

WEST FOREST CORPORATION ET AL.

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

Docket C-864. Complaint, Dec. 16, 1964—Decision, Dec. 16, 1964

Consent order requiring a Great Neck, N.Y., corporation engaged in selling and distributing "Hask" a hair and scalp preparation to cease advertising falsely through United States mails and otherwise that their product "Hask" would prevent, permanently eliminate or cure dandruff.

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 West Forest Corporation, a corporation, and Ralph L. Godfrey, 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 West Forest Corporation 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 350 Northern Boulevard in the city of Great Neck, State of New York.

Respondent Ralph L. Godfrey formulates, directs and controls the acts and practices of the West Forest Corporation, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents West Forest Corporation and Ralph L. Godfrey are now and have been for more than one year last past, engaged in the sale and distribution of a preparation which is a drug as the term "drug" is defined in the Federal Trade Commission Act.

The designation used by respondents for said preparation, the formula thereof and directions for use are as follows:

Designation.—"Hask" Hair & Scalp Conditioner.

Formula.—One-Three Dihydroxy, Two Ethyl Hexane, Colored 15.8%; Water Colored 84.8%; Perfume .2%.

Directions.—SHAKE WELL BEFORE USING. Apply generously and gently massage onto scalp daily until dandruff condition disappears (one or two weeks), then two or three times a week—occasionally massaging with a rough towel. Just comb after each application—no additional hair dressing or shampooing is necessary—see and feel the difference * * * always ask for Hask.

PAR. 3. Respondents West Forest Corporation and Ralph L. Godfrey cause the said preparation, when sold, to be transported from their place of business in the State of New York to purchasers thereof located in various other States of the United States and in the District of Columbia. Respondents West Forest Corporation and Ralph L. Godfrey maintain, and at all times mentioned herein have maintained, a course of trade in said preparation in commerce as "commerce" is defined in the Federal Trade Commission Act. The volume of business in such commerce has been and is substantial.

PAR. 4. In the course and conduct of said business, respondents have disseminated, and caused the dissemination of, certain advertisements concerning the said preparation 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 magazines, promotional display materials, decals, and catalog sheets, for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparation; and have disseminated, and caused the dissemination of, advertisements concerning said preparation by various means, including but not limited to the aforesaid media, for the purpose of inducing and which were likely to induce, directly or indirectly, the purchase of said preparation in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 5. Among and typical of the statements and representations contained in said advertisements disseminated as hereinabove set forth are the following:

POSITIVELY PREVENTS DANDRUFF

POSITIVELY PREVENTS DANDRUFF

once and for all * * * even without
shampooing.

PAR. 6. Through the use of said advertisements, and others similar thereto not specifically set out herein, respondents have represented and are now representing, directly and by implication:

1. That "Hask" prevents dandruff.
2. That "Hask" permanently eliminates or cures dandruff.

PAR. 7. In truth and in fact, "Hask" does not prevent dandruff, permanently eliminate or cure dandruff, nor is it of any benefit in the prevention, relief or treatment of dandruff in excess of temporary prevention or relief thereof while the product is being used regularly.

Therefore, the advertisements referred to in Paragraph Five were and are misleading in material respects and constituted and now constitute "false advertisements" as that term is defined in the Federal Trade Commission Act.

PAR. 8. The dissemination by the respondents, West Forest Corporation, and Ralph L. Godfrey of the false advertisements, as aforesaid, constituted, and now constitutes, unfair and deceptive acts and practices in commerce, in violation of Sections 5 and 12 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 West Forest Corporation 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 350 Northern Boulevard, in the city of Great Neck, State of New York.

Respondent Ralph L. Godfrey 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 respondents West Forest Corporation, a corporation, its officers, and Ralph L. Godfrey, 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 "Hask," or any other preparation of similar composition or possessing substantially similar properties, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing the dissemination of, by means of the United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which represents directly or by implication:

That such preparation prevents, permanently eliminates or cures dandruff or is of any greater benefit in the prevention, relief or treatment of dandruff than the temporary prevention or relief thereof while the product is being used regularly.

2. Disseminating, or causing to be disseminated, by any means,

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for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase of the preparation "Hask," or any other preparation of similar composition or possessing substantially similar properties, in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which contains any of the representations prohibited in Paragraph 1 hereof.

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