. Brown and George Macauley, individually and as officers and directors of The Brown-Cell Laboratories, Inc., and William A. Dunham, Peter Pascale and Nathaniel A. Sampson, individually and as directors of The Brown-Cell Laboratories, Inc., 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 Brown-Cell Laboratories, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Massachusetts with its principal office and place of business at Route 28, Wareham Street, Middleboro, Massachusetts. Respondent John C. Brown is president and director of the respondent corporation with his office and principal place of business located at Route 28, Wareham Street, Middleboro, Massachusetts; respondent George Macauley is the treasurer and a director of the respondent corporation with his residence at 77 Grove Street, Lonsdale, Rhode Island; respondents William A. Dunham, Peter Pascale, and Nathaniel A. Sampson, are directors of the respondent corporation with their residences at 32 Oak Street, Middleboro, Massachusetts, 396 River Road, Lonsdale, Rhode Island, and Main Street, Lakefield, Massachusetts, respectively.

In the course and conduct of the affairs of the corporate respondent the individual respondents in their respective individual and official capacities have dominated, directed and controlled and now dominate, direct and control the policies, affairs and activities of the aforesaid corporate respondent as hereinafter set forth.

PAR. 2. Respondents are now, and for more than one year last past have been, engaged in the manufacture and distribution for sale and

Complaint

49 F. T. C.

lease of cement discs sold under the registered trade-mark "Brown-Cell Matrix."

The respondents cause and have caused their said cement discs when sold or leased to be shipped from their place of business located in the State of Massachusetts to purchasers thereof located in various other States of the United States and in the District of Columbia. Respondents maintain, and at all times mentioned herein have maintained, a course of trade in their said cement discs, in commerce, among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of their said business and for the purpose of inducing the purchase of their said cement discs in commerce as aforesaid, respondents have made, and are now making, numerous statements and representations concerning their said cement discs through the medium of post cards, labels, mimeographed brochures, circulars, and other advertising media. Among and typical of the statements and representations contained in such advertising matter are the following:

A natural soil and plant conditioner is incorporated in the BROWN-CELL MATRIX. THE BROWN-CELL MATRIX when submerged in water in accordance with the directions on wrapper produces organic matter which is useful to plant and soil.

The Brown-Cell combats poison in the soil.

—The Brown-Cell Matrix—

Quality—Stability—Quantity

How do we know? The plant says so.

The Brown-Cell will stabilize the soil, the plant and the tree. Our experiments have proved that the Brown-Cell Matrix produces quality, quantity and real stability. It has everything vegetation needs.

It is well to treat seeds of the cover crop by soaking them in the Brown-Cell Matrix water for about an hour before planting.

—Water—

The Brown-Cell is a natural water purifier. Absolutely pure water, which is free from all bad bacteria, is practically an unknown item. The Brown-Cell Matrix, however, can purify water and tend to keep it free from all impurities.

Because of the efficacious manner with which the Brown-Cell produces the correct kind of organic matter, it is a necessity for your plants and soil.

THE BROWN-CELL LABORATORIES, INC.

Natural Sciences,

Wareham Street

Route 28,

Middleboro, Massachusetts, U. S. A.

I am glad to report that the Brown-Cell seems to eliminate the weeds gradually through the cover crop.

No sprays or poisonous concoctions have been used in the past two years on the plants in my laboratory test plots. My plants are free from all kinds of parasites. The parasites cannot attack a strong plant. These poisonous agents are not necessary anymore.

Complaint

The purpose of the Brown-Cell Matrices is to help our good farmers in raising better crops and better animals for better living through natural sciences.

Any farmer can obtain the Brown-Cell Matrices by contacting the Brown-Cell Laboratories, Inc., at Wareham Street, Route 28, Middleboro, Massachusetts, U. S. A. We are an organized corporation registered under the laws of the State of Massachusetts. We have experts that will inspect farms at no expense to the farmer and make recommendations of how to install the Brown-Cell Matrices on their farms in order for the farmers to produce these new kinds of plants and foods free from the sprays and poisonous substances.

In conclusion, the Brown-Cell according to my past experiments produces better plants and better foods for better living through natural sciences.

John C. Brown, Discoverer of the
Brown-Cell and Director of the
Brown-Cell Laboratories, Inc.,
Route 28, Wareham Street,
Middleboro, Mass. U. S. A.

Lloyd E. Banks
225 Everett Street

Middleboro, Mass., Oct. 10, 1949.

Mr. John C. Brown,
Middleboro, Mass.

As I was the first poultry raiser in this vicinity to try out the matrix water on my fowl, I owe it to you to let you know the results I experienced.

I will say that it was with some doubtful thoughts about this at first that I started trying it out for my flock of birds. However, as it was pictured to me in such glowing terms that I wanted to know the proof of it for myself and satisfaction.

For the past year, or to be more exact, 15 months ago, I used the Brown-Cell matrix water in my poultry house, having 5,000 birds in my entire flock.

The matrix blocks were put in a wooden barrel of water, my houses are equipped with automatic watering pans for the hens to drink from. One thing I noticed that my fowl looked much improved, the birds were really good to look at—you know a poultry raiser can tell by looks the condition of the bird, whether they are laying or not. Well, my production increased, the egg shells were hard, not soft, as is the case many times.

* * * After some three weeks the difference was so great that I was alarmed because the chicks on the common water were so small and sickly looking in comparison with the matrix watered ones that I immediately installed matrices in all the drinking pans. The results proved very satisfactory.

My egg production increased substantially, especially on old fowl.

N. M. SAMPSON,
Middleboro, Mass.

NOVEMBER 17, 1949.

The Brown-Cell Laboratories,
Middleboro, Mass.

Dear Sirs:

You might be interested in some of the results I have observed by using the Brown-Cell Matrices on my farm since May 1948.

* * * * *

Complaint

49 F. T. C.

This year my production has been the highest on record having marketed 15,000 ducks from 175 breeders.

Mortality in young ducks was only 1 percent also I marketed them at eight and one half weeks which is a week earlier than usual.

PAR. 4. By and through the use of the foregoing statements and representations and others of the same import not specifically herein set forth respondents represented—

1. that their Brown-Cell Matrix is a soil and plant conditioner;
2. that their Brown-Cell Matrix, when used as directed, produces organic matter which is useful to plants and soil;
3. that Brown-Cell Matrix combats poisons in the soil;
4. that the Brown-Cell Matrix contributes to every need of plant life;
5. that crop production will be increased by soaking seed in Brown-Cell Matrix water;
6. that its use will purify water and thereafter keep it free from all impurities;
7. that the Brown-Cell Matrix eliminates weeds;
8. that the use of the Brown-Cell Matrix destroys all plant parasites and eliminates the necessity for the use of insect sprays;
9. that the Brown-Cell Matrix is a soil fertilizer and its use results in better quality and higher yield in crops, flowers, trees and fruits;
10. that respondents own, operate and control a laboratory containing substantial equipment and apparatus for use in studying, experimentation and production by scientists or technicians employed for such purposes;
11. that respondents employ agricultural experts to make recommendations for the use of Brown-Cell Matrix;
12. that John C. Brown is a scientist and director of an established research organization and laboratory; and
13. that the Brown-Cell Matrix is of value in insuring healthy chickens, increasing the weight of chickens and ducks, reducing the mortality rate of young ducks and chicks and substantially increases egg production.

PAR. 5. The aforesaid representations and statements are grossly exaggerated, false and misleading. In truth and in fact—

1. the Brown-Cell Matrix is not a plant and soil conditioner;
2. no matter how used the Brown-Cell Matrix does not produce organic matter which is useful to plants and soil;
3. the Brown-Cell Matrix has no effect upon poisons in the soil;
4. the Brown-Cell Matrix does not contribute to any need of plant life;

5. the soaking of seed in Brown-Cell Matrix water will have no beneficial effect of any nature;

6. the Brown-Cell Matrix will not purify water, nor keep pure water free from impurities;

7. the use of the Brown-Cell Matrix does not eliminate or have any effect upon weeds;

8. the use of the Brown-Cell Matrix does not destroy any kind of plant parasites and does not render it unnecessary to use insect sprays to insure vigorous plant life when the necessity for insect sprays exists;

9. the Brown-Cell Matrix is not a soil fertilizer and its use will not be beneficial in any particular to crops of any nature or to flowers, trees or fruit;

10. respondents do not own, operate or control a laboratory containing substantial equipment and apparatus for use in studying, experimentation and production and do not employ scientists or technicians for the purpose of experimentation, conduct of research and production in connection with the Brown-Cell Matrix.

11. the respondents do not employ trained agricultural scientists and experts in connection with their business;

12. respondent John C. Brown is not a scientist nor the director of an established research organization or laboratory;

13. the Brown-Cell Matrix is not of value in insuring healthy chicks, increasing the weight of chickens and ducks, reducing the mortality rate of young ducks and chicks, and in increasing egg production.

PAR. 6. The use by the respondents of said false and misleading statements and representations in connection with the sale of their aforesaid cement discs had the tendency and capacity to mislead and deceive purchasers and prospective purchasers of the respondents' said cement discs into the erroneous and mistaken belief that such statements and representations are true and because of such erroneous and mistaken belief to purchase substantial quantities of respondents' said cement discs.

PAR. 7. The aforesaid acts and practices of 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.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on June 28, 1950, issued and subsequently served its complaint in this proceeding upon respondent The Brown-

Cell Laboratories, Inc., a corporation, upon respondents John C. Brown and George Macauley, individually and as officers and directors of said corporation, and upon respondents Willard A. Dunham (erroneously named in the complaint as William A. Dunham), Peter Pascale, and Nathaniel M. Sampson (erroneously named in the complaint as Nathaniel A. Sampson), individually and as directors of said corporation, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said Act. After the issuance of said complaint and the filing of respondents' answer thereto, hearings were held at which testimony and other evidence in support of and in opposition to the allegations of the complaint were introduced before a hearing examiner of the Commission theretofore duly designated by it and said testimony and other evidence were duly recorded and filed in the office of the commission. Thereafter, this proceeding regularly came on for final consideration by a substituted hearing examiner (the former hearing examiner having become unavailable to the Commission because of his retirement from the Government service) upon the complaint, answer thereto, testimony and other evidence, and proposed findings and conclusions presented by counsel; and said substituted hearing examiner, on November 30, 1951, filed his initial decision.

Within the time permitted by the Commission's Rules of Practice counsel supporting the complaint filed an appeal from said initial decision on the grounds that the order therein is broader in scope than is legally justified. Said appeal was not opposed and oral argument thereon was not requested. Thereafter, this matter regularly came on for final consideration by the Commission upon said appeal and the record herein, and the Commission, being of the opinion that said appeal should be granted and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes the following findings as to the facts, conclusion drawn therefrom, and order, the same to be in lieu of the initial decision of the hearing examiner.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent The Brown-Cell Laboratories, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Massachusetts, with its principal office and place of business at Route 28, Wareham Street, Middleboro, Massachusetts. Respondent John C. Brown is president and director of said corporation and resides at 92 Miller Street, Rock Village, Middleboro, Massachusetts; respondent George Macauley is the treasurer and a director of said corporation, with his residence at 77 Grove Street, Lonsdale,

Rhode Island; respondents Willard A. Dunham (erroneously named in the complaint as William A. Dunham), Peter Pascale, and Nathaniel M. Sampson (erroneously named in the complaint as Nathaniel A. Sampson) are directors of said corporation, with their residences at 32 Oak Street, Middleboro, Massachusetts, 396 River Road, Lonsdale, Rhode Island, and Lakefield, Massachusetts, respectively. These individual respondents, in their individual and official capacities, direct and control, and have directed and controlled at all times hereinafter mentioned, the business policies and activities of respondent corporation, including the acts and practices hereinafter set out.

PAR. 2. The respondents are now, and for more than two years last past have been, engaged in the business of manufacturing and distributing for sale and lease "Brown-Cell Matrix" discs which are made by combining two parts sand and one part cement with water containing a culture of organisms. The directions furnished by the respondents relating to the use of these discs provide that each Brown-Cell Matrix disc is to be immersed in from 5 to 10 gallons of water for 24 hours or longer and the water then used for the purposes hereinafter set forth. The respondents cause and have caused these discs, when sold or leased, to be transported from their place of business in Massachusetts to purchasers or lessees thereof located in various States of the United States other than the State of Massachusetts, and maintain, and have maintained at all times mentioned herein, a course of trade in said product, in commerce, among and between the various States of the United States.

PAR. 3. In the course and conduct of their said business and for the purpose of inducing the purchase of their said Brown-Cell Matrix disc in commerce, as aforesaid, respondents have made, and are now making, numerous statements and representations concerning said product, through the media of post cards, leaflets, circulars, mimeographed brochures, lease forms, labels, and other media. Among and typical of the statements and representations contained in such advertising matter are the following:

A natural soil and plant conditioner is incorporated in the BROWN-CELL MATRIX. THE BROWN-CELL MATRIX when submerged in water in accordance with the directions on wrapper produces organic matter which is useful to plant and soil.

The Brown-Cell combats poison in the soil.

The Brown-Cell should be put into the earth instead of fertilizer. The natural action of the Brown-Cell combined with the worm cells, work together in the soil to invigorate the ground.

This 3¼/1½ inch matrix, when submerged in 5 to 10 gallons of water, will, after 24 hours, produce organic matter, which is a real help to plants and soil.

Findings

49 F. T. C.

—The Brown-Cell Matrix—

Quality—Stability—Quantity

How do we know? The plant says so.

The Brown-Cell will stabilize the soil, the plant and the tree. Our experiments have proved that the Brown-Cell matrix produces quality, quantity and real stability. It has everything vegetation needs.

In its present advanced state, the cell will aid greatly in the raising of an entirely new quality of food, in the way of nutrition.

* * *

The Brown-Cell-Matrix contains organic cells and minerals. A farmer by using this matrix water reconditions his soil in nature's own way.

It is well to treat the seeds of the cover crop by soaking them in the Brown-Cell matrix water for about an hour before planting.

When the seeds of the cover crop have been treated with the Matrix water, the first step toward a bumper crop has been taken.

—Water—

The Brown-Cell is a natural water purifier. Absolutely pure water, which is free from all bad bacteria, is practically an unknown item. The Brown-Cell Matrix, however, can purify water and tend to keep it free from all impurities.

Because of the efficacious manner with which The Brown-Cell produces the correct kind of organic matter, it is a necessity for your plants and soil.

THE BROWN-CELL LABORATORIES, INC.

Natural Sciences,

Wareham Street, Route 28,

Middleboro, Massachusetts, U. S. A.

I am glad to report that the Brown-Cell seems to eliminate the weeds gradually through the cover crop.

No sprays or poisonous concoctions have been used in the past two years on the plants in my laboratory test plots. My plants are free from all kinds of parasites. The parasites cannot attack a strong plant. These poisonous agents are not necessary anymore.

The purpose of the Brown-Cell Matrices is to help our good farmers in raising better crops and better animals for better living through natural sciences. * * * The Brown-Cell helps greatly in eliminating the parasites and weeds gradually after each planting through the action of light of the natural wave-length.

Poisonous sprays which are sometimes used to combat annoying insects may harm the bee. On the contrary, the Brown-Cell Matrix water will help the bee, and the plant, but will in time, after long and constant use, eliminate harmful bugs.

Any farmer can obtain the Brown-Cell Matrices by contacting the Brown-Cell Laboratories, Inc., at Wareham Street, Route 28, Middleboro, Massachusetts, U.S.A. We are an organized corporation registered under the laws of the State of Massachusetts. We have experts that will inspect farms at no expense to the farmer and make recommendations of how to install the Brown-Cell matrices on their farms in order for the farmers to produce these new kinds of plants and foods free from the sprays and poisonous substances.

990

Findings

Lloyd E. Banks
225 Everett Street

Middleboro, Mass.

Oct. 10, 1949

Mr. John C. Brown,
Middleboro, Mass.

As I was the first poultry raiser in this vicinity to try out the matrix water on my fowl, I owe it to you to let you know the results I experienced.

I will say that it was with some doubtful thoughts about this at first that I started trying it out for my flock of birds. However, as it was pictured to me in such glowing terms that I wanted to know the proof of it for myself and satisfaction.

For the past year, or to be more exact, 15 months ago, I used the Brown-Cell Matrix water in my poultry house, having 5,000 birds in my entire flock.

The matrix blocks were put in a wooden barrel of water, my houses are equipped with automatic watering pans for the hens to drink from. One thing I noticed that my fowl looked much improved, the birds were really good to look at,—you know a poultry raiser can tell by looks the condition of the bird, whether they are laying or not. Well, my production increased, the egg shells were hard, not soft, as is the case many times.

Here is a comparison that I made. I had a lot of chicks hatched at the same time. I took 260, put them in a pen by themselves, and the matrix water for their drinking pans. Then I put some 290 of the same batch in another pen but gave them just the ordinary faucet water. After some three weeks the difference was so great that I was alarmed because the chicks on the common water were so small and sickly looking in comparison with the matrix watered ones that I immediately installed matrices in all the drinking pans. The results proved very satisfactory.

My egg production increased substantially, especially on old fowl."

N. M. SAMPSON

Middleboro, Mass.

November 17, 1949.

The Brown-Cell Laboratories,
Middleboro, Mass.

Dear Sirs:

You might be interested in some of the results I have observed by using the Brown-Cell Matrices on my farm since May 1948.

* * * * *

This year my production has been the highest on record having marketed 15,000 ducks from 175 breeders.

Mortality in young ducks was only 1% also I marketed them at eight and one half weeks which is a week earlier than usual.

PAR. 4. By and through the use of the foregoing statements and representations and others of the same import but not specifically set out herein, respondents have represented, directly and by implication, that respondents employ agricultural experts to make recommendations for the use of the Brown-Cell Matrix and that the Brown-Cell Matrix, when used as directed, (a) is a soil and plant conditioner;

Findings

49 F. T. C.

(b) produces organic matter which is useful to plants and soil; (c) combats poisons in the soil; (d) contributes to every need of plant life; (e) increases crop production by soaking of the seeds before planting; (f) purifies water and keeps it free from all impurities; (g) eliminates weeds; (h) destroys all plant parasites and eliminates the necessity for the use of insect sprays; (i) is a soil fertilizer and results in better quality and higher yield in crops, flowers, trees, and fruits; (j) is of value in insuring healthy chickens, increasing the weight of chickens and ducks, reducing the mortality of young ducks and chickens, and will substantially increase egg production.

PAR. 5. The aforesaid representations are grossly exaggerated, false, and misleading. In truth and in fact, respondents do not employ agricultural experts to make recommendations for the use of the Brown-Cell Matrix, and the Brown-Cell Matrix, used as directed or in any other manner, (a) will not improve the condition of soil or plants; (b) will not produce organic matter which is useful to plants or soil; (c) will not have any effect upon poisons in the soil; (d) will not contribute to any need of plant life; (e) will not have any beneficial effect on crop production; (f) will not purify water or keep water free from impurities; (g) will not eliminate or have any effect upon weeds; (h) will not destroy plant parasites and will not render it unnecessary to use insect sprays when the necessity for insect sprays exists; (i) is not a soil fertilizer and will not be beneficial in any particular to crops of any nature or to flowers, trees, or fruits; (j) is not of value in insuring healthy chickens, increasing the weight of chickens or ducks, reducing the mortality of young ducks or chickens, and will not increase egg production.

PAR. 6. The complaint herein alleges that the respondents have also misrepresented that they own, operate, and control a laboratory containing substantial equipment and apparatus for use in study, experimentation, and production by scientists or technicians employed for such purposes, and that John C. Brown is a scientist and director of an established research organization and laboratory. The Commission is of the opinion, and finds, that these allegations are not sustained by the evidence.

PAR. 7. The use by the respondents of the foregoing false and misleading statements and representations, and others of similar nature, has had and now has a tendency and capacity to, and does mislead a substantial portion of the purchasing public into the erroneous and mistaken belief that such false statements and representations are true and induce a substantial portion of the purchasing public, because of such mistaken and erroneous belief, to purchase or lease respondents' product.

990

Order

CONCLUSION

The 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

It is ordered, That the respondent The Brown-Cell Laboratories, Inc., a corporation, its officers, respondents John C. Brown and George Macauley, individually and as officers and directors of respondent corporation, and respondents Willard A. Dunham, Peter Pascale, and Nathaniel M. Sampson, individually and as directors of respondent corporation, and said respondents' respective agents, representatives, and employees, directly or through any corporate or other device, in or in connection with the offering for sale, sale, and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of their cement disc known as the "Brown-Cell Matrix," or any other product of substantially similar properties, whether sold under the same name or under any other name or names, do forthwith cease and desist from representing, directly or by implication:

(1) That respondents employ agricultural experts to make recommendations for the use of the Brown-Cell Matrix.

(2) That the Brown-Cell Matrix, used as directed, or in any other manner;

- (a) is a soil or plant conditioner;
- (b) will produce organic matter which is useful to plants or soil;
- (c) will combat poisons in the soil;
- (d) will contribute to any need of plant life;
- (e) will have any beneficial effect on crop production;
- (f) will purify water or keep water free from impurities;
- (g) will eliminate weeds;
- (h) will destroy plant parasites or will eliminate the necessity for the use of insect sprays;
- (i) is a soil fertilizer or will result in better quality or higher yield in crops, flowers, trees, or fruits;
- (j) is of value in insuring healthy chickens, increasing the weight of chickens or ducks, reducing the mortality of young ducks or chickens, or in increasing egg production.

It is further ordered, That the 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.

IN THE MATTER OF

GETZ BROS. & CO. ET AL.

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

Docket 6015. Complaint, July 22, 1952—Decision, Jan. 29, 1953

When articles of merchandise, including sewing machines, are exhibited and offered for sale by retailers to the purchasing public not marked or inadequately marked to show their foreign origin, or if such markings are concealed, the purchasing public understands and believes them to be wholly of domestic origin.

There is among the members of the purchasing public a substantial number who have a decided preference for products manufactured in the United States over those manufactured in whole or in part in foreign countries, including sewing machine heads.

There is a preference among members of the purchasing public for products manufactured by the well and favorably known and long established concerns whose identity is connected with the word "Admiral," and other prominent domestic brand or trade names.

Where a corporation and its six officers, engaged in the competitive interstate sale and distribution of sewing machine heads imported from Japan, which their distributor and retailer purchasers incorporated in complete sewing machines which were sold to the purchasing public—

- (a) Failed adequately to disclose such foreign origin on their said sewing machine heads, upon which the word "Japan," displayed on the back of the arm when imported, became concealed through the attachment of a motor thereto, and, where displayed on a medallion on the front of the arm (if not removed), was so small and indistinct as not to constitute adequate notice to the public, there being no other mark placed thereon to inform the public of said fact; and
- (b) Falsely represented through the use of the word "Admiral" and other prominent domestic names as trade or brand names for their sewing machine heads and prominent display thereof on the front horizontal arm of the product and use thereof in their advertising matter, that their product was manufactured by or connected in some way with the well and favorably known firm or firms with which said trade or brand names had long been associated;

With effect of enhancing the belief of the public that said sewing machines were wholly of domestic origin, and of providing dealer-purchasers with a means to mislead it as to their place of origin; and with tendency and capacity to lead members of the purchasing public into the erroneous belief that their said product was of domestic origin and made by said well known firm, and thereby induce purchase thereof; whereby substantial trade in