

Misbranding such products by:

1. Falsely and deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Clin-Tex Products Corp., a corporation, and its officers, and Jerome Shapiro, and Sol Stafford, individually and as managers 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 interlining material or any other textile products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of constituent fibers contained in quilting material or any other textile products on invoices or shipping memoranda applicable thereto or in any other manner.

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.

IN THE MATTER OF

TRANEX SCIENTIFIC, INC., ET AL. DOING BUSINESS AS TRANEX SCIENTIFIC OF ILLINOIS

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

Docket C-710. Complaint, Feb. 13, 1964—Decision, Feb. 13, 1964

Consent order requiring concerns in Hinsdale, Ill. engaged in leasing a device designated as "Tranex" for use in cases of enuresis, or bed-wetting, to cease representing falsely in advertisements in newspapers, magazines and other media that use of the device would stop bed-wetting and correct the bed-wetting habit in all cases, and had been utilized successfully in the treatment of over 275,000 cases of bed-wetting.

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 Tranex Scientific, Inc., a corporation, Morton N. Rosenberg, individually and as an officer of said corporation, Robert T. Marquardt and Dorothy Jean Marquardt, copartners doing business under the name of Tranex Scientific of Illinois, 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 Tranex Scientific, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its main office and principal place of business at 7410 North Talman Avenue, Chicago, Illinois. Morton N. Rosenberg 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 the corporate respondent's.

Robert T. Marquardt and Dorothy Jean Marquardt are individuals doing business as copartners under the name of Tranex Scientific of Illinois at 629 Hillside Avenue, Hinsdale, Illinois.

PAR. 2. Respondents are now, and have been for some time last past, engaged in the leasing of a device designated as Tranex, for use in cases of enuresis, commonly referred to as "bed-wetting". Tranex is a device within the meaning of that term as set forth in the Federal Trade Commission Act.

PAR. 3. Respondents cause said device when leased to be transported from their places of business in the State of Illinois to lessees thereof located in various States of the United States. Respondents maintain, and at all times mentioned herein have maintained a substantial course of trade and business in the leasing of said devices in commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their said businesses respondents have disseminated, and caused the dissemination of, certain advertisements concerning the Tranex device through 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 newspapers, magazines and other advertising media, for the purpose of inducing and which were likely to induce directly or indirectly the leasing of said device 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 are the following:

Stops Bed Wetting Problems.

The Tranex method to solve bed-wetting problems has proven successful in over 275,000 cases.

Dry Bed Training solves this problem.

PAR. 6. Through the use of said advertisements and others similar thereto, but not specifically set out herein, respondents have represented, and are now representing, directly and by implication, that the use of said Tranex device will stop enuresis or bed-wetting and correct enuresis or the bed-wetting habit in all cases, and that respondents' device has been utilized successfully in the treatment of over 275,000 cases of bed-wetting.

PAR. 7. In truth and in fact:

1. The use of said device will not be effective in helping an individual to control enuresis, or to correct bed-wetting, if an organic defect or disease is involved.

2. The respondents' Tranex device has not been used successfully in the treatment of over 275,000 cases of enuresis or bed-wetting.

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 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 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, Tranex Scientific, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 7410 North Talman Avenue, Chicago, Illinois. Respondent Morton N. Rosenberg is an officer of said corporation and his address is the same as that of said corporation.

Respondents Robert T. Marquardt and Dorothy Jean Marquardt are copartners doing business as Tranex Scientific of Illinois. Their principal place of business is located at 629 Hillside Avenue, Hinsdale, Illinois, and their address is the same as that of said partnership.

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, Tranex Scientific, Inc., a corporation, and its officers, Morton N. Rosenberg, individually and as an officer of said corporation, and Robert T. Marquardt and Dorothy Jean Marquardt, copartners doing business under the name of Tranex Scientific of Illinois, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, leasing or distribution of a device known as "Tranex" or any other device which functions in substantially the same manner, do forthwith cease and desist from directly or indirectly:

1. Disseminating, or causing the dissemination 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:

(a) That the use of the Tranex device is of value in stopping bed-wetting or correcting enuresis; unless such advertisement is expressly limited in a clear and conspicuous manner to cases of enuresis or bed-wetting not caused by organic defects or diseases.

(b) That respondents' device has been successful in the treatment of over 275,000 cases of enuresis or bed-wetting or of any other specified number of cases not established by evidence in the possession of respondents.

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2. 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 or lease of respondents' device, 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 in which they have complied with this order.

IN THE MATTER OF

NATIONAL HOME SUPPLY CO., INC., ET AL.

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

Docket C-711. Complaint, Feb. 13, 1964—Decision, Feb. 13, 1964

Consent order requiring Omaha, Nebr., sellers of siding material to the public, to cease making false representations, directly and through their salesmen, that buildings of purchasers would be used as models to demonstrate and advertise their siding and that purchasers would receive a reduced price; and that buildings would be entered in contests after the siding was installed and winning owners would receive substantial prizes.

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 National Home Supply Co., Inc., a corporation, and Lee Sloan and Robert Sloan, individually and as officers 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 National Home Supply Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Nebraska, with its principal office and place of business located at 4408 Capitol Avenue, Omaha, Nebraska.

Respondents Lee Sloan and Robert Sloan are officers of said corporation. They formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices herein

after set forth. Their 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 offering for sale, sale and distribution of siding material 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 Nebraska 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 the sale of their products, respondents and their salesmen and representatives have made numerous statements and representations respecting contest prizes, prices and model or demonstration houses and buildings.

Typical and illustrative of the foregoing, but not all inclusive thereof, are the following:

1. That the houses and buildings of prospective purchasers would be used as models to demonstrate and advertise respondents' siding, and that such prospective purchasers would receive a reduced price for said siding.

2. That certain houses and buildings were to be entered in contests to determine which showed the greatest improvement after the siding was installed and that the owners of the winning houses and buildings were to receive various prizes, including a free trip to a foreign country or to the State of Hawaii, a resort cottage, and a new automobile.

PAR. 5. In truth and in fact:

1. Respondents did not use the houses or buildings of purchasers as models or otherwise to demonstrate or advertise said siding. Such purchasers did not receive a reduced price for said siding, but were required to pay respondents' usual and regular price.

2. Respondents have neither conducted the contests nor awarded the prizes as set forth in Paragraph Four (2).

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

PAR. 6. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of sid-

ing materials of the same general kind and nature as that sold by respondents.

PAR. 7. 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' products by reason of said erroneous and mistaken belief.

PAR. 8. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of 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 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 Bureau of Deceptive Practices 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 the respondents that the law has been violated as alleged in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having reason to believe that the respondents have violated the Federal Trade Commission Act, and having determined that complaint should issue stating its charges in that respect, hereby issues its complaint, accepts said agreement, makes the following jurisdictional findings and enters the following order:

1. National Home Supply Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Nebraska, with its office and principal place of business located at 4408 Capitol Avenue, in the city of Omaha, State of Nebraska.

