
ADVERTISING - SAINT OR SINNER?

ADDRESS BY

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When I first was assigned the topic, "Advertising - Saint or Sinner," I regarded it as a very satisfactory subject. I thought that Advertising, as the Patron Saint of Business Prosperity, while perhaps thus in the early 1930's open to suspicion of a sin of omission in respect of Prosperity's loitering around the corner, could never be suspected of any sins of commission, as surely such were not its sins but those of individual sinners who had strayed from the Federation fold. I thought, naturally, that at a convention of the Federation I should be talking to the very hierarchy of the angels and that simply by roundly scoring the conspicuously absent sinners we all should be left with a pleasant taste and a warm glow of self-satisfaction in the middle regions. Somewhat tentatively I thought that I might open the camp meeting with the old American Carriage Company slogan, "This Way Sinners," and somewhat modestly I thought I might go down in Federation history as "The Freer that made Milwaukee famous."

Upon closer consideration of the matter, however, I was dismayed to find that sin in advertising, like sin in general, is something that everyone, like Coolidge's preacher, is "again," and that an old-fashioned revival would be no more appropriate at a convention of the Federation than it would be in a conference of missionaries. And with all these wings in evidence, I'm certain that there's not a cloven hoof in the room to hit the sawdust trail had I been zealous enough to issue the call.

I am very glad to be here today. In a sense I am returning a visit which some of your members paid to the Federal Trade Commission over 30 years ago when Chairman Joseph E. Davies in whose home State we meet today, invited H. S. Houston, President of the Associated Advertising Clubs of the World, to appear and discuss the status of untrue and misleading advertising under the then newly enacted Federal Trade Commission Act. Attending that November 1915 meeting, too, were W. H. Ingersoll, representing the National Advertisers; E. T. Meredith, farm newspapers; James Keely, newspapers, and Charles R. Porter, advertising agencies. Another participant was H. J. Kenner, then representing the National Vigilance Committee, whose book "The Fight for Truth in Advertising" was published in 1936 under the sponsorship of the Advertising Federation of America. Both entertaining and informative, it commemorated the 25th anniversary of the advertising industry's campaign for self-correction and self-discipline in advertising.

I am deeply serious when I say that I do wish to congratulate the Advertising Federation of America for its tireless efforts to make truth the keystone of modern advertising. The battle of the Federation, its predecessor and cooperating organizations, including the Better Business Bureaus, and of the little band of determined men from the ranks of the advertising clubs who first carried the torch for truth in advertising, is an inspiration to those of us in the government who must administer the legal sanctions against deception of the public. It is you -- the men who employ advertising to sustain your business, who prepare it and who disseminate it -- who must determine in the last analysis the effectiveness of any movement to prevent deception.

During the first decade of this century today's maxim "It pays to advertise" was a scintillating slogan whose novelty in that era attested that much trade and consumer skepticism of advertising as an institution was being dispelled. Businessmen were discovering that their customers had faith in the written word of other businessmen who did business in the next State. Countless men even by 1905 were making their living by creating advertising. Only a few years thereafter, Advertising's very foundations were reinforced when an agency was set up to check and confirm media circulation statements.

The Federal Trade Commission and other government agencies may swing the big stick relentlessly against the border fringe without accomplishing much more than a segregation of those sinners whose horns are developed beyond the legal limit. You, on the other hand, by instilling into the minds of those who actually employ and produce advertising, the hard fact that real truth and good taste in advertising is good business, are in a position to accomplish more than any government agency.

The Commission is often confronted with advertising claims which lie in a borderline zone--claims which are true literally when subjected to cold legal scrutiny--but which are objectionable because of omission, innuendo or because we all know that the average consumer does not read an advertisement as does a government lawyer or a federal judge in a proceeding involving that claim. At times the Commission feels itself in a position to proceed against claims in this borderline, at other times it reluctantly must refuse to take jurisdiction. This is the field in which your organization may be most effective, not by "regulation," but simply by educating the businessman and the agency to the appreciation of the fact that the cumulative effect of such advertising policies must inevitably be loss of confidence in the product or its maker by the purchasing public. And for those of you who wish to make of your own or your clients' enterprise a lasting business, confidence of the public, more than mere recognition or knowledge of a brand or trade name is a pearl without price.

The Commission recognizes that sinners in this twilight zone may be dealt with more effectively on a cooperative basis than by formal enforcement proceedings, and has for many years emphasized its Trade Practice Conference Procedure. By this means entire industries have met together under Commission auspices to discuss frankly their trade practices, and particularly to undertake to clean up deceptive advertising practices which may permeate an entire industry. The Commission recognizes through this procedure that the average American businessman is no petty pickpocket, to be haled into court at every opportunity, and that giving him the chance to sit down with his competitors and the Commission and work to the objective of improving his business "morality" is generally more effective than swinging the big stick. By this means many industries which earlier had given the Better Business Bureaus their most severe headaches have been helped to clean house. And while the formal rules adopted by the Conferences have marked out the practices which are felt to be unfair under the law, expressions of policy have been adopted which deal with those troublesome problems in the "twilight zone," wherein it is sought for the benefit of both industry and the consumer to raise the standards of the industry considerably above the legal minimum.

The Commission has found the Trade Practice Conference to be an unusually fine method of wholesale enforcement of the legal minima in many industries, obviating the necessity of countless formal enforcement proceedings against individual concerns, and the attendant temporary competitive advantage of the recalcitrant firm over those more high-minded or tractable. But principally the advantage lies in the fact that more real good can be accomplished on a voluntary basis than in an adversary proceeding, and much higher standards of ethical conduct adopted.

It is a hard and basic truth that a business man wants his rivals to advertise truthfully. Upon information or belief that one or more of them is nibbling at truth's edges, he may adopt at his desk certain practical compromises with the concepts of truth in advertising, concepts which only the day before he enthusiastically endorsed when he heard them expressed at his trade convention. When he shares in making trade practice conference rules for others, he is more apt to see to it that his business lives up to them.

I do not mean to infer that such conferences are always filled with sweetness and light. Often there is at least as much heat as light. I can recall particularly conferences which led to adoption of the trade practice rules for the rayon industry. In fact the reverberations are still with us. The history of the rayon industry in this country points a good moral for the advertiser, and if any remark I make in this connection can be construed to bear resemblance to any particular advertiser, it is purely coincidental. It is not in the too dim distant past that the synthetic fibers were considered by the purchasing public to be sleazy substitutes for the real thing. How that impression came to be created may be a matter of debate, but no one ever denied that the best of them were of superior quality to the cheaper natural fibers. As a matter of fact, this was used extensively by opponents of proposals to require accurate descriptions of rayon as an argument to permit continuance of the practices which led to deception of the public.

Justice Holmes once made a statement to the effect that the test of truth is its ability to get itself accepted at the market place. The synthetic fibers have in a few short years demonstrated the truth of their desirable characteristics in the market place, not as substitutes, but as what they really are, demonstrating perhaps more dramatically than is usual that the American consumer can be trusted with the real truth if it is given him. Thus a product which was once advertised and labeled as if its marketers were ashamed of it, and as if consumers would avoid it if possible, now stands solidly on its own feet and commands buyer preference on its own merit. Despite the predictions of many persons that disclosure requirements would seriously injure industry, benefits to the trade actually followed their employment.

It is this characteristic of the public, its ability to handle the truth if furnished with it, that some advertisers seem to overlook. Conditions of modern marketing, where the purchaser may no longer rely upon his senses of touch, taste or even sight in appraising the wares offered him in such bewildering profusion, make his need for honest information greater than it was even a few years ago. Numerous proposals have been made by consumer groups and others for some authoritative

and official source of consumer information. The popularity of some of the private "bureaus," "institutes" and consumer reports attests this need. I believe this is a field in which advertising itself can do much toward satisfying the consumer's great need, not so much for guidance, as for enough information to make a wise selection. Now I don't mean by that that it can be expected that second or third rate merchandising would be so described in such bold language in an advertisement for which good money was spent by an advertiser desiring to sell his products. Even the most visionary reformer would hardly expect human nature to change that much. But the advertising business as a whole never should be heedless of the public search for more honest information than generally is supplied, and, it seems to me, should be seriously concerned with the proposition of supplying it. Advertising should not be considered as a substitute for honest market information, nor as a means for minimizing such information, or the polite consumer agitation of today for more real information may tomorrow become a roar of indignation culminating in establishment of a means of securing that information which will by-pass the advertiser.

Another field in which your organization and others honestly interested in advertising may be of real service to yourselves and the public, is that of improving good taste. Now, regulation of good taste in copy is certainly no function of any government agency, yet lack of good taste is a criticism which may fairly be levelled at some copy, whose preoccupation with various bodily functions, religious beliefs, loyalties or prejudices is bound to offend a substantial part of the public. When utilizing radio, for instance, as a medium of dissemination, the advertiser may walk in the twilight zone of good taste through the program itself, even though his commercials are above reproach.

No doubt advertisers themselves, with the elaborate aids now available to test the reactions of the public to particular copy will be able to determine, largely, what copy transgresses on the side of bad taste or indelicacy. But even so, every program or piece of copy which offends even a few people harms advertising as an institution. Your preoccupation will continue, I am sure, to be that of promoting confidence and respect, rather than of ascertaining the limits to which questionable taste or lack of candor can go before they begin to affect sales of the advertised product. It is such an elemental truth that I hesitate to express it, that however fine and constructive advertising may be as a whole, if any considerable portion of the public loses confidence in it for any reason, whether justified or not, the efforts of the best elements in the business will be wasted.

It is interesting to me to dig back into the advertising media of ten, twenty, thirty and more years ago. Only by doing so am I able to appreciate fully the tremendous strides that have been made to improve advertising. Of course the most obvious improvement is the conspicuous decline of the fly-by-night, get-rich-quick type of ad. They are still with us, like the poor, although to a more limited extent, and will no doubt always be with us so long as any media will disseminate them, since they have a one crop harvest which can usually be gotten in the barn before the frost of a legal proceeding descends. And, like the modern farmer, this type of advertiser is a devotee of crop and field rotation. But the really impressive change is in the advertising of

established business, those of you who expect to be in the same business tomorrow, and next generation, and for generations to come. Now this change has been gradual, and it is still in progress, with every likelihood that at your 92nd annual meeting in 1996 someone from the Federal Trade Commission, or perhaps the United Nations Trade Commission, will appear and solemnly note how much better developed your wings are than they were, for instance, in 1946.

The transition has not, of course, been entirely completed, and we still see isolated throw-backs. For instance, the August 14, 1944 issue of Advertising Age referred to a 214 line testimonial advertisement which recently appeared in a midwestern paper. Four columns over, and on the same page as the user's photograph and statement that the preparation was a "wonderful" medicine for various ailments, appeared his obituary.

Such changes do not come easily, nor do they come as the result of government regulation. As a matter of fact, if advertisers as a whole were no better than the Federal Trade Commission could order them to be, the situation would indeed be serious. The Commission has participated in this change, and many practices which would have been ignored in the 1920's are now clearly within our jurisdiction. But in this change there is a lag between the minimal legal requirements and the best standards of business itself. By continually raising these standards, you make it possible for regulation to be more effective, and to protect more fully the honest businessman from the depredations of the unscrupulous.

And now, in conclusion, and I do wish to conclude promptly, since I am talking about saints and sinners and an evangelist once observed that no souls were saved after the first twenty minutes, I want to express the appreciation of the Commission for your fine work, and to wish you every success in the future. This is not an entirely gratuitous and unselfish wish, for we at the Commission realize full well that the effectiveness of our work depends in large measure on your support and cooperation, not only in the day-to-day cooperation with the Commission in the investigation and prosecution of cases, but in educating the businessman to the realization that the adage "honesty is the best policy" is not just an old saw, but is the cutting-edge of really effective copy.

