

Order

55 F.T.C.

IN THE MATTER OF
CRAFTSMAN INSURANCE COMPANY

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 6394. Complaint, July 18, 1955—Order, Feb. 24, 1959

Order dismissing on jurisdictional grounds upon the authority of the Supreme Court's ruling in *Federal Trade Commission v. National Casualty Company* (357 U.S. 560), complaint charging a Boston insurance company with false advertising of its health and accident insurance.

Before Mr. Loren H. Laughlin, hearing examiner.

Mr. Donald K. King and Mr. J. W. Brookfield, Jr. for the Commission.

Mr. David S. Kunian, of Boston, Mass., for respondent.

ORDER GRANTING MOTION TO VACATE COMMISSION'S DECISION

This matter having come on to be heard upon respondent's request that the decision of the Commission entered on January 14, 1957, be vacated, which request is unopposed by counsel supporting the complaint; and

The Commission having reconsidered the matter in the light of the United States Supreme Court ruling in *Federal Trade Commission v. National Casualty Company*, 357 U.S. 560, decided June 30, 1958, subsequent to said decision of the Commission, and having concluded that this proceeding should be dismissed on jurisdictional grounds upon the authority of said ruling of the Supreme Court:

It is ordered, That this proceeding be reopened.

It is further ordered, That the decision of the Commission entered on January 14, 1957,¹ be, and it hereby is, vacated and set aside.

It is further ordered, That the complaint herein be, and it hereby is, dismissed.

¹ 53 F.T.C. 623.

Decision

IN THE MATTER OF
ERICKSON HAIR & SCALP SPECIALISTSORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 6499. Complaint, Jan. 27, 1956¹—Decision, Feb. 26, 1959

Order requiring a Chicago seller of "home treatment kits" of hair and scalp preparations to cease advertising falsely that through use of said preparations, methods, and treatments by purchasers in their homes, fuzz would be replaced with long and strong hair; dandruff, itching, and irritation of the scalp would be permanently eliminated; and in the great majority of cases baldness, including the hereditary type, would be prevented and overcome, etc.; and to cease representing falsely, by use of the term "Trichologist," that he and his agents had had professional training in the treatment of scalp disorders affecting the hair.

Mr. Harold A. Kennedy supporting the complaint.

Frank E. & Arthur Gettleman, Mr. Edward Brodsky and Mr. Franklin M. Lazarus all of Chicago, Ill., for respondent.

INITIAL DECISION BY JOSEPH CALLAWAY, HEARING EXAMINER

Introductory Statement

Amended complaint in this proceeding charges violation of the Federal Trade Commission Act by the dissemination of false advertisements through the United States mails and by various means in commerce of cosmetic and medicinal preparations for external use in the treatment of certain conditions of the hair and scalp. It also alleges that the advertisements are false in that respondent is called a "Trichologist" in the advertising. The answer to the complaint was also amended and as amended it is in substance a denial of all the material allegations of the amended complaint, except respondent's trade name and address.

Hearings were held for the taking of evidence in support of and in opposition to the allegations of the complaint in Chicago, Ill., Ft. Wayne, Ind. and Philadelphia, Pa.

Both sides were represented by counsel and given full opportunity to and did introduce evidence pertinent to the issues, examine and cross-examine witnesses and argue points of law and evidence. All parties were given opportunity to and did file proposed findings, conclusions and orders and the reasons there-

¹ Amended May 9, 1957.