

mission a report in writing setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

C.D.I. LABORATORIES INC., ET AL.

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

Docket C-310. Complaint, Feb. 7, 1963—Decision, Feb. 7, 1963

Consent order requiring New York City distributors of a calendar-slide birth control device designated "C. D. Indicator", to cease representing falsely in advertising, form letters, pamphlets, etc., that said device enabled a woman to ascertain her fertile or sterile days with certainty, that it was sold at a reduced or special price for a limited time, that they had offices in foreign countries, and that according to articles in medical journals, etc., the reliability of the Ogino-Knaus method of birth control had been scientifically proven in clinical studies; and to cease using the word "Laboratories" in their corporate name.

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 C.D.I. Laboratories Inc., a corporation, and Ronald C. Sheff, individually and as an officer 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. Respondent C.D.I. Laboratories Inc., is a corporation, organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 1100 Avenue of the Americas, in the city of New York, State of New York.

Respondent Ronald C. Sheff is an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of a calendar-slide device designated "C.D. Indicator", to the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said product, when sold, to be shipped from their place of business in the State of New York to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said product in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business, and for the purpose of inducing sales of their calendar-slide device designated "C.D. Indicator", respondents have made certain statements and representations in advertisements, form letters and pamphlets, and by other media, of which the following are typical:

HOW MARRIED WOMEN CAN PLAN FOR MOTHERHOOD—Why let needless worries and anxieties rob you of marital bliss? Now you can find greater satisfaction—learn how to avoid old risks and fears with a scientific calculator that simply, accurately determines for you personally the days of each month when you can and cannot conceive.

* * * * *

CDI LABORATORIES, Inc.

Simply turn the dial to the date when menstruation begins, and read the actual days when conception is possible. * * * You cannot go wrong * * * it is completely fool-proof.

FOR THE BRIDE-TO-BE—a worry-free and rapturous honeymoon! to avoid conception during your early days of marriage, plan your wedding during a period of sterility. Your C.D. Indicator will show you when—in seconds.

FOR THE NEWLYWED—marital happiness without fear! By knowing in advance your fertile and sterile days, you control conception until you are ready for Motherhood! The C.D. Indicator lets you enjoy a full and natural sex life!

FOR THE MOTHER—give each child the best possible start in life by planning for it to suit your wishes, your health and your financial position. When

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your family is adequate, the C.D. Indicator will relieve you of unnecessary fears and anxiety.

MEDICALLY TESTED—SCIENTIFICALLY PROVED—By Over 79,000 Women in Clinical Studies

* * * * *
Says Dr. Leo J. Latz in his book (page 76) “* * * we can confidently say that millions of cohabitations, during most varied menstrual cycles, and under the greatest variety of circumstances, are evidence of the reliability of the Rhythm Method.”

The authoritative, precise Journal of the American Medical Association offered further confirmation. Reports of the records of 15,924 cases showed the effectiveness of the Ogino-Knaus method.

Then another respected medical journal, “Clinical Medicine and Surgery,” reported still more proof. A total of 2,200 cases were studied, upholding the Ogino-Knaus method.

The Illinois Medical Journal shows records of 11,222 studies during the “safe” period, again confirming the Ogino-Knaus method.

Even the official journal of the American College of Surgeons reports 725 carefully chartered instances of the use of the Rhythm Method.

While the present limited supply in the United States lasts you can actually buy a C.D. Indicator for the special low price shown on the enclosed order from [sic].

* * * * *
Of course, there's no way of knowing when manufacturing and importing costs may force the current price back up to the original price. Take advantage of the present low, low price while it still holds good.

C.D.I. Laboratories Inc. * * *

47 Lagerstrasse, Zurich, Switzerland

Australia

Belgium

Brazil

Ecuador

England

France

Haiti

Holland

Mexico

Monaco

New Zealand

Philippines

Portugal

South Africa

U.S.A.

Venezuela

(letterhead)

PAR. 5. By and through the use of the aforesaid statements and representations, and others of similar import but not specifically set forth herein, respondents represented, directly or by implication:

(1) That the C.D. Indicator enables a woman to ascertain the fertile and sterile days of her menstrual cycles with certainty.

(2) That the C.D. Indicator is sold at a reduced or special price and that said price is available for a limited time.

(3) That they have offices in countries other than in the United States of America.

(4) That according to articles in medical journals and other writings the reliability of the Ogino-Knaus method of birth control has been scientifically proven in clinical studies.

PAR. 6. In truth and in fact:

(1) The C.D. Indicator does not enable a woman to ascertain with certainty the fertile or sterile days of her menstrual cycles. There are a number of circumstances, conditions and minor disturbances such as a passing illness, a journey, an emotional strain, a fright and other external stimuli, that may advance or retard the ovulation and consequently vary the shortest and longest cycles of a woman who is normally reasonably regular; and though past records of periods may indicate virtual or reasonable regularity, physiological or psychological changes in a woman may cause an abrupt variance in the duration of her cycles. For these reasons, the readings of the C.D. Indicator would not be certain as regards any woman.

(2) The price at which the C.D. Indicator is usually and customarily sold is \$9.90 when payment is made in full at time of purchase, or \$10.90 if purchased on the installment plan, and said price is not a reduced or special price nor is said device being offered at said price for a limited time.

(3) The respondents do not have an office in any country outside of the United States of America, but have only one office which is located in the city of New York, State of New York.

(4) The references to articles in medical journals and other writings do not correctly reflect the full import of the articles or writing or the degree of acceptance of the Ogino-Knaus method of birth control by the authors. The articles and other writings do not establish that the reliability of the method has been scientifically proven in clinical tests. They indicate that select groups of normal, healthy women were carefully instructed in the use of the method and its limitations. Circumstances surrounding such supervised employment of the method are not comparable to those under which the C.D. Indicator is used.

Therefore, the statements and representations set forth in Paragraph 4 were, and are, false, misleading and deceptive.

PAR. 7. Through the use of the word "Laboratories" in their corporate name respondents have represented that they own and operate

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a laboratory in connection with their said business. Such representation is false, misleading and deceptive in that said respondents do not own or operate a laboratory in connection with their said business.

PAR. 8. In the conduct of their business, and at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of products of the same general kind and nature as that sold by respondents.

PAR. 9. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' product by reason of said erroneous and mistaken belief.

PAR. 10. The aforesaid acts and practices of respondents, as herein alleged, were, and are, all to the prejudice and injury of the public and of the respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as set forth in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent C.D.I. Laboratories Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its office and principal place of business lo-

cated at 1100 Avenue of the Americas in the city of New York, State of New York.

Respondent Ronald C. Sheff is an officer of said corporation, and his address is the same as that of said corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent C.D.I. Laboratories Inc., a corporation, and its officers, and respondent Ronald C. Sheff, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of a calendar-slide device designated "C.D. Indicator", or any similar calculating device, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication:

(a) That such device provides an unfailing system of birth spacing or that it enables a woman to ascertain her fertile or sterile days with certainty.

(b) That such device is sold at a reduced or special price when the price quoted is the usual or regular price at which such device is sold or that such device is being offered for a limited time at a stated price when such offer is not limited as to time.

(c) That they have an office or offices located in a place or places other than where they actually have such an office or offices.

2. Using a fragment or portion of an article, writing, or study which does not correctly reflect the results reported therein to represent that the reliability of the Ogino-Knaus method of birth control has been scientifically proven in clinical studies.

3. Using the word "laboratories", or any other word of similar import or meaning, as a part of or in connection with the respondents' corporate or trade name, or otherwise representing, directly or by implication, that respondents own or operate a laboratory unless and until such a laboratory is actually so owned and operated.

It is further ordered, That the respondents herein 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.

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IN THE MATTER OF

HARRY KREITMAN INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket C-311. Complaint, Feb. 7, 1963—Decision, Feb. 7, 1963

Consent order requiring New York City dealers in new and secondhand fur products to cease violating the Fur Products Labeling Act by failing to label fur products; failing to show on invoices the true animal name of furs, the country of origin of imported furs, and when the fur in fur products was used, artificially colored, or natural; naming an animal other than that which produced a fur, and failing to set forth the terms "Dyed Broadtail-processed Lamb" and "Persian Lamb" on invoices as required; and failing in other respects to comply with labeling and invoicing requirements.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act and by virtue of the authority vested in it by said Acts, the Federal Trade Commission having reason to believe that Harry Kreitman Inc., a corporation, and its officers, Samuel Kreitman and Abraham Kreitman, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling 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. Respondent Harry Kreitman Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondents Samuel Kreitman and Abraham Kreitman are officers of corporate respondent. They formulate, direct and control the acts, practices and policies of corporate respondent Harry Kreitman Inc., including those hereinafter set forth.

Respondents are dealers in fur products both secondhand and new and have their office and principal place of business at 123 West 29th Street, New York, N.Y.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondents have been and are now engaged in the introduction into commerce, and in the sale, advertising, and offering for sale, in commerce, and in the transportation and distribution in commerce, of fur products; and have sold, advertised, offered