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GYPS AND SWINDLES

BY WILLIAM TRUFANT FOSTER



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GYPS AND SWINDLES

By WILLIAM TRUFANT FOSTER

DO we like to be fooled? Apparently we do, though it costs us more than a hundred million dollars a year. Suppose "Doctor Buncombe's Magic Electro-Vitamin Belt," produced for eighty cents and priced at eight dollars, were offered tomorrow for every ailment from bald head to athlete's foot, satisfaction guaranteed or money refunded, with glowing testimonials of grateful patients, liberal use of high-sounding technical terms, and pictures of handsome surgeons seriously examining the belt. Would we fall for this fraud? History says, "Yes." The records of quackery, covering a score of countries and many centuries, leave no doubt that the Buncombe Belt producers would be discouraged, if at all, not by lack of customers, but by restraints of law.

Effective as such restraints have become in the United States in recent years, let no man fancy that he is safe

This pamphlet is based on material assembled by various Better Business Bureaus and other sources listed on pages 30 and 31.

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from gyp schemes. Old schemes reappear constantly; new ones turn up overnight; and no concern, old or new, is obliged to "cease and desist" from misleading advertising before it has fooled customers. In the single month of April, 1945, the Federal Trade Commission took action against firms which were charged with misrepresenting these things:

advertising novelties
books
bottle caps
canned sea food
"coal saving" devices
confections
cosmetics
drapery fabrics
fire bricks
fur garments
furniture
hair dyes
hair preparations
health foods
household articles
jewelry
Kelp-A-Malt Tablets
laxatives
leather goods
livestock spray
lubricants
medicated soap
medicines
moth preventives
nasal filters
olive oil
optical goods
ozone-generating device
"packaged" tours
pearls
photographs
poultry medicine
prophylactics
radio sets
rat poison
razor blade sharpener
salts
scalp treatment
shellac
sinus trouble cure
suits
thread
umbrellas
vitamin preparations
waterproofing products
women's hats

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In that same month, eight firms were charged with misrepresenting umbrellas; thirteen, cosmetics and medicines; and fourteen, fur garments.

MOST BUSINESS CONCERNS ARE HONEST

FOR every gyp concern, however, there are hundreds of dependable ones. Better Business Bureaus in ninety-one cities, maintained by business concerns, constantly protect consumers from swindlers and provide factual information as a guide to wise buying and investing. The Federal Trade Commission, branding misrepresentations of products as unfair competition, has curbed many rackets. Further protection is provided by federal and state food, drug, and cosmetic agencies and by the bureaus controlling weights and measures. The American Medical Association, although it has been known to accept questionable advertising in its own *Journal,* has long waged warfare against nostrums.

Yet some writers give the impression that much that we eat is poison, that all patent medicines are dangerous, and that men who pursue profits are necessarily untrustworthy and their claims false. One of these writers declares that 90 per cent of our advertising is fraudulent. That is difficult to believe, since much of our advertising says nothing more deceptive than "James Turner sells coal," and since many agencies, public and private, carry on continuous warfare against misleading advertising. In fact, so much is done to keep consumers from being cheated that it is usually a man's own fault if he hands his money to a swindler. He does not use the readily available sources of information. He does not heed the warnings of the Better Business Bureaus:

Read before you sign—and keep a copy.

Before you invest—investigate.

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GYPS FOR G.I.'S

TODAY the swindler looks upon the returned soldier as an easy mark. Many a soldier has in his pockets his back pay, plus travel expenses to his home, plus part of his mustering-out pay. In the case of an officer who has been a prisoner of war, these accumulated funds may amount to thousands of dollars. Moreover, soldiers and sailors and their families have more than thirty billion dollars in war bonds of small denominations, plus enormous savings in banks, plus the privilege, under the "GI Bill of Rights," of having loans up to $2,000 guaranteed by the government. Never before have swindlers seen so much money almost within their grasp.



Recently, one discharged soldier, while waiting to take a train for home, fell into conversation with a smooth, well-dressed stranger who posed as an expert industrial engineer. This stranger, who knew just how to start the soldier in business for himself, collected $100 in advance for "expenses." That was the last the soldier saw of the "engineer" or the money.

Partnership Rackets

Soldiers have heard so much about the willingness of the government to help them go into business for themselves that the way is paved for partnership rackets. Here, for example, is a company which is short on customers, working capital, good will, and prospects. It is, in fact, about to go on the rocks. In desperation the owner advertises for a partner who will put several thousand dollars into the business. Then he maintains a false front

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of business activity. Soon after that, the new partner finds that he has bought little more than a share in the debts of a dying enterprise. In Minneapolis, one partnership racket has taken in scores of men and tens of thousands of dollars. Every returned soldier who plans to start a business or buy a share in a going concern should first read the Better Business Bureau booklet, *Facts Veterans Should Know Before Starting a Business.*

Territorial Rights

The lure of postwar economic security is now turning up in many bright-colored forms. One of these is "territorial rights" for a patented product. The prospect's caution is temporarily put to sleep by a persuasive, plausible, and flattering sales talk, bolstered by all the facts except the important ones. Moreover, this racket closely resembles everyday, legitimate business. The victim, thus hypnotized, signs a contract in which he agrees to buy, within a stated period, what turns out to be far more of the product than he can sell. So he forfeits the substantial down payment which, "as an ordinary practice of good business," he was required to make when he signed the contract. That's the end, because the contract was designed for that end and no other.

So-called "Schools" to Avoid

Many specialists in gyp schemes are planning to get part of the millions of dollars which the government is prepared to provide for the tuition fees of returned soldiers. The so-called "schools" which are springing up on every hand will provide education in a specialized type of swindle, but not much beyond that. Any man who falls for such a scheme has only himself to



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blame, for nearly every public library has lists of schools and colleges approved by the United States Office of Education or by the American Council on Education. Moreover, in almost any city, the office of the Superintendent of Schools can supply the needed information. In this type of gyp, as in many others, the promoters don garments of respectability. That is part of the swindler's stock-in-trade. A fake school can print just as alluring a catalog as any other school.

Plantation Rackets

Why not buy a golden orange grove in golden Florida and live in ease the rest of your life on the income from your grove? Here is an "expert grower" to show you how. He has an album of colored pictures—lovely pictures—and a barrage of statistics to break down any doubts you may have about profits to come. He offers to sell you the land as pictured, and select, plant, and care for the trees until they bear fruit. Then you can give up your wearisome work in the frozen north and bask in the warm sunshine of your orange grove. Perhaps! Many a man, working hard on his acres of orange trees, or pecan trees, or tung trees *has* earned a living; but anyone who expects to do that as an absentee landlord, from profits on land he has never seen, deserves a place on a sucker list.



The Best Counsel is Free

Keenly aware of these dangers, many reliable agencies offer timely help, free of charge. Anyone who asks a returned soldier to pay for such help should be investigated. The Army regularly warns its men against swindles and

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urges them to deposit part of their funds in banks at discharge posts. The Veterans Administration also gives free counsel and tries to have all loans handled through safe agencies. Any soldier who thinks of buying a farm can obtain free help from a veterans' advisory committee connected with the office of a County Agricultural Agent. Other committees, 6,400 of them, connected with local draft boards, are helping veterans to find jobs.

Agencies That Will Help You

Still other agencies that give free help are American Red Cross, Veterans' Employment Service, American Legion, Salvation Army, Y.M.C.A., Travelers Aid, U.S.O., Chambers of Commerce, A.F. of L., and C.I.O. Some of the agencies are listed in every city telephone book; any one of them can direct inquirers to the others.

Veteran's Guide, which is Public Affairs Pamphlet No. 102 (April, 1945), directs returned soldiers to agencies which help them instead of fleece them. That pamphlet gives definite answers to such questions as these: Where shall I go for help when I get home? How shall I keep up my life insurance? How can I continue my education? How can I get my old job back? Where shall I look for a new job? How much money is allowed me while I am looking for a job? How can I get a Civil Service job? How can I get a loan guaranteed under the "GI Bill of Rights"? Any veteran who uses this 32-page guide will be protected against far more than thirty-two swindles.

MORE GYPS FOR THE GULLIBLE

MANY of those who are out to give consumers a run for their money use well-known catch phrases. Stop and look, if you like, but do not listen. Here are some of their slogans:

Buy 100 shares of stock in our company and we will make you Vice President at $50 a week.

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Buy coal direct from the mines at bargain prices.

Our grass seed never grows higher than three inches.

Your fortune told from your palm.

Mexican divorces easily obtained by mail.

Cut down your gas bill 20 per cent with our thrift attachment.

Put our puncture-proof fluid in your tires and save money.

With this book you can mold anyone to your will.

The money all goes to disabled veterans.

Join our mannequin school and earn while you learn.

You, too, can be a famous writer: introductory lesson free.

Profitable Home Work in Spare Hours

Beware of offers of easy, refined work in spare hours in your own home. Many are frauds. You are assured that if you send two dollars "for samples" or "to show that you mean business," your deposit will be returned when your earnings reach a certain figure. Earnings seldom if ever mount to such heights. The concern may only be after your deposit. Don't send it. Check up on anyone who offers to show you how you can earn money at home addressing envelopes, copying cartoons, gilding greeting cards, raising frogs, or growing mushrooms.

Advance-Fee Rackets

Reputable real-estate firms do not demand payment before a sale has been made. Reliable solicitors do not inform you that you are heir to an estate and then ask you for "expense" money; nor do honest employment agencies *guarantee* you a job on condition that you make a substantial deposit. Beware of strangers, no matter how smooth of speech or dress, who offer to act as your agent and ask for a down payment. Beware of all salesmen who try to get you to cash in your war bonds.

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Repair Rackets

Reports by *Reader's Digest* of radio, watch, and automobile repairmen throughout the country warn us to deal, whenever possible, only with repairmen of known reliability. In one sampling, 304 radio shops were asked to fix a radio with which nothing was wrong except a loose wire or tube. More than half the shops tried to cheat the customer by charging for repairs they merely pretended to make.* Most of us know so little about such equipment as radios and vacuum cleaners that we are at the mercy of repairmen. It is wise to be wary.

DOOR-TO-DOOR DECEIVERS

THE "crippled" ex-service men, the students "working their way," and others who ring doorbells these days have a hundred ways to catch you if you don't watch out.



Here is one of these swindlers, glib and flattering. He tells you that because of your prominence in the community, his firm wishes, as an advertisement, to paint your house at no cost to you. That's your cue! Stop the sales talk at that point. There are forty variations to this racket, but all end the same way. Even if you are lucky enough to get a good job done, you pay far more than you would have paid to a reputable dealer in your own town, who is too busy to run around and, in any event, does not specialize in flattery.

Dependable repairmen do not tramp from door to door looking for business. If a stranger appears at your door

* Roger W. Riis and John Patric, *The Repairman Will Get You If You Don't Watch Out*, New York, 1942.

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offering to repair roofs, furnaces, radios, washing machines, clocks, toasters, refrigerators, or anything else, say "Good-bye"—not another word—and close the door. Otherwise, his slick talk may inveigle you into letting him take away your washing machine "for repairs," and you will wish you had said "Good-bye" to the stranger instead of to your washing machine.

Turn a deaf ear to the stranger who offers to paint your house with "liquid plastic," to kill termites, to examine your roof for leaks, or to do surgery on your trees. When in doubt check with your Better Business Bureau.

Never sign papers handed you by a stranger who lacks proper credentials, and never hand him money. This rule applies to the delivery man who says he has a C.O.D. package for your neighbor who is not at home, and asks you to pay the charges. The package may contain sawdust.

"Nothing is so disconcerting to a suave schemer," says Frank W. Brock, "as to have his potential victim listen politely to his introduction and build-up and then remark, 'How interesting! I heard all about that racket last week. Aren't the police looking for you?' "

We can't describe many of these rackets here, but we *can* tell you how to avoid *all* of them: *refuse to do business with strangers whose honesty cannot be checked.*

LUCKY CHARMS

IF you must have a good-luck charm, you may as well use a metal cap from a ginger ale bottle. No other charm at any price has greater magic powers. If you prefer a costlier charm, watch for current offers such as these:

> Our lucky charm may bring you wealth, power, love. Have you tried other lodestones without success? Do not despair. Our world-famous charm has been used for centuries to uncross the wearer, ward off illness, prevent accidents, and defeat enemies. Legend says that if you have been unlucky at cards or in love, you need this charm.

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If you have had hard luck, hundreds says that all you need is the master prayer. Send $1.00. Do it now.

Do you wish to be victorious in love? Send $2.00. If you act promptly you receive, free, the Palagric Seal of good-luck in blood-red ink, on Persian Parchment.

Our sign of fortune for only $1.19 is powerfully impressed with mystic symbols which for centuries have been used to overcome evil influence.

Evidently large numbers of men and women continue to buy magic: *someone* must pay for the hundreds of advertisements of this kind which appear every month. Such bids for your money are within the law because they carefully refrain from claiming magical powers for their trinkets. All they claim is that many people *use* them; that, unhappily, is true.

TRICKS WITH TYPE

SOME traders are forever "going out of business." In big cities, for example, some luggage dealers always are selling out "at greatly reduced prices." Such appeals are made chiefly to visitors from out-of-town who have no means of knowing that these traders are *perpetually* selling out. Some of the signs are tricky, like the one which reads "going out *for* business," with the word "for" so small that the careless shopper reads the sign as "going out of business."

In an advertisement of used cars in Detroit papers, "FOR SALE opposite FORD MOTOR COMPANY," the word "opposite" was in such small type that the offer appeared to be made by the Ford Motor Company. Maple Maid Syrup has been advertised with pictures of maple trees and, in very small print, the admission that the product is only one-third maple syrup. In April, 1945, in complaint 5312, the Federal Trade Commission charged that a well-known firm falsely represents certain cigarettes as

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of English origin and manufacture by means of heraldic emblems, pictures of the Parliament Building in London, and the legend "By Appointment to his Majesty, the King." The required factory notice, showing that the cigarettes are made in the United States, "appears *in minute type* on the back or side of the package and is not visible from the front."

Amos and Andy called attention to other tricks with type. When Andy brought home a phony insurance policy, impressive with its gold seal and ribbons, promising $1,000 to Andy's heirs, Amos examined the policy carefully and then said: "Andy, the big type gives it to you, but the little type takes it away."

Read before you sign—especially the little type.

GET-RICH-QUICK SCHEMES

INTEREST rates are at an all-time low. Nobody can get rich from interest on bonds. Nobody can do much better on dividends. Nobody has to wait long, however, before someone shows him a "sure" and "safe" way. Here are some of them:

Tipster Sheets

Tipster sheets pretend to furnish unbiased advice on investments. Almost everything in a tipster sheet is true and almost all the advice is obviously sound. This is to create an atmosphere of reliability. The sole reason for publishing such a sheet, however, is the advice it contains to buy a certain stock which the publisher of the sheet is trying to unload.

Anyone who buys such "securities" is loath to believe that he has lost all his money; often he is easy prey for someone who offers to accept his worthless stock certificate as payment toward the purchase of another "security." If he gets hooked again, he hasn't the sense of a brook trout. He can easily learn the truth through any reputable

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house. Anyone who offers an allowance for such stock thereby advertises himself as a fraud.

How to Play the Stock Market

The stock market boom now provides an open season for "financial consultants" of all sorts. Millions of shares of cat-and-dog stocks are now being sold on the basis of rumors, hunches, and lies, plain and fancy. Total sales are three times as large as they were before the boom started. Especially large are odd-lot sales, margin sales, and sales of low-priced stocks. This means that thousands of inexperienced men and women who can't afford it are "playing the stock market." All this leads the wary to prepare for "another 1929" and the unwary to forget that a crash always follows a boom.

Eager to protect the unwary are the stock exchanges, the Federal Reserve Board, and the Securities and Exchange Commission; but today's "consultants" in luxurious offices are much more careful than yesterday's tipsters. Many keep within the law. The get-rich-quick speculator must protect himself. Toward that end, he will do well to heed the advice of Bernard Baruch, a highly successful speculator: "If you are ready to give up everything else—to study the whole history and background of the market and all the principal companies whose stocks are on the board, as carefully as a medical student studies anatomy—if you can do all that and if, in addition, you have the cool nerves of a great gambler, the sixth sense of a kind of clairvoyant, and the courage of a lion, you have a ghost of a chance."

Toronto Swindlers

Most of the slick stock swindlers who flourished a decade ago in the United States are now outlawed. From Toronto, however, the old-time bucket shop operators and other high-pressure sellers of low-grade stocks are now doing a get-rich-quick business, by mail, telephone, and telegraph, all over the United States. Their victims, it

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appears, are losing at least a million dollars a week. Some of the gold mine and oil properties on which shares are sold from Canadian offices exist only in the imagination of these fly-by-night romanticists. Ex-service men, especially, are urged to get in "on the ground floor" without a moment's delay. One of these men began receiving telephone calls from Toronto a few days after his picture appeared in a Buffalo newspaper. Although a few states have banned this Toronto racket, it will last, no doubt, as long as the supply of suckers lasts. Protection against such fakes, however, is close at hand. Reputable dealers in your own state, who can sell you any *sound* stock that any Canadian dealer offers, will refuse to sell you the unsound ones.

Guaranteed Gushers

"Flamboyant mail-order literature," says George M. Husser, "several years ago was booming oil in southern California. Tourists had to be warned against the 'lunch and lecture' methods used by golden-tongued salesmen to dispose of oil interests. It was done on a circus basis, by the 'feed 'em and fleece 'em!' game. Promoters put up a Chautauqua tent near a big cluster of oil derricks, served meals to hundreds of tourists, and then 'poured on' the misrepresentation. One printed advertisement actually 'guaranteed gushers.' "* The only gushers that such promoters can produce, however, are sales talks.



In our day, the "feed 'em and fleece 'em" game is more commonly played by real-estate promoters.

* See George M. Husser's *Rackets That Get Your Money,* from which this case is taken.

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Spanish Prisoner Fraud

Many of the frauds here listed have been exposed over and over again. Nevertheless, some of them will bob up again next week with slight variations. The Spanish prisoner letter, for example, which is said to have been started in 1588, is still in the mails. Sometimes the writer, calling himself a prisoner in Mexico, says he has $185,000 in cash, which he will divide with you if you will go to Mexico and provide money enough to buy his freedom. Often there is the additional lure of a beautiful senorita who will be placed as a hostage in the care of the prospective victim. Since such a patent fraud has been worked for centuries, it is no wonder that the more plausible schemes of this century continue to lure their victims.



Fur Farms

It is easy to compile statistics which prove that if you buy a pair of silver foxes at a given price, and the offspring appear at a given rate, and the market for the skins is satisfactory, the profits will be huge. Such statistics are used to induce a get-rich-quick victim to buy a pair of foxes and leave them on a fur farm. The operators will go so far as to show the investor the beautiful foxes which he has bought. He has no way of telling, however, how many other men have bought the same foxes; nor is there any likelihood that the animals will live up to the biological statistics. The sellers offer to buy the progeny at attractive prices. This is part of the sales talk. In the case of a fur farm, however, as in the case of all other "buy-back" contracts and "money-back" guarantees, the offers are no better than the guarantors. In every fur farm, the more expansive the promises, the more wary the investor should

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be, even though the Securities and Exchange Commission has ruled that promoters of such schemes must register under the SEC Act.

Prize Get-Rich-Quick Scheme of the Month

The Better Business Bureau of Los Angeles recently discovered, in "California Business Enterprises," the prize scheme of the month. This is the offer: "New sensational business: 10,000 per cent profit, $25 capital needed; absolutely legal; $100 reward for proving untrue."

Those who respond receive a red, white, and blue circular, asking for a fee of $2 for the complete plan and instructions. Those who pay the $2 are told: "This is a good business to enter, since you yourself invested $2. Now start up for yourself, using the same method, retaining each $2 received, and urge the senders to go into this business, as we have urged you." In addition to this advice, the investor receives instructions for pressing out rose petals in such a way that the petals "give off a scent forever." The rose petals, comments the Better Business Bureau, are not the only things about this plot that smell.

BUY IT CHEAP

THE lower the price, the more cautious you should be.

Buy It Wholesale

Look with suspicion on any dealer who offers to do a retail business at wholesale prices. No one can sell goods at retail without charging enough to cover the expenses of retail selling. There is no one to pay those expenses except the customer.

Stuffed Flats

It is sometimes possible to buy second-hand furniture at low prices from a family which is obliged to sell; but wily traders rent flats, furnish them from their own stocks,

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pretend to make private sales, and charge prices higher than those which prevail in reputable stores. The flats are regularly "re-stuffed."

Smuggled Goods and Unclaimed Merchandise

Beware of the man with a foreign accent and the dress of a sailor who sidles up to you on the street or knocks on your door and tells you, confidentially, that he can make you a low price on furs, laces, rugs, or linen, because the goods have been smuggled and no duty has been paid on them. Beware, also, of the dealer who offers you a very low price on a given article because a deposit was made on that article by a customer who did not return.

Coupon Schemes

When anyone hands you a free coupon and offers to accept the coupon in part payment for photographs, overcoats, cosmetics, radios, or anything else, you may well suspect that the alleged value of the coupon and something more will be added to the price of the merchandise.

One kind of coupon offers the fortunate recipient a "free" permanent wave. If the holder tries to cash in her free coupon she finds that the offer covers only the "permanent waving" and that for the other necessary parts of the operation she is required to pay more than enough to cover the complete job.

Bait Advertising

One warehouse in Chicago advertised a well-known make of piano at a low price. A man who tried to buy one of those pianos found that the salesman immediately urged him to buy another kind at a higher price. When the customer insisted on seeing the advertised piano, he was told that only one of that make was left and the sounding-board of that one was cracked. This scheme has many variations. Always the purpose is to lure the customer inside with an offer of desirable goods at a low price in order to sell him something else at a higher price.

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MORE DANGER SIGNS

WHEN you read "Danger: Road Impassable," or "Detour: Bridge Out," you take heed, especially if you have not traveled that road before. There are many advertised roads to health, riches, and big bargains which are new to you, but well known to trick-traders. Watch for these danger signs:

You can't lose: we will buy it back at any time.

We guarantee you ten per cent on your investment.

Don't break the chain: send this letter, as directed, to three persons.

Take this course by mail; we guarantee you employment.

Can you find five faces in this picture? Send ten cents for the next puzzle.

Your insurance policy is good, but here is a better one.

Want a wealthy, pretty sweetheart? Write us today.

Take our mail order course; get a Ph.D. degree.

Electric Battery Rejuvenator: makes old batteries work like new.

Our short course in Pedopractic enables students to earn $200 to $1,500 a month.

All the cigarettes you want: send half the money now, the rest when you receive the cigarettes.

Something For Nothing

One way to avoid traps is to refuse to believe anyone who offers you something for nothing. No business can be conducted that way. If you fall for such an offer, *someone* may get something for nothing; but it will not be you. Offers like the following are almost always traps for the unwary:

You are the lucky man: in the drawing, you have won a free house lot.

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Send us your song for free criticism.

This nontransferable coupon is good for five dollars.

We will enlarge and beautifully tint your photograph, charging only the costs of the materials.

Tobacco habit cured free.

Fits stopped. Costs nothing to try.

HEALTH FOODS, FADS, AND FAKES

UNDER the Pure Food and Drug Act thousands of adventurers have been driven out of business. One agency, which began advertising its compound as a "sure cure" for stomach ulcers, tuberculosis, and appendicitis, has become honest gradually (following suggestions from the Federal Trade Commission) until it now claims only that its compound is excellent for those conditions for which it is suitable. Under our present laws, no gadgets or drugs can be advertised as "cures."

There are many agencies, however, which still fatten their coffers by fooling the sick. Some famous advertisements are listed here because they may turn up any day under new names:

Magic cure for baldness: only $48.00. (*Twenty cents worth of kerosene oil and alcohol.*)

Plastic Appliance Institute, endorsed by a lady from Memphis who produced a perfectly lovely nose in two days by the use of the Institute device.

"Electrovita" dissolves a tumor in from four to six weeks.

Our teeth fit perfectly; order by mail.

"Vit-O-Net," a heating pad selling for $100.

"Electrifiable Company's" magic heel plates heat the blood and thus heal diseases.

Pastor Koenig's Nerve Tonic: A natural remedy for brain weakness.

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Rupture cured by mail or your money back.

Marvel perfumes of high sex potency.

Viola Cream enables a lady to grow thin at any specified point.

Gland-Glad enables you to be a HE man.

Sex truth at last: the science of new life.

No matter what testimonials are offered from "cured" customers (testimonials for anything can be bought), there is no product that can be counted on to cure cancer, diabetes, influenza, or tuberculosis. There is no known drug or combination of drugs that removes the desire for drugs. There is no known way of restoring the color of hair or dyeing it so that it will stay dyed; no known tonic which will "nourish" the hair; no known method of stopping the growth of hair without stopping the growth of the patient. There is no way in which soap, salts, or any other substances, externally applied, can reduce obesity; no way in which creams can develop the bust or build tissues. There are no electro-magnetic belts which induce health, for magnetism has no curative powers. Anything which is advertised as a "health food" also should be looked upon with suspicion if the claim is implied that it has more curative powers than any other wholesome food possesses.

SCARE ADVERTISING

THE leading scare advertising of a generation ago belonged to the "Lost Manhood" group. Men were frightened into believing that normal conditions were extremely dangerous. "A small leak will sink a ship." "Hell-Fire Advertisements" are still common: *Don't let B.O. make you a social outcast. Heed the warning of pink toothbrush. Science finds danger in toilet papers: three out of four are unsafe. Two hundred million germs killed in*

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five seconds. Four out of five have it. Spit is a horrid word: buy only our machine-made cigars.

Many men and women are scared into using so-called "cures" for the so-called "common cold." Yet to science no sure cure is known. Long ago the Food and Drug Administration took measures in over a thousand cases to prevent further sale of products advertised to cure or prevent influenza and colds.

Hundreds of "plagues" are used in scare advertising. Among those listed by *Printers' Ink* are: *cheap soap complexion, coffee nerves, germ mask, office hips, paralyzed pores, scalp crust,* and *radio ear.* Some of the new ones include *borderline anemia* and *American stomach.* Most of such scare advertisements are almost entirely bunk. In some of them there is a trace of truth. That makes it more dangerous.

BEAUTY IN BOTTLES

WOMEN are paying more than five million dollars a day for beauty in bottles and other aids to glamour. Obviously, much of this money is well spent. The least that can be said, however, is that not all women are getting their money's worth. In some cases, it appears that the higher the price and the more alluring the container, the easier it is to sell the cosmetic. One cream, for which sales at $2 a jar were disappointing, sold readily for $10 a jar when put up in glamour jars. Some time ago, another cream, consisting of five cents' worth of peroxide of zinc, petrolatum, and sodium perborate, sold for $5. One "skin tonic," made for one cent, sold for a dollar.

Women would save money, time, and disappointment if they would heed the warnings of scientific researchers:

Years cannot be washed away by the use of any grease.

No cosmetic can keep the skin young and flexible.

Nothing can grow hair on bald heads.

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Nothing can make dingy teeth shades whiter.

The contours of youth cannot be restored by hormones, osmosis, or any substance externally applied.

Although creams are recommended both to enlarge and to reduce the bust, no cream can do either.

Lash Lure has caused blindness, and there is no certainty that the next new beauty aid will be perfectly safe.

Mysterious Turtle Juice, though sold for $25 a jar, is as powerless as all other juices to "restore lost facial youth."

There is no safe way to reduce which involves neither exercise nor control of diet.

Beauty results chiefly from heredity and good health; and good health depends chiefly on the right diet, cleanliness, mental serenity, and good exercise and sleep habits.

Some of the testimonials to the contrary are either bought and paid for, or furnished by women who themselves have been fooled.

GRADES AND LABELS

YOU can't be sure of getting your money's worth unless you know *what* you are buying. Sometimes you *do* know. You know, for example, the measurements of that lot in Golden Glow Glades. You know because the federal government has established a standard unit of length. There are those, to be sure, who say that standards set by the government "hurt business." They warn us against this "fervor for facts." This fervor for facts does restrict the freedom of the seller. He has to talk about size in terms less vague than romantic adjectives. The use of a standard, however, does *not* restrict the freedom of the buyer.

No one expects dealers to show by means of labels that the latest style in women's suits is worth twice as much as a creation of three springs ago. It is possible, however,

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to measure the wearing qualities of suits. Moreover, the buyer's knowledge of wearing qualities does not prevent her from taking style factors into account. It does frustrate some sales appeals that are based solely on her ignorance.

Consumers Are Victims of Progress

Consumers are bewildered by the increasing complexity and variety of products, as well as by the increasing confusion and din of advertising. How many commodities have *you* bought this week with accurate and helpful labels? Not many. For the rest, you knew only that the quality was "better," "prime," or "Double A." And this high praise told you precisely nothing.

Perhaps you know a sheet when you see one. But, judging it by weight, do you know how much is sheet and how much is sizing? Do you know the thread count per inch? The breaking strength? Do you know whether the sheet is a "first" or a "second"?

Do you know your beans? The label on this can says "extra special"; on that one, "superb." How do they compare with "Top Wonders"? Take your choice and take a chance. You are buying adjectives.

When you buy anything labeled, "Contents Guaranteed," you should know exactly what the contents are guaranteed to be—unless, possibly, they are guaranteed merely to be "contents"; and the guaranteeing should be done for your protection.

Often you get your money's worth because most merchants are honest; but honest merchants have to contend with unfair competition. Chiselers thrive on lack of standards. Honest men, both merchants and consumers, pay the penalty.

Far more useful information is offered now than a generation ago. Consumers can get more for their money by using all the available information and constantly asking for more.

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How to Promote the Use of Standards

In *More for Your Money,* which is Public Affairs Pamphlet No. 63, Carol Willis Moffett says:

1. Bear in mind that you have a right to specific and complete information about anything you buy.

2. Look for labels and advertisements that give all the facts you need to make an intelligent choice.

3. If all the important facts are not given in advertising or on labels, ask questions. . . .

4. Either as individuals or in group programs, study available national standards and ask your local retailers to provide merchandise that is labeled informatively. Do not be discouraged by indifference or the small beginning that has been made.

5. Cooperate with organizations and agencies that are promoting the development and use of national standards.

SMALL LOANS WITH BIG REGRETS

NEARLY everyone at some time or other has to borrow money. Now and then that is a prudent thing to do. There are times when a loan from the right source, rightly used, can cut down expenses as well as worries. The wise consumer, however, does not borrow money from any source if he can readily avoid it. He knows that he may have hard times with "easy payments."

Reliable Money Lenders

The only lenders to be trusted are those regulated by the federal government or by the states. These include licensed small loan companies, commercial banks, Morris Plan banks, and Credit Unions, as well as some agencies that lend money on the security of the borrower's own property, such as savings banks, building and loan associations, insurance companies, and pawnshops.

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Loan Sharks

There are illegal lenders, however, who defraud unwary borrowers every year out of more than $100,000,000 at rates which commonly are not far from 240 per cent a year. Nearly all these loan sharks have been driven out of the thirty-one states that have adopted effective forms of the Uniform Small Loan Law. Loan sharks still do business, however, in the five states that have no small loan laws, namely: Kansas, Montana, North Dakota, South Carolina and South Dakota; also in the eight states that have largely or wholly inoperative laws, namely: Alabama, Arkansas, Georgia, Mississippi, North Carolina, Tennessee, Texas, and Wyoming. Loan sharks also flourish in the District of Columbia, over which Congress could, if it would, exercise complete control.

Beware of—

To keep out of the clutches of loan sharks the borrower should beware of the lender who asks him to sign papers before the figures are filled in; the lender who requires payment of the loan within a week or two; the lender who pretends that he does not lend money but buys wages; the lender who operates on a street corner or in a cigar store; the lender who fails to display a license; the lender who hands the borrower coupons as part of the loan; the lender who requires that for a single loan more than one note be signed; and the lender who fails to give the borrower copies of the signed notes or receipts for payments. Devices for defrauding hard-pressed borrowers are as old as recorded history. New ones crop up constantly.*

* Credit agencies, their methods, tricks, and charges, are described in Public Affairs Pamphlet No. 5, *Credit for Consumers,* revised edition, 1945. The tricks of illegal lenders are described in Public Affairs Pamphlet No. 39, *Loan Sharks and Their Victims,* revised edition, 1945. Credit Unions are described in Public Affairs Pamphlet No. 50.

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"NOTHING DOWN"—EXCEPT THE CONSUMER

INSTALMENT selling has its place. Millions of families buy "on time." Such large numbers would not have risen to the easy payment bait had they usually been hooked for losses. Buying on time has helped to promote mass production and has aided consumers in spending for durable goods money which might have been frittered away. Moreover, a great majority of instalment sellers are trustworthy. Their main fault is that they do not make clear exactly how much more it costs to buy on time than to buy for cash. This can hardly be called a swindle.

The chiseling minority of instalment sellers, however, have a bag full of tricks. They have many concealed ways of overcharging you. For protection against the tricks of this small minority of unreliable dealers, you should beware of:

The seller who tries to hurry you.

The seller who refuses to give you a copy of the contract.

The seller who requires you to pay for insurance, but refuses to give you a copy of the policy.

The seller who quotes a percentage charge which is not the true per cent of the actual unpaid balance.

The seller who bases his carrying charges on a "cash price" that is far above the *real* cash price.

The seller who adds a new contract to an old one.

The seller who lures you into his store with a certain bargain and then insists on selling you something else.

The consumer who vigilantly protects himself against such frauds, and who insists on finding out exactly what rate of interest he pays on actual unpaid balances and compares that rate with the rates he would have to pay

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for other available sources of credit, can sometimes use instalment sales plans to his advantage.*

STILL MORE WAYS OF LOSING YOUR MONEY

THERE is not enough room here even to list the five hundred other frauds that Better Business Bureaus have run down. Some of them have to do with:

Ambulance Chasing
Antiques
Astrology
Auction Sales
Automobile Accidents
Aviation Schools
Bathing Beauty Contests
Beano
Buried Treasures
Clipping Bureaus
Diploma Mills
Distress Sales
Factory to You
Free Memberships
Gasoline Pills
Gold from Ocean
Guaranteed Profits
Hard Luck Stories
Height Increasing
Honorary Memberships
Lottery-Sweepstakes
Magazine Selling
Movie Screen Tests
Panama Hats
Pawn Tickets
Popularity Contests
Puff Sheets
Punch Boards
Puzzle Contests
Sample Cases
Scenario Writers
Soap Selling
Suit Clubs
Veterans' Appeals

Not every enterprise in these fields is a swindle. Far from it. In many a case, however, five minutes spent in seeking advice from the right source will protect five months of savings. Incidentally, it may be the first step towards stopping a fraud.

* How to avoid the abuses of instalment sales contracts and how to use credit to advantage are described in *Instalment Selling—Pros and Cons,* Public Affairs Pamphlet No. 61, 1941. 10¢. How to figure the rates on loans and instalment purchases is explained in *One Hundred Problems in Consumer Credit,* Pollak Foundation, Jaffrey, N. H. Third edition, 1945. 10¢.

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CONCLUSION

IN conclusion, and partly by way of summary, here are a few *Dont's* and a few *Bewares*. The reader who can't profit from heeding at least one of these guide-posts should hand this pamphlet to someone who comes nearer to being an average consumer.

Dont's

Don't carry around with you large amounts of cash.

Don't buy advertising space in an alleged labor sheet, Army and Navy publication, souvenir program, or anything else, unless it is approved by a reliable agency.

Don't assume that a Social Security Account number necessarily identifies the holder.

Don't try to buy romance by mail from a "lonely hearts" club.

Don't rely on any promise that is not in the contract.

Don't contribute money in response to a telephone call, no matter who the speaker *says* he is. Ask for the story in writing.

Don't fall for any "Who's Who" publishing scheme before you find out "Who's Who" among the promoters.

Don't lend money to the Archbishop of Psychiana or to any other promoter whose finances are a secret.

Don't believe the ticket seller at your door or on the telephone who tells you that *all* the money goes to the charity he names.

Don't sign a "completion certificate" for work on your house before you are sure that all the work has been done as it should be done.

Don't sign a blank to be filled out later.

Don't accept unordered merchandise.

Don't pay for a C.O.D. package before you know what you are paying for.

Don't give money to a solicitor for any "religious" organization, unless it is endorsed by a reputable agency.

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Beware of Strangers Who:

Offer you something for nothing.
Sell cemetery lots as "investments."
Tell you they have sold all but one.
Offer you a "sure cure" for anything.
Say they guarantee you a job for a fee.
Call at your door with hard-luck stories.
Promise to resell what they sell to you.
Use flattery in order to sell you something.
Promise huge profits on far-away real estate.
Offer to lend money though not licensed to do so.
Ask you to tell nobody about their offers to you.
Offer you a chance to get in on "the ground floor."
Urge you to act quickly lest you miss your chance.
Are evasive or offended when asked for credentials.
Urge you to cancel one insurance policy and buy another.
Ask money for a charity without satisfactory credentials.
Offer free coupons or free club memberships or a stock bonus.
Try to sell you a partnership in a "highly prosperous" concern.
Tell you the books of the corporation are being closed tomorrow.
Promise you big returns for easy, pleasant work in your own home.
Warn you not to tell your bankers, for they will grab all the stock.
Tell you they are just passing through town and this is your only chance.
Offer you a "safe" investment with a sure return of 10 per cent or more.
Sell gadgets or pills for cutting down your costs of fuel, gasoline, or tires.
Say they need to sell only one more magazine subscription in order to win a prize.
Sell goods "on time" without quoting accurate rates per month on the unpaid balance.

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FOR FURTHER READING

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