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IN THE MATTER OF  
CARSON PRODUCTS COMPANY, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF  
SECS. 5 & 12 OF THE FEDERAL TRADE COMMISSION ACT

*Docket C-2761. Complaint, Nov. 3, 1975-Denial, Nov. 3, 1975*

Consent order requiring a Savannah, Ga., manufacturer of facial depilatory and beard removal products, among other things to cease failing to make material disclosures as to the safety and correct use of its products.

*Appearances*

For the Commission: *Barry E. Barnes.*

For the respondents: *A. Pratt Adams, Jr., Adams, Adams, Brennan & Gardner, Savannah, Ga.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Carson Products Company, a corporation, and Parker A. Reische, Jr., individually and as an officer of said corporation, hereinafter sometimes referred to as respondents, have violated Sections 5 and 12 of the Federal Trade Commission Act, as amended, and that a proceeding in respect thereof would be in the public interest, hereby issues this complaint, stating its charges as follows:

PARAGRAPH 1. Unless otherwise required by context, the following definition shall apply for purposes of this complaint and the accompanying order:

"Material facts" means facts material in light of representations made or material with respect to consequences which may result from

the use of the commodity to which the advertisement or representations relate under such conditions as are customary or usual or under the conditions prescribed in the advertisement or representations.

All allegations in this complaint stated in the present tense include the past tense.

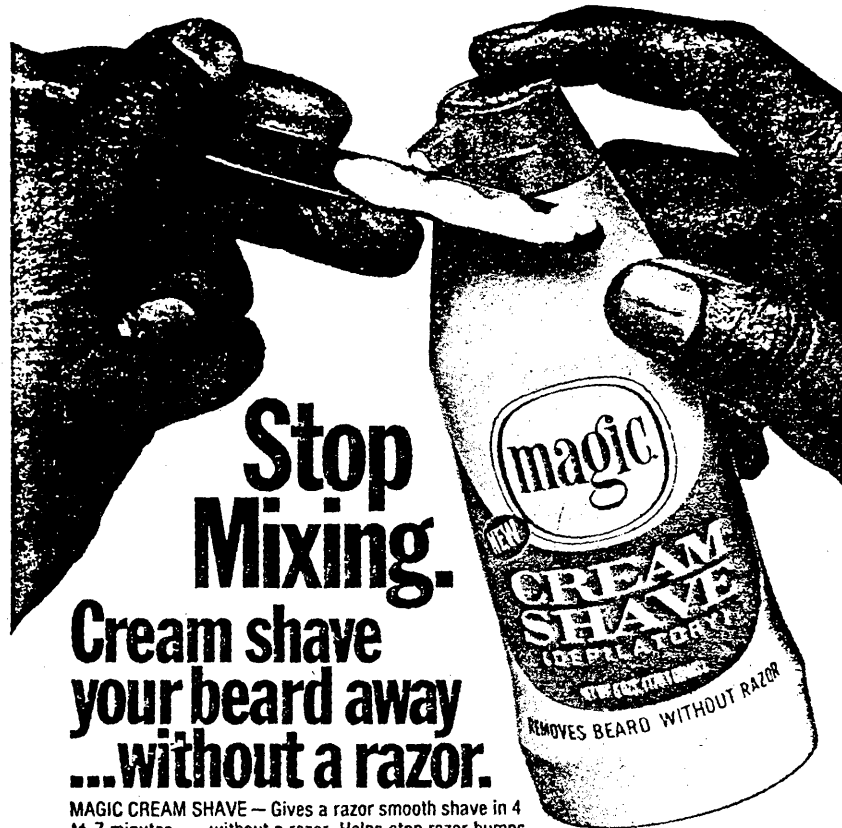
PAR. 2. Respondent Carson Products Company, formerly known as Carson Chemical Company, Inc., is a Georgia corporation with its office and principal place of business located at P.O. Box 3457, Savannah, Ga.

Respondent Parker A. Reische, Jr. is an officer of Carson Products Company. He formulates, directs and controls the policies, acts and practices of Carson Products Company, including those hereinafter set forth. His address is the same as that of said corporation.

PAR. 3. Respondents Carson Products Company and Parker A. Reische, Jr. engage in the manufacturing, advertising, offering for sale, sale and distribution of Magic Shaving Powder and Magic Cream Shave, facial depilatory or beard removal products, which are "drugs" or "cosmetics," or both, as those terms are defined in Section 15 of the Federal Trade Commission Act. When applied to the skin, said products remove facial hair through chemical action. They are used frequently by men who suffer from pseudofolliculitis, or "razor bumps," a painful skin condition caused by shaving with a razor.

PAR. 4. In the course and conduct of its business, respondents cause these depilatory products, when sold, to be shipped and distributed from their place of business to retail stores and other purchasers located in various other States of the United States and in foreign countries. Respondents disseminate or cause to be disseminated certain advertisements concerning Magic Shaving Powder and Magic Cream Shave (1) by United States mails, newspapers and magazines of interstate circulation, radio broadcasts of interstate transmission, and by various other means in or having an effect upon commerce, for the purpose of inducing or which are likely to induce, directly or indirectly, the purchase of these depilatory products; or (2) by various means, for the purpose of inducing, or which are likely to induce, the purchase of these products in or having an effect upon commerce. Thus, respondents maintain a substantial course of trade in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 5. Typical and illustrative of the statements and representations made in respondents' advertisements, but not all inclusive thereof, are the following:



**Stop  
Mixing.**  
**Cream shave  
your beard away  
...without a razor.**

MAGIC CREAM SHAVE — Gives a razor smooth shave in 4 to 7 minutes . . . without a razor. Helps stop razor bumps. No offensive odor. No mixing, no waste . . . no powder mess to clean up. Leaves face smooth and clear.

**and soothe with Magic After Shave Skin Conditioner.**

MAGIC AFTER SHAVE SKIN CONDITIONER soothes and smooths. Helps relieve skin dryness. Won't sting or burn. Great fragrance too!

Magic Cream Shave and Magic After Shave Skin Conditioner . . . they're made for each other . . . they're made for you!

CARSON CHEMICAL COMPANY, SAVANNAH, GA. 31403



PAR. 6. Through the use of the above statements and representations, and others not specifically set forth herein, respondents represent, directly or by implication, that Magic Shaving Powder and Magic Cream Shave are safe means of removing facial hair without a razor for virtually everyone.

PAR. 7. In truth and in fact these products contain chemicals which can cause burns, rashes, and other skin irritations for a substantial number of users. These products should be used with caution at all times, especially by those whose skin is tender or severely irritated. Label directions should be followed carefully.

Therefore, the advertisements, statements and representations referred to in Paragraphs Five and Six are false, misleading and deceptive, and also constitute "false advertisements" as that term is defined in the Federal Trade Commission Act.

PAR. 8. Respondents advertise Magic Shaving Powder and Magic Cream Shave without disclosing that (1) these products may cause skin irritations; (2) these products should not be used by persons whose skin is tender or severely irritated; and (3) label directions should be followed carefully.

These are material facts which, if known to consumers, would be likely to affect their decision to purchase Magic Shaving Powder and Magic Cream Shave. Therefore, failure to disclose such facts is misleading, deceptive, and unfair and such advertisements also constitute "false advertisements" as that term is defined in the Federal Trade Commission Act.

PAR. 9. In the further course and conduct of their business, respondents market Magic Shaving Powder and Magic Cream Shave without disclosing on the product labels that:

A. These products should not be used in conjunction with an alcoholic shaving lotion.

B. These products should not be used if perspiring heavily.

C. One should not wash before using these products.

D. To avoid excessive irritation, the amount of time these products are left on the skin is crucial.

E. If hairs remain after the first application, one should not immediately reuse these products, but should wait at least 36 hours before reapplication.

These are material facts which, if known to consumers, would be likely to affect their decision as to whether or not to purchase these products. Therefore, failure to disclose such facts on the product labels is unfair and deceptive.

PAR. 10. Respondents' aforesaid use of false, misleading and deceptive advertisements and unfair and deceptive labeling has the

tendency and capacity to mislead and deceive consumers into erroneous and mistaken beliefs about the safety of Magic Shave Powder and Magic Cream Shave and into the purchase of substantial quantities of these products.

PAR. 11. In the course and conduct of their business, and at all times mentioned herein, respondents have been and are now in substantial competition in or affecting commerce with corporations, firms and individuals engaged in the sale of products of the same general kind and nature as sold by respondents.

PAR. 12. The aforesaid acts and practices of respondents are all to the prejudice and injury of the public and respondents' competitors and constitute unfair or deceptive acts or practices and unfair methods of competition in or affecting commerce in violation of Sections 5 and 12 of the Federal Trade Commission Act, as amended.

#### DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Seattle Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, 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 alleged in such complaint, and waivers and other provisions as required by the Commission's rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty days, now in further conformity with the procedure prescribed in Section 2.34 of its rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

A. Respondent Carson Products Company, formerly known as Carson Chemical Company, Inc., is a Georgia corporation with its office and principal place of business located at P.O. Box 3457, Savannah, Ga.

Respondent Parker A. Reische, Jr. is an officer of Carson Products Company. He formulates, directs and controls the policies, acts and practices of Carson Products Company. His address is the same as that of said corporation.

B. 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

##### I

*It is ordered,* That respondents Carson Products Company, a corporation, its successors and assigns, and its officers, and Parker A. Reische, Jr., individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of Magic Shaving Powder, Magic Cream Shave, or any depilatory product, do forthwith cease and desist from:

A. Disseminating or causing to be disseminated by United States mails or by any means in or having an effect upon commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which fails to clearly and conspicuously disclose the following statement in boldface capital letters exactly as it appears below, with nothing in contradiction thereof:

CAUTION: THIS PRODUCT MAY CAUSE SKIN IRRITATIONS. DO NOT USE IF SKIN IS TENDER OR SEVERELY IRRITATED. FOLLOW DIRECTIONS CAREFULLY.

B. Disseminating or causing to be disseminated by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly the purchase of any such product in or having an effect upon commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which fails to meet the requirement of part IA of this order.

##### II

*It is further ordered,* That respondents Carson Products Company, a corporation, its successors and assigns, and its officers, and Parker A. Reische, Jr., individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the offering for sale, sale or distribution of Magic Shaving Powder, Magic Cream Shave, or any depilatory product, in or

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## Decision and Order

affecting commerce, as "commerce" is defined in the Federal Trade Commission Act do forthwith cease and desist from failing to clearly and conspicuously disclose on the outer package box, if such is used, and on the product label:

A. The following statement in boldface capital letters exactly as it appears below with nothing in contradiction thereof:

CAUTION: THIS PRODUCT MAY CAUSE SKIN IRRITATIONS. DO NOT USE IF SKIN IS TENDER OR SEVERELY IRRITATED. FOLLOW DIRECTIONS CAREFULLY.

The above statement shall appear as the first item on the information panel of the product label and package box, if such is used.

B. A statement that use of the product should be discontinued if irritation, burning or allergic reactions occur.

C. Complete directions for use of the product, including but not limited to the following:

1. The product should not be used in conjunction with an alcoholic shaving lotion;
2. The product should not be used if perspiring heavily;
3. One should not wash before using the product;
4. To avoid excessive irritation, the amount of time the product is left on the skin is crucial; and
5. If hairs remain after the first application, do not immediately reuse the product. The product should not be used in any event within 36 hours or longer after shaving with a razor or a depilatory.

## III

*It is further ordered,* That respondents forthwith deliver a copy of this order to their present and future officers, directors and operating divisions and that respondents secure from each such person and division a signed statement acknowledging receipt of this order.

## IV

*It is further ordered,* That respondents maintain complete business records relative to the manner and form of their continuing compliance with the terms and provisions of this order. Each record shall be retained by respondents for at least three years after such record is made.

## V

*It is further ordered,* That the individual respondent promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business address and a

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statement as to the nature of the business or employment in which he is engaged as well as a description of his duties and responsibilities.

## VI

*It is further ordered,* That respondent Carson Products Company notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of this order.

## VII

*It is further ordered,* That respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a written report setting forth in detail the manner and form of their compliance with this order.

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