

# CONSUMER INTERESTS OF THE ELDERLY

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HEARINGS  
BEFORE THE  
SUBCOMMITTEE ON  
CONSUMER INTERESTS OF THE ELDERLY  
OF THE  
SPECIAL COMMITTEE ON AGING  
UNITED STATES SENATE  
NINETIETH CONGRESS  
FIRST SESSION

PART 1—WASHINGTON, D.C.  
JANUARY 17 AND 18, 1967



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# CONSUMER INTERESTS OF THE ELDERLY

TUESDAY, JANUARY 17, 1967

U.S. SENATE,  
SUBCOMMITTEE ON CONSUMER INTERESTS OF THE ELDERLY  
OF THE SPECIAL COMMITTEE ON AGING,  
*Washington, D.C.*

The subcommittee met at 10 a.m., pursuant to call, in room 6202, Senate Office Building, Senator Harrison A. Williams, Jr. (chairman), presiding.

Present: Senators Williams and Yarborough.

Committee staff members present: William E. Oriol, staff director, John Guy Miller, minority staff director. Patricia G. Slinkard, chief clerk and Mary M. Parmelec, assistant clerk.

Senator WILLIAMS. The subcommittee will be in order.

Senator Yarborough?

Senator YARBOROUGH. Mr. Chairman, it is a pleasure to be with you on this subcommittee hearing. Your chairmanship has brought much to the Senate and the Congress in the hearings that you have scheduled. We are glad to see that you have started here in the very first week of the Congress to push forward this work of the aged.

I have seen you chair the Migratory Labor Subcommittee, this subcommittee, and other subcommittees. It is a great pleasure to work with you on all these committees. Your committees are well known for their efforts on behalf of remedial legislation on all fronts. The aged of America do owe you a great debt. I know the country will continue to benefit from the work of your subcommittees.

## OPENING STATEMENT BY SENATOR HARRISON A. WILLIAMS, JR., CHAIRMAN, SUBCOMMITTEE ON CONSUMER INTERESTS OF THE ELDERLY

Senator WILLIAMS. Our testimony today continues—under a new name—the work begun by the Subcommittee on Frauds and Misrepresentations Affecting the Elderly.

That subcommittee conducted hearings in 1964 on medical quackery, deceptive methods used to sell health insurance, pre-need funeral plans, and land sold on the installment plan. These inquiries resulted in a report issued by the subcommittee in 1965. The report asked for legislative or administrative action on many fronts, and there has been some progress since that time.

Subcommittee members decided in 1966 that the scope of the subcommittee—far-reaching as it was—did not adequately deal with all problems that affected older Americans in the marketplace.

We decided that confusion or lack of information can be as troublesome as actual deception or fraud.



And so we changed the name to Subcommittee on Consumer Interests of the Elderly. Our jurisdiction still includes our earlier responsibility to investigate questionable or fraudulent schemes. Our new jurisdiction instructs the subcommittee to:

"Inquire into and report on any and all practices which relate to special problems or other circumstances affecting the elderly as consumers. This shall include but not be limited to studies of buying habits of the elderly, products offered to the elderly, products needed by the elderly but not offered to them, and marketing practices that affect the elderly.

"The subcommittee shall also be authorized to continue its inquiries on any and all practices, the result of which would seem to subject our older people to financial or other loss as a result of fraudulent or misleading representations, coercive tactics, or chicanery. Practices which may be investigated include, but shall not be limited to, those such as the sale of retirement homes or homesites; the misrepresentation of items, devices, or services for which claims of therapeutic value or health maintenance or promotion are made; the sale of long-term-care contracts; the sale of courses of instruction; misrepresentation or fraud in connection with so-called business opportunities or make-money-at-home schemes; misrepresentation, fraud, or usury in connection with interest and other charges in installment purchasing; exploitation, misrepresentation, or fraud connected with the sale to the elderly of hearing aids, eyeglasses, dentures or other prosthetic devices; the promotion of fraudulent, misrepresented or unsound life, accident, health, or burial insurance plans; confidence schemes; and the advertising policies and practices of communications media with respect to the foregoing."

This is a heavy responsibility.

Americans past 65 years of age now have a total buying power of about \$40 billion a year—an alluring target for pitchmen inside or outside the law.

The elderly, and those who are becoming elderly, also have special needs.

They are far more likely to require medical treatment or products than other age groups.

They may find that they must sell their homes and move into apartments—completely changing their surroundings and their furniture needs.

They may find—as the rest of us so often do—that careful shopping today demands an expertise on a bewildering number of products. Even so, they may want products they cannot buy.

They may, in fact, be the forgotten market in today's merchandising boom. But more about that later.

We will hear, today and tomorrow, from witnesses who will give us an overall view on what we know and what we don't know about older Americans as consumers.

The subcommittee wants to know, for example, whether we have adequate, up-to-date statistics about the needs and demands of older Americans. It would seem—to judge by our early inquiries and by replies we have received from State agencies on aging—that much more can be done at the Federal level to fill in longstanding statistical gaps.

## FEDERAL-STATE TEAMWORK

We have called representatives of the principal Federal agencies concerned with consumer interests of the elderly. We will ask one basic question of each:

What more can the Federal level do to be of help to State agencies concerned with laws or programs intended to protect or inform consumers?

Our regulatory agencies in Washington clearly have an interest in giving all possible assistance to State agencies with similar responsibilities. We can't expect, for example, the Federal Trade Commission to monitor every advertisement in every newspaper or publication in the Nation.

But do some firms take advantage of the magnitude of modern advertising and look for weak spots in our regulatory bulwarks?

Fortunately, the FTC has already established an Office of Federal-State Cooperation. This subcommittee will ask for details on progress and opportunities for additional teamwork.

The subcommittee is also concerned about Federal laws that may bolster the work of State regulatory agencies.

In its earlier studies, for example, the subcommittee recommended enactment of a law requiring premarket testing—for efficacy and safety—of diagnostic, therapeutic, and prosthetic devices. We had received dramatic testimony on the need for such legislation from local, State, and Federal officials who face formidable obstacles in acting effectively against such devices after sales have already begun.

Last year I received additional arguments for such legislation in a letter from Mr. James W. Bell, chief of the Bureau of Food and Drug Inspections for California. That State, of course, is better equipped than most others in dealing with medical quackery, but Mr. Bell argues that Federal action could help him and others. I'll read two excerpts from his letter.

"Specific legislation which would be of assistance to the State of California would provide for new device clearance similar to the existing new drug requirements. California has legislation requiring new device clearance by the Board of Public Health or by the Federal Government.

*"The number of devices used within the scope of medical practice are so numerous and often complex that the department was unable to cope with them [emphasis added] \* \* \*. We believe the vast resources of the Federal Government would be necessary to develop device clearance so that all devices would be considered. Technical staff and medical experts are not available to an individual State to conduct the intensive review necessary for new device clearance."*

I introduced a bill calling for Federal premarket testing in 1965, and I am introducing a similar bill this week. Worthless medical devices have reaped millions of dollars for individuals who received only a fine or a minor penalty when finally put out of business. They should be stopped before they can begin. I'll look forward with great interest to the testimony to be given by Commissioner Goddard of the Food and Drug Administration on this and other subjects. I'll also look for some commentary on the suggestion—made by the Public Administration Service of Chicago—that the Federal Government

provide direct assistance to State food and drug programs. We're told, for example, that medical and nutritional quackery should be stopped on a local basis before it reaches interstate proportions. How feasible is this proposal? It certainly is of great concern to older Americans, who probably are the number one victims of the quacks and questionable medical products.

#### INFORMATION FOR BUYERS

The subcommittee also expects to begin a continuing study of methods used by Federal agencies to keep buyers informed. How adequate are present efforts? Does useful information reach older Americans? Are Government publications readable, available, and helpful? What more can be done? We have many questions, and we are looking for answers.

#### ARE NEW PRODUCTS NEEDED?

One of the major questions within the next two days, and possibly in hearings to follow, will be this:

Should new products and services be developed especially for the elderly?

The subcommittee has already received heartfelt declarations from advocates of new design. We'll hear from some within the next 2 days.

On the other hand, several directors of State agencies on aging have told us that all that is needed is wise selection of products already on the market.

Wise research by appropriate Federal agencies may be required here. We shall see as the hearings continue.

#### FUTURE PLANS

Our testimony this week will put basic facts into the subcommittee records.

With such information to guide us, we will then be able to conduct inquiries into specific subjects directly affecting the elderly.

The subcommittee has been concerned for sometime, for example, about costs and use of hearing aids.

We share the interest of other congressional subcommittees in denial of automobile insurance to older drivers.

We have received suggestions for improvement of the food stamp program.

The more general question of nutritional needs of the elderly is of special concern. We are not only interested in buying habits, but also in adequacy. We have heard, for example, from one public welfare official in Winston-Salem, N.C., who says bluntly that malnutrition is one of the major problems of older persons in this North Carolina county.<sup>1</sup>

We are concerned about some of the problems associated with "business opportunities" offered to men or women who risk their savings in hopes of earning security in semiretirement.

<sup>1</sup> Text of letter on p. 230.

Our list of other potential subjects is long, but I think we should begin now by hearing from expert witnesses who can give us the perspective we need for the work ahead.

We are grateful, indeed, for your continuing interest, Senator Yarborough.

Senator YARBOROUGH. Thank you, Mr. Chairman.

Senator WILLIAMS. William Bechill, the Commissioner of the Administration on Aging, of the Department of Health, Education, and Welfare, is present.

Mrs. Esther Peterson will arrive later. We have other witnesses today and other witnesses for tomorrow.

You may proceed, Mr. Bechill.

### STATEMENT OF WILLIAM D. BECHILL, COMMISSIONER, ADMINISTRATION ON AGING, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. BECHILL. Thank you, Mr. Chairman.

My name is William D. Bechill. I am Commissioner of the Administration on Aging in the Department of Health, Education, and Welfare.

Mr. Chairman, I welcome this opportunity to appear before your subcommittee as it begins its study of consumer problems affecting older people. I want to assure the committee of the interest and cooperation of the Administration on Aging.

Mr. Chairman, I intend today to catalog some of the problem areas in the consumer field, particularly affecting our older population, and then to report on the activities of the Administration on Aging in this field.

First, though, I believe it is important to describe some of the major characteristics of the older population—particularly those which point up significant differences between the old and the younger consumer.

Today, there are almost 19 million people aged 65 or over in the United States—16 percent of our adult population. And that number is increasing at the rate of more than 800 a day, with the result that during the next 20 years the older population will increase by 40 percent, to around 25 million people.

Another characteristic of the older population that gives rise to special consumer problems is that the income of older people must be stretched further since, on the average, it is less than half of that of younger people. In 1965, the median income of the 4.7 million aged living alone was \$1,348, while that for younger people was \$3,320.

Senator WILLIAMS. It is just about half for the older people.

Mr. BECHILL. It is less than half, Mr. Chairman.

The picture for families headed by older people was much the same. The median income for the 6.9 million older families with heads aged 65 and over was \$3,460 in 1965, while for younger families the amount was \$7,352.

A third characteristic of our older population that affects the consumer picture is the incidence of chronic illness and conditions, and it is, therefore, primarily among the aged that the quack tries to find customers for his "sure cure."

According to Public Health Service surveys, about 4 out of 5 people aged 65 or over report one or more chronic conditions or impairments.

As might be expected, older Americans use more prescribed and nonprescribed drugs outside of an institution than do younger people. In the year July 1964 to June 1965, the older person spent an average of \$50.20 for medicines—\$41.40 for prescribed medicines and \$8.80 for nonprescribed. People under 65 in the same year spent \$18—a little more than one-third spent by older people—\$12.70 for prescribed and \$5.30 for nonprescribed medicines.

Mr. Chairman, I have briefly mentioned a few characteristics of the older population which highlight the need for both the public and private sectors to give special attention to older people as consumers. However, we must not accept the stereotyped notion that older people are a "segregated" group of consumers. Nor should we assume that they comprise a homogeneous section of society.

Actually, as you know, they vary greatly in income level, health status, individual needs, and interests. The consumer problems of older people are as diverse as those of individuals of any age. Nevertheless, there are certain problems which occur more often among older people, and they are the ones which I would like to mention now.

Today's marketplace is complex and changing rapidly. The technological advances of recent years have affected the foods we eat, the medicines we take, the appliances we use. Our choice of these products, in most cases, must be based on information reaching us through a highly sophisticated and persuasive mass media advertising industry. Day-to-day marketing practices often are in complete contrast to those to which older consumers were once accustomed. The corner store and the friendly butcher with whom our parents dealt have been replaced by the large self-service store.

The typical supermarket before World War II stocked approximately 1,500 separate items, but today it carries over 8,000. Ninety percent of the prescriptions written today are for drugs that were unknown 20 years ago. Many of the new products used every day are highly complex so that, as it has been stated by one consumer educator, the user is called upon to be "an amateur electrician, mechanic, chemist, toxicologist, dietician, and mathematician—but he is rarely furnished the information needed to perform these tasks proficiently."

My point is that marketing has become increasingly impersonal. The consumer often does not know precisely how much he pays for consumer credit, whether one prepared food has more nutritional value than another, whether the performance of a product will, in fact, meet his needs, or which of the packages sizes is really a bargain.

Studies by this committee have already brought to light that the complexity of the modern marketplace offers increasing opportunities for distortion or omission of facts. This, together with immobility, illness, loneliness, and other factors affecting many older people, makes them susceptible to fraudulent schemes or at least places them at a disadvantage in finding the best buys for their limited funds.

Consumer complaints and actual court cases conducted by the various consumer protection agencies reveal the heavy incidence of exploitations and misrepresentations foisted upon the elderly—and particularly the elderly poor.

David Caplovitz, author of the book "The Poor Pay More," which reviews a study of some 500 families living in public housing projects

in New York City, characterizes the marketplace in low-income communities as a—

commercial jungle in which exploitation and fraud are the norm rather than the exception, and it would appear that the elderly are particularly susceptible to high-pressure tactics. The "pitch" of the door-to-door peddler, "bait" ads and "switch" sales, misrepresentations of price and quality, and the sale of used merchandise, fraudulent and sometimes dangerous products, and the countless promotional schemes which usually spell lost money, account for disappointed hopes and a growing cynicism among those who are bilked.

There are frauds and distortions in mail-order purchasing ranging all the way from phony health insurance plans to faulty hearing aids, and delivered-to-the-door dentures and eyeglasses.

The initial capital outlay required by make-money-at-home schemes rob many older people of their life savings according to the Better Business Bureau.

Credit malpractices fleece the elderly. I understand that Mrs. Esther Peterson will discuss these with you in her testimony.

Many older people will seek, through fear and limited income, treatments to avoid surgery, radiation, or other medical help.

The element of loneliness is another factor. Loneliness may well be what brings some older people to hear the lecture or spiel of the quack. From a limited income goes a generous payment for a promised cure or relief.

Many of the witnesses who will appear before your subcommittee, Mr. Chairman, will furnish information on what their agencies or organizations are doing about these problems. I am certain, Mr. Chairman, that all of them will agree with me that much more needs to be done.

*Consumer activities of the Administration on Aging.*—I would like to set forth, Mr. Chairman, the steps which the Administration on Aging has taken to aid the elderly consumer. As you know, the Administration on Aging, established by the Older Americans Act of 1965, is charged with many functions and responsibilities. Ever since my appointment as the first Commissioner on Aging some 15 months ago, I have stressed the importance of our role in establishing and coordinating programs which will assist the older consumer. We have made only some progress; more is needed.

As I indicated a moment ago, we do not have good information on why people are susceptible to the quack. Recognizing this lack, the Administration on Aging joined with six other Government agencies in supporting a survey called "Susceptibility to Health Fallacies and Misrepresentation." This study, which was inspired by the findings of your committee, Mr. Chairman, is approaching its final stages. The results of the study should help all of us interested in this field to take more effective steps in meeting the problem. Dr. Goddard of the Food and Drug Administration will discuss this study more fully when he appears before you tomorrow.

Second, the Administration on Aging has employed a specialist in consumer affairs and we are now preparing materials which can be used in senior centers and other places to conduct consumer education programs for older people. In addition, several grants under the Older Americans Act have significant elements directed toward consumer protection.

For example, the Dade County Senior Center in Miami, Fla., is now conducting a demonstration of "Low Cost Meals for the Elderly." This project will establish a central food service program in a multi-service agency serving five satellite centers in public housing projects. Educational and informational programs on nutrition, food purchasing, preparation, and use of surplus food are included.

Another example: The YMCA of Metropolitan Chicago will establish mobile service programs in isolated, low-income neighborhoods and provide, among other services, a consumer education program and information on the use of surplus foods.

Another grant project: The Providence, R.I., multipurpose center will conduct a food program which will include nutrition and consumer education as well.

Mr. Chairman, I would like to mention the interest of the several States who are administering one of our grant programs under the Older Americans Act.

We have information now from the States, and I think this information has also been supplied to the subcommittee, and we would like to have the opportunity to submit this information in more detail for the record. The information we have regards the kind of community programs being supported under the Older Americans Act. Some of this information has been sent to your committee. We would like the opportunity to submit this information after the completion of the hearings, with your permission.<sup>1</sup>

Senator WILLIAMS. This means that there are States which have programs under the grants?

Mr. BECHILL. Some of the grants under the Older Americans Act that are administered by the State agencies.

Senator WILLIAMS. How many States are included in that group?

Mr. BECHILL. There are approximately 60 projects where there are elements of consumer protection or information. I don't recall the exact number of States represented in the 60.

Senator WILLIAMS. We will certainly include that in the record.

Mr. BECHILL. Thank you.

These and other consumer information programs will be held in senior centers, multipurpose units, or other community "drop-in" centers—schools, the local city hall, courthouse, or other municipal buildings, in public housing developments, and often in nearby churches.

In order to carry out his functions of stimulating and coordinating programs for older people among the various agencies, the Administration on Aging has been working with other Federal agencies and with private organizations. To illustrate, Mr. Chairman, Commissioner Goddard of the Food and Drug Administration and I have arranged for the cosponsorship of consumer conferences throughout the Nation. Dates for 12 of these have already been set and as many more are planned.

These conferences are designed to act as springboards for action in the local community to set up consumer education programs for older people in housing developments, multipurpose senior centers, churches, and other places where older people gather. I am sure Dr.

<sup>1</sup> See pp. 12-17.

Goddard will furnish the subcommittee with more information on these conferences.

We have done much, but we do need to do much more—and we will. Let me outline briefly a four-point plan of action which the Administration on Aging will be carrying out in this field over the next year:

One. We intend to contract with appropriate research groups who are qualified to gather badly needed data concerning older people in the consumer field.

During our first year in operation, it has become strikingly evident to the Administration on Aging that there is a crucial need for such information concerning the older person as a consumer. For example, we have no recent data on the expenditure and consumption patterns of the elderly.

We do not know enough about their eating habits and consequent nutritional problems; we know nothing of their understanding of today's marketplace and all of its complexities; we do not know what their demand for new products, specifically designed for them, may be; we do not know how many participate in Federal, State, and local programs aimed at meeting their specific needs.

In other words, what we do not know, but realize increasingly that we need to know, is how efficiently older people are performing as consumers. Such data will provide us and other with this understanding.

Two. We will prepare informational materials specifically designed for use by professional and lay leaders who intend to conduct consumer education programs for older people and, similarly, special materials to be read by the elderly themselves.

We recognize the severe handicap of attempting to conduct effective consumer information programs without effective supportive materials. Again, we invite all agencies—government or private—to join us in this effort.

Three. We will support pilot demonstrations in the consumer education field. We have pinpointed 10 areas of great concern to older consumers toward which these demonstrations will be directed. They are—

- (1) sound nutrition,
- (2) economy food purchasing,
- (3) the careful purchase of credit,
- (4) avoidance of quackery,
- (5) avoidance of fraudulent products and practices,
- (6) safe and effective use of drugs,
- (7) accident prevention,
- (8) management of retirement income,
- (9) medicare and supplementary health insurance plans, and
- (10) care of clothing and household equipment.

We will expand this basic 10 as additional needs become apparent. We believe that this program will bring much needed, long overdue information to older people.

Four. In our consumer education plan we intend to push more vigorously for cooperative programs with other Government agencies, and with private, nonprofit organizations which, in one way or an-



other, serve older Americans. AoA has taken significant steps to establish coordinated activities with these groups.

As mentioned earlier, we are working closely with the Food and Drug Administration. We are working closely with the office of Mrs. Esther Peterson, Special Assistant to the President for Consumer Affairs, we stand by to assist in any way possible when the Federal Trade Commission calls on us for information or advice regarding frauds which particularly beset the elderly; and such is our intended cooperation with all other related agencies.

We are carrying out this program because we are convinced that ranking high among the many services which must be made available to our older citizens are imaginative and effective consumer education programs. The provision of food and nutritional services programs will not have full effectiveness if the importance of sound nutrition is not conveyed. Post-retirement employment opportunities will lose their value if the rewards of this employment are wasted in today's complex marketplace. Health, financial, and legal services can only be effective if legitimately provided by the various professions.

Finally, Mr. Chairman, I want you to know that we will be following the hearings which the subcommittee is undertaking with great interest. We hope that the evidence you receive and the study you will do will stimulate effective new programs on behalf of the elderly consumer.

Thank you for the opportunity to appear here this morning, Mr. Chairman. I will be glad to answer any questions the committee may have.

Senator WILLIAMS. Mr. Bechill, as always, you have been most helpful this morning, as you have been on other occasions when this committee has met and invited you to be here.

You mentioned 800 people who go over the age-65 horizon every day. We work with the figure of 1000. It is not that these folks are unwise or that they need more protection, in a sense, yet they need a little more help as they get older.

Is that right?

Mr. BECHILL. Yes, Mr. Chairman. I didn't enlarge on it in my testimony, Mr. Chairman, but I think one of the things that we need to be careful about is not to create the inference that all older people are gullible. I think our problem, and this is the reason for the survey, is how to reach the people who are being affected by some of these practices.

I believe we are going to get good information from the study that Dr. Goddard will report about tomorrow—information which will give the governmental agencies involved and many other organizations more ways of understanding and looking precisely at this area.

I would agree with you that I think the interest is very high in this whole field.

Senator WILLIAMS. We have expanded the area of study and inquiry of this committee from frauds to consumer interests generally of older people. There were certain frauds and misrepresentations that were tailored for older folks, such as the retirement land sites in sunny so-and-so. We have the documentation for it. Sunny so-and-so happened to be Arizona, and verdant so-and-so happened to be in Florida.

We found out that one sunny area of retirement in New Mexico was inaccessible or on a nonaccessible mesa. The acres in Florida were under water, pretty much a swamp.

We started out with the frauds that were particularly appealing to older folks who wanted to retire. Then we moved into illness and claims of the cure for arthritis, for example. We have broadened our base to consumer interests particularly for older people and that is where we are now. Isn't honesty necessary for selling anything?

Mr. BECHILL. I would certainly say it was a large element. I think another concern is that we need to try and have some of the services that have been developing in the last few years reach more older people. I think to the extent that the older person realizes there is useful and helpful information available to him from a legitimate source, whether this be Government, business, or whoever, this would also help.

Senator WILLIAMS. How do you get this information to them?

Mr. BECHILL. This is the problem. One of the reasons we went into this survey, to be quite frank about it, was the fact that the publication of pamphlets themselves does not seem to work to a large extent. I think part of this task means reexamination of how best to get this material and information to older people.

Senator WILLIAMS. We had not planned this questioning of you, Bill, and I don't know whether I should continue or not. I have been working over the past 3 years on what we call the Senior Service Corps.

This would bring older Americans into the active streams of life. Perhaps retired teachers could be brought into schools for example, to serve in a way that regular teachers do not have the time for, such as, in a sense, "Headstart." I can think of rural communities where people are really lonely, and you used the word "loneliness" in your statement. It is like going down a country road and nobody stops by to say "hello."

There are older people who would like to be communicants and serve, and help, and, indeed, advise on some of the things you are suggesting. I would think this would be a handmaiden of what you are saying.

We can advise on high in consumer areas for the elderly. But how do you get it down to them? I would think the Senior Service Corps, which I believe will be enacted, might be one of the agents of communication. What do you think?

I know you have not cleared this with the White House and I don't want to embarrass you.

Mr. BECHILL. I think you know I have followed this legislation with great interest. Perhaps the one most effective way to meet the objectives is to encourage greater participation of older people themselves in many of these programs, no matter what the field happens to be.

Senator WILLIAMS. I didn't know this, but I understand that the senior service legislation will be heard by the subcommittee of Senator Kennedy of Massachusetts, a subcommittee of the Labor Committee, very soon.

Older people helping older people make a lot of sense to me. Do you agree with that?

Mr. BECHILL. Many of the projects under the Older Americans Act have this feature. I think really it is, in many respects, the hearth-

stone of our program. Also, you need professional people. This is getting to be a very difficult and complicated field in many ways because the agencies, like the Administration on Aging, the State agencies on aging, have to look across the total needs of older people.

I think we are going to see the emergence of a new profession in the next decade or two in this whole area concerned with the social needs of older people.

But I think one of the real values of a program like the Older Americans Act, and it is something we have not fulfilled to the extent I would like to see, is this participation of the older people all through the planning stages and the actual provision of services.

Senator WILLIAMS. Here is the wisdom of the accumulation of age. We certainly should find ways for those who are physically, emotionally, and historically able, to be productive.

As you know, this committee does not legislate. We discuss, report, and then we have to go to other committees for our legislation.

Commissioner Bechill, you have been good to us all through the years, and very helpful, as you have been today. We will submit additional questions to you which you may answer for the record.

Mr. BECHILL. Thank you, Mr. Chairman.

(The chairman's questions, sent in a letter after the hearing, follow, with Commissioner Bechill's responses:)

Question 1. We would very much like to have more information about the demonstration of "low cost meals for the elderly" in Dade County, Florida.

Answer. A demonstration project is currently underway in five senior centers located in Dade County, Florida. The program combines a number of elements essential to any food service program over and above the provision of a hot, nutritious meal. This project places emphasis upon the nutritional needs of the older individual and makes available information and guidance in the purchase of good quality foods, techniques for the preparation of appetizing and well-balanced meals, and the benefits of good health and well-being which these meals can bring.

The project goes beyond the provision of meals and the education of older people about nutritional needs. The project is attempting to study the emotional, psychological, economic and educational factors which tend to produce poor nutritional habits among many older people. It is known, for example, that shopping itself can be a real burden to the older homemaker and consumer. Food packaging is designed to meet the needs of larger families rather than individual older people. The elderly tend to trade in their own neighborhoods where often the quality of food may be lower, the choices more limited, and the costs higher. Limited consumer skills and little modern knowledge about nutritional needs also play an important part in the poor nutritional habits of the aged. The Dade County project hopes to identify each of these problems and offer concrete ways to solve them.

Question 2. We would like a description of the mobile service program in Chicago and the Multi-Purpose Center at Providence.

Answer. (a) Senior Citizen's Mobile Service Project, Chicago, Illinois: The Senior Citizen's Mobile Service project is studying new ways of delivering needed social and recreational services to older people who are unable to get out of their homes into the community where the services are otherwise available. The services and programs available to the elderly in senior centers are being brought to the aged in their homes or arrangements are made to provide ways to bring the aged person at home to the needed services, particularly those involving health and medical needs.

Part of the mobile program will involve the instruction and guidance of purchasing information for the aged person. Arrangements may sometimes be made for the older person to shop with someone who can help him select the items they most need to maintain himself in a healthy manner and within his economic means.

(b) Providence Multi-Purpose Center, Providence, Rhode Island: The Providence multi-purpose center is currently serving as a test model in the development

of the senior center concept in metropolitan centers across the country. The data and experience gathered in the creation and operation of this center will provide other communities with information about the needs and problems of the elderly in comparable communities and the kinds of programs which will help to meet these needs in so far as a senior center can provide them.

The center plans to concentrate its program to provide particularly health, financial, and social service counseling for the aged in the community. Part of the program of the center will include the individual and group discussion of the needs of the older person as a consumer. Particular emphasis will be given to the health education needs of older people.

The center represents an innovative approach toward meeting the needs of the aged within the framework of the activity center, in that many of the services available in the center will be experimentally developed in various neighborhood outposts with the view toward expanding center programs.

Question 3. What action is contemplated when the demonstration projects are ended? Will, for example, pamphlets be prepared to report important information to other potential sponsors of such projects?

Answer. We plan to do two things when demonstration projects conducted under title IV of the Older Americans Act have been completed. First, if the project has proven itself to be helpful to older people and to be feasible for widespread use, we will prepare and distribute widely a publication which will provide all of the necessary data other communities need in order to duplicate the project. Second, the project results will be given more intensive study to determine whether it would be advantageous to develop further any of its individual elements. At that time we intend also to do a more complete project report which will be given limited distribution to educators and other leaders in the field of aging.

Question 4. Summaries of projects with elements of consumer protection or information.

Answer. Grants under title IV of Older Americans Act: Research, Development, and Demonstration Projects:

*1. Senior Citizens Activities, Inc., Temple, Texas*

A demonstration "food and friendship" program at two senior centers in a small community with a high percentage of senior citizens, designed to improve nutrition and at the same time to draw additional people to the centers and into their wide range of activities.

*2. Senior Centers of Dade County, Inc., Miami, Florida*

A demonstration food service program for elderly persons in five senior centers in a large metropolitan area which will combine provision of a main, hot, nutritious midday meal (and take-home meals) with activity programs of the centers including information on nutrition, food preparation, use of surplus foods and the Food Stamp Program, and economical shopping.

*3. Community Welfare Council of San Diego, California*

A demonstration project in San Diego, California which will be conducted by the Community Welfare Council of San Diego in cooperation with the School of Social Work of San Diego State College will demonstrate how a comprehensive protective services program can be established for older people who are unable to take action on their own behalf.

*4. University of Denver, Denver, Colorado*

A study of the accident involvement, licensing, and insurability of older drivers, and development of accident prevention materials for instruction of both the older driver and pedestrian. The project is designed to increase the safe mobility of older people and thereby increase their opportunity for employment and community activity, and to assist in development of fair standards for licensing older drivers.

*5. City of Providence, Rhode Island*

A grant of \$57,710 (for first year of a 3-year project) to the city of Providence, R.I., to explore the extent to which a community center for older people can serve as the pivotal social institution for developing services and opportunities for older people. A multipurpose activity center will be established in downtown Providence, with one or more neighborhood outposts, to provide a range of individual and group services such as health education, employment services, housing registry, group counseling and discussions, individual counseling, recrea-

tion, education, volunteer registration and planning. Experience gained in development of this center is expected to provide guidelines for choice of services to be provided in such activity centers elsewhere, the most effective modes of delivery of services (by the center, by its outposts, by referral, or by arrangement with other agencies), and a measure of the value of a multipurpose center as a mechanism for assessing community-wide need and aiding planning and coordination of services. Providence has a population of approximately 30,000 persons 65 and over.

6. *Department of Rural Sociology, University of Wisconsin, Madison, Wisconsin, \$46,800*

This is a project to study the motivation and adjustment of older people, who move their place of address (both short distances and long) upon retirement, with special reference to health and welfare problems associated with moves to retirement communities outside the home State.

7. *Young Women's Christian Association of the Cincinnati Area, Cincinnati, Ohio, \$89,647*

A demonstration program to provide services to older people through three multipurpose centers, involving Protestant, Catholic, and Jewish facilities and organizations. Two of the centers will be concerned with providing realistic and effective referrals of elderly people to community services and in pointing out gaps and seeking new programs where needed. There programs will include identifying and reaching out to the hidden population of elderly not in normal contact with community services. The third center will develop a family-life program for older people and their children.

8. *Combined Jewish Philanthropies of Greater Boston, Massachusetts*

The organization will make a detailed analysis of older people's needs in the Boston area, the existence of suitable services, and the extent of use or reasons for non-use. The analysis will be based on earlier findings of studies, made with Community Services of Metropolitan Boston, which included personal interviews with 1,500 men and women over 65 and some 600 younger people discussing their aged parents. In addition, the organization has access to detailed information on existing community services available to the elderly and their current usage. Individual areas to be investigated have been explored previously, but not studied together within a framework of a single metropolitan area sample which makes it possible to see interrelationships. The study will be most useful in improving quantity, quality, and appropriateness of future services, and methods of publicizing and making them accessible. Special attention will be paid to the impact of geographical mobility and social integration on social functioning and well-being of the elderly.

9. *Greater Hartford Community Council, Inc., Connecticut*

The Council will use older people to make a survey of service needs of the aging population in the greater Hartford area, a regional complex of 29 urban, suburban, and rural municipalities. An inventory of existing community services will be developed, with information on the extent of use and the existence of gaps. The information will form a base for program planning, development, and coordination of services and activities for the aging throughout the metropolitan area. A special effort will be made to reach the isolated aged.

10. *South Central Educational Broadcasting Council, Station WITF-TV, Hershey, Pennsylvania*

The Station plans to involve the whole community in producing a continuing weekly television series for older people (The Time of Our Lives). The series will provide on-the-air information and will invite telephone and mail inquiries. It will also create opportunities for older people to participate in a wide range of community and special activities. The project will serve the nine counties in the Station's broadcast area.

11. *The Industrial Home for the Blind, Brooklyn, New York*

The organization will seek to meet the very special needs of elderly blind persons, preparing them to live with some degree of mobility and independence in homes for the aged, which are usually primarily designed for occupants who can see. Rehabilitation services will be given and training materials prepared first for older people already living in such institutions whose sight has seriously deteriorated since their residence began. Such individuals are often relegated to a

status of complete dependency and isolated from all group activity in the Home. As the project continues, services will be expanded to prepare elderly blind people before they move into a Home for the aged. Value of such a program both to the individual and the community will be demonstrated.

(B) Grants by States to communities under title III of the Older Americans Act:

Since the initiation of the title III program under the Older Americans Act, 286 projects have been approved by the States to date. A significant proportion of these projects point up the concern that communities have for the provision of a wide variety of informational and educational services. Community leaders often see the importance of an unsophisticated approach to consumer education, and, by their own definitions, have taken a rather broad approach to consumer education for senior citizens. Senior centers, as a general practice, have provisions for information and consumer education activities.

A great deal of consumer information is available to the older person who participates in the various senior center programs funded under title III of the Older Americans Act. As part of an information and referral program, many older people are instructed in ways in which to purchase and select food. Particularly important to each older person is the need to identify safe and pure products which, in addition to being economical, provide the nutritional requirements needed for good health. Many information and referral programs include instruction in the safe use of drugs, the dangers of unreliable "medical" advice, and the need to purchase quality medicines and remedies as prescribed by competent medical authority. Particular emphasis is given medical quackery and frauds and items of health which are misrepresented in advertising or sales pitches.

Some of these projects with elements of consumer protection or information are:

Project title	City and State	Elements of consumer education and information
1. Living for the Sixties.....	Augusta, Ga.....	Education film serves on frauds and quackery and hearing aids and similar devices.
2. Campus Towers Activity Center for Senior Citizens.	North Little Rock, Ark...	Home economics.
3. Hot Springs Senior Citizens Multiservice Center.	Hot Springs, Ark.....	Counseling information on homemaker, shopper, and legal protection.
4. Berkeley Multipurpose Senior Center.	Berkeley, Calif.....	As a part of the adult education program, consumer information program is offered.
5. Services for Older Adults...	San Francisco, Calif.....	Counseling information regarding appropriate kinds, types, and prices of housing.
6. Community Organization and Planning for Protective Services for the Aged.	San Diego, Calif.....	Protective services for elderly, physically and/or mentally unable to look after themselves.

The senior activities centers that have been funded under the title III program of the Older Americans Act are:

*Grantees, title III multipurpose senior activity centers*

- Manitowoc, Wis.: City of Manitowoc.
- Plymouth, Wis.: City of Plymouth.
- Springville, Utah: Springville Senior Citizens Organization.
- Logan, Utah: Logan, Cache Council on Aging.
- Towson, Md.: Baltimore County Commission on Aging.
- Baltimore, Md.: Metropolitan Senior Citizens Center, Inc.
- Baltimore, Md.: Over 60 Employment Service of Maryland, Inc.
- Hot Springs, Ark.: Hot Springs Senior Citizens Multipurpose Center, Inc.
- Russellville, Ark.: Pope County, Russellville, Ark.
- Hagerstown, Md.: Mayor's Council on Problems of Aging.
- Johnstown, Pa.: Cambria County, Senior Activities Center of Johnstown, Pa.
- Ponca, Okla.: Kay Council of Community Services.
- Norristown, Pa.: Montgomery County Commissions, Senior Center.
- Savannah, Ga.: Senior Citizens, Inc.—Savannah Chatham County.
- Scranton, Pa.: Lackawanna County Institution District, Scranton, Pa.
- Clarksville, Tenn.: Clarksville, Montgomery County Senior Citizen Association.
- Chickasha, Okla.: Chickasha Youth Program, Inc.

*Grantees, title III multipurpose senior activity centers—Continued*

Marietta, Okla. : Jefferson & Love Counties Community Action Foundation, Inc.  
 Oklahoma City, Okla. : Foundation for Senior Citizens, Inc.  
 Baltimore, Md. : YWOA.  
 Sallisaw, Okla. : Sequoyia County Development Foundation.  
 Yellville, Ark. : Marion County, c/o Judge Johie W. Melton.  
 Muskogee, Okla. : Park, Recreation Department, City of Muskogee.  
 Newark, Del. : Newark Senior Center, Inc.  
 Temple, Tex. : Senior Citizen's Activities, Inc.  
 Newport, R.I. : Department of Public Welfare.  
 Berkeley, Calif. : City of Berkeley.  
 San Rafael, Calif. : Marin Senior Coordinating Council, Inc.  
 Lincoln, Nebr. : City of Lincoln.  
 Ada, Okla. : Pontotoc County Community Action Foundation, Inc.  
 North Little Rock, Ark. : North Little Rock Civic League.  
 San Francisco, Calif. : San Francisco Senior Center.  
 Bristol, Pa. : Bucks County Commissioners.  
 Bethlehem, Pa. : Northampton County.  
 Hillsboro, Kans. : Hillsboro Golden Years Club, Inc.  
 Annapolis, Md. : Ann Arundel County Commission on Aging.  
 Brattleboro, Vt. : Brattleboro Recreation Board.  
 Houghton, Mich. : Copper County Health and Welfare Council.  
 Michigamme, Mich. : Michigamme-Spurr Civic Club, Inc.  
 Auburn, Maine : City of Auburn, Parks and Recreation Department.  
 Bath, Maine : Bath Young Men's Christian Association.  
 Lewisburg, Tenn. : Marshall County Senior Citizens, Inc.  
 Emmitsburg, Md. : Frederick County Commission on Aging.  
 Ryan, Okla. : American Legion and Auxiliary Post.  
 Galveston, Tex. : Moody House, Inc.  
 Yakima, Wash. : Catholic Charities Diocese of Yakima.  
 Concord, Calif. : City of Concord.  
 La Crosse, Wis. : Senior Citizen Center, Inc.  
 Kittanning, Pa. : Armstrong County Court House.  
 Washington, Iowa : Washington Senior Citizens Council.  
 Portales, N. Mex. : Roosevelt County CAP.  
 Paradise, Calif. : Paradise Recreation and Parks District.

Question 5. May we have additional information on the purposes of the research project you are about to make "with appropriate research groups who are qualified to gather badly needed data concerning older people in the consumer field?"

Answer: The purposes of these projects are (1) to determine the consumer practices of older people, and (2) to determine how these practices can be improved. For example, we know that, as a group, people over 65 spend approximately 25% of the income for food products. In the nutritional services program proposed by the President in his message on Older Americans we intend to determine the practicability of older people entering into cooperative food purchasing plans, to determine the nutritional needs and food preferences of older people, to experiment with food programs for the homebound and isolated older people, and to conduct research in other areas which will provide us with the data we need in order to help older people provide themselves with better nutrition. A fact sheet on this program is attached.

Using other funds provided under title IV of the Older Americans Act we will attempt to develop similar data in other areas which are outlined in my testimony before the Subcommittee on January 17.

PROGRAMS OF THE U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
ADMINISTRATION ON AGING

*Nutritional services for older Americans*

This program seeks to develop knowledge of the kinds of programs which will result in improved nutrition for older people.

*Background*

Restricted incomes, lack of knowledge about nutrition and foods, inability to prepare nutritious meals and lack of good physical surroundings rob too many

older people of adequate nutrition. Improvement in any of these helps an older person to be a self-sufficient and contributing member of his community.

Senior Centers have demonstrated that hot, nutritious meals can be provided to older people at low cost. Their capability can be developed to serve far more older persons even more efficiently, and other means need to be explored.

#### *Program*

Grants and contracts to develop knowledge and programs which will improve nutrition of older people are made to public and nonprofit agencies, institutions and organizations (including multipurpose senior centers) by the Administration on Aging. Pilot projects will develop new and more efficient ways for older people to obtain wholesome and adequate meals in central locations or in their homes.

Projects anticipated include:

Studies to determine and compare costs and benefits for—

- (1) establishing and operating newly designed food service facilities,
- (2) utilizing existing food preparation and delivery services in such locations as senior centers, hospitals, schools, and YMCA's,
- (3) changing nutritional needs, expectations and food preferences of older Americans,
- (4) experiments to develop safer and simpler automated food preparation appliances and tools,
- (5) experiments with food programs for the homebound and isolated older persons living in rooming houses or hotels,
- (6) consumer education and information program on nutritional value, purchasing, preparation and use of surplus and leftover foods,
- (7) development and demonstration of cooperative food purchasing by the elderly, and
- (8) the impact of these programs on the participants.

*For further information.*—Administration on Aging, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

Senator WILLIAMS. One of the great ladies of government, Mrs. Esther Peterson, is our next scheduled witness. I believe she has been called to the White House, however, that being a first priority.

We will proceed with Mrs. Mathiasen, who is accompanied by Mr. Noakes and Mrs. Behrens.

#### **STATEMENT OF MRS. GENEVA MATHIASEN, EXECUTIVE DIRECTOR, NATIONAL COUNCIL ON THE AGING; ACCOMPANIED BY EDWARD NOAKES, PROJECT DIRECTOR OF THE ARCHITECTURAL BARRIERS PROJECT OF THE AMERICAN INSTITUTE OF ARCHITECTS; AND MRS. DOROTHY A. BEHRENS, DESIGNER-DIRECTOR, VOCATIONAL GUIDANCE AND REHABILITATION SERVICES, CLEVELAND, OHIO**

Senator WILLIAMS. Mrs. Mathiasen, would you introduce the two people who are with you? Your position is Executive Director of the National Council on the Aging, which certainly brings you with high qualifications to our inquiry this morning.

Mrs. MATHIASEN. Thank you very much.

With me is Mrs. Dorothy Behrens, a designer and director of a project in clothing design for older people, especially women, under the sponsorship of the Vocational Guidance and Rehabilitation Service of the Welfare Federation of Cleveland, Ohio, and Edward H. Noakes, an architect of Bethesda, Md. Mr. Noakes has long been interested in housing and other environmental factors affecting the well-being of all people, including the old. He was the prime mover in an architectural competition sponsored by the National Council on the Aging



in the design of a home for the aged, and together we edited a book based on the competition.

The National Council on the Aging is a national, voluntary, non-profit agency. Its primary function is to provide information and consultation service to individuals and organizations working in the field of aging and to carry on special studies, research, and experimentation to identify needs for service, suggest action programs to meet them, assess results, and recommend standards. Our organization has often presented testimony before the Senate Special Committee on Aging, and I shall not repeat here any further description of its work.

Senator WILLIAMS. How do you come together in this Council?

Mrs. MATHIASSEN. We have grown, over the period of the last 15 years, from a committee of the National Social Welfare Assembly made up of widely varied individuals concerned with the needs of older people, from businessmen to labor groups, social workers, religious bodies, and so on. Then, in 1960, the needs of older people and the requests for our service had grown to the place where we felt it was important to become an independent national voluntary agency dealing with this field.

We still have a membership and board made up of those varied groups.

Senator WILLIAMS. It is a nonprofit organization?

Mrs. MATHIASSEN. That is right. We are financed by foundations, membership dues, and contributions.

Senator WILLIAMS. You folks just felt there was a need to gather and deal with the problems of older people?

Mrs. MATHIASSEN. We didn't feel it, actually. It was brought on by requests from people who were in local communities who were dealing with the needs of older people, and they had no place to turn for information, help, and guidance.

It was a kind of grassroots-felt need that brought about the organization of this group. Around 1950 there wasn't so much concern in this area as there is now. We have done a lot in the last 15 or 16 years.

Senator WILLIAMS. You folks are do-gooders.

Mrs. MATHIASSEN. Maybe we are. I happen to be a person who doesn't think that is particularly a bad name, Senator.

Senator WILLIAMS. I agree with you.

Senator YARBOROUGH. I agree with both of you. I am glad to see you doing this.

Mrs. MATHIASSEN. If I may return the compliment, Senator Williams, I believe you also are in that category.

Senator WILLIAMS. Hale Boggs, a great Member of the House of Representatives, said, "They call me a do-gooder and I like the name." He said that on the House floor.

Mrs. MATHIASSEN. I shall present my remarks in three parts. The first will deal with the consumer market and unmet consumer needs of older people, the second with some questions of principle about pricing of consumer goods and services and the ways of meeting the needs of older people through discounts, and the third with some comments on the budget of the Bureau of Labor Statistics for an

elderly couple and a few suggestions about action to help meet the consumer needs of the elderly.

Let me point out that I am omitting the subject of frauds and misleading advertising—not because NCOA is not aware of and concerned about these practices. It is rather because that subject has been and will be dealt with in other testimony. And if I speak today of older people who form an impressive overall market and many who have substantial incomes, this does not negate the testimony made in earlier hearings about the elderly poor. I wish today, rather, to make the point that our society is not sufficiently aware of the older group as consumers and the amount of money they spend in the aggregate.

There is little doubt that older people are adversely affected by the current preoccupation of producers and purveyors of consumer goods with the "Pepsi generation," in spite of the fact that there are nearly 2 million more people in the United States today who are 60 and over than there are teenagers. In the aggregate, people over 65 have between \$35 and \$40 billion in income. They spend between \$35 and \$40 billion. While many individuals are poor, a few are very rich, and a good number are well to do. Their incomes are increasing. It is estimated that in 10 years this will be a \$55 billion market. At present, it is not being exploited either by the producers or by the sellers of goods.

The National Council on the Aging, concerned with the overall well-being of older people, believe that their needs will be met in part by health and welfare services, but also by the production and marketing of consumer goods suited to their special requirements and readily available.

For many years, NCOA has directed attention to a number of areas where the inventiveness which characterizes modern industrial design and engineering might be utilized to help create a living environment conducive to the well-being of individuals as they grow older, to help them retain independence and perform their daily tasks with less effort, and to enjoy with greater zest their leisure time. Whether a dress has a zipper up the back or up the front may make the difference between a woman's being able to dress herself or not. The simple act of rising from a chair, or getting in and out of a taxicab, can add or subtract years to a man's apparent age, depending on how the chair or taxicab is designed.

Four years ago NCOA conducted a consumer institute in furniture requirements and furniture design for older people. The institute was held at the request of a man who, having supervised the planning and building of a large housing development for older people, was having great difficulty in finding furniture appropriate to the needs of the residents.

I would like your permission to enter the report of that institute, entitled "Furniture Requirements for Older People," as a supplement to this testimony, and to have whatever seems pertinent included as a part of the record. It includes summaries of papers by Ashley Montagu, anthropologist, on how the proper functioning of the human anatomy in sitting and lying is hampered by ill-designed chairs and beds, and some comments by Dr. Prescott W. Thompson of the Menninger Clinic on the contribution of properly designed furniture to the independence of the older person.

Senator WILLIAMS. Did you say Dr. Menninger?

Mrs. MATHIASSEN. Dr. Thompson, of the Menninger Clinic.

Senator WILLIAMS. Does he deal with getting in and out of some of our modern automobiles?

Mrs. MATHIASSEN. In the paper that he prepared, he spoke about the psychological effects of the appearance of frailty, or inability to handle the normal business of living, on an older person's estimate of himself.

Senator WILLIAMS. In a lot of the automobiles that I ride it is hard to go up and out. I have a car that looks like a box, but I go down and out and it is a lot easier.

Mrs. MATHIASSEN. Some day maybe we will get around to the design of automobiles once we get a good chair.

Senator YARBOROUGH. Don't you think we will have to get the clothing designers and the automobile designers together? The clothing we wear is all right for walking, but it is very difficult to get in and out of a car without tearing your clothing or splitting it. There is no coordination today between the designers of clothing and the designers of automobiles.

Senator WILLIAMS. I agree with you, Senator.

Mrs. MATHIASSEN. I am sure Mrs. Behrens will have something to say on that.

The entire paper prepared for the institute by Dr. Michael M. Dacso, an authority in physical medicine and rehabilitation, has been sent by him for the use of the subcommittee, and I should like to request that it be entered into the record of the hearings.<sup>1</sup>

Senator WILLIAMS. We have it and it will be included.

Mrs. MATHIASSEN. The report of the institute also contains many practical and specific suggestions relating to furniture construction and design essential to the requirements of people as they grow older. It is not appropriate to this hearing to dwell on these in detail. I only want to point out that even those elderly people who are financially able to buy consumer goods are often unable to find products suited to their needs—from clothing, to furniture, to automobiles, to bathtubs.

Another area where the older consumer could use improvement is in the packaging and marketing of goods. A simple example is the cutting and prepackaging of meat in supermarkets. Who has seen a single pork chop under cellophane—or a quarter pound of ground beef—the amount needed by an elderly person living alone.

This billion dollar market is worth catering to. Furthermore, it is made up of persons who appreciate understanding and attention and will respond in consumer loyalty. However, perhaps the most shocking evidence of age prejudice in the United States that has come to the attention of NCOA is that some stores prefer not to have substantial numbers of older people as customers, if it means their physical presence in the store.

Recently we were able to convince an executive of a large chain of retail stores that the elderly constitute a mass market worth cultivating, and we suggest some ways of attracting this group through appropriate marketing and display. However, the idea was found to be

<sup>1</sup> Statement by Dr. Dacso on p. 238, app. 4.

unacceptable by local store managers and was turned down, on the grounds that large numbers of elderly people coming to a store would hurt its public image and tend to keep away the young—the age group considered most desirable. This would appear to be the ultimate in rejection.

Senator YARBOROUGH. Let me ask you a question on this point, Mrs. Mathiasen. Do you think that it is possible that injuries in the store have something to do with this? It is an unexpressed thing, but it might not have been stated.

Mrs. MATHIASEN. It may have been an unconscious reason, although we had very frank discussions and it was not mentioned.

Senator YARBOROUGH. The managers of the stores did not mention that?

Mrs. MATHIASEN. No. They were really trying to change a public image, I may say, from a rather conservative store to one that does serve the swinging generation. I think it was a sincere business decision of theirs.

Senator WILLIAMS. They are in business to make money.

Senator YARBOROUGH. Did you say the swinging generation?

Mrs. MATHIASEN. Yes.

Senator YARBOROUGH. These older people will have to start swinging, then, to get the attention you are talking about.

Senator WILLIAMS. It is hard for me to believe that anyone who is in business would, in a sense, discriminate because of age. He has a product to sell, and everybody's purchase is equal to everybody else's.

Mrs. MATHIASEN. This particular store has spent a substantial amount of money to create a new public image, as a chain that caters to the tastes of the younger generation who do spend a lot of money, particularly on clothes.

Senator WILLIAMS. You had better not mention the name.

Mrs. MATHIASEN. No, I wouldn't think of it.

Senator YARBOROUGH. I just don't believe that these merchandisers had realized the fact you have in your statement, as I did not realize it before, that the people over 65 have between \$35 and \$40 billion of income a year and spend between \$35 and \$40 billion. When the merchandisers of America wake up to this fact, I believe there will be a change.

Senator WILLIAMS. What is the gross national product?

Senator YARBOROUGH. \$750 billion.

Senator WILLIAMS. This represents a significant percentage of the gross national product.

Senator YARBOROUGH. Of course, that gross national product wouldn't represent the amount spent. That would be different. But of the total amount spent in this country, 20 percent is spent on transportation alone. So when you start taking those segments off, this becomes important.

Senator WILLIAMS. Why do you say that?

Senator YARBOROUGH. Of all the money spent in this country in a year, 20 percent is spent on transportation and personal transportation is a small item. As you know, 90 percent of the intercity transportation is in private automobiles. The biggest part of transportation is transportation of goods and not transportation of persons. Transportation of persons is a small percentage of it.

Senator WILLIAMS. Do you know there are between 30 and 40 percent of the people in this country who cannot drive an automobile? They are either too young or too old.

Senator YARBOROUGH. But this percentage of what is spent is a much bigger percentage of what is spent in this country than it would be of the \$750 billion GNP.

Do you know what is actually spent in America in a year?

Mrs. MATHIASSEN. No, I don't know that.

Senator YARBOROUGH. It would be some hundreds of billions, probably not too far off from the \$750 billion. But it will be less. When you take this retail market, it is going to be a pretty good share.

Senator WILLIAMS. I am glad you raise this point. If I happened to have a supermarket—and this is right off the top of my head—I would encourage the older people and make it easier for them to check out their purchases.

Mrs. MATHIASSEN. We have talked to a number of retail merchants about this whole question. There is beginning to be, I think, a good deal more consciousness of the market. Allowing elderly people to check out at the express checkout counter could be a good starting point. There are a number of other ways in which shopping can be made easier. We have a whole list of them.

Senator YARBOROUGH. One more question, Mr. Chairman.

Do you have a copy of this study to leave with this committee, the study on "Furniture Requirements for Older People"? Do you have enough copies for each member of this committee?

Mrs. MATHIASSEN. I would be glad to send additional copies.

Senator YARBOROUGH. Thank you, Mr. Chairman.

Mrs. MATHIASSEN. There is one relatively minor point to which I would like to call your attention. A changing practice in the public utility field that has become a severe but seldom recognized handicap to the elderly is the gradual disappearance of the free public toilet.

I should like now to turn attention to the basic principle involved in another area of marketing—that of reducing the price of commodities for persons 65 years of age and over. For example, there is the matter of reduced fares for transportation. We have found that, in a few cities, this reduction in off hours has greatly increased the mobility of older people and has unquestionably resulted in benefit to many. However, in spite of years of effort to encourage this practice, it prevails in only a very few communities, and so far as we know the transport facility in each case is publicly owned. The private bus companies with whom we have had consultations have offered quite understandable reasons for not wishing to extend to other special groups the reductions in fare they are usually required to make for schoolchildren.

Recently there have been laudable attempts to get reduced plane fares for older people, such as are now available to youth. I am aware that Senator Williams and perhaps others have been interested in this possibility. One lively group of elderly persons in upstate New York has formed an organization for the sole purpose of promoting this idea.

Senator WILLIAMS. Where is that in upstate New York?

Mrs. MATHIASSEN. Its center is in Buffalo.

But again there appear to be doubts among airline executives about the wisdom of extending discounts to this age group.

Here, Senator Yarborough, I think there is some concern about accidents and about the fact that the young people often have to stand by—have to be on a wait-list basis, and so on.

There is a relatively new organized plan aimed at securing discounts in retail stores for older people. Under this plan, which NCOA has been asked to endorse and help to become national in scope, an individual pays dues to an organization which arranges discount privileges for membership-card holders at certain stores, which are listed in a directory. NCOA is not suggesting that there is anything improper about this plan or this organization. However, there are certain questions of public policy which must be raised.

In a wide-scale movement, is it possible to assure the reality of the discount? Can it not actually be used by unscrupulous dealers to inflate prices? If a merchant wishes to give a discount to older people, should the courtesy be limited to dues-paying cardholders only? Why not use the social security or medicare card? If older people are not able to pay the full price for goods they buy, should the responsibility rest with the merchant from whom they buy or with the entire community? And, finally, is the discount based on age the best way—or even a dignified way—to stretch the incomes of the old? Should not our efforts be spent in trying to assure enough income for the older person so that he can pay his own way?

At this point, the pertinence of this testimony for a legislative hearing may well be questioned, since so much of what I have said seems to relate to the private rather than to the public sector. But the traditional practice of the Senate Committee on Aging to consider questions against the broadest possible background may justify this approach.

Before I turn the testimony over to my colleagues, however, I should like to make some specific recommendations which this committee or other governmental agencies might wish to consider.

The first recommendation deals with the adequacy of the "BLS" budget for an elderly couple or elderly individual. This budget is used as a basic guide for many organizations across the country. In New York City, the annual "Price Survey—Family Budget Costs" is a function of the Budget Standard Service of the Community Council of Greater New York. Each year it brings the "BLS" budget up to date in terms of dollar value and adapts it to the local community situation.

It is my understanding that, with the exception of food where the necessary nutritional elements can be scientifically determined and priced, the budget items are determined by current spending habits rather than by estimate of need. While I am well aware that there is great variation in consumer desires and spending habits, it seems to me to leave much to be desired to use as the basis for a "modest but adequate" budget for a retired couple or a single elderly person living alone—the actual median expenditures of a group of people of whom so many have inadequate incomes.

For example, the most recent New York City budget, to which I refer because it is brought up to date in terms of 1965 dollar value, provides \$192 per year for clothing and upkeep for an elderly couple. Broken down into detailed costs, it provides a man with one topcoat every 10 years, one suit every 3 years, one sweater every 4 years, and one pair of shoes every 2 years. A woman can buy a new coat (casual)

every 7 years, a wool suit every 4 years, and a blouse every 5 years. A man can have a suit and a coat drycleaned twice a year; a woman can do about the same.

Senator WILLIAMS. May we pause for a moment? This is \$192 for a man and his wife?

Mrs. MATHIASSEN. Yes.

Senator WILLIAMS. This allows drycleaning how often?

Mrs. MATHIASSEN. The people who made up this budget broke it down to show how you would spend the amount allocated for clothes and make it cover a total wardrobe. I just picked out a few items.

Senator WILLIAMS. What was the basis of this \$192?

Mrs. MATHIASSEN. This is based on a bringing up to 1966—in terms of 1965 dollars and New York City prices—the Bureau of Labor Statistics modest but adequate budget for an elderly couple.

Senator WILLIAMS. For clothing?

Mrs. MATHIASSEN. For clothing and other items. I have been referring to the clothing item.

Senator YARBOROUGH. Does that upkeep include the cleaning and pressing?

Mrs. MATHIASSEN. Yes.

Senator YARBOROUGH. That broke down to \$8 a month each for the husband and wife to buy and keep their clothing up, with cleaning and pressing.

Mrs. MATHIASSEN. Buying and replacing, yes.

Senator YARBOROUGH. There would be a lot of patches on that clothing. So it is \$8 a month per person.

Senator WILLIAMS. Does some fellow sitting in an office in Washington figure all of this out?

Mrs. MATHIASSEN. It is considered scientific budgeting, and I don't want to indicate that it is not good budgeting according to the way budgets are done. I have discussed this method with budget experts.

Senator WILLIAMS. I understand Mrs. Peterson will speak on this subject, too. This is very fascinating and new testimony before our committee.

Mrs. MATHIASSEN. To go on with the budget, shoes may be half-soled once every 2 years. Twenty hours of household help per year are allowed in a household of two persons, on the supposition that it can be obtained at the rate of \$1.25 per hour. The transportation budget provides two trips by bus or subway a week, or only one trip if both bus and subway are needed.

In terms of today's standard of living and the social pressures to maintain cleanliness and a good appearance, to keep busy and maintain contact with the community, regardless of age, as other people are so often exhorted to do, the adequacy of a number of items in the budget seems questionable. The fact that 37 percent of income is allocated to housing in the "BLS" budget leaves too small an amount to be distributed among all other consumer needs.

We therefore recommend that the "BLS" budget<sup>1</sup> be restudied in terms of the special needs of older people for such things as laundry and cleaning, ready-prepared meals such as frozen foods, eyeglasses and dentures, and transportation. The revision should also consider

<sup>1</sup> For additional discussion of "BLS budget", see letter by Arthur M. Ross, commissioner, Bureau of Labor Statistics, p. 235.

the fact that yesterday's luxuries—like the telephone, not in the budget—are today's essentials, and that some of today's luxuries—like television—are fast becoming a minimum standard in American living.

Such a study might help to answer one of the questions raised by this subcommittee, as to whether elderly people spend their money wisely. For the most part, they spend according to necessity. Scattered studies indicate that the first economies are in recreation, the second in food.

Senator YARBOROUGH. Second economies are in food? I think that is pretty widespread among the elderly; isn't it?

Mrs. MATHIASSEN. Yes. Such studies as we have access to indicate that that is widespread.

Senator YARBOROUGH. Isn't there some danger that the elderly by saving on food might further impair their health?

Mrs. MATHIASSEN. That is right.

Senator YARBOROUGH. There is a great danger that the elderly will not eat enough of rich and nutritional foods.

Mrs. MATHIASSEN. That is correct.

Senator YARBOROUGH. That impairs their health, of course.

Senator WILLIAMS. You say for the most part they spend according to necessity, on food, clothing, and shelter. And then you say "scattered studies indicate that the first economies are in recreation, the second in food."

We had a Presidential request to increase the social security payment 20 percent. What you are talking about deals with not what we deal with, but with what the Finance Committee of the Senate deals with. Is that correct?

Mrs. MATHIASSEN. That is correct. I have a recommendation at the conclusion of my statement on that.

Our second recommendation is that Government-financed programs, such as many sponsored by the Administration on Aging or the Office of Economic Opportunity, give some priority to programs which include provision of essential consumer goods at low cost, such as nutritious lunches at senior centers, home-delivered meals at cost, clothing exchanges run by elderly people who are helped to repair and restyle clothes, barber and beauty shops where the skills of retired people can serve their contemporaries at minimum cost.

A third recommendation is for consumer education which, under many Government programs, could help older people to plan more wisely, to purchase economical food and plan balanced menus, to experiment with cooperative buying, to shop more intelligently, and to consider carefully the advertising claims of such items as expensive cleaning materials and cosmetics.

Fourth, we suggest that the President's Consumer Council might undertake a wider interpretation, to producers and purveyors of consumer goods, of the special needs of older people.

Fifth, we suggest that preretirement education in the middle years and better consumer education in the public schools would prepare people better for the realities of the marketplace.

Our sixth and final recommendation is that rates of old-age assistance and social security should be carefully examined, not so much in terms of dollar amounts as in terms of the amount of consumer goods that the dollars will buy.

Thank you very much, Mr. Chairman.



Senator WILLIAMS. You have presented a very fine paper.

Mr. ORIOL. I was asking the Senator whether we could have a little more about item four; your recommendation on the purveyors of goods. What is the general purpose of that?

Mrs. MATHIASEN. To explain to producers and purveyors of goods and manufacturers of clothing, services, with whom we have spoken, that there is an elderly persons market. If you begin to read some of the trade journals, there are scattered references to this age group as a market un-understood by producers of goods.

Greyhound, for example, as everybody knows, has made a great deal of this market in their advertising. They show older people riding in buses. Consequently, one study reported there were only two people in one Greyhound bus under the age of 50, and most of them were older, over 65 years of age. It is a market which can be catered to with good financial success.

What I mean by catering to this market is identifying the needs for, and the market for, various kinds of consumer goods particularly used by older people.

Mr. ORIOL. Are you suggesting something like a White House conference?

Mrs. MATHIASEN. I don't know whether that is the best way to do it. There are many ways in which to call attention to this subject—through meetings of the chamber of commerce, for example. There are many trade associations, and older peoples' needs are more pertinent to certain trade groups than others. We have had a number of elderly people ask about the redesign of the bathtub, for example.

Mr. Noakes, I believe, can go into this subject in more detail. We have a lot of proposals in our furniture design recommendations.

Mr. ORIOL. Senator Magnuson, in his consumer message of yesterday, proposed a 24-hour cooling off period after a door-to-door salesman has visited. Knowing that the elderly are quite often the No. 1 targets of door-to-door salesmen simply because they are so often at home, what is your offhand reaction to this proposal by Senator Magnuson?

Mrs. MATHIASEN. Offhand I think it would be a little hard to manage, but I expect it would be a good idea for all of us to have a cooling off period when we intend to make any major investments. I don't know quite how it would be done.

Mr. ORIOL. I think some States are trying to do this.

Mrs. MATHIASEN. I don't know that.

Senator WILLIAMS. As a matter of fact, in New Jersey there is a bill on home repairs, which is another item that has caused a lot of consumer problems. Their bill covers the same idea.

I really don't know about the 24-hour cooling-off period.

What if you want something right away? What if a Girl Scout comes with cookies? You want to cookies now and not 24 hours later.

Mrs. Mathiasen, this has been a magnificent statement. Thank you.

Mr. MILLER. Mrs. Mathiasen, would you comment further on your statement regarding packaging of meats and other foods? Particularly, have not the distributors of these items recognized that it is not only the older market where this matter of small portions is of concern but also a substantial part of the younger market?

Mrs. MATHIASSEN. We often make the point that many things that are essential for older people are generally good for the rest of the population, too.

Senator YARBOROUGH. You make the suggestion on page 25 for clothing exchanges run by elderly people to help repair and restyle clothing.

I grew up in an agrarian economy where much of what you ate, or nearly everything you ate, was produced at home. I was seventh in a family of 11 children. My mother was very adept with the machine and the needle. A lot of clothing was made at home. I think if the elderly had time, in the rural areas, a person 65 years old was not regarded as someone to be placed in the corner by the chimney, but rather as someone who could do a full day's work on the farm. They also did work in preparing the clothing.

We had lasts for all shoes from the babies up, and we half-soled some of our own shoes. There are many things the elderly could do to stretch the dollars if taught how. We have lost the art of handicraft in this country because of all the mechanized living.

I think we need these centers to reteach the elderly people how to repair their own clothing. Most ladies don't know how to patch clothing or sew a patch on the inside of a sock so that it doesn't show. Many of these skills can be retaught.

When we speak of the elderly, we are often thinking of someone about 95 who is doddering and can't do a thing for himself. But some people are more vigorous at 65 than others are at 45. There is a great difference among people. There are a lot of people who are in full possession of their mental faculties and physically able to do a hard 8 hours of work a day. They could be taught many things to help stretch these dollars in order to enjoy a better living standard.

Mrs. MATHIASSEN. I came from the same economy as you, Senator. I know that in my mother's generation this was very true. I do not want to intimate that a good deal of this sort of teaching is not going on today. The Department of Agriculture, through its Extension Service and similar programs, is providing it. There are a number of senior centers where we have some examples of this kind of teaching and activity.

My suggestion is that it could be much more widespread than it is and would be very helpful in extending the dollars.

Senator YARBOROUGH. When I was a young lawyer, my wife, who graduated in textiles and home economics from the university, designed and made her own clothing. Often at parties the ladies would look at her and try to get the name of her dress designer for her creations. So people can do a great deal for themselves if they have the proper instruction.

Thank you, Mr. Chairman.

Senator WILLIAMS. That suggests to me another idea, and I believe you mentioned it in your prepared statement. The idea for community centers for older people to gather, communicate and do things together, is important. My mother is over 65, she is elderly, and one of her great pleasures is hooking rugs. She does this with great pleasure. My wife, who has not quite reached that elderly age, has been knitting day in and day out for the last four months the ski sweaters for the kids.

Senator YARBOROUGH. My father, at 87, would go into the woods by himself alone, with a heavy, double-barreled 12-gauge shotgun, with

his lunch, and hunt all day. He generally brought back the game, and that was at 87 years of age.

Senator WILLIAMS. What do you think of the phrase of "senior citizen"?

Mrs. MATHIASSEN. We never use it in our organization. I know there are many people who do use it, however, and feel that it is a good terminology. We happen not to agree with that.

Senator WILLIAMS. And I happen to agree with you.

It is patronizing, in a sense.

Mrs. MATHIASSEN. Yes.

Senator WILLIAMS. I happen to agree with you on that.

(The following questions were later addressed by the chairman to Mrs. Mathiasen and her answers follow:)

#### QUESTIONS TO MRS. MATHIASSEN

1. Your institutes on furniture design evidently encouraged fresh thinking on a subject of importance to all consumers. Do you see any way in which any federal agency could encourage or sponsor similar conferences on other subjects of direct concern to elderly consumers?

2. Do you see any way in which any federal agency could conduct or arrange for research on product needs of older persons?

3. Have you any examples of unscrupulous companies using spurious discounts to attract older persons as customers? Can you describe the techniques used in general terms?

4. May we have additional commentary on your recommendation that "rates of old age assistance and Social Security should be carefully examined, not so much in terms of dollar amounts but in terms of the amount of consumer goods that the dollars will buy?"

#### ANSWERS FURNISHED BY MRS. MATHIASSEN

Answer 1. I should like to see a series of consumer institutes similar to NCOA's institute on furniture design, to which designers, manufacturers, retailers, and people familiar with the needs of older people would be invited. These would be on such subjects as clothing, food, household equipment and appliances, lighting fixtures, transportation vehicles, recreation equipment, and marketing aids.

Another broad area worthy of attention is the planning and design of public buildings. An elderly person who cannot climb steps is often denied access to the court house, public library, or church.

The NCOA institute on furniture design was financed, as a public service, by a furniture manufacturer. However, few industrial concerns see such activities as legitimate areas for investment of company funds. I believe that a series of such consumer institutes would be a legitimate project for grants by government agencies. This method of financing such institutes might be more appropriate than direct sponsorship by a government agency, with the possible exception of the office headed by Mrs. Peterson.

Answer 2. I think that research could be appropriately conducted or financed by a number of federal agencies, including the Department of Agriculture, Commerce, Housing and Urban Development, and Health, Education, and Welfare, and the Office of Economic Opportunity. Studies might be made in areas similar to those suggested for consumer institutes.

I also believe that more research is needed on what constitutes "adequacy" in relation to the BLS "modest but adequate" budgets for an elderly couple and an elderly individual.

Answer 3. I have no specific examples of unscrupulous companies using spurious discounts to attract older persons as customers. The mass retail discount promotion is in the early stages of development. I suggest the possibility of unscrupulous merchants attracting elderly customers by being listed in a directory and then using the well-known device of apparent rather than real discounts. Elderly people would be even less apt than usual to question the tactics of a retailer who had publicly evidenced a concern about their welfare and a willingness to help. Any large-scale inspection by organizations promoting the program appear impractical.

Answer 4. I should like to see an examination and wide dissemination of the findings of just what old age assistance grants and social security benefits can buy. It is only in terms of goods and services that dollar amounts become real.

If a married couple lives on an average social security payment of \$128 per month, what can and what *do* they buy with it? What are they obliged to do without that most people take for granted? In states where old age assistance is less than \$50 a month maximum, how do people live? In my experience, the reaction to these figures is, "How *can* anybody live on this income?" Lacking the answer, nobody looks for facts or uses his imagination to face the stark reality.

If members of this Subcommittee find that the clothing purchases possible under the BLS "modest but (theoretically) adequate" budget are far from the ordinary concept of adequate, what must be the reaction to a public assistance allowance of less than one-third the amount proposed by the BLS budget and which is not theoretical but the actual maximum amount available for maintaining life?

If we can determine what are the minimum essentials for a decent life, in such terms as food, shelter, clothing, medical and dental care, recreation, and incidentals, and then price them out, we can arrive at a level of income below which no elderly American should be expected or permitted to live. This basic determination has never been made in our country. Such an approach would force us to look at income figures not in terms of dollars but in terms of the way of life in which millions of the elderly are condemned to live.

**STATEMENT OF MRS. DOROTHY A. BEHRENS, DESIGNER-DIRECTOR,  
VOCATIONAL GUIDANCE AND REHABILITATION SERVICES,  
CLEVELAND, OHIO**

Senator WILLIAMS. You may proceed, Mrs. Behrens.

Mrs. BEHRENS. Mr. Chairman and members of the subcommittee, I consider it is a privilege to be invited here today, and to have this opportunity to inform you of my interest in clothing for the older person.

I will depart occasionally from my written statement because references have been made by speakers before me and I would like to elaborate on these. I apologize for the copy.

Senator WILLIAMS. That is perfectly all right.

Mrs. BEHRENS. In 1962, I became vitally interested in the clothing problems of the elderly after numerous visits to homes for the aged. During these visits I would hear the same persistent comments and complaints on the lack of suitable clothing available, particularly for the older women. I began to investigate all possible sources, such as retail stores and mail order houses and found that these were valid criticisms. I was dismayed to find only poorly designed, uninteresting clothing in monotonous patterns and unsuitable colors in limited sizes for older women—as younger women's measurements are used as standard for patterns. I consulted local clothing manufacturers and other fashion designers about this situation. We have several large manufacturers in the Cleveland area. I made several trips to cities in other States to satisfy myself that something could be done other than what we hoped to do at the rehabilitation center.

I found everyone indifferent and unconcerned. In this youth oriented society, their only interest was to enumerate the difficulties they as manufacturers would have if they attempted to provide merchandise to meet the wants and needs of older people.

Because the number of persons age 65 and over is approximately 10 percent of the total population and is increasing, the needs of this age group for suitable clothing will also increase. Realizing the enormity and urgency of this problem, I brought this to the attention of the

agency I am associated with and they encouraged me to attempt some solutions to meet this apparent need of older persons. One of my responsibilities as a staff member at Vocational Guidance and Rehabilitation Services, Cleveland, Ohio, was to direct a program for power sewing training for industry. The vocational center has equipped work-room facilities but additional workers had to be trained to produce the designs as I designed and developed them. I incorporated in my first designs certain features which the older woman wanted and needed. I acquired this information from personal contact with older women and research studies of social scientists on attitudes of older women on clothing.

To design for the older woman, it has been necessary to consider the changes in physical characteristics that usually accompany aging and may create some of her clothing problems. I refer to older women's wants and needs in clothing as I have had more experience in this area. However, I think older men have similar clothing needs. If we had staff, I believe we would try to do something about this. While I have opinions on men's clothing problems, I am not qualified to carry them out into development.

I believe clothing plays a role in the psychological well-being of all ages of people. In the later years, it becomes more important because of the loss of other sources of ego support, such as physical vigor, work-related status and income, all particularly important to men.

Changes in body proportions effect the way clothing fits, such as a decrease in stature due to changes in the spine; increase in bulk, particularly in the hips, abdomen, thighs and waistline—often to such an extent there is little or no waistline; rounded shoulders, sagging bustline and dowager's hump, a pad of fat at the base of the back of the neck.

Senator WILLIAMS. If I may interrupt, we are not a legislative committee.

Mrs. BEHRENS. I am attempting to explain the situation as it exists.

What I am trying to say is that nothing has been done to meet the special need. That is really what I am trying to pinpoint.

Senator WILLIAMS. We are concerned with older people.

Mrs. BEHRENS. I understand. These considerations as explained in my statement are the reasons that the clothing does not fit . . . the reasons the older people do not find it available.

Senator WILLIAMS. But we can't legislate the hemline.

Senator YARBOROUGH. Mr. Chairman, I have another engagement and I am forced to leave very quickly.

Mrs. Behrens, I think the second paragraph of your statement, that the number of persons aged 65 and over is approximately 10 percent, is correct. Our total population now is approaching 200 million. That would be about 20 million. I have checked back into Mr. Bechill's statement, and he said that 19 million people, 65 and over, represent 16 percent of our adult population and not the entire population.

Mrs. BEHRENS. Those are figures I had but I thought some changes occurred since 1965.

Senator YARBOROUGH. I have been reading ahead of you on your very interesting statement, and I regret that I am forced to leave.

Mrs. BEHRENS. Thank you.

I will not go into some of the other areas I had intended to present. I will ask you to read my statement, at your convenience.

Senator WILLIAMS. No, no. We are here to hear you. You are very knowledgeable in this field.

Mrs. BEHRENS. I would appreciate some recognition of the existing clothing needs of the older persons and what the agency and I have contributed toward the solution.

Senator WILLIAMS. I don't know if it is an area of legislation.

Mrs. BEHRENS. If you feel as a group that you are going to make any headway with the problem of convincing industry or designers, you have to recognize, to a certain extent, their situation in this as well.

Senator WILLIAMS. There was just my impression that this was a little beyond the legislative world. It is very interesting and I think it will be educational for all of us. I think what you have directed yourself to will be helpful. But I am not going to recommend to the Congress of the United States that we legislate the hemline.

Mrs. BEHRENS. I don't believe that is what we are asking for, sir.

Senator WILLIAMS. You are very disarming.

Mrs. BEHRENS. I have led up to this because these are things I have done in designing clothing and I have found that these meet their needs. I made the comment that you have to consider the physical changes and the personal appearance due to aging of the person. I did that because I said I have found in looking over the clothing that was available to them that industry had not put this kind of concern into the kind of items they put on the racks, in sizes that the older person would wear.

I am going to make a point not in my statement. So many times the older buyer becomes discouraged buying clothing. She has a limited income. When she goes to the marketplace and the retailer, she sees items which haven't much appeal to her.

I brought some drawings which I will ask you to look at—particularly the bright-colored ones. I have found that older women like bright colors. But I have found that they are not available in their sizes or, if they are, they are not appropriately designed for their body needs.

This is the reason I have gone into pinpointing some of the body needs of the older person. I don't think anything is more discouraging than to put a garment on which fits you only in one place and the rest of the garment doesn't fit. Also, I think if it is not a color that appeals to you as the wearer, you will not be particularly happy with it nor are you going to feel confident in wearing it.

The women that I see are interested in staying in this mainstream of life. They are not interested in being on the sidelines, as much as we want to push them there and leave them there. They realize that they need good clothing to maintain their personal appearance. I have listed some of the comments and criticisms they repeated over and over:

The lack of good fit. They don't want to buy a garment that doesn't fit well because the alterations quite often are not satisfactory. I was very interested in the remarks that we use community centers. My own suggestion here would be that you certainly get someone on staff at these centers who knows how to alter clothing.

People may alter a garment and are greatly distressed over the results. Alterations are something that people don't want to pay for because they feel it is very easily done. This quite often cannot be done on present ready-to-wear. A considerable amount of knowledge is needed on how to go about it.

If styling continues to be poor and with poor fit, the middle-aged person will continue to be dissatisfied and they will look like museum pieces or they will not look as we would like them to look. They have been stereotyped as being slow to accept fashion. I do find them very deliberate in their purchasing. I think there is good reason for that.

I think anyone who is 65 years and older today has come from a background far different than today's young adult. Their frame of reference is certainly different than the young adult. They've known a different period of time economically and don't think in terms of material wealth, such as the gross national product, or Dow-Jones averages, and so forth. They think of the income they are working with, and the great number of them do the best they can with it.

I have a couple of garments with me. I can see there are quite a few men present. There wouldn't be as much interest in what I have tried to do in styling for older women.

Senator WILLIAMS. Do you mean the men will not appreciate your styles?

Mrs. BEHRENS. I think you do when they are on a body, but sometimes not on a hanger. If you wish, I will point out these features.

Senator WILLIAMS. Where are they?

Mrs. BEHRENS. They are hanging over there.

What I have attempted to do for the older woman is give her necklines that are not extreme in width or depth, with easy-to-manipulate fasteners, that the opening is in the front. I have a shrug which is completely reversible. It goes over the shoulders. It has expandable sleeves and a bateau-style back.

When this shrug is on the body, it takes care of the dowager humps that I referred to earlier. It conceals certain curvature problems.

Senator WILLIAMS. That is a beautiful garment.

Mrs. BEHRENS. That sells for \$10.95. It is made to the individual's measurements.

Incidentally, the center has had no Government subsidy for this project to date, so I am not here to tell you what you have spent or should spend your money for. I am trying to say, it can be done if people are interested enough in doing it.

Senator WILLIAMS. To crystallize what you are saying, older people should have that confidence that comes with being attractively dressed; is that it?

Mrs. BEHRENS. I think so, and in colors they want, in style lines they need, and in prices they can afford. I wouldn't see the older person wearing mini-skirts, sir, no matter how easy they are in getting into and out of an automobile.

Senator WILLIAMS. I agree with you on that.

Mrs. BEHRENS. In my statement, I have tried to indicate certain clothing needs. I have made a folder available to the committee, showing how we are doing this.

Senator WILLIAMS. Do you design these garments?

Mrs. BEHRENS. I do, sir.

I think maybe one point may interest the committee. You remarked earlier that you had a great interest in getting the older people involved in this. You might be interested in knowing that my workers are older people.

When I get enthused about a design and take it to the workroom to work out the mechanical problems of production, it is amazing

how they come forward. They realize this is for someone like themselves. I have five sewers and one cutter.

Senator WILLIAMS. These folks do like the community of gathering together?

Mrs. BEHRENS. Yes, only they are paid, because I have to abide by Federal wage and hour laws, as we sell in interstate commerce.

Senator WILLIAMS. But you are not a profitmaking corporation?

Mrs. BEHRENS. No, sir; I should say not.

We need more places doing this. I have been doing this since 1962, and the more I see of it the more I am convinced that it is something that should be made more widely available.

I incorporate features which will take care of their physical needs, such as changes at the waistline. Many have reported that I use this mohair tape exclusively, but I don't use it exclusively—I use it extensively. I will use other types of fasteners if I think they are something that people can use.

It is a nylon mohair tape that was developed by a Dane. It took him 8 years to perfect it. I am not here to promote this product, but I will be glad to explain it to you.

It is two pieces of tape. On one side is a hook and on the other side is pile. This is what it looks like to the naked eye. When these two pieces go together, it is just like the burrs often found on the mountainsides. This is how he came about doing it.

He was walking in the Alps and saw these burrs fastening themselves to his trouser legs and he said to himself "Wouldn't it be wonderful if you had a fastener like this."

He happened to be a man who had that type of a mind and later went back to Denmark and perfected this product. It was introduced on the American market before 1959. However, it was not used properly, and its use was discontinued. I have put it into clothing again, I have done this because the arthritic, and the older person who is losing strength and lacks coordination, is able to fasten it. I am designing for the elderly and the handicapped.

Senator WILLIAMS. I bought a robe for my wife for Christmas, which was expensive. But it had the old hooks.

Mrs. BEHRENS. The gripper-type fastener?

Senator WILLIAMS. About 25 of them. A half-day's work to hook them up.

Mrs. BEHRENS. Grippers also place a strain on the fabric. It will not wear very well, sir. You will soon have to buy her another one.

This mohair type is not new with me, but it is just that I use it differently. It is not my product.

You see, an older person just has to touch this and it stays. You also have to apply it correctly. You can't just put a strip on clothing already made and expect it to perform satisfactorily.

Senator WILLIAMS. Would you say that again?

Mrs. BEHRENS. You couldn't just take the fastener, for example, on Mrs. Williams' robe, and replace it with this product, because the front of the robe may not be cut to take this type of fastener.

I mentioned in my remarks that it takes a scientific approach.

Senator WILLIAMS. Your agency is sponsored exclusively by Cleveland?



Mrs. BEHRENS. We are a volunteer agency under the umbrella of the Welfare Federation. The work that I am doing has been paid for by the trustees of the agency, not from Welfare Federation funds.

Senator WILLIAMS. Then you are not a governmental employee?

Mrs. BEHRENS. No, sir.

Senator WILLIAMS. In what?

Mrs. BEHRENS. Let me explain. We get funds, such as Federal grant money, private voluntary contributions.

Senator WILLIAMS. Where do you get the grant money from?

Mrs. BEHRENS. From the Federal Government for different types of projects and programs. However, the project I have does not have grant money and it is not subsidized by the Federal Government.

Senator WILLIAMS. But the rehabilitation center that you are part of is part of our national program of rehabilitation for older people?

Mrs. BEHRENS. Also the handicapped. The rehabilitation of people can be in skills also. I would like to see the older person involved in this, as well as benefitting from it.

Senator WILLIAMS. How many older people from your area, the community of Greater Cleveland, come to the rehabilitation center?

Mrs. BEHRENS. I do not have accurate statistics on that. As a center, we are an outpatient type center, and we have no inpatient facilities there.

There is a fitting room equipped with parallel bars, if they have some physical reason for needing clothing allowing freedom of movements.

Senator WILLIAMS. What do parallel bars have to do with fitting? That is a gymnastic item?

Mrs. BEHRENS. Perhaps due to a physical disability they cannot stand for long periods of time without support.

Senator WILLIAMS. This has nothing to do with fitting, does it?

Mrs. BEHRENS. Not directly. The parallel bars help them to stand while being fitted with special clothing. You must learn from many types and experiences so that you can incorporate features into items that which will be useful to many people. We have never specifically said that this item was for the elderly and this item for a certain other type.

I agree with others that the elderly don't particularly like to be set apart. They have said to me, and in my remarks I mention this. They don't want departments in department stores just for them.

They don't like the condescending attitude of some of the young sales people. They don't want to be set apart. But they want to be respected and recognized.

Senator WILLIAMS. I have taken quite a bit of interest in housing design for elderly, authorizations and appropriations for the elderly, and a little bit about some of the administration.

Do you know where the older people like to be in housing? Close to everybody.

Mrs. BEHRENS. That is right, in with everybody else.

Senator WILLIAMS. I see Mrs. Peterson has just arrived.

We have had a great morning of testimony, Mrs. Peterson.

I am sorry you missed Mrs. Behrens' testimony on design for older people in clothing, particularly, which keeps them in the mainstream.

Mrs. BEHRENS. Thank you, Mr. Chairman.

(The following questions were later sent by the chairman to Mrs. Behrens, and her responses follow:)

QUESTIONS TO MRS. BEHRENS

1. May we have additional detail on the sources of funds for your work at the Center?

2. Do you see any way in which federal agencies might be of assistance in providing funds or encouragement for research on some of the work you are doing? Could the Vocational Rehabilitation Administration, for example, encourage further work on design of clothing of special help to the elderly, as well as the disabled? Would you recommend that the Administration on Aging encourage programs similar to yours in community centers for Older Americans?

3. I am especially interested in your comment that "rehabilitation of people can be in skills, also." You seem to have found a way to provide a product needed by the elderly while engaging them in the means of producing it. Do you see any ways to extend this concept further?

ANSWERS BY MRS. BEHRENS

Answer 1. Funds for the operation of the Special Clothing and Aids Designs Department are obtained from the income from the sale of items produced in the department. These funds are supplemented by voluntary, private funds from the Board of Trustees of Vocational Guidance and Rehabilitation Services, Cleveland, Ohio. The supplementary funds from the board for 1966 totaled \$21,515.00. This has been a major project carried by the VGRS board, with the smaller portion of the income from the sale of products. The high operating costs and low income has circumscribed the research and development on clothing for the elderly, which we have recognized as a need, yet have been unable to meet financially.

Answer 2. Vocational Rehabilitation Administration has indicated an interest in special clothing problems. Some years ago, VRA granted funds to The Institute of Rehabilitation Medicine, New York for a clothing project. This project included a pilot study, field testing and market survey of clothing designs for the physically disabled. In November 1966, VRA with Vocational Guidance and Rehabilitation Services sponsored and funded the first national seminar on clothing for the handicapped and chronically disabled. The purpose of this seminar was to bring together recognized experts in and related to the area of clothing for the handicapped and chronically disabled, to critically analyze the current status and future development of this area. There was some discussion on clothing problems of the older persons during this two-day institute. If you wish, it would be my pleasure to send a report on this seminar to you when it is released.

Very little positive action has been taken in meeting clothing needs of the elderly. This fact was confirmed by several participants who attended the clothing seminar. Clothing designed for the older person has little commercial value to the clothing industry. Clothing designers have not been attracted to designing for the elderly as it has not been as lucrative as designing more youthful fashions. I referred to this in my statement before the committee.

In my work at the VGRS Center, my efforts are divided between meeting clothing needs of the elderly, and the special clothing needs of the physically handicapped and mentally retarded. I strongly recommend that the Administration on Aging encourage and establish programs limited to the one area—clothing needs of the elderly, perhaps similar to my approach at the Center.

Answer 3. Many older women have had some sewing experience in their youth, while rearing families in the days before mass production and wide distribution—the present day method of producing clothing. I believe the idea of making garments for themselves and other older persons would appeal to them. In this kind of program, people learn by doing. Research can be concurrent with the day-by-day operation of centers producing the clothing for the elderly's needs. Experience gained in one center can be applied to other centers nationally. The primary problem would be staffing workrooms in centers with qualified professionals-designers and experienced supervisors.

While due recognition and assessing data on the needs of the elderly, their needs in clothing call for action *now*.

May these comments and suggestions stimulate government interest and encourage action.

STATEMENT OF EDWARD H. NOAKES OF EDWARD H. NOAKES,  
ASSOCIATES, ARCHITECTS

Senator WILLIAMS. Mr. Noakes, you have a hard assignment to follow those ladies.

Mr. NOAKES. Mr. Chairman, I couldn't agree more.

What I am going to discuss is the matter of design in much broader terms.

The problems of the aging relating to such matters as employment, income, and leisure-time activities are generally capable of being considered and solutions sought within a framework special to that age group.

Their design needs, however, are identical with the needs of sizable numbers in all age groups. You are probably aware of the efforts over the past 10 years of many organizations and individuals to bring about the elimination of architectural barriers in buildings.

Success in this effort is of benefit not only to the crippled child or adult and the paraplegic veteran but to the aged as well. They are all people with functional limitations and it is to their total design needs that this testimony is addressed.

Those of us in the design professions are slowly becoming aware, for various reasons and with a wide range of enthusiasm, that one of our basic assumptions is in error. We have assumed that there was an identifiable and authentic average man whose design needs represented those of all men.

We have assumed that people on the fringes of this average possessed the necessary capacity to adapt to average design and that those incapable of adapting belonged in institutions anyway—or were at least out of sight.

We have assumed that for all practical purposes everyone was like everyone else, with the possible exception of that celebrated difference that encourages continuity of the race.

This country, from its beginnings, has insisted that diversity and individuality be nurtured and encouraged through its great political, legal, and educational institutions and traditions.

With few exceptions this has not been the case in the design professions. Architecture, for one, has been intolerant of diversity of the **most fundamental sort**—differences between individuals in powers, dimensions, senses, adaptability, and mobility.

It has been content to design for so-called average man and to ignore those who through birth, accident, disease, or simply the process of growing old, have lost or may never have possessed the full functional capacities ascribed to that average man.

What is true of architecture is equally true of other design disciplines. A contemporary airliner, a bus, a kitchen, a doorknob, or a landscaped mall are all designed for the comfort and convenience of a mythical creature whose characteristics are evolved from an arithmetic averaging process predicated, in turn, on an evaluation of a small select group of "normal people." The predictable result is an environment that, through design, is either difficult, exhausting, or impossible to use to the nonaverage person.

It is ironic that the concept of "average" is employed practically nowhere else in the designing process. A switch to the concept of

"foreseeable maximum" is made when structural, mechanical, electrical, or material components are considered.

It would be the height of folly, for instance, to consider only average earthquakes in the design of a structure in San Francisco; to consider only average storms or landing shock in the design of an air-frame; to consider only average bumps in the design of a suspension system for a bus or only average snowfall in the design of a roof truss in Montreal.

It may not be the height of folly to continue to build and construct for the average man, but it is certainly out of step with modern social, medical, and political science to ignore the needs and aspirations of the millions who are temporarily or permanently incapable of adapting to average design conditions, to say nothing about the added burden on the public treasury.

There are also legal and moral overtones when taxpayers are excluded, by design, from the enjoyment of a publicly financed venture such as the rapid rail system now being designed for Washington, D.C.

The condition of man is not one of physical and mental fitness every day, all his life. There are endless variations in his capacity to function that come and go—or that come and stay. But despite the changeability of his condition, he still wants to work, live, worship, and move about independently to the greatest extent of his capacities.

He needs an environment so designed and equipped that he can have access to it and enjoy it even though he may have to live in a wheelchair.

His condition, then, represents a foreseeable maximum human need. It is a need that the designers of our communities, their structures and their transportation systems must cater to. It is a need which, once comprehended, generates a design response that provides everyone else with a safer and more convenient environment.

It is a need, which, if given to the designer at the outset of his designing, can be met easily and with small if any extra cost.

There is general agreement among the experts that when design caters to the self-propelled wheelchair-bound person, it also caters to those who have artificial limbs, use crutches or canes, have a heart or pulmonary condition, or are living with the frailties of old age.

Such designing is more a business of eliminating rather than adding features. Eliminate steps outside and at the entrance, eliminate steps inside as the sole means of moving from level to level. Eliminate doors narrower than 2 feet 8 inches.

Eliminate corridors narrower than three feet in a dwelling unit or 5 feet in an access corridor. Eliminate thresholds, low electrical outlets, inaccessible closets. Eliminate bathrooms that have tortuous access and are too compact. Eliminate drinking fountains and telephones that are too high to use from a wheelchair.

Provide, in public and office buildings, one toilet for wheelchair use on every floor. Out of doors, provide curb ramps from roadway to sidewalk and a few wider-than-average parking spaces in the lot or garage.

Provide for those with failing or no sight by having elevator lobbies equipped with floor annunciators as well as step indicators on handrails. Provide for the hard of hearing or deaf through the use of illuminated elevator and alarm signals.

These are a few of the building design elements spelled out in some detail in the American Standards Association, Standards for Making Buildings Accessible to and Usable by the Handicapped. They are not complete and as more designers, who are very inventive and a resourceful lot, are occupied on the problem, we should see some new and creative results.

The ASA Standards mentioned above, pretty well cover the current state of the art. They do not attempt to do more than spell out the obvious and known. Last April, the President appointed a Commission on Architectural Barriers to report next January on the reasons why designers continue to design barriers into their buildings and to recommend the necessary steps to overcome this problem.

I am proud that the American Institute of Architects has assumed a leadership role in this drive to eliminate architectural barriers. As the Project Director for the AIA, I can report to you that our hope is to motivate architects through various educational tools, in the direction of barrier-free architecture.

Others are investigating the need for legal weapons to bring about the same end. Probably both will be needed in the end but I can't help but be more optimistic about a voluntary rather than a forced compliance with a concept that will lead to a reevaluation of the whole man and of the design criteria we have been using so long and so unthinkingly.

For instance, no one thought to provide the 2 extra inches in width at the bus unloading ramp. If they had been provided, a person in a wheelchair could drive up and independently go straight to his seat on board a plane at Dulles Airport.

So could anyone else with a handicap. With a few cuts in the curb, they could park and shop everywhere at the Wheaton Plaza. With a little more sympathy from the bus designers, the minibuses in downtown Washington could be entered straight off the sidewalks. This is equally true of the regular urban transit buses.

Senator WILLIAMS. The minibuses in downtown Washington happen to be an outgrowth of a program I introduced. I do not know what the percentage is of those who ride the mass transit, but I think the percentage is greater of older people than their percentage is in the population, because there are a lot of older people who cannot drive a car.

Mr. NOAKES. This is right.

Senator WILLIAMS. We spoke earlier about getting in and out of an automobile being quite a job these days even for someone who has not reached the older status of retirement. It is a job, isn't it?

Mr. NOAKES. It certainly is, sir.

Senator WILLIAMS. And it is particularly difficult for ladies. Am I right?

Mrs. MATHIASSEN. It just looks that way.

Senator WILLIAMS. I think 40 percent of the older people rely on mass transit as their means of moving about.

Mr. NOAKES. This business of putting the platform of a mass transit bus some 3 or 4 feet above the ground is the main reason why a lot of people find access difficult and why many people are unable to utilize public transportation.

I have seen a lot of people, with their arms filled with bundles, some elderly and some not, having a real fight getting up to that level

inside the bus. Were the bus designers given this problem they could quite easily bring the platform down to the point where you could walk straight onto it as you do a railroad car in a station.

We must insist that this is a public problem that must be solved.

With a little thought, apartments generally could be planned with kitchens whose counters, sinks, ovens, and storage could all be adjusted up or down with the use of a screwdriver, their bathrooms could have walls designed to take one or any combination of grabbars.

Such apartments would be a godsend to people who want to live independently but can't find the environment. They would also be welcomed by the very short or the very tall or the very pregnant housewife.

If all designing were predicated on the full range of man's needs, the requirement for special housing for the elderly, which to me, is a form of ghetto, would be substantially reduced and the freedom of choice to live where they choose, retained by the elderly for as long as they wish it. For the younger handicapped such an environment would be equally welcome and useful.

In closing, I would urge the Congress to support the ongoing drive to eliminate architectural barriers in all new construction and to overcome them in existing structures.

I would also urge an extension of this effort into all design activities dealing with the equipment, accessories, and vehicles we all need or wish to employ in our every day activities.

Fundamental to such an overall objective is the necessary research into the nature and character of the total range of needs of modern man.

From this research will come the new design criteria upon which our designers can confidently predicate their designs—designs that will cater to the maximum foreseeable needs of all people of all generations.

Thank you.

Senator WILLIAMS. We appreciate your statement very much.

Are you suggesting that architectural design and the elimination of architectural barriers to people which particularly affect elderly should be standards for everybody?

Mr. NOAKES. I think there are certain areas, such as private housing, where there is a real question, where you buy a house for yourself and then when it is no longer useful you move but the house stays there.

Senator WILLIAMS. Would you go to the point of putting these standards into FHA regulation, for example?

Mr. NOAKES. As they apply to public housing I would, yes, sir.

Senator WILLIAMS. FHA is not public housing. That is a Government-backed loan. We have public housing, the elderly housing program, and so on. What would you suggest? How far would we go? How far would you recommend the Government go in the housing programs it touches?

It obviously can't touch them all. We shouldn't have anything to do with completely private housing. We do have FHA, elderly, and public housing.

Mr. NOAKES. When I made reference a minute ago to public housing, I meant mass housing. In other words, housing in which many families reside. I am referring to apartment houses.

I would recommend it for all apartment housing, whatever their source of funding.

Senator WILLIAMS. You can recommend it, but we cannot.

Mr. NOAKES. I understand, sir.

Senator WILLIAMS. The architectural aids you are recommending would be good for everybody whether they were over 65 or under 65; is that right?

Mr. NOAKES. Yes, sir. They are more convenient and safer, too. In short, they are higher standards than we have been accustomed to.

Senator WILLIAMS. Where we can touch the situation, we will certainly take this under advisement.

What kind of architecture do you specialize in? The institutional?

Mr. NOAKES. Yes. Hospitals and facilities for the elderly. As a matter of fact, we just finished a hospital up near where you come from, in Raritan Valley. That was last summer.

(The following questions were addressed by the chairman to Mr. Noakes and his answers follow.)<sup>1</sup>

#### QUESTIONS

1. Has the American Institute of Architects forwarded the findings of its project on Architectural Barriers to federal agencies concerned with design of public housing or mass transportation facilities?

If so, have your recommendations been accepted or modified? If not, do you have plans to discuss such findings with agencies at the appropriate time?

2. May we have a description of the responsibilities assigned to the President's Commission on Architectural Barriers? What liaison does the AIA project have to the Commission?

3. You urged Congress to "support the ongoing drive to eliminate architectural barriers in all new construction and to overcome them in existing structures." I would appreciate any suggestions you may have for appropriate forms of such support.

#### ANSWERS FURNISHED BY MR. NOAKES

1. The American Institute of Architects is under contract with the Vocational Rehabilitation Administration of HEW to; "explore the reasons why the American Standards Association standards (Making Buildings and Facilities Accessible to and Useable by the Physically Handicapped, published in October, 1961) have not been implemented, and to explore and test one or more means of reaching the architect and all who affect building decisions with concepts and useable material which will be translated into decisions for barrier-free architecture." The task force for this effort is the Potomac Valley Chapter of the AIA from whose membership an Advisory Committee has been appointed to work with me as the Project Director.

We are now under contract with a research firm which is conducting a program of personal interviews with architects, developers, bankers and educators in San Francisco, Chicago, Miami and Washington-Baltimore. The results of this research will be utilized to guide the development of concepts and materials whose persuasiveness will be tested at meetings, seminars, etc.

We are to submit our recommendations regarding future efforts in the field to the National Commission on Architectural Barriers next September.

In short our main effort is in the private sector and our hope is to educate and persuade. Parallel efforts are developing legislation on the federal and state level. Relatively long range interest in the problems exists in many federal departments. The results, however, are spotty and limited. I have asked the President's Committee for Employment of the Handicapped to send you a report on these activities.

2. Regarding the responsibilities of the National Commission on Architectural Barriers, the enclosed materials describes the functions and membership of this statutory group.

<sup>1</sup> Additional exhibits supplied by Mr. Noakes appear on p. 246, app. 4.

3. Senator Bartlett has introduced S. 222. This bill will undoubtedly be very helpful. But legislation alone can only do part of the job—the people who interpret the laws—from GSA to the individual draftsman—are critical to success.

Senator WILLIAMS. We wish to thank you very much for your testimony, Mr. Noakes.

Our next witness will be Mrs. Esther Peterson, who is in the front-line of the fight for consumer education and protection.

Mrs. Peterson is the Special Assistant to the President in this area.

#### STATEMENT OF MRS. ESTHER PETERSON, SPECIAL ASSISTANT TO THE PRESIDENT ON CONSUMER AFFAIRS

Mrs. PETERSON. I am sorry I missed being here this morning, especially to see the work on clothing design. That is one of the things of great importance to many of the consumers who have written me.

Senator WILLIAMS. I was very impressed with the presentation.

Mrs. PETERSON. Many women write to me and say they cannot reach around the back to bring up the zipper.

Senator WILLIAMS. It has always amazed me, about a woman and her zipper.

Mrs. PETERSON. Yes.

Mr. Chairman, I am delighted to appear once again before this distinguished subcommittee. I am pleased, too, that since we last met, in 1964, this subcommittee has expanded its area of investigation beyond fraud and deception.

Without question, fraud and deception still plague the elderly. But day in and day out, the elderly are plagued by other consumer problems as well—problems that are often less obvious, but just as serious. I am confident that your broader approach will produce broader benefits for the elderly. You are to be congratulated.

Because consumer affairs range far and wide, selectivity is called for in any discussion of the consumer. Most of my testimony today, Mr. Chairman, will be highly selective and restricted to specific problems of manageable proportions. By no means should this testimony be taken as all inclusive. In the course of these hearings, I am sure all the testimony taken together will sketch a full picture.

To begin, I think we must acknowledge that the consumer problems of the elderly are inseparable from income problems and from problems shared by all consumers.

As elementary as it appears, Mr. Chairman, I think we must never lose sight of the fact that the elderly consumer's difficulties often begin with an adequate income. As you well know, the year just past was one of rising prices.

During that period, my office received many letters. These letters indicated that price increases hurt many people, but above all the elderly. They demonstrated to me the lamentable fact that many of our older citizens live on precariously balanced budgets.

We must make every effort to help the older person stretch his dollar further, but we must also make every effort to insure that older Americans have enough dollars.

For this reason, I believe President Johnson's proposal to increase social security payments, and his recommendation that we must remove unjust discrimination in the employment of the aged, deserves full support.



Similarly, I believe that while consumer needs of the elderly are special and sometimes especially acute, they are also tied to consumer problems that affect all Americans.

For example, the elderly are vitally affected by the general consumer difficulties in credit, product standards and information, hazardous substances, transportation, availability of housing, and so on.

I am glad you discussed transportation at great length. This is one of the great problems for all consumers, as well as the aged. Indeed, it would not be farfetched to consider air pollution a problem of the elderly, since a high percentage of persons with respiratory diseases—those who suffer most from foul air—are aged.

And in the area of food marketing, some of the problems the President's Committee has tackled in behalf of all consumers have special relevance to the elderly.

Commissioner Bechill has already referred to the need for nutritional services for the elderly. But other food questions have pertinence here as well. For example:

(1) Do urban consumers, particularly the elderly, have adequate access to high-volume, relatively low-cost food outlets?

We believe the answer is no, and we have been working with the Department of Housing and Urban Development and the foodchains to bring outlets of this modern marketing system into the central city in greater numbers.

This could help consumers, especially the elderly consumers, a great deal.

(2) Is the American food bill, again including that of the elderly, higher because of supermarket promotional contests?

The Federal Trade Commission is now gathering data to answer this important question, and I am sure their findings will interest most elderly shoppers.

(3) Will the voluntary, industry-action approach of the Fair Packaging and Labeling Act provide sufficient protection for elderly and other buyers?

This is a question that time and the watchful eyes of the Congress and the administration, and producers, will determine.

(4) Is enough being done for the elderly, infirm consumer who is physically unable to shop or cook for himself or herself?

Here, I don't think we have focused enough on the problem.

Various devices to help meet their special needs should be thoroughly investigated.

Having indicated how wide this field is, let me now narrow it.

Two years ago, most of my testimony concerned difficulties encountered by the elderly in purchasing hearing aids. Since that time, the Federal Government has taken at least two actions in this area worth noting.

At the request of the President's Committee on Consumer Interests, the Department of Health, Education, and Welfare, published a pamphlet entitled, "Choosing a Hearing Aid", which is, in effect, a buying guide. It tells what characteristics should be sought in a hearing aid, and has, as far as we have been able to determine, been well received.

Also, in July 1965, the Federal Trade Commission updated trade practice rules for the hearing aid industry, with regard to misrepre-

sentation, guarantees, warranties, paid advertising, deception as to benefits and service or advice of technicians, misrepresentation of the installment contract and the quality of the product.

In addition to action at the Federal level, some States have taken or are considering taking steps to make it easier for the hard-of-hearing to purchase a fairly priced and effective hearing aid.

The State of Oregon, for instance, requires hearing aid companies to register with the State board of health, and requires hearing aid salesmen to pass a qualifying examination.

The FTC has recommended to the Council of State Governments suggested language for a State hearing aid bill and the council has circulated it.

The States of Michigan and New York—to name two States we know about—are considering similar action. We still find and continue to receive letters from elderly citizens who have been victimized in their purchase of hearing aid devices.

However, the number of such letters coming to our office has diminished from a year ago, and I think the spotlight turned by this subcommittee on the hearing aid problem accounts for the degree of success that has been achieved.

It has been extremely interesting to me to note the effect of education on the action which has been taken.

Senator WILLIAMS. You mention that effect on hearing aids. There is another area, interstate land sales. Just the forum here and the discussion, I think, has purified, to some degree, some of the methods used to sell those retirement land sites.

Mrs. PETERSON. It reinforces my deep belief that information is what is needed.

Senator WILLIAMS. We do not legislate, but we are glad that our friends in the various media are with us today to help inform the public.

Mrs. PETERSON. There is no question about it. It is good to see constructive action without legislation when possible.

Two other events that occurred since I last appeared before your subcommittee deserve special note. In June 1965 Senator George A. Smathers, chairman of the Special Committee on Aging, asked our committee to file a statement on our work in behalf of the elderly poor.

It was our pleasure to respond to that request, and I can tell this subcommittee that no other project of the President's committee has a higher priority than our work on the consumer aspects of the war on poverty.

To date, OEO has granted almost \$8 million to support consumer education and related programs. These programs have taken the form of neighborhood legal services, buying clubs, credit union self-help, and budget counseling services.

While these programs are available to all the poor in the communities they serve, they are of obvious benefit to the elderly. One need only reflect upon the fact that of the 18.5 million Americans age 65 or over in the United States—almost one out of every 10 citizens—44 percent exist on an annual income under \$3,000.

Looked at another way, one in five of all the poor is in the "age 65 and over" category.

The programs are bound to have had an effect.

One of the most exciting new programs that we have cooperated with is "Project Moneywise." This program, conducted by the Bureau of Federal Credit Unions, and supported by OEO funds, is a new attempt at transmitting shopping know-how to the low-income consumer. This program has demonstrated, among other things, the need for greater disclosure of terms in credit transactions.

As you probably know, legislation in this area will be before the Congress in this session.

It was recommended by the President.

Many of these community action consumer programs not only provide services for the poor, but also provide an opportunity for the poor to help themselves through cooperatively managed organizations.

Needless to say, the knowledge and experience contributed by elderly members has added to the success of many of these cooperative ventures.

Secondly, I would certainly be remiss if I did not make special mention of the Administration on Aging, whose establishment has provided a new focus on the problems of the aged. As a result of this new agency, other Federal agencies are more aware than ever of their special responsibility to take into special account the special needs of our senior citizens.

Also, the Administration on Aging has stimulated State and local governments and private groups to underwrite the cost of many new and needed facilities to care for our aged.

This is a tremendously significant step, and I am sure Commissioner Bechill has covered his agency's progress in this area.

At the President's Committee on Consumer Interests, we have continued to urge the myriad of voluntary organizations with which we work to participate in consumer programs of benefit to the elderly. Speaking before the Annual State Executives of Aging Conference, we called for—

(1) added services to the elderly, to make them less vulnerable to exploitation in the marketplace. A tremendous amount of work is now being done by voluntary groups to assist in these areas;

(2) expanded consumer information and education programs for the elderly; and

(3) expanded action by voluntary organizations to find new and imaginative ways to make the golden years more satisfying.

Our committee has worked closely with the American Association of Retired Persons in developing a pilot series of consumer information programs. These are centered around such subjects as credit, food, and medicine, and how to make the best use of one's income.

We also joined hands with the American Association of Retired Persons and the D.C. Home Economics Committee in opening a consumer information center in Washington, D.C. Simultaneously, offices were opened in two other cities under the sponsorship of these groups.

I understand more are opening in different areas of the country.

The subcommittee will also be interested to know that the Government Printing Office, acting on a suggestion from the President's Committee on Consumer Interests, has published an appendix to its publication, "Consumer Information," which lists pamphlets of particular interest to older consumers in easy-to-read, extra-large type.

We have had very splendid responses to this. So much of the material that goes out is in such fine print that, even with glasses, it is difficult for many people to read it.

One other publication of the committee which I call to your attention is a pamphlet entitled "Shopping Sense," which gives shopping tips to consumers on how to spend their food dollars wisely. As was stated last summer by representatives of the National Retired Teachers Association and the American Association of Retired Persons when testifying for the fair packaging and labeling bill:

The cost of food is the major item in the older person's budget. And he who has so little to spend can afford no mistakes in making his buying decisions.

But we at the President's Committee realize that to improve the output of needed consumer information, pamphlets alone are not enough. We recognize that the marketing community possesses unique communications talents that can be employed to transmit useful consumer information to the public effectively.

And we are working on ways in which these talents can be used in the public service. As one advertising executive put it recently, "I think that business, media, and advertising can put together an adult course in consumer education (which may not look or sound like one) and that business, media, and advertising can deliver it to the needy consumers in their homes ready for instant use."

We welcome the talents of people who are experts in this area.

In addition, the President's Committee has been exploring with industry the possibility of working out a system of informative product labeling to improve the consumer's ability—right at the point of purchase—to see what he is getting.

For the elderly, whose mobility is frequently impaired, and who depend on mail order and door-to-door purchasing, this could be extremely helpful.

Parenthetically, Mr. Chairman, I should note, too, that not only do we need to get more information to elderly consumers, we need also to get more information about elderly consumers. We are not up to date on how much is needed by the elderly for food, housing, clothing, utilities, entertainment, and so on.

To help relieve the pinch on the budgets of the elderly, I think it is a necessary first step to know exactly how much it costs the elderly to live.

It is frequently assumed that the elderly can "get along" on less. Yet this has never been factually substantiated. In short, we need better quantitative data on the elderly's budget—and a sound qualitative appraisal of whatever gaps exist.

Mr. Chairman, last month the report of the Consumer Advisory Council was made public.

The report of the 12-member Council, appointed by President Johnson to serve as the citizen arm of the President's Committee on Consumer Interests, examines a broad range of subjects under the title "Consumer Issues '66."

The report considers consumer problems as they relate to all Americans, but certain points have special relevance to the elderly consumer.

The Council's report is now undergoing review by the Federal agencies, and, of course, its recommendations are not necessarily administration recommendations at this time.

Nevertheless, I am certain your subcommittee will find them of great interest, especially since they range well beyond the area of outright fraud and deception, and thus deal with matters in which your subcommittee, with its broadened jurisdiction, is now interested.

Turning first to the field of health, the Council said :

The consumer is often beset by many uncertainties in securing health care. He has little direction in the selection of a physician. Furthermore, he is not usually in a position to "shop and compare" as in purchasing automobiles and other consumer commodities. When he needs a physician, he often needs one fast because he is either ill or believes he is. In addition, as a layman, he is in a poor position to evaluate the ability or the dedication of physicians. And his alternatives in the purchase of health care are often narrow. He must take what is available at a particular time, in a particular city.

The Council went on to praise Medicare as a historic turning point in the long struggle to improve personal health service in the United States, and called for further expansion in its coverage.

The aged have a stake in this discussion that is, of course, vital. And I should note that one of the chief subjects of letters from the aged deal with prices of drugs, eyeglasses, dentures, and so on.

The Council also recommended the following in its June 1966 report :

Far-reaching, concerted action by government, voluntary agencies, universities, and the health professions should be undertaken to improve health manpower and facilities quantitatively and qualitatively. Specific measures should include (1) development of regional planning organizations for hospitals and extended care facilities; (2) encouragement of group practice arrangements; (3) more effective training and use of allied and middle-professional health personnel, thereby freeing physicians, dentists, and other professionals to do the tasks for which they were trained.

Some of these points, I should note, received the attention of the 89th Congress.

Let me now turn to another area that the Consumer Advisory Council studied—home maintenance and repair. Frauds in this area are particularly hard on the senior citizen whose home needs repairs but he is unable to do himself because of his age.

We have received letters from senior citizens who have entered into contractual arrangements for home improvements that almost resulted in the loss of their homes and their life savings, so harsh and severe were the contract terms.

In this field of home repairs, much of what the Council had to say was concerned with describing these fraudulent and deceptive practices.

I quote:

Fraudulent and deceptive practices in the home repair and improvement field have also boomed. They have caused consumer losses estimated at \$500 million to \$1 billion yearly, or roughly between 4 and 8 percent of the entire business.

Complaints received by the better business bureaus throughout the country indicate the prevalence of fraud in the home improvement field. The National Better Business Bureau reports that since 1953 home improvement has remained at the top of their instances of service list. In 1964 the bureaus processed 275,185 home improvement inquiries and complaints, a remarkable 27-percent increase and 7.3 percent of the bureaus' total services.

The Consumer Advisory Council went on to say :

Most fraudulent home improvement schemes have common characteristics: phony bargains, tricky financing, guarantees not honored, materials misrepresented, and performance exaggerated.

Itinerant repairmen come in a variety of guises: the gutter, furnace, or chimney repairman, the roofing or siding expert, the quack tree surgeon, the bogus termite control expert, home remodeling specialist, driveway blacktoppers and oilers, installers of storm windows and awnings, fire and burglar protection devices, water softeners, central home vacuuming units, and intercom systems. Their arsenal of sales techniques includes—

Model home pitch: The owner is offered a special discount for the use of his home as a display;

Bogus contests: A "lucky winner" is offered various prizes and the "free" services or product of the salesman;

Factory deals or special wholesale prices, which are actually overpriced;

Bait and switch tactics: Services or products are advertised at ridiculously low prices and then later disparaged in favor of a far higher priced item or service;

Fictitious and inflated regular prices, from which the homeowner is promised a "discount";

Misleading guarantees;

Misrepresentation of interest rates;

Free gifts and samples;

Scare tactics: A particularly vicious practice is to lead the consumer to believe that the lives of his family and himself are in danger if the services of the salesman are not purchased.

It might well be that your subcommittee would want to take a further look at this problem area as it affects the elderly.

As I stated earlier, however, the Council's report ranged well beyond fraud and deception. In the field of safety, for example, the Council reviewed the matter of textile flammability, and noted that Consumers Union urged that the Flammable Fabrics Act be extended to cover sheets, blankets, draperies, pajamas, and other apparel.

Taking note of industry objections to expansion of the act, the Council stated that—

It is necessary to activate a research program on flame retardation, with Government lending its cooperation to industry wherever possible.

Because so many older consumers are shut-ins, the question of expanding the Flammable Fabrics Act to drapes, rugs, et cetera, might well be a matter that this subcommittee would want to look into further.

Considering that 9 percent of the population is 65 or over, and that 27 percent of the victims of fire are 65 or over, this would appear a safety question well worth your concentrated attention.

I know, too, that it has the great interest of the Consumer Subcommittee.

I am sure that there are other recommendations in the CAC report that this subcommittee will find of interest, and I will be glad to make copies available to your staff for further study.

Mr. Chairman, before I close, I would like to say a few words about special products designed for the elderly. Recently, Prof. Alfred Oxenfeldt, a professor of business administration at Columbia University, wrote:

Clearly, consumers benefit if offered a broad choice of services and products. Yet, some consumers may want to forego virtually all dispensable services in order to buy products more cheaply. Others may desire strongly to obtain complete and luxurious services together with the product. Both types of buying are equally sensible—if the customers know what they are getting and the alternatives available. An efficient distribution system from the consumer standpoint provides special arrangements for different types of buyers \* \* \*. Among consumers, as with national and religious groups in matters of state, there are many minorities which must be protected and served.

Certainly, with regard to consumer problems, the elderly qualify as a very substantial minority group with very special needs. This has long been acknowledged in the field of housing.

A number of organizations, including the American Institute of Architects, have devoted much effort toward designing model homes and buildings with special facilities for the elderly, particularly those physically handicapped.

I think this was covered this morning, and I believe the AIA is to be congratulated in working toward the designs of homes which will take care of that.

Just recently, an AIA document crossed my desk entitled "Technical Standards of Design for Housing for the Elderly." It set forth some of the specific needs, such as locating kitchen and bathroom fixtures in those places and at those heights which would allow them to be conveniently used from a wheelchair.

It noted that furniture for the elderly should have arm rests and higher cushioned seats, be solidly constructed but light for easy moving, and be comfortable for a long period of time.

This study also specifies that slippery materials and finishes should be avoided, especially in such areas as stairs, corridors, and ramps.

The AIA is to be congratulated for its work in this area, and its efforts should serve as an example for other industries. Much marketing effort today is directed at developing special products for that segment of our population that is young.

This is entirely proper. But I think that industry would do well to examine, as the AIA has, what products merit special design for the elderly.

As urban renewal and the building of new towns proceeds, it is also appropriate to assess what the social needs of the elderly are in the community. We must try to build houses and new communities that are comfortable for the elderly—and help them overcome their problem of loneliness. Perhaps these are areas this subcommittee could profitably pursue.

The range of problems, Mr. Chairman, is great. But so, too, is the desire to alleviate these problems. I have done no more today than to scratch the surface, but I stand ready—as I know the entire administration does—to assist the work of this subcommittee in whatever way possible.

For the importance of your work demands the cooperation not only of Government, but of all Americans as well.

Thank you.

Senator WILLIAMS. Thank you very much, Mrs. Peterson. It has been valuable, indeed, to have your most comprehensive statement. I think we have progressed in some degree through legislation, regulation, and law.

We have a long way to go. Yet, we cannot do everything with law, can we?

Mrs. PETERSON. We certainly can't. I think that is one thing that comes through the testimony. It does require the work of volunteer agencies, the private sector, of all of us.

But I am sure we can do it.

Senator WILLIAMS. But just to have a forum to discuss some of the consumer problems makes a contribution to a better understanding of some of the problems.

Mrs. PETERSON. I feel sure it does. I think one of the exciting things of today is that there is a public forum on these issues. Just giving visibility to problems is the first step toward their solution.

Senator WILLIAMS. One area you touched upon we colloquially call truth in lending. Do you have an opinion on that?

Mrs. PETERSON. I think it is an essential piece of legislation which I hope is passed at this session of the Congress. Again, it is a matter of information. If we give people the facts, they can make their own judgments. I do think they are entitled to the information.

Senator WILLIAMS. Take one of the areas developed out of our committee when it was called frauds and misrepresentation affecting the elderly.

We have a land sales bill. The sale of undeveloped land in interstate commerce is what we are talking about.

Mrs. PETERSON. You see, this is back of the entire standards problem—information; back of lending—information; back of packaging—information.

It is a matter of keeping up with the great marketplace that we have.

Senator WILLIAMS. This is not the heavy hand of compulsion. It is the helpful hand of information.

Mrs. PETERSON. Exactly. I find increasingly all elements of the business community are feeling that this is important and are ready to move ahead. I think the points we have tried to raise today, the need for information at the point of purchase, such as the informative labeling scheme developed by our Advisory Committee on Textile Information, is extremely valuable. We are working with industry, and industry involvement is needed.

I think we can see this technique develop in many other areas as well.

Senator WILLIAMS. That flammable fabrics part of your testimony sort of inflamed me. Why are there flammable fabrics? Shouldn't these be protected? Mrs. Behrens is in this area.

Mrs. BEHRENS. We have to get after these manufacturers who put out these products. I spend a great deal of my time lab testing the fabrics I use.

Senator WILLIAMS. This is an area that I think might well lend itself to law and legislation. They don't have to be flammable, do they?

Mrs. BEHRENS. No.

Mrs. PETERSON. But if consumers knew that certain products were treated, and given the facts, they would probably be willing to pay for it. But, again, give them the information.

I do think where safety is involved we cannot compromise.

Senator WILLIAMS. I would like to continue this discussion, Mrs. Peterson, but I know you are busy. It is almost 1 o'clock. Everybody has been very patient here for 3 hours. We appreciate your coming before the committee today.

Mrs. PETERSON. Thank you. I do congratulate you in the work that you are doing in this field.

Senator WILLIAMS. Do you think this committee ought to stay in existence?

Mrs. PETERSON. Of course.

Senator WILLIAMS. I agree with you, and I hope it will.

Mrs. PETERSON. Thank you.



(Questions were later sent by the chairman to Mrs. Petersen, and her answers follow:)

QUESTIONS TO MRS. PETERSON

1. May we have additional information on the discussions between your office and the Department of Housing and Urban Development on proposals to bring outlets of the modern marketing system into the central city in greater numbers.

Our studies indicate that large numbers of older Americans remain in central city neighborhoods. They would thus seem to be especially susceptible to shopping problems affecting all persons in such areas.

2. The "Truth in Packaging" Act clearly states that all labels shall list contents in legible type. Have present labeling practices, to your knowledge, caused special problems for the elderly?

3. You described "Project Moneywise" and problems caused by excessive credit charges. How are the elderly affected by such practices? What kind of collateral are they generally required to provide?

4. Your testimony referred to publication of an appendix on publications for the elderly in extra-large type. Do you have any other suggestions for making government consumer publications more helpful to older Americans?

5. We appreciate your comments about the home maintenance repair deceptions, can we intend to pursue our inquiries on that subject. May we have details on questionable promotional activity revealed to your office?

6. We would also appreciate additional information on the Flammable Fabrics Act and its special importance to the elderly. May we, for example, have details on your statement that 27 percent of the victims of fire are 65 or over?

7. Do you see areas of potential cooperation between federal agencies and the American Institute of Architects on methods to improve housing for the elderly? Should, for example, the H.U.D. sponsor a conference not only on housing design, but also on design of furniture for more comfortable living in urban areas for all age groups?

ANSWERS BY MRS. PETERSON

1. We have been in communication with the Department of Housing and Urban Development in an attempt to structure into that Department a mechanism for encouraging those who rebuild our Nation's cities to pay more attention to the marketplace. Inquiries showed us that nowhere in the Federal Government is there an official concern with the kind of marketplace we will have in our cities. For example, we were unable to find a single agency of government which could tell us the number of supermarkets that would be built in our major cities over the next 5-10 years—or any other type of retail outlets for that matter. Moreover, Department of Housing officials candidly told us that their agency paid little attention to the *kinds* of stores coming into the rebuilt cities, much less to business practices. We are currently exploring with HUD the best possible ways to assure that we ignore such problems no longer.

2. Yes, they have one special labeling problem. The elderly often find it difficult to read small type against a non-contrasting background. I hope this will be remedied by the "conspicuous and easily legible type in distinct contrast" clause.

3. The elderly person, living in a low-income area, is as subject to the door-to-door peddler as his younger neighbor. The peddler, eager to make a sale, is only too happy *not* to discriminate because of age.

I am not aware of any discrimination regarding collateral loans. Possibly, however, loan companies which require credit life insurance may be reluctant to make signature loans to a retired person because his income may not be considered sufficient to carry the loan.

4. Federal agencies could make their publications more helpful to the elderly by making them more accessible. Often organizations seeking bulk quantities are referred to the usual time-consuming procedure of purchasing from the Government Printing Office. They would be helped if the respective agencies could make their literature available without charge.

5. As I said in my testimony, frauds in the home improvement and repair areas are particularly hard on the elderly, many of whom may be more susceptible and vulnerable to scare tactics and other deceptive practices. Some of the problems we have heard of recently concern faulty siding installed on homes, food freezer plans, and fraud by servicemen and repairmen. We will be most happy to make our files available to any of your staff members should you so desire.

6. As you know, the Flammable Fabrics Act as now constituted covers only wearing apparel and, in fact, requires that standards and tests developed in 1954 be applied to the newly developed synthetic materials. I am concerned because the elderly, less agile than their children, find it more difficult to remove burning clothing. I am also concerned because the present law does not cover non-apparel items, such as curtains and drapes. Obviously, an elderly person would (and has) found it difficult to fight home fires resulting from combustible drapery, and difficult to escape from a burning house or apartment.

The statistic concerning the percentage of fire victims over 65 was obtained from the National Center for Health Statistics of the Department of Health, Education, and Welfare. Incidentally, the National Safety Council, using both HEW and State Health Department figures, gave this percentage as 25 percent in its latest edition of *Accident Facts*.

7. An emphatic "yes" to both questions. You may wish to contact the President's Committee on the Physically Handicapped for more information on this subject. I understand that they have done a great deal of work on housing design for the elderly.

Senator WILLIAMS. Our next witness will be Mr. Vuocolo.

#### STATEMENT OF CONRAD J. VUOCOLO, DIRECTOR OF TENANT RELATIONS, HOUSING AUTHORITY OF THE CITY OF JERSEY CITY, N.J.

Senator WILLIAMS. You come from the city of Jersey City, in the State of New Jersey.

It is my high honor to introduce you to this hearing.

You are director of tenant relations, the Housing Authority of the City of Jersey City.

Mr. VUOCOLO. Thank you very much for the opportunity to appear here today, Mr. Chairman.

I believe the testimony which I was to present, which comes from the mouths of the senior citizens themselves, the elderly, might be just a little bit different from what we have heard this morning.

We have heard discussions on people being interested in food, on design, in basic diet, about good fitting, how people are interested in fraud. Style was discussed, and also how people are interested in bare survival.

We heard a discourse on necklines while a lot of people are eating neckbones for food. We heard about hemlines.

Basically, I come here today with a story of the hunger side.

In the housing authority, we have approximately 16,000 persons just within the units that we administer. Of these 4,000 families, 1,800 or so contain at least one person over the age of 62.

While we are obligated only to take care of their housing problems, other social and economic problems are directly or indirectly brought to our attention.

In the last few years the problem of our older person just being able to survive, becomes doubly alarming to us.

When I received a call from your counsel, Mr. Oriol, we had a brief discussion. While we can point with pride to a lot of the acts, the older American Act, or this particular piece of legislation, some of our senior citizens expressed the statement over the weekend that they think the American eagle or American buffalo seems to get more protection than some of the senior citizens who are being defrauded each and every day.

If we take into consideration the average social security or related pension for a single elderly person just in our developments, based on our survey of last week, it is about \$80 per month.

We can readily understand the difficulty in their not having enough money to survive. The lowest possible rent they can pay us is \$35 per month which includes all their shelter costs, as you well know as a champion of public housing since you initially came to the U.S. Senate.

This leaves an average of \$1.25 per day for food, clothing, medical expense, travel expense, any possible recreation, or expenses for personal reasons.

We have therefore estimated some of our families have food budgets which vary from \$30 to \$35 per month, which makes it necessary that their food costs are in the vicinity of 30 to 40 cents a meal.

Some of us spend more on one cigar than these people have for the entire meal.

The problems they are encountering with their fixed incomes in a spiralling economy adds to the severity of their situation.

I am sure we do not have to go into details concerning the more than 25 percent cost-of-living increase which seems to affect the more important needs of the elderly population; namely, foods, drugs and medicine.

With these problems in mind, we started a consumer education program in 1962-63, inviting tenants to classes in money management, consumer frauds, credit buying, drugs, physicians' fees, budgeting, marketing, and related subjects.

Our classes were attended by some 250.

Senator WILLIAMS. Was this limited to elderly people?

Mr. VUOCOLO. Ninety percent of the people who came were elderly.

Senator WILLIAMS. You work in tenant relations with the housing authority of the city of Jersey City, so this is public housing generally and elderly housing is included?

Mr. VUOCOLO. Yes, sir.

But the invitation for the consumer education program was issued to all. The largest percentage seemed to be from the elderly.

Senator WILLIAMS. Were they wise enough to include rooms that would accommodate this sort of educational process?

Mr. VUOCOLO. Yes.

This was accomplished with staff and personnel obtained from various agencies, private organizations, and businesses. The program showed some success but indicated that a concentrated effort would have to be undertaken in this vein with staff and personnel in terms of the tens of thousands who need the services.

Since June of last year, the rumbles of housewives and the elderly in our community—where about 40 percent of the over-21 bracket to 62 or more—the rumbles were more apparent regarding sky-riding in prices.

Consequently, Operation YELP, meaning: You Are Enlisted to Help Lower Prices, was organized with an empty shopping bag as a slogan.

Senator WILLIAMS. Where?

Mr. VUOCOLO. In Jersey City.

This culminated in a visit with Mrs. Esther Peterson. At the invitation of Congressman Dominick Daniels, she visited and spoke with more than 300 of those who attended.

Mrs. Peterson was most kind to visit and discuss the problem with us. An analysis of her comments from the tenants or from the seniors involved would indicate to some in the audience that very little was

being accomplished on a national basis to help our financially entrapped elderly.

Many of them appeared unable to get enough food in their bodies to survive in a normal manner. One senior citizen remarked, after Mrs. Peterson left:

She was very nice to come, but it was pathetic to hear her speak for almost 1 hour in circles because it is obvious that she is powerless to provide any effective consumer protection.

Another old timer is quoted as follows:

Sending this lovely lady was like sending a soldier to combat without a gun. She told us to be prudent, which we have been since we retired. She told us to buy carefully, which we have been doing all our lives through several wars and a depression. She told us to organize while we neither have ability nor money to fight the inflated prices.

It is apparent from our observation that the problems involving overpricing of food, inflated drug prices, high-priced household items, increased transportation costs, loss of income due to consumer fraud, and even increases of cost-of-living accommodations with a steady round of rent increases for private dwelling residences are having their mark.

Five hundred women organized this operation YELP. They went from market to market from September to November with such signs as "Senior Citizens Need More Food," "Jesse James At Least Had a Gun," "Who Speaks For the Elderly," "Who Speaks for the Senior Citizens," protesting the price of clothing, household articles, and drug items with some stores actually seeming to double the prices for the same article at different locations.

We started a volunteer comparative shopping service. This was very interesting. The elders complained that the prices seemed to go up the first 3 or 4 days of the month when their social security or other Government checks arrived.

They went from store to store. It just seemed it was a penny here and a penny there, 2 cents here and there, and then come the 5th or 6th of the month and the prices seemed to drop.

Senator WILLIAMS. You said they seemed to think.

Mr. VUOCOLO. That is right. They made the comparison shopping.

They asserted this decreased their buying power as they must replenish their food supplies at the beginning of the month. As one woman told me, if you only spend 10 cents a day more than you should, due to profiteering, you are spending almost 5 percent of your monthly pension check.

They also complained about the many gimmicks with trading stamps, diamond rings, contests leading to higher prices.

Senator WILLIAMS. When do the social security checks get mailed?

Mr. VUOCOLO. Between the 1st and 4th of the month, plus the Veterans' Administration.

Senator WILLIAMS. It is not staggered?

Mr. VUOCOLO. Not in our area, no.

Senator WILLIAMS. The 1st of the month for everybody?

Mr. VUOCOLO. Yes.

Senator WILLIAMS. That is a very interesting observation.

Mr. VUOCOLO. There was a group of about 40 women who went out to the various supermarkets. This is the way it appeared to be to them.

A group of the elderly last week watched President Johnson's State

of the Union message with great hope when he said, "I hope this Congress will help me do more for the consumer."

It is with this view in mind that I would like to respectfully make the following recommendations:

That this committee recommend immediately a White House Conference on Consumer Interests.

That a U.S. Department of Consumer Affairs be recommended as a Cabinet post with the possibility that a very capable woman like Mrs. Esther Peterson be the Director, if I may say that, and have a woman in the Cabinet.

If this cannot be accomplished, then a considerable strengthening of the consumer interest with specific powers to help police the areas involved in pricing, marketing, consumer frauds and other areas which lead to unjust prices.

Recommendation No. 2. A sliding scale of social security payments. The U.S. Department of Agriculture in December 1966 predicted 4 percent higher furniture this year, appliances up 3 percent, suits 5 percent, and shoes 5 percent.

It is recommended that a study be made to determine the feasibility of social security benefits being tied to the cost of living.

In this manner the elders can get the money when they need it and not every 4 years when voted.

No. 3. A recommendation that each State have an effective department of consumer affairs. I was most pleased with Governor Hughes' State of the Union address where he recommended that to this legislature.

Each State should immediately bring a consumer affairs division into their organizational make-up.

At the same time, recommendation No. 4 could be tied in with a municipal consumer protection unit that in our community our mayor forged last week.

No. 5. A Federal labeling bill. This would permit the consumer to know the contents of every can of soup and how much chicken is in a can of chicken soup, how much cereal is in a box of cereal, what is in a bottle of medicine, containers of soap, et cetera.

The average consumer today thinks he is buying a pig in a poke. He has no knowledge whether the articles he is purchasing contain what he may need for health and nutrition, or whether the household article he or she may be purchasing can do the job they intend for it to do.

In the State of New Jersey, we have some very lacking legislation. For example, we find the dating of milk, instead of saying the date is dated Wednesday, gives the date of the year that it was dated.

In the middle of July or August, if any housewife would know what day of the year it is, I think it would be a unique thing.

Senator WILLIAMS. Do you want the date and day?

Mr. VUCOLO. We don't care about the date. I think the day would be very important. Instead of saying number 143, which would mean nothing to the average person, and embossed on a silver cap which you can't read anyway, I think it would be nice to say that it was bottled on Wednesday. In the same vein, did you ever try to determine the freshness of a loaf of bread?

I bring this item out very importantly because the elderly, with their limited income, have to buy food when it is fresh, whether it

be milk, eggs, or whether it be just plain bread, as I mentioned, in order for them to be able to stretch their consumer dollar in every respect.

There are numbers that mean something to the trade but they do not mean anything to the consumer.

Senator WILLIAMS. Do you feel that the older person has a particular problem in this area of purchase? You are hinging on the hardship of the older person.

Mr. VUOCOLO. That is right. To the elderly person, for example, a loaf of bread might last them 5 days. It would be nice if they got today's bread today instead of buying last Friday's bread.

Senator WILLIAMS. Milk is dated but bread is not dated, is it?

Mr. VUOCOLO. Bread is coded where the merchants know how old the bread is, in order that they can put the stale stuff in front and the fresh stuff in the back, which I think is a common marketing operation.

Senator WILLIAMS. What you are saying is that the perishables in some way should be dated, is that right?

Mr. VUOCOLO. Definitely.

We recommend as item 6 consumer educational programming that would be accomplished at each school district level, in the neighborhood where the people are, at the time and place the people can attend, which is very, very important.

We cannot have these consumer educational programs to fit the schedule of the school teacher. If the people want it in the afternoon, it should be in the afternoon. If because of medical reasons or because of family obligations, or because maybe Mrs. O'Brien has a problem that may be she babysits for a few dollars—

Senator WILLIAMS. And a place I can get to on the bus.

Mr. VUOCOLO. Yes.

We believe there should be a consumer price index which would be invaluable in informing the elderly as to what the prices are or are expected to be, and what the best buys are that might be forthcoming.

The Department of Agriculture issues the information that I gave you before. They will send it to a newspaper, to an agency like ours. We read it and file it. What does it mean to the senior?

You are looking for devising ways of reaching the people you wish to reach.

We recommend that this information could be distributed with the social security checks each month. It would be a simple operation.

Senator WILLIAMS. You have been doing a lot of thinking. These are most constructive ideas.

Mr. VUOCOLO. No. 9, we think there should be a very clear credit course on contracts.

We know that sometimes people are charged 12 to 28 percent interest on articles they may buy. Some of the committee felt that such a contract should have a space in the very front in clear and unmistakable language "This article will cost you \$100 cash, \$160 on credit."

We also believe that there should be clarity of insurance policies. Many of the elderly, even with medicare, are taking additional hospitalization insurance. We all know, as the New Jersey Supreme Court indicated last week in a celebrated case, that they may not be

able to clearly interpret the insurance contract because the small prints that gave you something in the first paragraph took it away in another paragraph.

One can easily visualize the problems of the elderly, with their lack of education, to understand the contract, or with their dimming vision to even read the contract.

We believe this is most important. Four out of five persons we spoke to brought this up.

There should be clarity in prescriptions. Many of the elderly complained that they are being overcharged because of the devious manner in which many physicians order prescriptions. They feel that if a product is described in its generic term, rather than using a trade name, a great saving would result.

Senator WILLIAMS. This is an ongoing discussion around here.

The late Senator Kefauver brought this into the public discussion. Some of these generic terms are real tongue twisters. I never completely understood why the generic term would help the drug buyer when purchasing drugs.

Mr. VUCOLO. For example, my druggist tells me if you order aspirin it is 89 cents for 100. If you order them loose with the generic term it would cost you 20 cents for the same 100 aspirins.

In other words, you are not paying for the advertising, for press agency, you are not paying for TV commercials, for fancy bottles, fancy labels, all of which go into the cost of the product.

The people want to buy medicine, not the bottle. I think if you are looking to cut consumer costs, where you have the consumer interest at heart, we are interested in getting them food that is all food, medicine that is all medicine. That is the point. It is not that they could understand the Greek terminology that goes into the prescription.

Senator WILLIAMS. They wouldn't understand.

Mr. VUCOLO. But the druggist understands it. I have gone to a drugstore with a prescription and all the druggist does is go to a package of some nationally advertised product, take 100 pills out, put it in the brown bottle with the label and gives it to me.

I don't know the difference. But I am sure if you bought it by its generic term, or the senior citizen bought it with its generic term, there has to be a savings.

Senator WILLIAMS. This, by the way, is not our particular responsibility. I know what you are talking about.

Mr. VUCOLO. If you want to know what the people say, not somebody sitting in an ivory tower, go to Mr. "Oldtimer," who is practically starving to death, and ask what is their problem.

When they come to me and say, "I cannot pay my rent today because I went to the doctor one time in the month," and "I had to buy a bottle of cough medicine," you realize that just \$1 would put a person in dispossess. It is pathetic.

America can find a way to travel under the sea and cross the nations of the world, and I think we should do something about these people.

Nutritional supplements: A campaign on national level might be undertaken by the U.S. Department of Agriculture or Health, Education, and Welfare, pointing out the nutritional value of some foods which when purchased can provide human needs without inflated cost.

This information also can be disseminated through the consumer program. We think that educational TV could be of vast assistance with this outlet helping to provide information on consumer costs, consumer protection, consumer index, et cetera.

Perhaps the Government should look into using the facilities of the national advertising council and solicit the aid of TV and radio industries.

Accessible shopping areas is a very important thing. It should be the requirement that in the planning of every elderly citizen low-income housing project, apartment, development, or even as we have in New Jersey, some of these retirement villages, adequate shopping areas be easily available for the tenants.

In order to stretch their limited income the elderly must have these facilities available. To have them incur the expense of traveling to their marketing will further reduce their purchasing power.

Availability of surplus foods in some areas, for example, is important. In some areas, people have to resort to surplus food. In our area it is not in an area that is very accessible. Consequently, the senior citizen is denied the surplus food provided by the government operation.

Senator WILLIAMS. I know a little bit about Jersey City. Where is there one distribution center?

Mr. VUCOLO. In a God-forsaken place they call the harborside terminal. I did a little test there about a month ago.

I assumed I was Mr. Senior Citizen and I took a bus to the welfare office, where I had to make out a chit. I then took another bus in front of city hall.

Senator WILLIAMS. You had at least two transfers.

Mr. VUCOLO. That is right. I then walked across a big parking lot, climbed up 65 steps, and went to Pennsylvania Avenue.

Senator WILLIAMS. Why don't you do something about this?

Mr. VUCOLO. I think maybe when we get the testimony they will. We light a few fires.

Senator WILLIAMS. The transportation runs north-south—the basic transportation in Jersey City.

Mr. VUCOLO. That is right.

It is ironic. We were solicited. For example, we do an income check each year to determine whether or not the person is still eligible for public housing, as you know. With the tenants, we use that means to do a social check, to see what their needs might be because we know the incomes do not change.

Consequently, when I sit down and counsel them, and we counsel everybody at least once a year, we recommend to them to apply for surplus foods. Two old ladies recently did take us up on it. When they got down to Pennsylvania Avenue and the harborside terminal, which is 8 or 9 blocks long, right on the waterfront, they were hit with a shopping bag with flour, canned ham, some prunes. Maybe it weighed 20 pounds. After struggling downstairs they couldn't navigate so they took a taxicab home and the people accused them of squandering the taxpayer's money by riding in taxicabs and getting the surplus foods.

It gets to be a vicious cycle. Consequently, nobody goes for it.

Another thing, the wonderful national food stamp plan we do not have. I understand only one county in New Jersey was granted it.



Senator WILLIAMS. Why is that?

Mr. VUOCOLO. I don't understand.

Senator WILLIAMS. They advertise the food stamp plan on the radio.

Mr. VUOCOLO. Only Salem County got it in New Jersey. That is something maybe you can look into.

They tell us that some of these programs are tied into the Department of Labor index on unemployment, to declare it a depressed area. Yet the people you are trying to reach have nothing to do with the unemployment situation.

Senator WILLIAMS. I know. We have some rigidity of depressed area which triggers the program. But within an area that is not totally depressed, you have a lot of depression right there. We have been battling this fight for a long time.

Mr. VUOCOLO. I think it is unjust.

For example, we need some public work in Jersey City.

Senator WILLIAMS. When they go to the food stamp plan, they have a government program advertised on the air, explaining it. You say it is only one county in New Jersey?

Mr. VUOCOLO. Yes.

We recommend community centers in large urban areas.

Senator WILLIAMS. You have your educational program for older people, is that right?

Mr. VUOCOLO. That is constant; yes, sir.

Senator WILLIAMS. That is for Jersey City?

Mr. VUOCOLO. Yes, sir.

Senator WILLIAMS. I don't know whether it is in Jersey City or just over the line in Bayonne, but as you come over the turnpike—is that Bayonne?

Mr. VUOCOLO. Yes, sir.

Senator WILLIAMS. Do you have the ability to invite those folks over to your program if they don't have one?

Mr. VUOCOLO. We could invite them. We have invited even the citizens other than in public housing, if I may put it that way.

Senator WILLIAMS. In other words, you don't have to be insular in terms of Jersey City residents? You can broaden it?

Mr. VUOCOLO. That is right. The only thing is we feel why should you do this when every community has their own problems?

Senator WILLIAMS. That is right. But you might have pioneered something that they haven't over there.

Mr. VUOCOLO. Usually when you make a recommendation you are the chairman of a committee. Maybe that has happened to you. You have been in organizations. You make a recommendation and, bang, you are it. But why be a hero when every community has the same problems in budgetary requirements and budgetary privileges?

Senator WILLIAMS. In the back of my mind, here is what I am thinking of. We have problems within metropolitan areas. If somebody has an answer it seems to me it would be wise, indeed, if they broadened their response to this problem by including others in.

I am not saying that Bayonne doesn't have it. Maybe they have a better program than you.

Mr. VUOCOLO. Yes.

We recommend the use of community kitchens where low-cost meals of high nutritional value could be provided for the elderly so desiring it.

It would save a lot of Government expense.

Senator WILLIAMS. This happens, I think, in some of the elderly housing programs.

Mr. VUCOLO. These people could obtain the meals by using the facilities of the neighborhood school. For example, the children eat from 12 to 1. Without the Government going to the expense of putting up senior centers, food centers, this center, if you make an agreement that Uncle Sam gives you Federal money for school purposes, we want you to reserve your lunchroom from 1 to 2 for the seniors in that area who wish to use your cafeteria.

We will provide surplus foods for the meals.

In this way people do not have to travel. If you have to ask a person to spend 40 cents to go to a low-income community kitchen, he is not saving money.

But, if he can walk across the street to his neighborhood school, you don't have a problem.

We also recommend, with people on special diets that are due to physical conditions, if they require prescribed foods, special foods for conditions such as diabetes, which further hurts the average consumer.

If he has a physical problem that he has to have a special food, it might cost him \$5 more to eat per month, and that coupled with the man's need for insulin will let you see where the person's \$80 check will disappear on special foods and medical purposes.

Senator WILLIAMS. I missed your point.

Mr. VUCOLO. We bring out the problem of special foods for some of the elderly who have problems of diabetes, and so on.

You might be able to do something with their social security allocations. The whole philosophy of social security, as far as I am concerned, is I think, it is possibly unjust that everybody gets an equal amount. I think there should be some consideration for the person who might need more than someone else in a situation like this.

The problem in back of the sliding scale of social security was very important to them, and they brought it out. Food goes up 5, 6, or 7 percent a year.

The cost of living perhaps went up 20 percent since the last social security increase. On top of that you spend 3 percent on gimmicks like trading stamps.

Senator WILLIAMS. That is one thing we cannot get into.

Mr. VUCOLO. I just want to show where their money goes.

Senator WILLIAMS. That is before the Commerce Committee.

Mr. VUCOLO. I just wanted to bring it out because the money diminishes.

Senator WILLIAMS. There is a big controversy as to whether it is gimmicks or good merchandising.

We have ranged over a whole lot of territories today, well beyond our committee jurisdiction. I will say that all of the testimony has been not only interesting and educational, but most helpful.

Mr. VUCOLO. In summary, then, concentration of programs, information, education, alertness, are recommended.

President John F. Kennedy said some time ago that the consumer typically cannot know whether drug preparations meet minimum standards of safety, quality, or efficiency.

He does not know how much he pays for consumer credit; whether one prepared food has more nutritional value than another; whether a large economy size is really a bargain.

This statement certainly rings true today more than ever before.

Here in Jersey City we would like to report the following items in addition to our consumer educational program in public housing.

Just last week Mayor Thomas Whelan appointed a consumer protection committee to delve into problems at the local level. One can readily see how a community group like this can be of assistance on the problem of consumer affairs, combining the talents of health, education, welfare, commerce, labor, the Attorney General, the Department of Agriculture, and other Federal agencies, working for the same cause, namely, to protect our consumer.

In the next 4 weeks, the attorney general of New Jersey has delegated the chief of the New Jersey Fraud Bureau, Mr. John Lombardi, to come to Jersey City, and we have arranged for him six sessions in various locations. He is speaking on consumer frauds.

He will speak to 1,000 of our tenants between January 9 and February 9. These weeks have been designated as "Consumer Fraud Educational Weeks."

I also submitted a copy to your committee of some of the information that the Jersey Journal and Hudson Dispatch have cooperated with, and a statement by New Jersey Senator Frank J. Guarini as to what he thinks can be done on a State level.

We feel that our Government is being challenged to sufficiently provide and protect those who are now in their declining years and who have provided so much to our economic, social, and cultural advancement.

We believe the time for Federal action is now.

Thank you very much.

Senator WILLIAMS. You have presented a fine statement as a spokesman from New Jersey.

You have contributed very much to our deliberations.

I would like to come over and visit you there at one of the times when you have the older people in the community centers.

Mr. VUCOLO. We have 11 different developments, and usually it is on a rotating basis. Our program needs a little bit of help, perhaps a grant such as the Older Americans Act, set up to help on a State basis.

By the way, speaking of our two U.S. Congressmen, the Honorable Cornelius Gallagher and Dominick V. Daniels, they have undertaken in the last 4 or 5 years, and I believe this can be done by any legislator who is interested, to provide us in the housing authority each month with a different booklet from the USDA. God bless whoever writes those booklets. I think there is a booklet on everything from how to remove stains to how to beat your mother-in-law without showing the mark.

There is a booklet on Food, Budgeting, Diet, and related items. We have received in the last 2 years from our two hardworking Congressmen 70,000 booklets.

Consequently, I think our low-income housing tenants are perhaps better informed than the local gentry, because we have a high concentration of material from HEW and from the Department of Agriculture.

Senator WILLIAMS. I would really like to continue the discussion, but it is now 1:30. We have a lot of hungry people in the audience who would like to get a little nutrition; we will have to recess.

(The following questions were later sent by the chairman to Mr. Vuocolo and his answers are attached.)

#### QUESTIONS TO MR. VUOCOLO

1. Can you give us additional details on difficulties encountered by the elderly on public transportation facilities? Have you any suggestions for improving the situation?

2. Can any federal agency give you more direct help in the consumer information programs you sponsor?

3. Would there be any practical benefit from mailing Social Security checks at differing times during the month to differing groups, rather than mailing to all at the beginning of the month?

4. May we have additional information about the municipal protection unit established by Mayor Thomas Whelan?

5. Do you have specific examples of high credit costs paid by older residents of Jersey City housing units?

6. You gave us good examples of the usefulness of government publications. Do you have any suggestions for improvement of such publications for the elderly?

#### ANSWERS FURNISHED BY MR. VUOCOLO

Answer 1. The primary problem is, of course, the fares keep climbing. The elderly I have spoken to would like to see some sort of special consideration be given, as being done for the school children. They also recommended more liberal transfer policies be attempted—which would allow them to go to many areas on a single fare.

I realize some of these may be local or state matters, however, I am giving you these observations.

Answer: I believe the new Older American Act might be an excellent means of providing the Consumer Education Programming for the elderly. I think that if all the departments now interested such as Labor, Agriculture, Commerce, etc., would funnel through the agency handling the Older American Act something could be done.

As you know, the Older American Act provides funds for Senior Citizens centers. I believe all the agencies named above should cooperate in Consumer Educational Programming that should and must be made a part of any Senior Citizen Center. In this matter we can assure that each community having such a center will have programs on consumer education, nutrition, etc. Of course, I believe if the government wishes to give information directly to the elderly on consumer information we must use the mails of the Social Security Administration, Veterans Administration or possibly the Internal Revenue. This is not without precedent. For example, every elderly social security recipient receiving a booklet on Medicare through the mails last year. Periodical mailings by the above agencies with the monthly checks on Consumer Education could likewise be accomplished.

By the way, some of the elderly I have spoken to on this point indicated they were pleased to get the information this way—right to their homes where they could digest the information we wish to give them.

Answer: The big problem you have here is the many financial obligations the people have which fall on the first week of the month such as rent, insurance payments, public utility bills, payments on items that are financed and others.

Answer: The Consumer Protection Committee established last November by Mayor Thomas Whelan had its second meeting yesterday. It was the consensus of the group that education was the "key." The group contained representatives of Health of Welfare, Labor, Education, Weights and Measures, Health Educator, Director of the Jersey City Board of Health, Representatives from Jersey City Board of Education, Jersey City Woman's Club, Woman's Editor of the Jersey

Journal, Representative of a large food and merchandising operation. The above met under the chairmanship of Rev. Mulvey, S.J., Professor of Economics at Saint Peters College, and the undersigned at vice-chairman.

It was decided at yesterday's meeting that Consumer Education Programming would be the main goal of this committee. The group felt that this, in addition to Consumer Protection through the inter-departmental departments and agencies represented, would be the general plan. We also intend to expand the consumer complaint box now being used in the Jersey City Housing Developments to a city-wide function. We appreciate your interest and will keep you notified on this function.

Answer: The problem here is that the Senior Citizens just do not understand financing, whereas made by some department stores, banks, etc. In addition to teaching them we believe firmly that an illustration on each contract or loan should be printed *just what this is going to cost them!* They do not realize that 1½ percent monthly charge is actually 18 percent. They do not realize what the charge on the unpaid balance due is. They do not understand that when they add insurance costs to some purchases which is then financed that they are paying interest for the insurance premiums as well as the automobile, furniture, etc., they may be purchasing.

Answer: As we have indicated, most of the government publications are tremendous. We would like to recommend that more publications that lean toward the nutritional and food needs for the elderly be prepared. I do not know of any government booklet on frauds which of course should be more illustrated using pictures or cartoons to portray a point, also use larger type and perhaps be produced in color for some special publication. We also recommend that the publications be prepared in envelope size in order that they be mailed with benefit checks as we recommended. We also recommend the price of some of these booklets be reduced for groups who may wish to make distribution on a large scale basis.

Many, many thanks for the time and courtesies you and your staff have extended.

Senator WILLIAMS. Can we count on you as a kind of continuing consultant on some of our problems?

Mr. VUOCOLO. Yes, sir. Thank you very much.

(The exhibits by Mr. Vuocolo appear on following pages.)

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY, N.J.  
 Tenant Relations Office

OPERATION YELP { you're enlisted to help }  
 lower prices !!!

A few months ago, at the request of tenants, OPERATION YELP (You're Enlisted to help Lower Prices) was formed to help spotlight the ever increasing cost of living.

A series of meetings were held, and public protests held in front of several large stores resulted in President Johnson's Consumer Affairs Expert, Mrs. Esther Peterson visiting Berry Gardens and Hudson Gardens speaking to our housewives at meetings arranged by Congressman Dominick V. Daniels and Congressman Cornelius E. Gallagher.

As the result of our meetings Mayor Thomas Whelan has formed a Consumer Protection Committee which will meet in January 1967 and New Jersey State Senator Frank J. Guarini, Jr., has promised to look into legislation that would prohibit the cost of food and merchandise being inflated due to trading stamps, promotional gimmicks, etc.

OPERATION YELP has made "prudence" it's watchword. Housewives and mothers have been urged to buy "only what you need, when you need, if you need", and to cut credit buying to a minimum.

In addition to the above mentioned we have had the New Jersey State and Jersey City Weights and Measures Department officials speak to us at regular meetings.

In some cases our cost of living problems are made worse by fraud and the deception of some businessman, salesman or companies. In order to alert all of our tenants to the need for alertness we have arranged for another speaker to be with us. We are pleased to announce that

Counselor JOHN A. LOMBARDI, New Jersey Deputy Attorney General in charge of the N.J. CONSUMERS FRAUD BUREAU

will speak to our tenants on the following dates:

MONDAY, JANUARY 9th, 1967 at 7:45 P.M., Bernard J. Berry Gardens, 199 Ocean Avenue, Community Hall

FRIDAY, JANUARY 13th, 1967 at 7:45 P.M., Hudson Gardens Mothers, Bldg #5, 514 Newark Avenue.

THURSDAY, JANUARY 12th, 1967 at 8 P.M., A. Harry Moore Apartments Community Hall

WEDNESDAY, JANUARY 25TH, 1967 at 2 P.M., Montgomery Gardens Community Hall.

MONDAY, FEBRUARY 6th, 1967, Bernard J. Berry Gardens, 92 Danforth Avenue Community Hall, 8 P.M.

TUESDAY, FEBRUARY 7th, 1967, Currie Woods Gardens Community Hall, 8 P.M.

Come and hear  
 on how to  
 beware of  
 the faker  
 and the  
 fraud!

MAKE YOUR DOLLARS

The money  
 you will  
 save will  
 be your  
 own.

1STRETCH!

TODAY FOR TOMORROW!

FRANK A. TEDESCO

FRANK J. BERRELI

CONRAD J. VUCCOLO

## EXHIBIT A. THE JERSEY JOURNAL, NOVEMBER 4, 1966

## PRICE CAMPAIGN—WHELAN PLANS UNIT TO PROTECT CONSUMER

Mayor Whelan is taking steps to set up a special "Consumer Protection Committee," which will be a kind of "semi-official Better Business Bureau," it was learned today.

The mayor's decision came after yesterday's visit to Jersey City of Mrs. Esther Petersen, President Johnson's special assistant for consumer affairs.

Mrs. Petersen, in talks to members of Operation YELP (You're Enlisted to Help Lower Prices) at Berry Gardens and Hudson Gardens Housing Projects, urged the establishment of such a committee, and also of a state consumer council that would deal with the problems of enforcing local legislation.

Speaking to over 200 senior citizens at Berry Gardens, Mrs. Petersen noted that "Congress only goes as far as people want it to go."

She urged the audience to let their congressmen know when they had complaints about prices, packaging or other aspects of community relations.

Mrs. Petersen, whose visit to Jersey City was arranged by Reps. Cornelius Gallagher, (D., 13th) congressional district, and Dominick V. Daniels, (D., 14th) congressional district, lauded both congressmen for supporting the Truth in Packaging bill.

Following her speech-making, she left immediately for Washington to be present at the signing of the bill.

An aide to mayor Whelan noted that the consumer protection committee would be a component of a city Citizens Advisory Committee which will meet later this month to elect officers. The overall body was set up by the mayor this summer, to be "the public's voice" on a variety of community problems, including urban renewal, minority group housing, use of parks, and employment opportunities.

The aide noted that the consumer protection committee would "help educate the public into buying wisely and saving money," and would act as an "initial clearing house" for possible complaints of consumer fraud. These complaints would be passed on to the proper authorities, he said.

"The primary purpose, however, would be educational."

This is also in line with Mrs. Petersen's recommendations.

"Information for the consumer is the most important thing," she noted.

"If the consumer doesn't use it, it's her bad luck. But it should be available for her, if she wants to use it."

Operation YELP was formed last month by the housing authority, through the efforts of Conrad Vuocolo, the authority's director of tenant relations.

Vuocolo noted that the YELP had a two-fold purpose, to encourage consumer education and community action with regard to high prices.

He noted that the group holds weekly meetings to present new ideas for cutting costs to housewives. YELP members also picketed two supermarkets this week, to draw attention to the fact that they did not want stamps or gimmicks, which they maintained raised prices.

## EXHIBIT B. THE HUDSON DISPATCH, OCTOBER 2, 1966

## YELPS SCORN GEMS, STAMPS IN FIGHT ON SOARING FOOD PRICES; PICKET SUPERMARKETS

(By Robert Adams)

Diamonds are definitely not a girl's best friend. At least when the "girl" is a Jersey City housewife seeking lower prices in the city's super-chain food markets.

This rather startling conclusion was reached yesterday while housewife members of YELP (You're Enlisted to Help Lower Prices) were parading with placards in front of Acme Market at the Five Corners.

For pasted on the store window were signs declaring that a shopper could win a "petite diamond pendant worth \$100;" a "classic diamond pin valued at \$125;" a "dazzling diamond necklace worth \$500;" or a "superb diamond dinner ring valued at \$1,000."

"Who needs gimmicks and stamps?" Mrs. Eleanor Cuneo of 39 Palisade av. declared as she waved a placard. "These tricks actually keep food prices up. We're paying for these stamps and gimmicks coming and going. Between

rising prices and the sales tax we don't know whether we're coming or going."

Just 24 hours before the housewives' move, Clarence G. Adamy, president of National Assn. of Food Chains, had declared in Washington that the only way for chain grocers to cut prices would be if they also slashed services.

If stores stopped staying open at night, quit cashing checks and dismissed boys who carry grocery bags to customers' cars, Adamy said, then possible prices could be brought down from six to nine percent.

"But people want these services," he said at a news conference. "More checks are cashed at grocery stores than at banks." Adamy defended the retail food industry's argument that food chains, on the average, earn only 1.3 cents profit on each dollar of sales. He attributed higher prices to "inflation."

#### DEMAND EXPLANATION

While Mrs. Cuneo was talking, another feminine parader marched past with a sign saying "YELP—Jesse James at Least Had a Gun!"

Mrs. Rose Carbone, of 43 Palisade av. meanwhile told the reporter that the YELP movement started about three weeks ago when indignant housewives met in each other's homes.

"We want the executives from the big chains to explain to us why food prices are so much higher than it was only a week ago."

"Who protects the Consumer? Who Makes the Prices?" another sign shoved in front of the reporter asked in black, angry letters.

Thomas Carugan, past commander of Jersey City Barracks 64, WW1 Vets, a lone male among all the female "ex-shoppers," said that his unit went on record a week ago with a resolution supporting the women's boycott action. He said that the resolution will be presented in December at the state-wide meeting in Trenton for appropriate supportive action.

"We're all behind the YELP action," Carugan said. "Don't forget, food prices affect veterans on low pensions. I know one man who is only spending 27 cents for each meal, if you can imagine such a thing."

#### HIKE IN SHORTENING

A group of women, indignant to a "man," then declared that a widely-known shortening advanced three cents in a week.

"Who needs it?" the woman said.

Later "task forces" of the picketing women went to the Shop-Rite market at Bergen sq. Here the reporter found a lone sign-carrying male picket but no slackening of business was apparent at the store.

Martin Renz of 9 Palisade av., the father of nine children, said that he was aiding YELP to cut supermarket food prices because he believed in the "boycott action."

At that point, an unidentified man passed through the pickets and snarled: "Just keep this up and it'll be a fine country we'll be living in!"

But it was the only sour note recorded in otherwise orderly demonstrations.

The pickets also paraded at an A&P Supermarket at 529 Newark av.

It was announced while the women were parading that Mrs. Esther Peterson, special assistant to President Johnson on consumer affairs, will consult with YELP leaders and consumers tomorrow at two meetings.

Mrs. Peterson will appear at the community hall of Bernard J. Berry Gardens at 11:30 a.m. and at Hudson Gardens' community hall at 2:30 p.m. She had to change the original time for the meeting at Berry Gardens, which was 3:30 p.m., because she must be in Washington at 5:30 p.m. for the signing of the Truth in Packaging Bill.

Senator WILLIAMS. We will now recess until 10 tomorrow morning.

(Whereupon, at 1:30 p.m. the hearing was recessed to reconvene at 10 a.m. on Wednesday, January 18, 1967.)



# CONSUMER INTERESTS OF THE ELDERLY

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WEDNESDAY, JANUARY 18, 1967

U.S. SENATE, SUBCOMMITTEE ON  
CONSUMER INTERESTS OF THE ELDERLY  
OF THE SPECIAL COMMITTEE ON AGING,  
*Washington, D.C.*

The subcommittee met at 10 a.m., pursuant to recess, in room 6202, New Senate Office Building, Senator Harrison A. Williams, Jr. (chairman of the subcommittee), presiding.

Present: Senators Williams, Kennedy, Yarborough, and Fong.

Committee staff members present: William E. Oriol, staff director; John Guy Miller, minority staff director; Patricia G. Slinkard, chief clerk; and Mary M. Parmelee, assistant clerk.

Senator WILLIAMS. Our first witness this morning is Dr. James Goddard, Commissioner of the Food and Drug Administration.

## STATEMENT OF JAMES L. GODDARD, M.D., COMMISSIONER, FOOD AND DRUG ADMINISTRATION, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND LABOR

Dr. GODDARD. Senator Williams, it is a great privilege and pleasure to appear before this subcommittee this morning.

I have been aware of your interest for several years in the problems of older Americans. A great deal of the information generated by the Special Committee on Aging and its several subcommittees has been invaluable to such agencies as the Food and Drug Administration.

It is my hope, Mr. Chairman, that our appearance before you today will help carry forward the good work that has already been accomplished by this subcommittee and its distinguished members.

There is no doubt that our senior citizens need particular attention from an agency such as the Food and Drug Administration. The shopping habits of a woman who was in her thirties just prior to and during World War II are now, of course, out of date.

Hopefully, our older women have all been keeping up with the broadscale technological changes in the manufacture of our foods. But some evidence does indicate that many women have not kept up. In a sense, economic and social history has passed them by and they are stranded in the marketplace, instead of supported by it. I could add that the elderly are not alone in this either.

The same may be said about our supply of medicine. In the last 20 years the science of therapeutics has changed radically. In turn, the science of medicine itself has changed. It is far more difficult to be an intelligent patient today than it was a generation ago.

Yet, Mr. Chairman, with the great advances in medical care recently enacted by the Congress, it is clear that our elderly citizens are taking increased advantage of the "new medicine." And, while we may all take comfort in the fact that our parents do have better care, we may be somewhat discomfited to learn that they are generally unaware of the significance of the care they receive, of the drugs prescribed for them, of the devices that are used for their health—and of the many medical frauds and cheats that are directed at their ignorance of this "new medicine."

For these and other reasons, Mr. Chairman, the Food and Drug Administration decided last summer to do something about bringing our older Americans up to date on foods, drugs, cosmetics, devices, and certain hazardous household substances—all the areas over which we have jurisdiction.

Later this year, when the Fair Packaging and Labeling Act takes effect, we hope to develop special materials for the older American consumer there, too.

It is a pleasure to bring you some information on the kinds of programs we have developed since making that decision. First, we have, as you know, a sizable field staff located in our 18 district offices around the Nation. About half the employees of the Food and Drug Administration are in these field offices, doing the inspections and the laboratory analyses that are fundamental to our regulatory mission.

However, each district office is also authorized a resident full-time consumer specialist and many have additional part-time consumer specialists as well.

These 30 women are home economists and nutritionists, educators, leadership people of every kind, but they are distinguished by a devotion to protection of the consumer and by a loyalty to the Food and Drug Administration and the work of the Department of Health, Education, and Welfare.

We asked these consumer specialists to pay some extra attention to our older citizens and develop—in accordance with an overall national program—good local and State programs in which the Food and Drug Administration would help begin such projects by itself or with the help of other governmental and nongovernmental agencies.

The record of the past 6 months shows that there is a great deal of real grassroots effort going on, that our consumer specialists are in the very forefront of this activity, and that the response given to their interest by State and local agencies shows that we are probably only scratching the surface of a formidable challenge—not only to the FDA but indeed to all governmental agencies as well.

Mrs. Loretta Johnson, our consumer specialist in the St. Louis office, serves an area that has about 20,000 ambulatory older adults who are members of some 130 different federated organizations: religious, fraternal, social, and so on. Mrs. Johnson, as our other consumer specialists, has taken an interest in ambulatory senior citizens, as opposed to those who are hospitalized or in inpatient care facilities.

"This group," says Mrs. Johnson, "handles its own problems and are more subject to possible unwise selection of foods and drugs."

In this one district, Mr. Chairman, the FDA office, with the coordination and deep interest of Mrs. Johnson, brought together 245 leaders of various senior citizens organizations in the St. Louis area.

An additional 20 professionals in the field of aging joined in the 1-day conference, which concerned itself primarily with quackery.

However, as I indicated—there is more than quackery at stake here; the whole range of health care is to be brought into focus.

Mrs. Johnson reports that she is in close touch with the Teamsters Union consultant on problems of the aging so that the FDA might be helpful on programs to be developed for the union's new campus for low-income senior citizens in the St. Louis area.

We are very proud of a new consultant to the FDA who will give us a great deal of assistance on this program, I am sure. This great lady was a former Member of the Senate and served with you on this subcommittee dealing with problems of the elderly. I speak, of course, of former Senator Maurine B. Neuberger, who was sworn in on January 6 as Consultant on Consumer Relations to the Commissioner of Food and Drugs.

Even though this is a part-time assignment, we believe Mrs. Neuberger's experience and interest will give additional depth to this aspect of our consumer education program.

I mention this fact, Mr. Chairman, not only because it is a source of great pride to our agency to have someone such as Mrs. Neuberger take an interest in our work and agree to help us, but because, as you know, she now resides in the State of Massachusetts.

Our Boston district office has already begun its own local program in the field of the aging, under the leadership of Miss Yolán L. Harsanyi. Miss Harsanyi has been working right at the grassroots level.

For example, she has spoken before the Middleboro Council for the Aging, the Frances Willard Society of aids for the elderly, and the Hyde Park Senior Citizens, an affiliate of the National Council of Senior Citizens, before whose annual convention I had the pleasure of speaking last June.

Miss Harsanyi is also helping a VISTA group in New Hampshire that is working with the elderly. This month she will have a planning session with consultants in the field of the aging for a New England-wide view of what the problems are for senior citizens in that area and what each agency—such as the Food and Drug Administration—can contribute.

Knowing of Miss Harsanyi's interest, knowing of Mrs. Neuberger's presence nearby, and remaining firm in our own commitment here in Washington, I am sure that the elderly in the six-State New England region will be well served in the months and years to come.

This local activity is, I am sure you will agree, fundamental to the building of a strong program to serve the aging. Accordingly, I would like to take this opportunity to outline some concrete examples of our efforts at the community level. I believe this will help provide the committee with a better understanding of our endeavors in this area.

Miss Diane Place, for example, has been carrying on a vigorous program in our Detroit district, and has received much support from the United Automobile Workers, AFL-CIO. She has been a guest speaker before their retired worker groups, arranged an exhibit titled "FDA Serves the Older Consumer" for the UAW's Older and Retired Workers Department meeting in Cobo Hall—attendance there, by the way, was 13,000—and has been working with the union's national re-

tired workers education program director and other leaders in Michigan to develop a statewide approach for all older citizens in Michigan, whether affiliated with a union or not.

Incidentally, Mr. Chairman, I would like to say that organized labor has been extremely cooperative in our efforts in virtually every metropolitan center where we work.

In our Chicago office, Consumer Specialist Marguerite Robinson has been building a strong metropolitan area program, with a number of speeches before different senior citizens clubs and leadership organizations. In addition, Miss Robinson has conducted six workshops with an exhibit for retirees of the Chicago local of the Amalgamated Clothing Workers of America (AFL-CIO). These workshops took place over a period of 8 weeks.

On February 3, 1967, a conference on the older citizen will be held in Tampa, Fla., involving about 100 leaders in aging. This is another in our major conference programs. I mention it specifically here because the Florida area, chosen by so many older Americans as a retirement home, is being given special attention by our Atlanta district office and its able consumer specialist, Mr. Wilhemina Lombardi. For the information of this subcommittee, Mr. Chairman, I would like to submit for the record the overall, 18 district conference schedule as it applies to our aging program with your permission.<sup>1</sup>

Dr. GODDARD. You will note from that schedule, Mr. Chairman, that our agency has been developing two very significant relationships in the area of service to the older consumer. First, our interagency relationship with the Administration on Aging. Second, our relationship with many State-level groups.

I am aware that my good friend and colleague, Commissioner William D. Bechill of the Administration on Aging, has told you of several ways in which the FDA district offices and the AOA regional representatives are cooperating.

On January 10, Miss Julia S. Hewley, consumer specialist in our Baltimore district, met with AOA representatives to plan a jointly sponsored conference on aging to be held probably in Washington this coming April. It will be a district-level conference, even though this city may be the site.

Both our Buffalo and New York City district offices are working with the AOA regional representative and will meet on January 24 with New York State Education and Office of Aging personnel to determine future courses of action and programs.

Miss Lois Meyer of Buffalo will also join Miss Jeanne Devers, consumer specialist in our Philadelphia district office, for a planning conference January 31 in Harrisburg, Pa., with the Commissioner of Aging for the Commonwealth. You will find many examples of FDA-AOA cosponsored events listed in the schedule I submitted.

I might add that we have also begun a good working relationship with the Office of Education, also a sister agency within the Department of Health, Education, and Welfare. Our staff has visited with the Associate Commissioner for Adult and Vocational Education and we are hopeful that these exploratory discussions may result in some new educational approaches to serve the aged.

<sup>1</sup> See app. 2, p. 196.

I am happy to report, Mr. Chairman, that we are making progress in the area of interagency cooperation to do a better job for the aged. Now, I would like to turn my attention to our relationships with the States in this matter. You may have gathered that we are very positive about establishing good partnership efforts with the States.

You, personally, have expressed your concern that the Federal Government do more to strengthen these efforts and we share your concern in this matter.

In an effort to strengthen the coordination and cooperation between FDA and State and local agencies, as well as with other Federal agencies, just last week we appointed FDA's first Regional Assistant Commissioner.

He is assigned to the Dallas regional office of HEW and will work with the State and local officials in the area served by that office. In the past, coordination of FDA activities with our State and local counterparts has been handled primarily by our Office of Federal-State Relations in Washington.

Eventually we expect to have regional assistant commissioners in each of the Department's regional offices. We believe this is a significant step forward in improving this aspect of our mission in State and local programs.

In the area of questionable cancer cures or practitioners, a matter about which you recently expressed concern, Mr. Chairman, we believe the Federal Government can be helpful in giving information and technical assistance to the States.

We have been cooperating closely with State governments which request our assistance in dealing with questionable anticancer drugs or devices. As you know, we have significant authority to deal with new drugs, including those under clinical investigation, which are offered for shipment in interstate commerce.

Senator WILLIAMS. Say that again.

Mr. GODDARD. As you know, we have significant authority to deal with new drugs, including those under clinical investigation, which are offered for shipment in interstate commerce. The FDA described at an earlier hearing the procedure it follows in dealing with devices labeled as being effective cancer cures. However, our authority does not extend to such drugs and devices when involved in a wholly intrastate operation.

Under the present state of the law and the facts of commerce, products received in interstate commerce, or made from raw materials which have moved in interstate commerce are subject to FDA regulation.

Senator WILLIAMS. In this area, I don't see how you could define wholly intrastate.

Dr. GODDARD. A product which in all aspects originates from raw materials and produced intrastate, then it is beyond our legal authority. If any part of it, however, is derived from or in the processing associated with materials coming from interstate commerce, we can take some action.

Senator WILLIAMS. Well, you know the leading case on what is interstate was the office building in New York where the elevator operator was in interstate commerce although he was only going from the ground floor to the 10th floor, but he was carrying people that came from another State.

Dr. GODDARD. Right. At times, Senator, this does give us difficulty. For example, to the extent that a particular State has the authority to deal with such activities within its borders, we have cooperated fully with them but in many instances, the States do not have legal authority which will permit them to exercise the kind of control which would be available under Federal jurisdiction.

We are presently reviewing the model State food and drug legislation to determine whether there are areas in which we wish to propose new model bills. The area you have identified—consumer protection of the elderly—may well be one which merits early attention.

The regulation of the particular practitioner using questionable cancer cures relates to the practice of medicine and is governed by the State and local licensing authorities. Of course, if any drugs or devices of an interstate nature are employed in their practice, the articles themselves are subject to our jurisdiction.

In addition, anyone holding for sale a cancer cure within the State where it is made would be criminally liable under the Federal Food, Drug, and Cosmetic Act for selling it to any person coming to the State to purchase it and take it home.

It will be our purpose to maintain the pressure FDA has exerted thus far over the years in the enforcement of laws and regulations that go to the sources of quackery.

I emphasized this point last October before the American Medical Association's Congress on Quackery. If I may, I would like to submit a copy of that speech for the record since it does set out the many new forms quackery is taking, as well as review our work on the more familiar frauds and cheats.<sup>1</sup>

Our consumer specialists, through the new State efforts, have deepened and intensified our antiquackery campaign. Here are just a few of the statewide programs the FDA is now engaged in, in addition to those already mentioned:

Miss Joan Bergy, Seattle district, cooperated in the Washington State Conference on Health Frauds; a quackery conference for Idaho, cosponsored by the Council on Aging, the Food and Drug Administration, and other groups, is now being planned; traveling exhibits on quackery and health frauds in the Seattle area; and a permanent exhibit which has been installed at the Oregon Museum of Science and Industry.

Mrs. Leona Allman, Dallas district, is now at work on the Texas Conference on Aging, to be held in April, involving a number of State agencies, both governmental and nongovernmental.

Miss Blanche Erkel, Minneapolis district, is representing the FDA as a cosponsor for a conference on aging in Minnesota next month.

Miss Una Wood, San Francisco, will work with the AOA to bring together all agencies and interested groups in northern California in late March.

Miss Josephine Simpson, New Orleans district, is scheduling her conference with Birmingham, Ala., agencies.

Our Cincinnati office with Mrs. Caroline Miller has a conference scheduled for Louisville, Ky.

Miss Mary Gill, New York City, is pursuing not only the statewide program initiated by the Governor of the State of New York, but

<sup>1</sup> See app. 2, p. 187.

is placing antiquackery displays and exhibits in Newark and New Brunswick, N.J., where an all-day conference will be held on the campus of Rutgers, the State university.

Miss Helen Keaveny, Denver district, has met with State aging personnel in Salt Lake City, Utah; with the cooperation of the Colorado State Department of Health and other agencies, a Colorado quackery conference is scheduled for Denver in late February; also on the way with Miss Keaveny's help is a strong program in Wyoming, where 14 of 23 counties are already involved in community health programs, featuring quackery as the key subject for the older citizens in that State.

Mrs. Lorena A. Meyers, of our Kansas City district, who is deeply involved with that State's new program for the aging, has observed in her reports to us that "The Federal level can be an important aid to States, since State protection is limited. The elderly are more vulnerable to medical quackery than other groups," she observes, and adds that the "active elderly need direct, specific health information of an educational nature since they get very little of it now. The active, ambulatory older citizen receives a program that has recreation, not education, as its major emphasis."

The same report comes from other districts as well. Miss Elaine McNally, who is also producing a major conference on the aging in February, has alerted us to the so-called anticancer and arthritis "cures" that are quite prevalent in southern California.

She makes the point that victims of such phony cures slip back and forth over the Mexican border. This is a matter of Federal and State concern, it seems to me. Only this kind of cooperation can give adequate protection to our people and keep international relations in balance as well.

Senator WILLIAMS. I don't understand that. What occurs over the border?

Dr. GODDARD. Well, there are, unfortunately, persons south of the border who offer false hope for cure of cancer and cure of arthritis and have a variety of drugs and devices that they sell and use in these activities.

So there is a fairly steady traffic of citizens going back and forth for these kinds of treatment and we have had instances of the same nature along the Texas border as well. It has been of particular concern because some of the drugs being used in that instance were extremely dangerous, highly toxic drugs.

Senator WILLIAMS. Peyote?

Dr. GODDARD. No; these were drugs that unlike peyote, did not create any hallucinations but were supposedly to aid the arthritic victim. There have been a number of deaths that have occurred from the administration of these drugs and representatives from that area of Texas have expressed great concern and have asked for more assistance to help protect their citizenry.

Senator FONG. A case like that recently happened with one of our best song writers, Kui Lee, who was also a very fine singer. He contracted cancer and went across the border for some treatment. That was the first time my attention was brought to the fact that our citizens were crossing the border and going to Mexico.

Unfortunately, he died. He was not cured.

Dr. GODDARD. That is unfortunately often the case, Senator Fong.

Senator YARBOROUGH. We don't have any specialists just across the border where we had across the Rio where a man was rejuvenated by those operations?

Dr. GODDARD. Thank heavens that seems to have disappeared.

Senator FONG. Is this traffic quite heavy, Doctor?

Dr. GODDARD. It is of significance; yes, sir. The dollar volume is difficult to estimate but it is a concern to the health authorities in those areas and they have asked on occasion for assistance.

Our hands are literally tied in terms of what happens across the border, of course. The regulations in Mexico are not comparable to ours as far as drugs are concerned. Many products can be purchased without prescription in the drugstores there which would require prescriptions here.

This is particularly true of some of the dangerous drugs that are under control through the Drug Abuse Control Amendments of 1965 so there are a variety of kinds of traffic involved, Senator Fong.

Senator WILLIAMS. Does this have particularly heavy incidence for older people?

Dr. GODDARD. Yes. This is the group of greatest concern particularly for so-called cancer cures and cures for arthritics.

Senators WILLIAMS. Obviously, the Food and Drug Administration or the U.S. Government can't legislate or regulate the practices in another country, No. 1.

No. 2, you can educate about the practices. No. 3, isn't this the kind of thing that could come up at the World Health Organization's annual meeting?

Dr. GODDARD. Indeed these kinds of topics do come up at the World Health Assembly and the next meeting will be in May.

Senator WILLIAMS. Where is that?

Dr. GODDARD. That is in Geneva, May 16.

Senator WILLIAMS. I was there a year ago.

It is a highly professional group of people from all over the world that gather and talk technically about health but it would seem to me that this would be certainly an agenda item.

Dr. GODDARD. Indeed the World Health Assembly and the organization itself is increasingly looking at the problems associated with drugs in the broadest sense to share information, to work together on some of these problems that are of concern.

Senator WILLIAMS. Do you go to that?

Dr. GODDARD. Yes; I am the alternate delegate for the United States at those meetings.

The matter of education, both from the Federal and State offices concerned, seems to be a prime need and we are doing what we can to provide new and updated materials to fulfill this need.

And I might say in this regard that there is a great and immediate need to give sensible information to our older Americans about one of the major subjects of their own discussions: vitamin and mineral diet supplements.

We see from our mail that this topic is uppermost in the minds of our senior citizens. Interest has been raised even higher since we promulgated new regulations on special dietary foods and diet supplements in June of 1966.



As people grow older, their patterns of life change, and this includes eating habits as well. There also may be a new interest in nutrition as part of an overall greater concern about health.

This concern with the diet can be exploited by deceptive representations about nutritional needs if the consumer is not more fully informed. And one of the primary purposes of the new regulations is to see that the consumer has more information about the special dietary products in the marketplace.

The regulations would apply to the labeling or the content—and, in some cases, both—of diet supplements (the vitamin and mineral pills, vitamin- and mineral-fortified foods, and foods used for weight control or other special diet needs).

The changes in the regulations would include the adoption of recommended dietary allowances as a guide to meeting nutritional needs in place of the outmoded minimum daily requirements.

FDA first proposed major changes in the regulations on diet foods and supplements in 1962. The regulations promulgated in June incorporated revisions suggested in response to the 1962 proposal as well as those developed within FDA.

In December, the agency stayed the effective date of the regulations—which would have been December 15—to allow a public hearing this year. At the same time, revisions were published to meet certain of the objections submitted following the June publication.

I am submitting for the record copies of the regulations proposed in 1962, those promulgated last June, and the revisions published in December.<sup>1</sup>

We must remember, Mr. Chairman, that the aging process does bring on certain physiological changes that merit attention. The older person is less able to resist infections and disease.

The body does not respond to the challenge without assistance. The ability of the older person to eventually conquer infection is also reduced. This is a serious matter because of a problem that has developed over the past year. I am referring to the increased reporting of *Salmonella* isolates in parts of our food supply.

*Salmonella* is a family of organisms, bacteria; one of whose members is the typhoid fever organism. There are about 1,100 different members of this family. Bacteria have been specifically identified by name, each one of which more or less leaves a fingerprint in terms of its specificity for certain laboratory reaction and thus it gives us a method of helping track down the source of the contamination.

It is a rather commonplace infection in our society today. There are about 21,000 cases reported to the communicable disease center of the Public Health Center each year of an estimated 2 million cases that occur.

The disease itself is characterized by many as being an intestinal flulike complaint. It is often not diagnosed. It is particularly serious in the very elderly or very young or persons who are recuperating from abdominal surgery.

You can see contamination of foodstuffs or drugs does occur, that it does have significance for these portions of our population. For the others that are otherwise healthy it may inconvenience us, make us

<sup>1</sup> In subcommittee files.

feel rather ill for a few days, but for the others though it can indeed be fatal.

There are about 70 fatalities a year reported due to these infections.

During calendar year 1966, the Food and Drug initiated or was apprised of 515 drug recalls. Of these, 112 were considered by the agency to be serious health hazards. Close to half of these 112 serious drug recalls were based upon *Salmonella* contamination of drugs of animal origin which is the drug category where the problem principally exists at this time.

This is not the only reason for our special program, begun this past year, to identify and eradicate contaminations of any kind in our food and drug supply. However, it remains a very strong reason for our concerted vigilance, particularly in the case of *Salmonella*.

I have mentioned drug recalls based upon evidence of *Salmonella* contamination. Of course, there are many other reasons for recalls, as well: mislabeling, penicillin contamination, improper tablet disintegration, and so on.

Many of these drugs are significant to the health and well-being of our older citizens. Among the drug recalls for 1966, for example—

Senator WILLIAMS. What you are saying is that this *Salmonella* can carry through drugs, not just food.

Dr. GODDARD. Yes. Particularly it has been limited to drugs of animal organs.

Senator WILLIAMS. How about desiccated liver?

Dr. GODDARD. This type of product could be involved. Thyroid extract, these types of drugs.

Among the drug recalls for 1966 were 14 drugs specifically used for the treatment of heart conditions.

With your permission, Mr. Chairman, I would like to submit for the record the FDA's weekly food, drug, device, and cosmetic recall lists for the past 6 months.<sup>1</sup>

We have had our Bureau of Medicine check these drug recalls that would be of special significance for elderly patients. I think you will agree that the enforcement of drug recalls by our agency is an important defense for our senior citizens.

Some recalls and seizures of drugs during the past year have had an adverse reaction in the field of advertising. This is unfortunate if there has been any misunderstanding as to our intention.

It is my understanding, Mr. Chairman, that this subcommittee is interested in current advertising practices in the drug field. As you know, the FDA has jurisdiction over the prescription drug advertising. The regulation of over-the-counter drug advertising is vested in the Federal Trade Commission.

In 1954, a working agreement between the FDA and the FTC, an agreement which laid out the areas of responsibility for each agency, was developed and certain guidelines were formed. If you wish, I would be pleased to submit a copy of this 1954 agreement for the record.<sup>1</sup>

Since then most recently we have met with the Federal Trade Commission and renewed our activities in areas of joint concern.

Regarding prescription drug advertising I would like to submit for your consideration a detailed discussion of this subject which we

<sup>1</sup> See app. 2, p. 192.

had the privilege of presenting last year before a subcommittee of the other body. I offer this copy of the previous testimony, Mr. Chairman, in view of the survey nature of this hearing and in response to a suggestion of the staff of this subcommittee that such a discussion in the record would be useful for later reference.

Senator WILLIAMS. I have not asked unanimous consent as we went along here, Senator Fong, but all of these materials that you want to submit we will place in the record.

Dr. GODDARD. I would like to pass on, however, some information from our consumer specialists on the effect that advertising has upon our older Americans.

Miss Jeanne Devers, of our Philadelphia district, notes that—

The elderly tend to place a good amount of faith in advertising. They read the advertising in newspapers, magazines, and hear it on radio and television and rarely question it. As a result, they believe it.

Miss Devers adds that the problem here is that—

There is a tendency among the elderly to diagnose and treat their own ailments.

Probably the disease most frequently self-diagnosed and treated among older persons is arthritis. Virtually all of our consumer specialists report that so-called arthritis cures and related quackery are among the most discussed topics at senior citizens' meetings.

Miss Diane Place in our Detroit district has noted a dominant and disturbing trend among the elderly—especially those who lack good education or live in low-income areas—to turn to nationally promoted over-the-counter pain relievers of every variety instead of visiting a physician or a clinic.

I don't believe, Mr. Chairman, that the health professions have been as effective as possible in reaching the elderly with good information—certainly not to the extent that advertising agencies and their clients have.

And this is very unfortunate. As Mrs Wilhemina Lombardi, consumer specialist in our Atlanta district, has told us:

Our older citizens are individuals. They want the right to make their own choices and decisions, to think for themselves as dignified citizens. But they just aren't getting the information they need.

You may remember, Mr. Chairman, that you asked the National Institute of Mental Health, in February 1965, to consider a study of consumer attitudes relating to medical quackery. In March 1965, representatives of several interested agencies came together to plan the study.

Mr. George Landsman, then of NIMH, was chairman for these meetings. In October of that year, a prospectus was drawn up and agreed to and all participating agencies were asked to pool funds for a research contract. A steering committee was formed and a representative of FDA was elected chairman. The contract was drawn and put out for competitive bids. On June 27, 1966, the award was made to National Analysts, Inc., of Philadelphia, Pa.

This research contract—which is called a study of susceptibility to health fallacies and misrepresentations—is now underway. All phases are scheduled for completion by May 30, 1968. A sample of 2,825 persons will be interviewed in a major nationwide effort during the third and major phase of the survey.

Under the terms of the contract, not less than 20 percent of those interviewed shall be 65 years of age or older.

From this survey we hope to learn a number of things. An interview guide, for example, points toward eliciting this kind of information:

1. Attitudes, perceptions, and beliefs about the medical and quasi-medical professions, medicines on the market, druggists and pharmacists, foods on the market, and regulatory activities by Government.
2. Sources of knowledge about health and disease.
3. Details of respondent's experience with, or beliefs about misrepresented products and claims.
4. Attitudes, perception, and beliefs, about health, including the respondent's own health.
5. Personal needs and psychological dispositions.

Our project officer on this contract is Dr. Louise Richards, a research psychologist in the Food and Drug Administration. She is monitoring the work of the contractor and also maintaining liaison with the six other agencies, besides Food and Drug, that make up the steering committee: The Administration of Aging, the Department of Agriculture, the National Institute of Child Health and Human Development, National Institute of Mental Health, the Veterans' Administration, and the Vocational Rehabilitation Administration.

In addition to these seven steering committee members, several non-governmental health organizations have contributed advice and special information useful to the purpose of this susceptibility survey.

They are the American Cancer Society, the American Medical Association, the American Public Health Association, the Arthritis Foundation, the National Better Business Bureau, and the National Health Council.

If I may, Mr. Chairman, I would like to submit for the record of this hearing contract No. 66-193, as amended.<sup>1</sup>

Mr. Chairman, rather than wait for the data to come in from this contract and rather than wait for the results of our many conferences and meetings to come in, also, we have taken several steps to move our reeducation and information program forward.

Senator WILLIAMS. Senator Kennedy.

Senator KENNEDY. Yes.

I regret that I have not had a chance to examine your statement in the kind of detail I would have liked prior to this meeting. But I want first of all to say that I am in complete accord with the aspect of your statement which I have heard and to welcome our former colleague Senator Neuberger to your organization and welcome her as a constituent of mine in Massachusetts. I hope that everyone is aware of her great interest in the problems of the aging, and also of her very unique interest and ability to deal particularly in a number of the fields that you have identified her with this morning.

Senator WILLIAMS. We lost the Senator but you gained a constituent. [Laughter.]

Senator KENNEDY. I am also appreciative of the comments that you made with regard to the activity that has taken place in your Boston district office.

<sup>1</sup> In subcommittee files.

In the early part of your statement you say "hopefully our older women have all been keeping up with the broad scale technological changes in the manufacture of our foods."

From previous studies which have been made, by this committee and other committees, I know that one of the principal problems of our seniors is the nutritional deficiency and imbalance in their diets: the problem of providing adequate food and nutritious food to an extent at which these people are really receiving a balanced diet.

I know that over the period of the time that you have served so ably as our distinguished commissioner that one of the things you have been interested in is something which many of us have also been interested in. This is the value of fish protein concentrate as a food supplement.

You have frequently received numerous communications from many of us, not only those that represent States that border on the sea, but also one of its principal proponents, Senator Paul Douglas, who was deeply concerned about this problem.

I have raised this issue with you on a number of different occasions and contacted you frequently about it. It is a matter of very genuine concern certainly to all of us who are concerned about the problems of the aging.

We know that a year or so ago we were somewhat hopeful that there would be a speedy resolution of the deliberations which have been going on for a considerable length of time.

One exchange of correspondence that I have received from your Department is:

I thank you for your recent comments on the Food and Drug Administration. I am sure that the new Commissioner of FDA will consider your views of fish protein concentrate very carefully. We appreciate your interest in the programs of this very important agency.

This letter was signed by Secretary Gardner on January 13, 1966.

Another exchange included a letter from you which promised a review of the fish protein concentrate matter "on a priority basis." That letter was dated February 3, 1966, or almost a year ago.

I wonder if you would address yourself to what the status of your year-old review is at this time.

Dr. GODDARD. We have before us at the present time, Senator Kennedy, recent information on fish protein concentrate that our scientists are evaluating and this information was to have been in our hands by December 15 by the petitioner but it unfortunately did not get to us until after the first of January.

We feel that by the first of February a final decision will be reached. I can't go beyond saying that they do have the data, it appears promising, but that is as far as I can go.

You will recall that part of the problem was with respect to the fluoride levels in the fish protein concentrate.

Senator WILLIAMS. May I ask a question?

Senator KENNEDY. Yes.

Senator WILLIAMS. How does fish protein concentrate come to the table?

Senator KENNEDY. Well, there have been a variety of different ways to serve it. It is produced in a powder form—

Dr. GODDARD. Yes.

Senator KENNEDY (continuing). Which is very easily distributed, very inexpensively distributed, colorless, odorless, and highly nutritious. I think it would be of highly significant value and great assistance to the people generally—young people, old people—in this country.

Senator WILLIAMS. What is it mixed with?

Senator KENNEDY. There is a variety of different ways to serve it. Normally we think in terms of utilizing it in developing countries of the world, in India, to meet the extraordinary food problems in these areas.

It has been suggested there that it be made in the form of a soup or a paste and spread or poured on rice.

In other countries, it could be spread on the various inexpensive and bulky foods of the particular countries to provide the protein nutrients.

In this way, the fish protein concentrate would provide a highly nutritious and highly balanced diet.

Senator WILLIAMS. What is the question here, approval by the FDA?

Senator KENNEDY. FDA has been reviewing this matter for a number of years. In fact, they have been reviewing and re-reviewing. They have been gathering new evidence on it. I think FDA approval would be helpful, in the context of these hearings in providing added nutrition to our senior citizens in areas where nutrition deficiencies exist. I also think the most extraordinary contribution could be made by providing these benefits to hungry peoples throughout the world.

This has been something that I know Mr. Goddard has been interested in.

Senator WILLIAMS. This discussion—I am glad Senator Kennedy raised it—might accelerate the Food and Drug Administration's opportunity to come to a decision on this.

Dr. GODDARD. Senator Williams, if I may, I agree with Senator Kennedy's concern about providing improved protein supplies for the malnourished areas of the world but I am afraid I must take exception with respect to our Nation.

We do have a highly adequate supply of protein in our economy in a wide variety of forms and at different price levels for our consumers.

Now, I certainly do not feel that this as an additional source of protein should be in any way barred from the market provided the safety standards that we require of all food additives are met but I would wish to emphasize that this is but one additional protein source in our economy and it will be a matter of individual choice if it is cleared.

The real need as you have pinpointed does lie in other nations of the world. We have one of the most abundant food supplies of any nation in the world.

Senator KENNEDY. That is right.

Dr. GODDARD. There is not yet a pressing need. There is no widespread protein deficiency.

Senator WILLIAMS. Is it not true that fish are high indeed in protein?

Dr. GODDARD. Yes; however, a number of other foods are too.

Senator KENNEDY. I would not want my remarks to be interpreted as suggesting that fish protein, as a matter of individual choice, would come before a slice of roast beef.

As you point out, there are a number of sources of protein. But there are also a number of different expenses involved. One of the great advantages of fish protein concentrate is its economics, its very low cost of production. I have seen in my experience and travels around the country that there are people in our Nation that would benefit from fish protein concentrate at the extremely reasonable prices and costs at which it can be produced.

You recognize, in your comment, there is an extraordinary need in other places around the world for fish protein concentrate. This alone indicates the very pressing need for a prompt resolution of this matter.

I want to say, Mr. Chairman, that I would be satisfied with the response of the Commissioner on this matter that he does feel, as I understand, that there will be determination made on this in the early days of February.

Dr. GODDARD. I can assure you have that, Senator Kennedy.

Senator KENNEDY. Let's hope that it is favorable. I appreciate the comments of the Commissioner and I appreciate his letting me interrupt his testimony.

Senator YARBOROUGH (presiding). Thank you, Senator Kennedy.

I think the former Senator, Paul Douglas, was greatly interested in this also. I have heard his speeches on the floor of the Senate that he strongly believed this was an extremely valuable food and also safe food. Thank you.

Dr. GODDARD. Senator, with respect to our need to improve and expand our education activities and information program and move them forward a number of new fact sheets have been prepared to disseminate to older Americans.

We are currently receiving in excess of 2,000 letters a month.

We have also produced a motion picture titled "The Health Fraud Racket." In full color and running about 28 minutes, it is useful both as a meeting tool and for use on television. We are pleased to learn that members of this subcommittee are interested in this film and that we may have the privilege of giving its first public showing following the hearings this morning.<sup>1</sup>

Your particular attention is directed to that segment involving an elderly couple, who appear to be living on a limited income. The film graphically portrays the tragedy of health frauds when they are perpetrated on our older citizens. The film will, of course, be made available to interested groups through our consumer consultants.

Senator YARBOROUGH. I hope that the film is as good as you recommend. I hope in addition it will be made available and that it will be published and efforts will be made to have this film shown around the country.

Dr. GODDARD. It will, indeed. I saw this last night, Senator Yarbrough, and it is one of the finest health films I have seen in my career as a health service officer.

Senator YARBOROUGH. You quoted Miss Devers as saying, "there is a tendency among the elderly to diagnose and treat their own ailments," this is not limited to the elderly, is it?

Dr. GODDARD. No, sir; it is not. Let me make clear I don't believe that it is improper for persons to purchase over-the-counter medicines for the treatment of self-limiting conditions.

<sup>1</sup> Script on p. 200.

I feel strongly that these kinds of preparations need to be in our marketplace, they serve a useful function. Not on every occasion does a person need the care and advice of a physician, we were simply striking at the problem of the more involved kinds of health problems that the older citizens often have.

Senator YARBOROUGH. I assume, Doctor, that your statement about your fight against deceptive advertising in the drug field is in recognition of the propriety of the sale of over-the-counter drugs.

You are not trying to stop that, you are trying to get honest advertising so that people will know what they are buying and what might be expected of those drugs.

Dr. GODDARD. That is right.

Of course, as I pointed out that is the Federal Trade Commission's responsibility and we are working closely with them. We have established a good working relationship and meet monthly with them.

We are optimistic and perhaps unduly so that some improvements can be made in the field of advertising of health products. I personally feel that this form of advertising is not only in bad taste but misleading and does our citizenry a great disservice.

Senator YARBOROUGH. Well, I have noted that you have raised quite a fight over that and I have noticed that you have raised it on behalf of protecting the American people but not to slow up legitimate business.

As you say, you didn't propose the sale over the counter and you want it honestly advertised.

Dr. GODDARD. Right.

Senator YARBOROUGH. You stated that, "It is far more difficult to be an intelligent patient today than it was a generation ago."

Is this because of the multiplicity of drugs and treatments available?

Dr. GODDARD. I think it is just the increasing sophistication of medicine in its most general terms. The treatments are more complicated, more is expected on the part of the patient himself in terms of following dosage schedules, avoidance of certain foods which may precipitate adverse reactions when taken with certain drugs.

Our health field is a very sophisticated field even as recently as when I entered into it in 1944.

Senator YARBOROUGH. Someone said to me recently 90 percent of the drugs we use today have been developed since World War II. Is that correct?

Dr. GODDARD. Basically.

Senator YARBOROUGH. Ninety percent have been developed say in the last 20 years.

Dr. GODDARD. The ones that receive major usage. This does not mean 90 percent of the drugs available.

Senator YARBOROUGH. Ninety percent of the major usage by the medical profession today?

Dr. GODDARD. Yes.

Senator YARBOROUGH. I think that points up your many statements scattered through here about the need for education of people.

Pardon my interruption; go ahead.

Dr. GODDARD. In addition to the film we have embarked on an every-other-week service to the press of short newspaper articles that have special interest for the older American. These articles are being



written for us by Mr. Theodore Schuchat, a Washington writer with nearly 20 years of experience in the field of retirement and the aging.

The biweekly columns written by Mr. Schuchat under contract to the Food and Drug Administration are titled "Good and Welfare," a common agenda item heading on many union local agenda.

The columns are, of course, available to any and all publishers or publication syndicators. The first organization to begin distributing "Good and Welfare" is Press Associates, Inc., of Washington, D.C.

It distributes news and feature materials to over 400 employee newspapers in all major industries. They have an estimated readership of several million. PAI considers the column to be especially helpful to the preretiree.

We anticipate, after a reasonable amount of time, that we will collect the columns and produce a booklet for distribution to older Americans, as an additional way of reaching them with what we consider to be reliable, useful information about foods, drugs, cosmetics, devices, and hazardous household substances.

With your permission, Mr. Chairman, I will leave with this subcommittee some samples of Mr. Schuchat's columns and the logotype chosen by PAI.<sup>1</sup>

What actually do we discuss in these columns and in our other material? It has been our practice, as I have shown today, to maintain contact with our field people, to get some kind of playback from them on what they are hearing, and to monitor our mail.

As a result, we find that the following questions are among those we are most frequently asked—here at headquarters and in our district offices—and I would like to run down the list briefly for you:

1. How much vitamins and minerals do I really need?
2. Are all drugs safe and effective?
3. How can I control my weight without the use of all sorts of drugs and devices?
4. Why does the print on drug labels have to be so small as to be unreadable for elderly people?
5. Do I always have to go to a doctor, or can I do some doctoring on my own?
6. Where can I find medical assistance given to me in my own language?
7. Why don't cosmetics carry labels that list all the ingredients?
8. Hasn't the soil been depleted so that our food really isn't all that nutritious?
9. If a machine is patented, does that mean it is safe and effective to use?

These are just a few of the many common questions that come in, along with the ones you would ordinarily expect concerning specific products and specific claims.

Some of the questions are answered in the film which will be shown at the conclusion of today's hearings.

Incidentally, the last one—the one about patented health machines—is one that is still causing us great difficulty and is still causing our older Americans much distress and loss of money.

Senator YARBOROUGH. As you know, this special subcommittee has had hearings chaired by Senator Williams of New Jersey and brought

<sup>1</sup> See app. 2, p. 198.

in a good many of these fake machines seized by either the Federal Trades Commission or your department.

A widespread publicity was given to these machines and what they would not do by the news media of the country which resulted in the public hearings of this committee. We feel that that is a real contribution that this committee made.

Primarily it was a subcommittee on frauds under the leadership of the Senator from New Jersey, Senator Williams, and the very active support and work of the recent Senator from Oregon, Senator Neuberger.

They were the leaders in that work.

Dr. GODDARD. You know, Senator, it is an interesting thing. As medical sciences become more sophisticated this plays right into the hands of those who promote these fraudulent devices because the claims become more believable as our advances take place.

It is unfortunate and it is a difficult problem to differentiate in our society between what is legitimate and what is not.

This is not an easy matter as you well appreciate from your past experiences.

Senator YARBOROUGH. No, it is not. I think one of the dramatic examples of this: shortly after World War II people began to talk of radioactive materials. Comanche County in Texas, the earth there had radioactive particles so people said "get this radioactive dirt and put your feet in it and cure your ailments," and they charged \$1 an hour to sit. The roads were filled and you paid so much to sit for a while with your feet stuck in this supposedly radioactive dirt.

Rent out buckets and pay to sit or buy buckets of radioactive earth to cure all these ills. That went up like a wave and then back down again and passed away.

I don't think they had to do any advertising of medical cures; "Sit here, here is this wonderful radioactive earth, put your feet in it."

Dr. GODDARD. They don't have to advertise these quack cures, it is word of mouth. People believe in it, they tell their friends how great it is. This makes it more difficult to contend with.

During recent years, Senator, the Food and Drug Administration has had several opportunities to present before this subcommittee considerable evidence of problems which have arisen in the expanding and complex area of medical devices.

Because the subcommittee's jurisdiction formerly was related more directly to frauds and misrepresentations affecting the elderly, much of the FDA's testimony centered on the problem of the deliberate and fraudulent promotion of quack devices.

However, our previous testimony also described briefly some of the problems which relate to legitimate medical devices.

The recommendation by the subcommittee in its report of January 31, 1965, that premarket testing of medical devices be required at the Federal level, and the subsequent introduction of your bill, S. 2350, Mr. Chairman, were designed to deal with some of these problems.

As you know, in his message on consumer interests of March 21, 1966, the President asked the Secretary of Health, Education, and Welfare "to begin a thorough analysis of the legislative authority now available and to recommend new steps that may be needed to

close the gaps in the laws dealing with cosmetics and medical devices.”

The review requested by the President is underway and a final decision regarding this matter will soon be reached.

Mr. Chairman, I appreciate very much this opportunity to appear before you and this distinguished subcommittee and to describe the work of the Food and Drug Administration in the area of aiding the older American consumer.

We have embarked, I believe, on a significant program, one which will be refined and strengthened with the help of sister agencies in Government and of similarly motivated groups outside the Government.

We welcome any suggestions for improvement you may wish to make and will be more than happy to respond to any questions you may have.

Thank you.

Senator YARBOROUGH. Dr. Goddard, I think this is a very fine statement and I want to congratulate you on the activities of your department and you personally for what you are doing in this whole field of aging.

Many of your activities don't just cut off with the aging person, you have something that requires that there be honesty in advertising that affects every person, whatever it is.

So that we think this committee, that this impressive list I believe—and I am not boasting personally because I am one of the junior members of this committee in terms of years of service, this activity was going on before I came on the committee.

I think this impressive list has been stimulated by the work of this special committee on the aging which is not a legislative committee but it is specially to inquire into these problems you mentioned, many of them, the frauds and quackery and others.

I have a question I want to ask you about the vast amount of mail. I receive these days about food supplements.

I know you have a proposed regulation, but I believe our hearing schedule could briefly condense that. Tell us what that involves. Your people write in about food supplements, “I am getting vigor out of this and now are my constitutional rights being taken away on what I can eat?”

You have doubtlessly received this type of letter.

Dr. GODDARD. Yes.

Senator YARBOROUGH. Form letters or so close to it you can tell they are copied from a form. That is what we call regulated or mass mail. We can tell in our office very quickly concerning a response to something, whether the mail is spontaneous or whether it is generated mail.

Dr. GODDARD. Senator, since I may have to judge this issue as Commissioner, I would like to ask Mr. William Goodrich to respond.

Senator YARBOROUGH. You are going to be called on to act as impartial judge.

Dr. GODDARD. Mr. Goodrich can answer, he won't have that dilemma.

Senator YARBOROUGH. Let the advocate tell us. This is a matter of considerable public interest, we can tell from the large amounts of mail.

Mr. GOODRICH. A great deal of the mail has been generated by mistaken beliefs that we are proposing to put vitamin supplements on:

prescription. This is false. What we are proposing to do is to make some sense out of the many varieties of vitamin-mineral preparation so that the consumer can better understand them and to require that they contain nutrients that are needed by the public for dietary supplementation, to require that if the article is used for treating diseases or treating a sick person it be labeled as a drug, not as a food.

These are the problems that would be concerned.

Senator YARBOROUGH. You have stated it in a few words but it seems to me that those few words that you have used just barely touch this.

I am wondering how tough this problem is that you have of distinguishing between what is a drug, what is a food supplement and so forth when you get off of the field of vitamins.

Mr. GOODRICH. We are dealing with foods that are in capsules and tablets, and as long as they are used as nutrients to supply vitamins and minerals to the diet they are foods.

When they are offered to treat arthritis or some serious diseases they become drugs. Actually, they have no value in treating such diseases despite a great deal of misinformation about them.

All our interest is in requiring truthful informative labeling about them as food supplements when they are offered for nutrients and as drugs when they are offered as drugs.

They are, as I have said, sold as capsules and tablets, they are sold in drugstores and food markets, health food stores, door to door, and many other ways. As long as they are sold as nutrients we think that would be labeling.

Senator YARBOROUGH. Did you ever hear a doctor say to a patient, "I am going to give you some vitamins or irons to build you up—so these drugs I give you will build up your resistance?"

Does that become a part of the treatment of drugs, to build up people so the other will become more effective?

Mr. GOODRICH. No; the use of vitamins by the physician as a tonic is a practice he can readily engage in. We are concerned with the labeling of the products that are to be bought directly by the consumer. He has an impossible choice at the moment when he goes to the drugstore to try to choose a vitamin.

For example, recently there was an ad in the Washington Post offering a multivitamin preparation, one bottle cost \$1.99 and it supplied a year's supply, 365 capsules, full daily requirement in each one.

The other bottle cost \$1.99 and it had 100 capsules in it so the one was 3 times more expensive. The only difference in them was a multiplication of the amounts of vitamins which have no nutritional significance or the addition of nutrients which have significance in dietary supplementation.

This is the type of issue that is involved in the hearing and nothing can be really resolved until all of the evidence is in.

Senator YARBOROUGH. Of course, there is a vast difference in vitamins.

Mr. GOODRICH. There are a number of vitamins which we have listed which are being recognized as needed in human nutrition and recognized as needed in dietary supplementation.

There are others on which there is absolutely no evidence that they are needed in human nutrition and dietary supplementation.

Our efforts are to try to make it possible for the consumer to buy a vitamin that he may possibly have some need for, for buying it in a rational amount. There is no point at all in selling a person 50 times his daily maximum allowance of a vitamin if it is a water-soluble vitamin and will be discarded by his body without storage.

This is the type of promotion that has raised this into a gigantic cost item for all of our citizens. Five hundred million dollars a year is being spent on this and our hope is that we can make this more understandable to the public so that they can exercise rational buying choices.

Senator YARBOROUGH. Thank you.

Mr. MILLER. Do you have any decision as to when these planned hearings on the food supplement regulations will be held?

Mr. GOODRICH. The Commissioner announced when he stated the issues for the hearing that they would be held some time early this year. We hope to start them in the spring.

It will be a major undertaking in terms of all the interests involved and it will involve the resolution of both scientific issues, what vitamins are needed and in what amounts and of promotional issues of how the article can properly and informatively be labeled so as to allow rational choices.

We hope to get it underway in the spring but it will be a protracted hearing.

Mr. MILLER. My second question relates to the purchasing of a 365-day supply of vitamins. Is there deterioration in vitamins either under or outside of refrigeration?

Mr. GOODRICH. There is in some vitamins and not others. Our proposal is that if the multivitamin or capsule or tablet or liquid is one that may deteriorate the producer would be required to put an expiration date on the label beyond which it would not be safe to be assured that the public did get a potent preparation in buying.

Senator YARBOROUGH. If you really want to know what vitamin a person needed, you would have to have a real medical health checkup with all kinds of blood samples and some history of a person?

Mr. GOODRICH. If that were to be done, yes, that would require that but our proposal, Senator—

Senator YARBOROUGH. It would not be feasible to do that with the 200 million people with the medical personnel we have available in the country.

Mr. GOODRICH. Not at all.

Senator YARBOROUGH. We don't have the medical facilities to do it.

Mr. GOODRICH. Our proposal is not to put these vitamins on prescription or making them available for buying directly in the drugstore and to have 100 percent of the recommended daily allowances, these are the amounts recommended by the National Research Council available for purchase so that if a person wants to buy 100 percent of his daily allowance he can buy it in a capsule and he can be fully informed of what he is buying.

Senator YARBOROUGH. I am not expert on vitamins but I receive a good many essays and dissertations through the mail about them; full explanations, many technical terms. I don't know whether they are technical terms or whether somebody invented them for the pur-

pose of arguing about these regulations so I merely ask a few general questions.

On Dr. Goddard's very fine statement, I had some questions but the time is getting away from us. I want to commend you on the job you are doing in this field.

I would like to ask one question.

You state you have appointed in Dallas FDA's first regional assistant commissioner. Who is he?

You said he was the first one in the country.

Dr. GODDARD. Mr. William McFarland is working with Mr. Jim Bond who I am sure you know well.

(Questions later sent by the chairman to Dr. Goddard and his responses follow:)

#### QUESTIONS REFERRED TO COMMISSIONER GODDARD

1. You informed the Subcommittee that you will develop special materials for the older American consumer when the Fair Packaging and Labeling Act takes effect. Can you give us details at this time?

2. May we have additional information on proposed programs to be developed in conjunction with the Teamsters' Union new campus for low-income older Americans in the St. Louis area? We would also like details of the program in Detroit conducted in conjunction with the United Automobile Workers, A.F.L.-C.I.O., and with the Amalgamated Clothing Workers of America in Chicago. We will, of course, welcome information on all of your regional conferences as plans become final.

3. Can you, at this date, give us details on "the new educational approaches to serve the aged," now under discussion with the Office of Education?

4. I was happy to hear that you have assigned your first Regional Assistant Commissioner to the field. As you know, the Subcommittee is vitally concerned with federal-state-local cooperation on quackery and other health deceptions. I have enclosed a report giving, on pages 14 and 15, arguments of an "anti-quackery bureau" at the federal level. The arguments were advanced by Mr. John Miner, Assistant District Attorney in Los Angeles County, California. I would like to have your comments, especially in response to his assertion that quackery is really a single entity that must be met by a unified counter-force.

5. You said at one point: "we are optimistic and perhaps unduly so that some improvements can be made in the field of advertising of health products. I personally feel that this form of advertising is not only in bad taste but misleading and does our citizenry a great disservice." May we have, in general terms, some examples showing the need for improvement?

6. We would like to be kept informed on the progress and outcome of the study requested by President Johnson on gaps in laws dealing with cosmetics and medical devices.

#### ANSWERS SUPPLIED BY DR. GODDARD

1. The regulations for the Fair Packaging and Labeling Act are now being developed. After the regulations have been adopted in final form, we will develop Fact Sheets, special Speaker's Kits for senior citizen meetings, plus other appropriate materials. In our District Offices, our Consumer Specialists will develop radio and television program content, in conjunction with their local media outlets, to give more specific information to this age group. Formats will follow these used in the past (panel shows, open-line radio and television shows, demonstration shows, etc.). Visuals, produced by FDA's art department, will be distributed to the field to supplement these formats.

2. In St. Louis our Consumer Specialist is currently formulating a series of programs with an official of the Teamsters Union who heads up the campus project for low income, older Americans. The complex of buildings was designed for senior citizens (apartments, restaurant, infirmary, etc.). The project is being built by a loan from the Federal Government, and is underwritten by the Teamsters Union. Tenants are not limited to union members.

The FDA Consumer Specialist in St. Louis will talk to groups called together by the campus project staff on safe and effective use of drugs, wise selection of health products, and food safety.

In Detroit, the United Automobile Workers-AFL-CIO have united their programs for older and retired workers and their community services programs. They have 40 to 50 chapters, ranging in membership from 20 to 2500, organized for elderly members. The FDA Consumer Specialist will conduct 20 workshops over the coming months with an anticipated average attendance of 100 members. Basically, the same subjects will be covered in each workshop—safe and effective use of drugs, special dietary information, and wise selection of devices.

In Chicago our Consumer Specialist has just completed six 1-hour workshops for retired members of the Amalgamated Clothing Workers Retiree Center (a complete senior citizen center in the large ACWU headquarters building). These programs were for audiences of some 75 to 100 older people. The specialists also set up exhibits in the senior citizen center and changed the exhibit each week to supplement the subject of the week. Topics covered in the six programs are: Your Money and Your Life; Label Sense; Poison Is No Picnic; Cosmetics and Beauty Devices; Food Sense Not Nonsense; and Your FDA Watchdogs.

3. We have spoken with the leadership of the Bureau of Adult and Vocational Education in the Office of Education on other educational matters. The "new educational approaches to serve the aged" are yet to be developed; however, we have hopes that Adult Basic Education programs—carried out by State and local school systems with Federal assistance—may accommodate such "new approaches." In addition, this Bureau is responsible for administering Title I of the Higher Education Act, the so-called "urban university extension" title. We envision that, under this concept of urban extension for adults, some consumer education courses for—or in the interests of—the elderly may be possible as well.

4. We recognize the need for a concerted effort at the Federal level in dealing with the problems of quackery. Accordingly, we have over the years developed close relations with Federal Trade Commission, Post Office Department, Securities and Exchange Commission, Public Health Service, and many State agencies, in our efforts to control quackery. Within the framework of present legislative authority, we believe this cooperative arrangement has reduced duplication of effort to a minimum and we have made positive steps in meeting the problem.

5. When Congress passed the Food, Drug, and Cosmetic Act of 1938, primary jurisdiction over the advertising of foods, drugs, and cosmetics was assigned to the Federal Trade Commission. This was done through the Wheeler-Lea Amendments.

But primary jurisdiction over labeling was given to the Food and Drug Administration. Since labeling serves purposes similar to advertising, we were from the start deeply concerned with advertising practices to that extent. We do, of course, exercise some limited control over advertising which is associated with specific products under our jurisdiction and would be willing to supply some examples of our relatively few actions in this advertising field.

My comments, however, were primarily directed at the advertising of over-the-counter tonics, analgesics, and other health products in popular media—magazines, newspapers, television, and radio. As you know, the Federal Trade Commission has jurisdiction over these matters and would be a better, more authoritative source for examples.

6. We will be sure to keep you informed on the progress and outcome of the study requested by President Johnson on gaps in laws dealing with cosmetics and medical devices. In regard to legislation to strengthen the regulation of cosmetics, we are currently involved in a case before the Supreme Court to determine the precise extent of our present authority. Until this case is resolved we will not be in a position to adequately assess the need for additional legislation in the cosmetic field.

We are enclosing the transcript of the hearing with our corrections indicated. If we can be of further assistance, please let us know.

Senator YARBOROUGH. The next witness is Paul Rand Dixon, Chairman of the Federal Trade Commission.

Chairman Dixon, will you come forward, please?

**STATEMENT OF PAUL RAND DIXON, CHAIRMAN, FEDERAL TRADE COMMISSION; ACCOMPANIED BY JOHN V. BUFFINGTON, ASSISTANT TO THE CHAIRMAN; AND CHARLES A. SWEENEY, DIRECTOR, BUREAU OF DECEPTIVE PRACTICES**

Senator YARBOROUGH. Chairman Dixon, we welcome you back to the Hill. I recall your fine service with the late Estes Kefauver whom I regarded as one of the great Senators, not merely during the period he served but all through the history of the Senate.

We know about the war over drug prices that you went through here with Senator Kefauver and you were one of the main assistants and counselors and advisers, and as Chairman of the FTC you have fought other wars including the cigarette labeling war and the easy credit terms and major antitrust actions and you have recently issued, last year, I believe, a stern warning about misleading advertising.

You come here as a person who is not timid in efforts to protect the public either in the responsible position you held with Senator Kefauver or as the Chairman of the Federal Trade Commission.

We are glad to see a man who has devoted as much of his life to the protection of the public on this subject of questionable practices.

Mr. Dixon. Thank you for those nice remarks, Mr. Chairman.

May I, at this time, introduce those appearing with me.

To my left is my assistant, Mr. John V. Buffington, and to my right is the Director of our Deceptive Practices Bureau, Mr. Charles A. Sweeney.

I am pleased to appear this morning, in response to your invitation to testify with respect to certain activities of the Federal Trade Commission which are of interest to this subcommittee.

I was very much interested in your letter of a few months ago advising that the jurisdiction of your subcommittee had been expanded to include a variety of consumer interests of the elderly.

I was especially pleased to observe that you do not intend to permit this broadening of scope of your responsibility to lessen your concern for frauds and misrepresentations affecting the elderly which, in my opinion, are at least as aggravated now as when your subcommittee was created.

I can assure you that I speak for a unanimous Federal Trade Commission when I express a deep sense of responsibility for protecting our elderly citizens from unfair and deceptive practices prohibited by our basic statute.

You will be interested to know that in an opinion accompanying a cease and desist order issued just 2 weeks ago we recognized this responsibility publicly in the following paragraph:

The need for protection of the public becomes particularly acute where misrepresentations are made with respect to health claims and the efficacy of drugs since the appeal of such representations falls most poignantly on those persons who are in distress, frequently the aged and the infirm.

Moreover, today, with Medicare a reality, many people may be consulting doctors for the first time in their lives. They will be learning that aches and pains and discomforts of all kinds may be symptoms of diseases which they had never heard of before or never before associated with their own distress.

Consequently, advertised claims of drug efficacy will have increasing relevance to this segment of our population and will offer hope of relief to millions in our population who may have previously ignored such advertising not realizing their possible application to their own conditions.



Accordingly, it becomes of even greater importance today to make sure that representations respecting health claims and relief of distress are absolutely accurate and do not contain promises, impressions, or even highly-veiled suggestions of efficacy which are in any sense false or misleading.

In all of these matters affecting public health, with particular consideration to those affecting the elderly, we recognize that the primary burden rests on the shoulders of Dr. Goddard and his staff, but we are not at all unmindful that the Commission also bears a direct and substantial responsibility in this respect.

You should know that Dr. Goddard and I have had a number of fruitful discussions to explore and develop coordinated programs which will permit concentration of our united efforts in areas promising greatest benefits in the public interest. We have every intention of continuing these discussions.

I think it is important for your committee to understand that this Commission, appreciating fully the primary importance of matters affecting health, also attaches extremely high importance to any situation involving economic deception of older persons.

We are well aware that they are frequently past the income-producing age and depend for their livelihood upon meager pensions and savings.

The tragic results which follow deprivation of such usually pitifully slender support endow deceptive practices victimizing them with unusual public interest.

I would like to mention some situations which are now receiving consideration to determine whether unfair or deceptive practices exist in violation of the Federal Trade Commission Act.

You understand, of course, that I labor under some disability in discussing matters now receiving attention by the Commission and its staff.

I have carefully avoided any discussion or even significant understanding of the facts, in order that I may remain impartial in my consideration, anticipating that adjudicative proceedings may be presented for determination.

I believe, however, that I can offer some general comments with propriety.

We have learned, for example, that the older citizen is a particular victim of promotions seeking to take advantage of his desire to seek additional income to supplement his pension and to engage in some sort of constructive activity.

The variety of such plans is seemingly endless—from raising chin-chilla breeding stock to the installation and servicing of a chain of coin-vending machines to any number of "work-at-home" devices.

In many such instances a substantial outlay of capital is required. Here is where the lure of higher returns may induce the investment of a life's savings. When the profits do not materialize—when even the original investment is lost—you on this committee know the results all too well.

I would like to make one point doubly clear. Many of these opportunities are legitimate. When they are we applaud because they serve the public interest by providing this additional income to persons in need.

Our concern is for those which through false promise unfairly and deceptively prey upon those who can least afford the loss.

Some of the advertising representations that we question in these franchise or agency matters is that only limited technical experience is required; that no salesmanship is required—the market has already been located and only a supplier is needed; that complete instruction, service, and advice will be provided; that little time or effort is needed, and so on.

If investigation develops that in fact the technical experience required is extensive and may in fact require employment of a high-salaried technician to maintain equipment; if, in fact, buyers are not furnished and no market can be found for the product; if instruction, service, and advice are fictitious; if the job requires long hours of strenuous work—then these representations are obviously and grossly false and deceptive.

Unfortunately, the falsity and deception is not always so obvious. Representations are made orally and it may be difficult to establish their precise nature because the elderly listener does not hear or remember too well when called upon to testify.

A hard sell salesman can readily play upon his anxieties and hopes to a point where it is difficult to determine what was literally said and what was wishfully heard.

In these situations the Commission fortunately is able to consider the segment of the public most likely to be affected.

In a widely quoted opinion a Federal judge once explained that the law is not made for the protection of experts, but for the public—that vast multitude which includes the ignorant, the unthinking, and the credulous.

To these the Commission would add another group—the elderly—who read advertisements with eyes and wits less sharp than they once were. This is a gray zone in which the elderly are as greatly in need, and deserving, of protection as from the hoodlum on the street who would prey upon their age and physical weakness.

The Commission's program of Federal-State cooperation bears upon consumer problems of the elderly. This program is designed to provide a remedy, at State or local level, for deceptive and unfair trade practices which if used in interstate commerce would be unlawful.

Thus, the elderly consumer would not be exposed to differing levels of business ethics dependent upon whether he was dealing with a concern engaged in interstate commerce or a concern engaged in intrastate commerce.

I heard a question put to Dr. Goddard, Mr. Chairman, on this question of commerce and your chairman, Senator Williams, pointed out the case of the elevator operator.

I reminded him of the fact and I remind you that our statutes were carefully drawn by the Congress and some of them are different when we get to commerce.

For instance, the Federal Trade Commission Act employs language giving the Commission responsibility when conduct is "in commerce," not the broader language of "affecting commerce" which is applicable to wage and hours and labor practices and even the Sherman Antitrust Act.

On purpose the Congress did this so when one of us says to you there is a question of inter and intra, it is real. Thus in our Federal-State program we do not say here comes big brother to insist that you

do it but say here is the willing hand to help you if you want the help and we are trying to help today in that program.

Our program of Federal-State cooperation became operative on October 14, 1965, just 15 months ago. Since that time effective liaison has been established with all of the State attorneys general and with numerous other State agencies.

They are devoting increased amounts of time and attention to identifying and reporting to the Commission any unfair or deceptive practices of an interstate character which occur in their States; and the Commission is referring an increased number of matters to them for consideration of possible action under State law.

Now, if we here in the Federal Government, Senator, are going to have to take care of all the evil practices that occur in the United States, those people who criticize the big government that is occurring had better step aside because it is going to take a great big government to do it.

If the States do not want to step in on the act, it has to be done somewhere.

Senator YARBOROUGH. You recall the colloquy<sup>1</sup> between Lady MacDuff and her son where the boy asked "Who is to put the evil ones in jail?" And she said, "The People." And he said, "Who is going to guard them?" She said, "The honest people."

He observed there would not be enough of them, the majority would be in jail. We don't take that view but it would be a tremendous governmental problem, because as you point out it would take all the energies of the Government to suppress all overreaching practices.

Mr. DIXON. There is an awakening throughout the 50 States to the needs of the consumer and questions of deception and fraud.

Everyone is aware of that. Statutes are inadequate but I believe their improvement is being considered today. Some States have offices of consumer protection; all have State attorneys general; some of them don't have any help; some of them have State attorneys general I think without much appropriations. Thus many problems that occur purely at local level are footballed up and sent to the Congress and down to the Federal agencies.

Purely and simply we cannot do anything about them if they are not within the Commission's jurisdictional domain. Now what is to be done about it? Just say, sorry, lady, it is not a Federal question; take it up with your Governor or your attorney general or someone.

Now, where the State law is inadequate to reach unfair or deceptive practice of a type which would violate laws administered by the Commission if used in interstate commerce, the Commission is, upon invitation, furnishing assistance to State and local officials in drafting of new laws.

For your information, and I will leave it with you, this is a news release dated July 7, 1966, wherein we propose that States enact laws to prevent consumer deception and unfair competitive practices, and also to regulate hearing-aid dealers and correspondence schools.

I thought you might be interested in that.

Senator YARBOROUGH. Yes.

Would you file it with the committee?

<sup>1</sup> "Macbeth," act IV, scene II, line 50.

Mr. DIXON. Here is a reprint of an article that I wrote, "Federal-State Cooperation To Combat Unfair Trade Practices." You might be interested in that, sir.

Senator YARBOROUGH. Yes; file that with the committee also.<sup>1</sup>

Mr. DIXON. State officials are referring to the Commission a growing number of complaints about unfair or deceptive practices allegedly used in interstate commerce.

For instance, during the past 3 months we received 152 such referrals, an increase of about 70 percent over the two previous quarters when 81 and 94, respectively, were received.

Thus, a total of 327 matters of that type were received during the past 9 months, which comprised about 7 percent of the deceptive practice complaints received by the Commission from all outside sources during that period.

We would like to increase this percentage, because we think that, generally speaking, complaints directed to us from State and local officials would give the Commission a better cross section of practices warranting attention than does complaint correspondence from the public at large.

This aids us in allocating our resources by focusing attention upon the practices of greatest significance from the public interest standpoint.

In some instances we are encouraging complainants to first take up their problems with State or local officials to determine whether, if a questionable practice is involved, it might be corrected at that level.

By encouraging action to nip unfair or deceptive practices in the bud, at State or local level, we hope to minimize the need for Federal action, and let judgments about what constitutes unfair or deceptive practices be made, as far as possible, by the local people who are most directly affected.

We also are referring to State or local officials complaint correspondence involving alleged use of unfair or deceptive practices in intrastate or local commerce.

During the fiscal year 1966, 37 such referrals were made; and 37 more have been made during the past 6 months. We expect this volume to continue increasing, as more and more of the States are becoming interested in preventing practices which are merely unfair or deceptive, in addition to those previously prohibited which comprise criminal fraud, larceny, or obtaining money under false pretenses.

Many of the State statutes require proof of "knowledge," "intent," or actual injury; the Federal Trade Act does not involve those. We don't have to carry the burden of showing intent or fraud; it was the purpose of Congress to reach any unfair or deceptive practice, the prohibition of which would be in the public interest.

State officials are increasingly requesting advice or assistance from us in connection with their law enforcement problems or legislative proposals. Seventy-three such requests were answered during the period from October 14, 1964, through June 30, 1966, and 60 during the past 6 months.

Realizing that many of the States have inadequate laws to cope with unfair, anticompetitive, deceptive practices, the Commission last

<sup>1</sup> The documents referred to appear in app. 3, p. 219.

July forwarded to the Council of State Governments, Committee on Suggested State Legislation, proposals for enactment of uniform laws in three areas.

These proposals deal with—

1. General unfair methods of competition and unfair or deceptive acts or practices,
2. Licensing of hearing aid fitters and dealers,
3. Regulation of correspondence and vocational schools.

The first proposal is designed to provide the State attorney general, or other designated official, with authority to obtain injunction or other civil remedy to halt unfair and deceptive practices which would be unlawful under section 5 of the Federal Trade Commission Act if used in interstate commerce.

The proposal also would clothe the enforcement official with civil investigative powers to ascertain the facts with respect to alleged or suspected violations.

If each of the States had such a law, we could freely cooperate with them in a two-way exchange of information and advice to determine whether any particular matter was more appropriate for action under State law or under laws administered by the Commission.

To the extent that the State or local official could take over the treatment of those matters primarily involving intrastate or local commerce, under laws promising results reasonably comparable to the results which could be achieved by the Commission, the public should benefit, not only in quicker and more precise action, but in less expensive government.

Such laws are already operative in some States and proposals for legislation of that type are under consideration in several others.

Some of the States, such as Illinois, have a consumer fraud law which authorizes the attorney general to obtain an injunction prohibiting use of fraudulent and deceptive practices, and provides him with investigative powers to ascertain the facts respecting alleged or suspected violations. (Illinois Stats., ch. 121½, sec. 261, et seq.)

This seems to be an appropriate type of law to deal with deceptive practices which would mislead the consumer and be unfair to competitors.

The Council of State Governments suggested a form of "Unfair Trade Practices and Consumer Protection Law" which will enable the enforcement official to obtain an injunction against certain specified deceptive practices and other practices which would "similarly" mislead the public.

Exceptionally fine programs of consumer protection are operative in the States of New York and Washington. May I commend to your reading the excellent articles recently published regarding these programs by Attorney General John J. O'Connell of Washington, "Consumer Protection in the State of Washington," in State Government, autumn 1966; and Assistant Attorney General Stephen Mindell, of New York; "The New York Bureau of Consumer Frauds and Protection, A Review of Its Consumer Protection Activities," in New York Law Forum, winter, 1965.

Also I understand that a witness yesterday, Mr. Conrad Vuocolo, described how Attorney General Arthur Sills of New Jersey provides speakers from his consumer frauds bureau to meet with residents at community centers of the housing authority in Jersey City.

I want to add my endorsement of the excellent consumer protection program being conducted by Attorney General Sills. Our consumer literature contains suggestion that consumers first bring their complaints to State or local authorities unless they believe interstate commerce is clearly involved.

Thus Mr. Sills' program fits perfectly into our own. We are working closely together to make fullest use of our resources to protect the public from deceptive or unfair trade practices.

Senator KENNEDY (presiding). Could I interrupt you? Related to that point I would like to ask you how the number of complaints which have been brought to the attention of your organization has increased or decreased over say the last year.

Mr. DIXON. We have had a gradual increase in the deceptive area generally, sir; I think about 40 percent more letters of complaints from the public in 1966 over 1965. I think this is the figure that we used when we went to the Budget Bureau?

Senator KENNEDY. About a 40-percent increase?

Mr. DIXON. Yes, sir.

Senator KENNEDY. And they are the violations that relate to interstate commerce or does that 40 percent include what would normally be recognized as within local-State jurisdiction?

Mr. DIXON. They are raw material in a sense. These are complaints that come in. Some of them are clearly matters not within our jurisdiction but most of them are.

Most of them clearly fall within commerce laws.

Senator KENNEDY. Do you conduct some kind of investigation of each complaint that arises?

Mr. DIXON. Senator, I am glad you asked the question. For over 50 years the Federal Trade Commission has never said to a complainant who wrote in and said, "I think I am being defrauded by this practice or some other thing," it never said to the complainant, "Well, we only have so many bodies and so much money to work with and we don't think yours is as important as some of the others."

We receive them, put them in the hopper. Now since I have gone there, since your brother made me Chairman, we have changed and restructured the Commission to move against practices instead of one case at a time.

We have used every ingenious method we could devise in order to deal with the practices.

Now, even with that we find ourselves falling behind gradually, and some getting older and older because some are more in the public interest than others.

Our citizenry is entitled, in my opinion, to equal protection under the law and the law says that something in commerce that affects the public interest, and is unfair or deceptive, violates the law.

So, we do have that real problem.

Senator KENNEDY. If I may interpret your answer, you try to conduct your respective investigations, and make recommendations, on the basis of the various complaints and charges which are brought to your attention.

Mr. DIXON. We are not married to the mail because we are presumed to be experts in our field and we get things that come, for instance, from the work of committees such as this, problems that you would bring up.

We monitor all the principal radio and television programs, all principal magazines and newspapers, so we dig up a lot of work of our own.

Senator KENNEDY. In your testimony you talk about the matters which affect the public health, particularly consideration of those affecting the elderly.

The primary burden rests on Dr. Goddard and his staff of the Food and Drug Administration. I am wondering what is your liaison now with the FDA?

Mr. DIXON. Well, I say that the primary burden is there because I think without a doubt a reading of the creation of the Federal Trade Commission Act and the gradual building of the Department of Health, Education, and Welfare and structure of Food and Drug in that Department will disclose that Congress primarily placed on the Food and Drug Administration responsibility with respect to food, drugs, therapeutic devices, and cosmetics, respecting questions of health and safety.

Now, the Federal Trade Commission Act is so broad it overlaps because an unfair or deceptive practice may involve not only the label or instructions for use of ingredients of a product, but also the advertising that sells it.

What we have done since Dr. Goddard came there to make our liaison and working agreement more meaningful was to sit down with him and review our respective responsibilities, especially in the light of the 1962 Drug Act.

Now that act gives FDA responsibility to license new drugs both as to safety and efficacy and regulate the advertising of prescription drugs, and on licensed products there is no doubt that the agency with the power to issue or pull a license has the more effective remedy.

This means that that agency, if I understand it, does not give or grant a new drug license to an applicant unless that party can carry the burden of proving safety and efficacy and showing by clinical evidence what the product will do and what it won't do, and the side effects.

Senator KENNEDY. What I am really driving at, Mr. Dixon, is whether you feel that you are adequately staffed to handle the investigatory aspects of the mandate given both to you and to the Food and Drug Administration; whether the coordination which exists between you and Dr. Goddard has placed additional staff burdens upon you; whether we are really concerned with nothing more than the representations which you made this morning in a variety of fields of protection; and whether you actually have the staff to provide adequate protection for the consuming elderly.

Mr. DIXON. We have the staff and the know-how, Senator, to move more readily against what I call economic deception. This is quite important, the misleading and deceptive advertising, when you go to sell a product. But I do not have the staff nor do I suggest you give us the staff that would duplicate FDA's staff or in any way place upon us the responsibility of the medical decisions as to whether a drug is safe or efficacious or will do what the party says it will do.

Senator KENNEDY. You are satisfied, however, that as far as the complaints or as far as the matters raised by the consuming elderly and brought to your attention, to your department, that these com-

plaints are being adequately heard and they are being adequately handled by the staff that you have under your existing budget?

Mr. DIXON. I am not satisfied and for that reason I asked for more staff. I have not had any additional staff granted for 3 years to this agency.

Of course, this is a decision for the Administration to make but I say to you we have asked for more staff and I am hopeful and optimistic that we will get it because there is an awareness that consumers do need more protection than perhaps they are getting and I would be hopeful we will get more people in this respect.

Senator KENNEDY. This could be one additional way in which our manifested concern could be turned into assistance for you and your staff.

Mr. DIXON. Most assuredly sure. I think this is one of the great benefits that comes out of these hearings.

I shall continue:

Since the laws of the States vary considerably, it may be some time before enough of them have laws similar to the Federal Trade Commission Act to warrant establishment of training schools.

We are currently endeavoring to accomplish the same result on a State-by-State basis through our field offices where our attorneys and the State enforcement officials can deal on a day-to-day basis with actual problems confronting them.

For example, an all day liaison conference was recently held between attorneys of the Commission's Boston office and personnel of the Connecticut Department of Consumer Protection in Hartford.

One method of training and communication we have used is to place all of the State attorneys general and all members of the National District Attorneys Association—comprising some 1,125 county, city, and district attorneys—on the mailing list to receive the Commission's News Summary.

This leaflet which is published about once a week contains a running account of all the actions of the Commission in both the deceptive practice and restraint-of-trade fields, and also covers economic inquiries such as the investigation of bread and milk prices.

The purpose is to keep the State officials advised of Commission activities and developments in trade regulation law, and thus interest them in taking action with respect to any unfair or deceptive practices which come to their attention.

We are now prepared to receive reports about questionable promoters who move from State to State to escape from Federal and local regulatory action.

We would correlate such information through liaison contact with other Federal agencies such as the postal inspectors and the Fraud Section, Criminal Division, Department of Justice, before deciding whether action by a State agency or by some Federal agency would be more appropriate.

We do not have actual examples of advertisements which would violate FTC law if used in interstate commerce, but which would not violate State or local law.

The matters which we referred to State authorities generally involved ads which complainants alleged to be unfair or deceptive; we made no determination as to validity of that allegation.



We have not received subsequent complaints regarding matters thus referred, possibly indicating that they were satisfactorily dealt with or adjusted.

The attorneys general of the several States might be in a better position to furnish information concerning the amount of unfair or deceptive practice occurring in their States.

We do not believe that the number of deceptive-practice complaints received in the Commission provides a fair or adequate basis on which to assess the extent of such practices occurring in any particular State.

The more populous States, such as New York, Illinois, and California, account for an appreciable number of complaints, but it is also true that each of those States has a very active consumer protection program conducted under supervision of the respective attorneys general.

Our proposal for the licensing of sellers and fitters of hearing aids was in substance adopted by the Council of State Governments and is now printed in the council's publication, "Suggested State Legislation", 1967.

This proposal was predicated on the Commission's experience over the years which indicates that consumers commonly complain of dissatisfaction with hearing aids. Many of the complainants are older persons on limited incomes or public assistance who can ill afford to expend appreciable sums for a hearing aid which does not meet their needs or expectations.

Most hearing aid dealers are independent businessmen who purchase the devices for resale from the manufacturers; and the dealers generally confine their operations to a single State. Thus they are not subject to regulation by the Commission.

The promotional practices of the dealers, and their competence in fitting the devices, are the most common cause of complaint.

Much of the reported deception and consumer dissatisfaction occurs through oral presentations when the salesman visits the handicapped person in his home, or when the prospect calls at the local establishment.

With the independent dealers who do a local business being primarily responsible for such problems as have arisen, the Commission suggested a system of State licensing similar to that presently used in Oregon.

The Commission suggested that membership on the regulatory board include, in addition to industry members, one or more public members.

I believe our proposals for licensing of hearing aids fitters and dealers will be well received in the States and that this will go a long way toward alleviating the consumer dissatisfaction which has existed in this area.

Turning now to the Commission's suggestion that the States enact uniform laws to regulate correspondence and vocational schools, this proposal is designed not only to aid the Commission in protecting the public from use of misleading and deceptive practices by such schools, but to assure that the operators are possessed of instructional staffs and physical facilities reasonably adequate to reach the claimed objectives of the courses being offered for sale.

We feel that the need to assure minimum quality standards for correspondence and vocational courses has become acute, now that

such courses are being offered to train persons in occupations related to public health, such as medical technician and practical nurse, not to mention the importance of making sure that poor or other disadvantaged persons who seek to improve their occupational skills are not victimized by sharp operators who lack the training, experience, and physical facilities to teach what they purport to teach.

Such schools too often have escaped State regulation on the theory that since they are engaged in interstate commerce, State regulation would impose an undue burden on such commerce.

At the same time they will argue that Federal effort to assure reasonable quality in their courses constitutes unwarranted interference in local affairs.

We intend to cooperate with the States in making sure that the loophole between those two legal positions is narrowed as much as possible.

Our Office of Federal-State Cooperation upon invitation participates in conferences and meetings with State officials and other persons interested in the administration or enactment of trade regulation laws.

For example, our Assistant General Counsel for Federal-State Cooperation has appeared before the Legislative Council of Kansas, Labor and Industries Committee, to discuss proposed deceptive-practice legislation, and that committee has now introduced such a bill in the legislature.

He participated on three occasions with State attorneys general in conferences with consumer groups to discuss proposals for enactment of consumer-protection legislation in those three States.

He attended two regional and two general meetings of the National Association of Attorneys General where he talked with all of the attorneys general and especially with members of the association's committee on consumer and investor protection, and he addressed a seminar of the National District Attorneys Association, concerning the Commission's program of Federal-State cooperation.

Invitations to appear before a State legislative committee regarding proposed consumer-protection legislation, and to address a meeting of State enforcement attorneys, are pending.

Our Office of Federal-State Cooperation has also dispensed some 10,000 items of literature to consumer groups during the year.

I think we are making substantial progress to narrow the gap between the Federal and State laws and enforcement programs in the area of preventing unfair and deceptive trade practices, and especially practices which impinge most heavily upon the elderly and low-income consumer.

We find that State and local officials are becoming increasingly aware of the public need in this area, and are sharpening their interest in affording an adequate remedy.

Thank you very much for this opportunity to discuss what I recognize as highly important phases of the Commission's activities.

Senator WILLIAMS. Unfortunately, I had to go to another committee meeting, organization of the Committee on Banking. I didn't hear the statement so I could not intelligently inquire until after I read the statement, Mr. Dixon.

Senator KENNEDY. I just made the comment that I think the statement was extremely comprehensive in pointing out the needs for some kind of action in this gray zone that Mr. Dixon has pointed out and

mentioned and testified to this morning. This area is the field of health advertising. There are close areas which almost border on violating the law, as I understand his testimony, and there have been in recent months, in the recent years, as far as I can detect from the statement, many instances of the consuming elderly not receiving the protection in the field of advertising which I understand that you feel is necessary. This is an area of need for close State and Federal cooperation.

Mr. DIXON. There certainly is, Senator, just as there is a need for continued close cooperation of the agencies of the Federal Government.

Senator KENNEDY. I think it is extremely important. The powerful testimony we have heard indicates the real concern of the chairman in this area.

Mr. Chairman, I just heard a part of the testimony, too, the latter part, but I think that Mr. Dixon has really made a very useful contribution into this field which I know you are deeply concerned about.

I am glad we had a chance to hear from him.

Senator WILLIAMS. Again, I regret that I didn't hear the full statement. I will read it. There might be questions. Would it be all right if we wrote you questions?

Mr. DIXON. Any way you want to handle it, sir.

Senator WILLIAMS. I gather there was discussion here of advertising. If you listen to or watch television Sunday afternoon, Sunday evening, you know if you bought everything that they sell you, you would live forever.

Mr. DIXON. Yes, sir.

I want to point out to you when we get into the realm of proprietary drugs that a relatively small number of them is licensed.

Now, under due process of law, if we question what one of those advertisers says, we must carry the burden of proof, meaning we have to go out and obtain clinical evidence, not just test tube and opinion evidence, to offset such clinical evidence as the manufacturer may have in support of whatever his claim.

This is long and expensive. I would not recommend setting aside due process but when you get into the health field, it seems to be the rationale of the Congress to turn to the licensing process.

Now the licensing process is used in all prescription drugs, it is used and has been used in a small number of proprietary drugs, but the vast number of proprietary drugs were passed and allowed to be placed on the market without any licensing because of the general understanding as to their safety, so they are on the market today.

Now to contest one of those means that either the Food and Drug Administration or the Federal Trade Commission, whichever one should challenge it under their procedures, would have to carry the burden and when you see an ad "My pill will work 3 times as fast as yours" and all this stuff, it has got to be proven that it won't.

I just want to tell you the things that may make you a little dizzy when you watch them put on there by experts. Lots of money was spent to back up that statement and it may be questionable, but if it is questionable it is demanded that your agency of Government carry that burden.

It is pretty lengthy. There are lots of these products.

Now I didn't quite finish, Senator Kennedy, about our new relationship with FDA.

When we come to those type products I have sat down with Dr. Goddard and I have said, now, look, the Congress is placing in your agency the primary responsibility because in this department, the HEW, the Surgeon-General, the NIH and the Food and Drug are there.

Since they are there, I am going to depend upon you primarily for the questions of health and safety. When you say a product will not do a certain thing, they are not going to advertise it that way, because I am going to use you as my expert to back up the challenge, otherwise I have to duplicate what you are doing.

Now we are working hand in hand daily on that. I have told the industry this and it seems to me a sensible way to run it. No one should be allowed to advertise something that he can't say his product will do on the label and if he can't put it on the label, he better not say it over the television or the radio.

So we have turned the corner. Since we had the drug hearings in the late 1950's up here the Food and Drug Administration appropriation has gone up considerably. Since I went to the Federal Trade Commission mine has gone up about 35 percent.

Senator WILLIAMS. Do you feel that you have as a matter of law sufficient authority to deal with misrepresentation? You might have covered this in your testimony.

Mr. DIXON. Senator, I have spent 30 years in this field. I have had experts and questioned them and I could not in my own mind devise a better law than the Federal Trade Commission is operating under with only one small exception.

Today our law reads as follows:

"Unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce are hereby unlawful."

Senator WILLIAMS. Say that again. Unfair what?

Mr. DIXON. Unfair or deceptive practices.

Now the law is as broad as the word "unfair" is.

Senator WILLIAMS. You move through cease and desist.

Mr. DIXON. Yes; and cease and desist through the administrative processes. We are the body of experts. The Congress in my opinion has said it repeatedly. Fifty years or so ago in was a stroke of genius that created the Federal Trade Commission.

We are doing one thing, your job, the Congress, because you are supposed to regulate commerce so you created us and gave us our instruction in that statute, what part of it to regulate and you gave us about as broad a statute as you could devise.

Now you could strengthen and expand our statute if you wished to change the words "in commerce" to "affecting commerce." That will put us all the way down to the corner grocery stores.

Many of the Federal statutes including the Sherman Act extend to practices "affecting commerce" but the Federal Trade Commission Act was limited to practices "in commerce," as was the Clayton Act and Robinson-Patman Act, but they are still about as broad as they need to be, I think.

Now, you will say, we have the statutory authority, why don't we perform the miracle? Well, if I had 100,000 employees looking over everybody's shoulder you would hear a lot more about big government than you hear and maybe we would be more effective than we are.

I contend we cannot enforce any law that the public does not stand for and does not desire.

I note that in the business community most of the businessmen subscribe vigorously to the principle of truth in advertising; they know that the \$16 billion per year they are spending to sell mass products in America, that you have to sell them by mass advertising and if the public became cynical, all of that would be wasted so most of the sellers stand for truth in advertising.

Now around the fringe are a bunch of sharpies; they are always with us and they always will be with us, these slickers that come along with some of these "pie in the sky" claims.

We have done an awfully good job. If you go back to the Library of Congress and look at 50 years ago, 30 years ago, at how the ads read and then read them today, they were selling snake oil and all kinds of things.

We have done a pretty good job along those lines but we are not there all the way because what we have now are aggravating-type claims, borderline claims for accepted drug products that are known to be safe, known to be efficacious.

In order to get a bigger chunk out of the market manufacturers are stepping on each other's necks making statements that may or may not be right in order to do that.

Senator WILLIAMS. Who are the people most susceptible to the false claim?

Mr. DIXON. Who are they?

Senator WILLIAMS. The older people?

Mr. DIXON. Senator, I think older people are not as sharp as younger people but—

Senator WILLIAMS. Well, they are clutching at straws.

Mr. DIXON. I think when you get to drugs very few people get old without an ailment. I remember when the Senate Antitrust Subcommittee was having a hearing on drugs or claims that various kinds of therapy would have some effect upon rheumatoid arthritis. The hearings were over there in the Senate caucus room, where witnesses had these exhibits all around and showed you electric bands and all kinds of things which had been offered to treat rheumatoid arthritis.

What I remember from that is the man who was company president named Mack. He had been a highly successful businessman, selling the Mack truck, but he was affected with rheumatoid arthritis and he said he tried every one of those quack remedies.

I suppose if anyone had crippled fingers and every time they turned they ached, they would try one, too. This is the problem. In other words, we have no miracle drug that will cure rheumatoid arthritis.

Senator WILLIAMS. We had the man from Boston by the way, the president of the Arthritic Foundation, and he said, "I ached so much I would try anything."

He was from Boston, was he not? Massachusetts? Jerry Walsh.

Mr. DIXON. What I was trying to say was that was my impression. If older people are the ones that are primarily afflicted with this, they are going to try these things.

This is one way to say it.

Senator WILLIAMS. But the problem in this whole area multiplies when you reach people of older age who are the ones most susceptible to the diseases.

Mr. DIXON. I gave you an approach, at least an example, from another side not involving health. Most old people have a very limited income and if a slicker comes along and says, "How would you like to make \$500 a month with very little effort?" Well, the \$500 a month would be a very inviting thing.

He says, "What do I have to do?" The salesman says, "Collect from some machines."

The old person may have to put his lifesavings to get the machines and he finds really they don't sell and he has the machines and lost his money.

Now, these things are not fraught with national public interest but they are fraught with very tragic interest when they are inflicted upon old people.

Senator WILLIAMS. Well, Chairman Dixon, we certainly are grateful to you again for your testimony. We might have to call you back.

Mr. DIXON. That is what I am down there for, sir.

Senator WILLIAMS. We have a bill going in, of course, you know, on the therapeutic devices. We are trying an analogy with drugs, to get you folks interested in these devices.

Mr. DIXON. The general approach of Food and Drug, if there is something questionable, they are going to seize it, and then try to enjoin it up through the court.

Senator WILLIAMS. But it is already on the market.

Mr. DIXON. Already on the market. I say to you I highly applaud the thinking that says anything that has to do with health or safety of the United States, especially health, that the Congress might very well consider going as far as they can under the licensing procedure because if you give someone the power to sit down there and hold the charter on a fellow he is going to behave because if you pull it out from under him he is out of business that day.

On the other hand, if he deviates a bit and you have to carry the burden, he might get out of business 4 years later when the Supreme Court approves it if he gets himself an expensive enough lawyer to defend him.

Senator WILLIAMS. What we are going to suggest in our legislation is pretesting.

Mr. DIXON. I would not recommend this for anything but health, I want you to know that, because we can afford the other one.

Senator WILLIAMS. This only deals with health, "health devices."

Mr. DIXON. Yes, sir.

Senator WILLIAMS. Not bandaids, I mean major.

Mr. DIXON. I understand, if somebody has a secret machine, if you put two things here and one here and put something through your body and rejuvenate you.

Senator WILLIAMS. That is right.

I don't know how we are going to ultimately define these major devices but we will seek your help as we have before.

Mr. DIXON. If you keep chasing them they will get fewer and fewer.

Senator WILLIAMS. Say that again?

Mr. DIXON. If you keep chasing them, they will get fewer. I think what this committee does here, I think one of the greatest services done by our society is the investigative committee, the oversight committee in the Congress.

When you quit doing this, we are in trouble.

Senator WILLIAMS. Well, we are grateful for that statement, indeed. Our committee was revived yesterday, this was introduced but we didn't pass it in the Senate. Your testimony is going to help us a little—I mean a lot.

Thank you very much.

I understand Mr. Fitch and Mr. Hutton are here.

We will relieve you for now but we are grateful indeed that you were here.

Mr. DIXON. We will be back, sir. Thank you.

(The following questions were submitted to Mr. Dixon and his answers are appended thereto:)

ANSWERS TO THE QUESTIONS WHICH SENATOR WILLIAMS ADDRESSED TO  
COMMISSIONER DIXON

Q. 1. May we have your latest list of:

a. State Offices for Consumer Protection.

b. Attorneys General who have been assigned important responsibilities in connection with consumer protection.

c. Lists of major cities with consumer protection agencies?

A. In channelling matters of consumer complaint to the States, we usually address the Attorney General unless we know that some other official has been specifically designated to handle a particular type of matter. For example, an insurance matter would be referred to the State Insurance Commissioner. Since all of the Attorneys General have expressed willingness to at least consider any matter which we refer to them, the fact that some of the Attorneys General are not listed below should not be interpreted as indicating a lack of interest in such matters on their part. We are listing only those states which have announced the establishment of a consumer fraud bureau or office of consumer protection:

*Alaska*

Honorable Donald A. Burr  
Attorney General of Alaska  
Consumer Protection Division  
Pouch "K," Stat Capitol  
Juneau, Alaska 99801

*Arizona*

Honorable Darrell F. Smith  
Attorney General of Arizona, or  
Mr. Philip W. Marquardt  
Assistant Attorney General  
Division of Consumer Frauds  
State Capitol  
Phoenix, Arizona 85007

*California*

General Matters:

Honorable Thomas C. Lynch  
Attorney General of California  
Room 500, Wells Fargo Bank  
Building  
Fifth Street & Capitol Mall  
Sacramento, California 95814

*California—Continued*

Antitrust Matters:

Mr. Wallace Howland  
Assistant Attorney General  
Antitrust Section  
State Building  
San Francisco, California 94102

Deceptive Practice Matters:

Mr. Herschel Elkins  
Deputy Attorney General in  
charge  
Consumer Fraud Section  
State Building  
Los Angeles, California 90012

*Connecticut*

General Matters:

Honorable Harold M. Mulvey  
Attorney General of Connecticut  
30 Trinity Street  
Hartford, Connecticut 06103

Deceptive Practice Matters:

Honorable Attilio R. Frassinelli  
Commissioner, Department of  
Consumer Protection, or

*Connecticut*—Continued

## Deceptive Practice Matters—Con.

Mr. Eaton E. Smith, Chief, Consumer Fraud Division  
Department of Consumer Protection  
State Office Building  
Hartford, Connecticut 06115

*Delaware*

Honorable David P. Buckson  
Attorney General of Delaware,  
Consumer Protection Division  
The Court House  
Wilmington, Delaware 19801

*Florida*

## State-Wide Matters:

Honorable Earl Faircloth  
Attorney General of Florida, or  
Mr. W. E. Bishop, Jr.  
Assistant Attorney General  
Consumer Protection Division  
State Capitol  
Tallahassee, Florida 32304

## Tampa Area:

Mr. William Victor Gruman  
Assistant State Attorney and  
Commercial Frauds Division  
Head  
County Courthouse  
Tampa, Florida 33602

## Land Advertising:

Mr. Carl A. Bertoch  
Executive Director  
Florida Installment Land Sales  
Board  
2942 West Columbus Drive  
P.O. Box 4448  
Tampa, Florida 33607

*Hawaii*

Honorable Bert T. Kobayashi  
Attorney General of Hawaii, or  
Mr. James H. S. Choi  
Deputy Attorney General  
Consumer Protection Division  
Honolulu, Hawaii 96813

*Illinois*

## General Matters:

Honorable William G. Clark  
Attorney General of Illinois  
Supreme Court Building  
Springfield, Illinois 62706

## Antitrust and Cook County (Chicago) Deceptive Practice Matters:

Mr. Philip J. Rock  
Assistant Attorney General and  
Chief, Division of Consumer  
Fraud  
160 North LaSalle Street  
Chicago, Illinois 60601

## Deceptive Practice Matters outside

Cook County (Chicago):  
Mr. Robert D. Brodt

*Illinois*—Continued

## Deceptive Practices, etc.—Continued

Assistant Attorney General in  
Charge  
Consumer Frauds Division  
Supreme Court Building  
Springfield, Illinois 62706

*Iowa*

Honorable Richard C. Turner  
Attorney General of Iowa  
Consumer Protection Division  
State Capitol  
Des Moines, Iowa 50319

*Kansas*

Honorable Robert C. Londerholm  
Attorney General of Kansas, or  
Mr. Daniel D. Metz  
Assistant Attorney General  
Consumer Protection Division  
State House  
Topeka, Kansas 66603

*Kentucky*

Honorable Robert Matthews  
Attorney General of Kentucky; or  
Mr. Robert D. Preston  
Assistant Attorney General  
Consumer Protection Division  
State Capitol  
Frankfort, Kentucky 40601

*Maine*

Honorable James S. Erwin  
Attorney General of Maine  
State House  
Augusta, Maine 04330

*Maryland*

Honorable Francis B. Burch  
Attorney General of Maryland  
Consumer Protection Division  
One Charles Center  
Baltimore, Maryland 21201

*Massachusetts*

Honorable Elliot L. Richardson  
Attorney General of Massachusetts  
State House  
Boston, Massachusetts 02133  
Dermot P. Shea, Executive Secretary  
Consumers' Council  
Executive Department  
The Commonwealth of Massachusetts  
100 Cambridge Street  
Boston, Massachusetts 02202  
Mr. Robert L. Meade  
Chief, Consumer Protection Division  
Department of the Attorney General  
State House  
Boston, Massachusetts 02133



*Michigan*

Honorable Frank J. Kelley  
 Attorney General of Michigan, or  
 Mr. Stanley D. Steinborn  
 Assistant Attorney General in  
 Charge  
 Consumer Protection and Antitrust  
 Division  
 The Capitol  
 Lansing, Michigan 48902

*Minnesota*

Honorable Douglas Head  
 Attorney General of Minnesota  
 Consumer Protection Division  
 State Capitol  
 St. Paul, Minnesota 55101

*Missouri*

Honorable Norman Anderson  
 Attorney General of Missouri, or  
 Mr. J. Gordon Siddens  
 Assistant Attorney General  
 Consumer Protection Division  
 Supreme Court Building  
 Jefferson City, Missouri 65101

*New Jersey*

## General Matters:

Honorable Arthur J. Sills  
 Attorney General of New Jersey  
 State House Annex  
 Trenton, New Jersey 08608

## Antitrust Matters:

Mr. Joseph A. Hoffman  
 Assistant Attorney General  
 State House Annex  
 Trenton, New Jersey 08608

Deceptive Practice Matters, South  
Jersey:

Mr. Alan B. Handler  
 Assistant Attorney General  
 Consumer Fraud Division  
 State House Annex  
 Trenton, New Jersey 08608

Deceptive Practice Matters, North  
Jersey:

Mr. John Lombardi  
 Deputy Attorney General  
 Consumer Fraud Division  
 Department of Law and Public  
 Safety  
 1100 Raymond Boulevard  
 Newark, New Jersey 07102

*New Mexico*

Honorable Boston E. Witt  
 Attorney General of New Mexico,  
 or  
 Miss Peggy McCormick  
 Director, Consumer Service Divi-  
 sion  
 Supreme Court Building  
 Santa Fe, New Mexico 87501

*New York*

## General Matters:

Honorable Louis J. Lefkowitz  
 Attorney General of New York  
 State Capitol  
 Albany, New York 12201

## Antitrust Matters:

Mr. George C. Mantzoros  
 Assistant Attorney General in  
 Charge

Anti-Monopolies Bureau  
 State of New York  
 80 Centre Street  
 New York, New York 10013

Deceptive Practice Matters, New  
York City:

Mr. Barnett Levy  
 Assistant Attorney General in  
 Charge

Consumer Frauds and Protection  
 Bureau

State of New York  
 80 Centre Street  
 New York, New York 10013

Deceptive Practice Matters, Roch-  
ester:

Mr. Robert A. Dutcher  
 Bureau of Consumer Fraud  
 State of New York  
 Department of Law  
 300 Terminal Building  
 65 Broad Street  
 Rochester, New York 14614

*North Dakota*

Honorable Helgi Johanneson  
 Attorney General of North Dakota,  
 or  
 Mr. Vance K. Hill  
 Assistant Attorney General and  
 Counsel, Consumer Fraud Division  
 Bismarck, North Dakota 58501

*Ohio*

Honorable William B. Saxbe  
 Attorney General of Ohio, or  
 Col. George Mingle  
 Chief, Consumer Frauds and  
 Crimes Section  
 State House Annex  
 Columbus, Ohio 43215

*Oregon*

Honorable Robert Y. Thornton  
 Attorney General of Oregon  
 Department of Justice  
 Salem, Oregon 97301  
 In Portland:  
 Mr. Henry Kane  
 Assistant Attorney General  
 Consumer Protection Division  
 469 State Office Building  
 Portland, Oregon 97201

*Pennsylvania*

## General Matters:

Honorable William C. Sennett  
Attorney General of Pennsylvania

Harrisburg, Pennsylvania 17120

## Deceptive Practice Matters:

Judson E. Ruch, Director  
Bureau of Consumer Frauds and Protection

Pennsylvania Department of Justice

Durbin Building

Harrisburg, Pennsylvania 17120

In Philadelphia:

Honorable Arlen Specter

District Attorney, or

Mr. Robert Moss

Associate Administrator

Bureau of Consumer Frauds and Protection

710 State Office Building

Philadelphia, Pennsylvania 19107

Mr. Joseph M. Gelman

Special Assistant Attorney General

Bureau of Consumer Frauds and Protection

1405 State Office Building

Pittsburgh, Pennsylvania 15919

*Rhode Island*

Honorable J. Herbert DeSimone  
Attorney General of Rhode Island

Providence County Court House

Providence, Rhode Island 02901

Mr. Thomas F. Policastro,

Chairman

Rhode Island Consumers' Council

State House

Providence, Rhode Island 02903

Responding to part b of question 1, it is difficult to classify the Attorneys General according to the importance of their responsibilities in connection with consumer protection matters. I believe all of them would say that they have important consumer protection responsibilities, and that they are ready and willing to discharge those responsibilities. Many of them have told us that if we feel there is need for additional consumer protection legislation in their States, please bring to their attention any complaints or other information showing the need. In other words they are willing to seek stronger laws if they become satisfied that public support for such additional legislation is present. In some of the States where the Attorneys General seek additional legislative authority to deal with problems of consumer protection, there are other State officials, such as the Commissioners of agriculture, who declare that no such additional legislation is needed.

In some States, the Attorneys General have tried without success to persuade the legislature that additional consumer protection legislation is needed. Without trying to resolve intrastate controversies of that character, we would say that the States with the more adequate consumer protection legislation at this time appear to be California, Connecticut, Hawaii, Illinois, Iowa, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, North Dakota, and Washington. This does not mean, however, that we are completely satisfied with the consumer protection laws of those States, or that we intend to undermine efforts of the Attorneys General or other officials in those States to obtain improvements of their laws. Also, we think of many dis-

*Tennessee*

## Food, Drug and Agricultural Matters:

Mr. Eugene H. Holeman  
Director, Division of Food and Drugs and State Chemist  
Tennessee Department of Agriculture

Ellington Agricultural Center  
Box 9039, Melrose Station  
Nashville, Tennessee 37204

*Washington*

## General Matters:

Honorable John J. O'Connell  
Attorney General of Washington  
Temple of Justice

Olympia, Washington 98501

## Deceptive Practice Matters:

Mr. Donald L. Navoni

Assistant Attorney General

Chief, Antitrust & Consumer Protection Division

1266 Dexter Horton Building  
Seattle, Washington 98104

*Wisconsin*

## General Matters:

Honorable Bronson C. La Follette  
Attorney General of Wisconsin

State Capitol

Madison, Wisconsin 53702

## Antitrust Matters:

Mr. George F. Sieker

Assistant Attorney General

State Capitol

Madison, Wisconsin 53702

## Deceptive Practice Matters:

Mr. James D. Jaffries

Assistant Attorney General

State of Wisconsin

State Capitol

Madison, Wisconsin 53702

tinguished Senators and Congressmen who represent States not included in the above list; by no means are we implying that they as political leaders in their States have failed to respond to the needs of their people.

In response to part c of question 1, we do not have a separate list of major cities with consumer protection agencies, beyond the list furnished under question 1a. As indicated there, the Attorneys General who maintain consumer protection divisions commonly have branch offices in principal cities throughout their States. We do have a list of approximately 1,125 city, county or district attorneys comprising the membership of the National District Attorneys Association, to whom we send mailings of literature from the Commission. They of course perform the important function of preventing fraudulent practices in their respective localities, and I am sure any of them would give careful attention to any consumer complaint which might be addressed to them, or they would know what other local agency is more appropriate to consider the complaint. The principal officers of that Association are:

Honorable Richard E. Gerstein  
State Attorney  
Eleventh Judicial Circuit of Florida, and  
President, National District Attorneys Association  
Metropolitan Justice Building  
Miami, Florida 33125  
Duane R. Nedrud, Executive Director  
National District Attorneys Association  
1155 East Sixtieth Street  
Chicago, Illinois 60637.

We generally try to encourage the establishment of a central office within each State for the coordination of matters involving unfair, deceptive, or restrictive trade practices, in order that the program for correction of such practices might be carried forward with some degree of uniformity within the State and to facilitate exchange of information and evidentiary material between us and the law enforcement officials in the State. I might add that our field offices maintain liaison with the neighborhood legal offices that have been established throughout the country under grants from the Office of Economic Opportunity, in order that we might become promptly aware of any unfair or deceptive trade practices coming to their attention.

Q. 2. Have referrals to the F.T.C. by State agencies thus far revealed that local problems are related to interstate promotional activities by questionable promoters?

A. The State agencies generally have referred to us matters involving alleged use of unfair or deceptive practices in interstate commerce. Sometimes there are both local and interstate problems involved. For example, in two matters now being investigated by the Commission in cooperation with State and local officials, the main factual question to be resolved is whether alleged deceptive practices being used by franchisees located in several different States are independently initiated by the franchisees or whether the practices are being generated by the national distributor of the products in question. The products are sewing machines, vacuum cleaners and fire alarm systems. Generally speaking the practices being complained about at local level are similar to many of those encountered in interstate commerce, namely, bait and switch advertising, misleading terms of credit, deceptive "free" offers, bogus contests, deceptive guarantees, fictitious pricing, referral selling, false claims of commissions to be paid on other sales, etc.

Q. 3. Is there need for establishing a Federal "anti-quackery bureau" to cooperate with the States in combatting quackery and other health deceptions, as was suggested by an Assistant District Attorney in Los Angeles County, California?

A. As indicated elsewhere in my testimony, I believe there is need for a strong Department of Health, Education and Welfare, with constituent agencies such as the Public Health Service, the National Institutes of Health, and the Food and Drug Administration to help not only the State regulatory and enforcement officials but also other Federal officials who have responsibilities to prevent deceptive and unfair practices in the health field. As I stated, we at the Federal Trade Commission are looking to the Food and Drug Administration and other agencies of the Department of Health, Education and Welfare for expert opinion, testimony, and clinical tests in matters arising under those provisions of the Federal Trade Commission Act directed to the prevention of unfair methods of

competition, false advertising and other deceptive practices in the sale of food, non-prescription drugs, therapeutic devices, "health" books, cigarettes, cigarette filters, smoking deterrents, and other health-related products.

When a prosecuting attorney in the Los Angeles area (not the attorney mentioned in your letter) recently requested information from us concerning truth or falsity of claims made for weight-reducing garments, we were able to furnish advice of a staff medical doctor that the consensus of expert medical opinion would be that the garments will not reduce body weight or have any significant effect on the size or shape of the body. But we are not in position to furnish an expert witness; we suggested that the inquirer contact the Department of Medicine at one of the Medical Schools in his area if expert testimony were needed, as that is what we would do in such a case.

Q. 4. May we have additional details on methods used for training of state personnel in those States that have laws similar enough to the F.T.C. Act to warrant establishment of training schools?

A. We have invited the State officials to send us any request which they might care to originate for legal, economic, accounting or medical advice within the expertise of the Commission's staff. We will furnish such assistance to the fullest extent practicable. We have answered all such requests which have been sent to us. We have invited enforcement officials contemplating whether to institute action respecting an alleged or suspected violation of State law to inquire whether we have record of any previous violation or experience with a similar problem. All such requests have been answered. We have made files and records of the Commission available to State officials on several occasions, where it appeared this would help with their law enforcement problems and serve the public interest. The Commission's field office personnel regularly call upon State and local enforcement officials to receive information pertinent to the Commission's area of responsibility and to impart information which might be helpful to the State personnel in that regard. Last year in connection with the mid-year meeting of the National Association of Attorneys General in Washington, D.C., we invited all of the Attorneys General and their deputies and assistants who might be attending the meeting to come and visit with Commissioners, Bureau Directors and Division Chiefs at the Commission for consultation on any matters of mutual interest. Several of them came. When we refer complaint matters out to State officials for consideration, we accompany the referral with information about Commission experience to serve as a training vehicle in addition to serving the needs of the particular case. Thus we endeavor to aid the State personnel in developing skill to deal with unfair and deceptive trade practices, not only in those States having laws similar to the F.T.C. Act, but in the other States as well. We will keep before us the possibility of establishing training schools as demand therefor and budgetary considerations indicate that establishment of such schools would be feasible.

Senator WILLIAMS. Mr. William R. Hutton, executive director, National Council of Senior Citizens, I understand, has quite an acute problem. My friend Bill Fitch, you have a problem. Mr. Hutton evidently is going to be brief.

#### STATEMENT OF WILLIAM R. HUTTON, EXECUTIVE DIRECTOR, NATIONAL COUNCIL OF SENIOR CITIZENS

Mr. HUTTON. I appreciate very much the opportunity to come before this survey hearing of your very important Subcommittee on Consumer Affairs.

My name is William R. Hutton, and I am executive director of the National Council of Senior Citizens with which members of the full committee and of this subcommittee I know are well acquainted.

We are a nonpartisan, nonprofit, voluntary organization of older people with some more than 2 million older people around the country in 2,000 completely independent, autonomous older people's clubs. I know that you all know of our leadership in the struggles for increased social security and of course for medicare. But we are also

vitaly interested in consumer protection and are particularly happy that this committee is broadening its interests in this field.

The Nation's elderly suffer from all of the consumer problems which affect the middle aged and the young. Then, on top of this, they have some very special problems of their own, problems caused by reduced incomes following retirement, problems caused by failing health because of the advancing years, problems caused by a changing society and changes beyond their control in which the major orientation is on youth.

Now, throughout the course of these hearings, sir, and in the future when the subcommittee gets down to the real problems of consumer protection, no doubt you will hear many experts on aging. We are extremely hopeful that the testimony which you hear will stimulate Congress into early action on these matters.

The National Council of Senior Citizens can't offer you many experts but we can offer this committee a "living laboratory" of over 2 million aged consumers ready and willing to help you in your future research and studies. The membership of our affiliated clubs representing one-tenth of the Nation's entire population of people over 65 is a genuine cross section of all classes of the American aged community. These clubs stand ready to help you and this committee in any way they can, to identify accurately the consumer problems of the aged and to provide meaningful information about the elderly consumers. That is all I wish to say at this time, sir. We would like to work with you as you delve deeper into these important matters.

Senator WILLIAMS. This is not an important inquiry, but your organization is the National Council of Senior Citizens. We had some parenthetical observations that the term "senior citizen" is really not descriptive of what we are talking about, older American, whatever it is.

Mr. HUTTON. It is a very difficult problem to find the right title for older people, sir. Many older people object to being called aged, some object to the word "elderly" but we think that at least they are entitled to the respect of "senior citizen," and this title seems to have found most favor, at least with our membership.

Senator WILLIAMS. Very good. You have how many? Two million?

Mr. HUTTON. We have more than 2 million in the combined memberships in our over 2,000 affiliated clubs.

Senator WILLIAMS. I recall the statistic that has to be inexact because about a thousand people each day go into what we normally think of as retirement years, 65.

Mr. HUTTON. That is right. Every day 1,000 more. Actually the Nation's population is increasing at both ends, the elderly and the very young. By 1975 we will have 25 million people in this country over 65. I was very happy to see, yesterday, witnesses before this committee seeking to focus the attention of private industry on the growing elderly consumer market. The market is already big enough for them to take a specialized interest to help older people with many of their consumer products.

Senator WILLIAMS. And older people in retirement by definition are on reduced incomes where we properly can deal through law with

protecting them from abuse and misleading practices. I think we are on solid ground, aren't we?

Mr. HUTTON. That is right. Of course millions of them depend entirely on their social security for their major income, social security which I don't need to point out to you, I am sure, is most inadequate, it needs to be raised and of course the National Council of Senior Citizens is urging Congress to raise it, during this session, substantially.

Senator WILLIAMS. The President is urging Congress to raise it.

Mr. HUTTON. Yes, sir.

Senator WILLIAMS. And there has been little resistance. I think the Congress will agree with you.

Mr. HUTTON. Older people are living desperately in poverty; millions of our older people are existing on poverty levels on social security, with an average of just over \$80 a month.

Senator WILLIAMS. Senator Kennedy had to leave but I introduced the bill that goes to his labor committee dealing with older Americans who are in retirement but could be very useful, in what we call—what is the title now? Older Americans Community Service Program.

Mr. HUTTON. We entirely support this concept and so does the organization which will testify next. Many who are desperately poor elderly require very much an increase in their income maintenance. For many others who don't have income problems perhaps, and who have good health, the opportunity to have meaningful retirement through participation in a national community service corps for senior citizens of this type, helping in hospitals, helping in many other community fields would be therapeutic in nature, would do a wonderful thing. We have found, for example, that our healthiest senior citizens are those pushing for increased social security, medicare, who are ready to testify. There is a therapeutic value in working for these things.

Senator WILLIAMS. I agree with you 100 percent. Some of my happiest meetings have been with older people in retirement who are working for good causes, the young and the old and the in between and they are voting right all the time.

Mr. HUTTON. Thanks. Well, we do hope you will call on our organization and all its members in the course of your further studies.

Senator WILLIAMS. Where is your office?

Mr. HUTTON. 1627 K Street, here in Washington, D.C.

Senator WILLIAMS. Are you a native Washingtonian?

Mr. HUTTON. No, I am not. My wife is. I am an Englishman who became an American 16 years ago. As a matter of fact, my wife and I met in Vienna, Austria, and I was an American by virtue of being a GI "bride," under that bill, in other words.

Senator WILLIAMS. Well, you certainly are most effervescent here. Thank you very much.

Mr. HUTTON. Thank you.

Senator WILLIAMS. Our next witness is Mr. William C. Fitch, executive director, American Association of Retired Persons, and the National Retired Teachers Association.

I only regret one thing, Bill, that we call upon you so frequently to come up here. I don't regret it from our standpoint but from yours, that so much of your time has been devoted not from your work at the office but committee hearings here.

**STATEMENT OF WILLIAM C. FITCH, EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF RETIRED PERSONS AND NATIONAL RETIRED TEACHERS ASSOCIATION, ACCOMPANIED BY MRS. EVELYN GARRETT**

Mr. FITCH. I am sure you know we welcome every invitation and I would like to spend more time here in helping carry out the work you do.

Before I get into my own testimony, those present will be happy to know of the release of this morning announcing your appointment as chairman of the Senate Special Committee on Aging. All of us take heart from this. We are delighted and I am sure you know of the kind of cooperation you can expect from our associations.

Senator WILLIAMS. I am delighted to be the new chairman of the committee.

Mr. FITCH. For the record, Mr. Chairman and distinguished members of the committee, my name is William C. Fitch. I am the executive director of the National Retired Teachers Association and the American Association of Retired Persons. With me this morning is Mrs. Evelyn Garrett who will bring us firsthand experience as a participant in one of the programs that I shall be including in my testimony.

As a matter of interest to the committee, we have in the audience 20 members of our national legislative advisory council, meeting in Washington to identify the aims and goals of our associations for 1967, most of which will have been introduced into your hearings by previous witnesses and myself.

We wanted them to get this firsthand experience and as they go into their sessions this afternoon and tomorrow I am sure they will be implementing some of the things they have heard.

I would like to say how pleased we are that the range of jurisdiction of your subcommittee has been extended beyond cases of outright fraud or deception to include all consumer interests of the elderly.

Time of course does not permit a detailed presentation of the many areas of concern in which our associations have taken leadership or are presently developing. However, it is my understanding that future hearings will be devoted to specific consumer problems of the elderly. We offer our services and shall welcome the opportunity to testify at that time.

One of the basic precepts of our associations representing over 1 million individual members has always been that older persons should not be penalized or discriminated against socially, politically, or economically, simply because of age. In each case, we have maintained that the abilities and capabilities of the individual, not his chronological age, should be the deciding factor in the way our society deals with him.

There is no segment of our population that has a greater concern as consumers than the older Americans who are threatened by inflation, forced to stretch fixed retirement incomes and at the same time be expected to accept their role as responsible, independent, dignified citizens.

Recognizing the urgent need for a two-way consumer educational program, we were privileged last February 9 to have Mrs. Esther Peterson inaugurate our national consumer informational service from our Washington headquarters in a cross-country telephone circuit with our president, Dr. Ethel Percy Andrus, in Long Beach, Calif., and the director of our hospitality house in St. Petersburg, Fla.

Through these consumer centers, materials are distributed to older persons, as well as providing a channel for suggestions and complaints to be routed back to Mrs. Peterson's office. At our convention in Salt Lake City in September, it was resolved to involve each of our 415 chapters in the consumer educational program with representatives in each group to serve as an informed and articulate spokesmen for the elderly—not only in the chapters but as a community service to all older persons.

One of the first projects was conducted in cooperation with the District of Columbia Home Economics Association Committee on Aging in the preparation of a list of "Selected Consumer Publications for Older Persons." Hundreds of these listings have been made available in response to requests that range from recreation to consumer economics. Safety, health and protection, household equipment, food and nutrition, home furnishings and equipment, are just a few of the subjects covered by the lists.

With your permission, I would like to make a set of these lists available for the record.

Ours has been far more than a collection of words—we have also initiated a dynamic demonstration program to show how to make the most of our devaluated dollars.

A consumer forum, now in its third year, is held weekly in the Institute of Lifetime Learning at our headquarters in Washington where we have conducted programs on "Reading the Labels" in cooperation with the Consumer Services Division of the National Canners Association. This experience was extremely helpful in understanding the need for "truth in packaging" legislation which we supported and were delighted to see enacted in the last session of Congress.

The program of fabrics led by the director of consumer relations of the National Institute of Dry Cleaning was not only practical but pointed up a need for legislation against flammable materials and cleaners.

Senator WILLIAMS. Were you here yesterday, by the way, Mr. Fitch?

Mr. FITCH. No, I was not. I read the newspaper account and I hope to have copies of the testimony.

Senator WILLIAMS. Esther Peterson and Mrs. Behrens deal with that.

Mr. FITCH. That is very important. We don't have time now, but one of the pictures that we might some time include in one of your hearings shows a session that is actually being conducted by the



representative from the National Institute of Dry Cleaners on "fabrics and cleaners" showing what is wrong, what is dangerous, what to watch out for. This is very vital information that I think needs to be spread as your testimony yesterday indicated.

The problem of nutrition and diet in the later years is a cause for national concern and our many programs devoted to food, shopping, preparation, and appliances have documented the need for practical, available informational materials and advice. The failure to provide such basic data has placed the older individual at the mercy of those who would exploit him with fakes and swindles in the health field.

A diet developed in cooperation with the local chapter of the American Home Economics Association is about completed and will offer meals that are easy to fix, low in cost, high in nutritional value planned to meet daily health and energy requirements. A recent reference to this program in a speech has resulted in more than a hundred requests as soon as it is released, showing how desperately people are looking for this advice and assistance.

The problem of suitable retirement housing and the need for comfortable modest-priced living arrangements for the elderly is a challenge for everyone in the later years.

In an attempt to show what might be done on a limited budget with some imagination and practical assistance, we joined forces with 11 national retail firms, all members of the Institute of Distribution & Variety Stores Association and set up a demonstration apartment in two rather drab rooms at the Institute of Lifetime Learning here in Washington.

(Two views of one of the rooms after redecoration follow :)





We had the wisdom and foresight to call on the experience and desires of older persons themselves and named an advisory committee to work with the interior decorators, buyers, and professional staff of the retail firms.

At this point, I would like to call on one of the members of that advisory committee who was one of its most effective members and ask her to share some of the frustrations and satisfactions of changing some of the erroneous impressions of older persons' likes and dislikes, and witnessing a real transformation of a drab setting into a warm, friendly, livable environment. It is my pleasure to introduce Mrs. Evelyn Garrett, who will also explain several of the pictures on display. She is a member and you will see why she is a good example of dynamic maturity.

Senator WILLIAMS. Where are you from?

Mrs. GARRETT. I am from Philadelphia; just outside of Philadelphia.

Senator WILLIAMS. And you came down for this?

Mrs. GARRETT. No; I live here in Washington; I have lived here in Washington since 1940. I have been in Washington since then.

Senator WILLIAMS. We welcome you to our forum here this morning and this afternoon.

Mrs. GARRETT. I will try to be very brief.

As Mr. Fitch has indicated, I was one of a committee of seven people belonging to the American Association of Retired Persons who collaborated on this project. May I call your attention to the charts over here. The chart to the right, the second line photographs. We started with these rather drab rooms—really one was a very small kitchen and the other a rather good-sized walk-in closet. The other

was, well, just a room. We met with the various representatives of the retail stores and they were most cooperative with us; very helpful in their suggestions. We first took up the matter, I believe, of what kind of carpet we wanted on the floor and we decided that we would have wall-to-wall carpet—

Senator WILLIAMS. Could I interrupt just a moment? These pictures at the top here, are these the before's?

Mrs. GARRETT. They are the before's.

Senator WILLIAMS. And these are the after's?

Mrs. GARRETT. These are the after's.

Senator WILLIAMS. They are very graphic. Are you going to leave these with us?

Mr. FITCH. I can make a set of the pictures and background material available.

Mrs. GARRETT. Yes; we will.

We decided to have wall-to-wall carpeting rather than rugs, eliminating the possibility of stumbling on the side. Also we felt it would be a lot easier with a vacuum cleaner to keep the floors clean rather than to have to mop around the side. As you know, rugs will occasionally fray at the edge, and older people could trip and fall.

Then came the matter of beds, what kinds of beds. Well, we figured that we wanted twin Hollywood beds.

Senator WILLIAMS. Wanted what?

Mrs. GARRETT. Hollywood beds.

Senator WILLIAMS. What is a Hollywood bed?

Mrs. GARRETT. A Hollywood bed is just—well, it is really a mattress and a box spring mounted on a square form.

Senator WILLIAMS. Without the posts?

Mrs. GARRETT. That is right.

The idea was that we would arrange them so that we could use them as couches during the daytime and sleep on them at night. At first somebody suggested a 30-inch one but to that we had objections. The primary purpose was to sleep on it and we wanted at least a 36-inch bed which meant of course a little bit more room but it also brought up the problem what to do when you lean back. So somebody devised a very ingenious foam rubber mattress or backing that you could put up. As you will notice, we have very colorful cushions and so forth on the beds.

Unfortunately the picture that shows how we arranged the beds in order to save light and space is shown only on the newspaper article copy of which we will see that you get. You will notice that instead of staggering the beds one against the other like this, we put them this way, with the table in here and a lamp on it so that two people could lie in bed and read with the same light. We would also conserve space.

Senator WILLIAMS. This is all colonial?

Mrs. GARRETT. Senator Williams, the whole apartment was supposed to be for a couple on very limited means moving from a larger home into a smaller one and it was to give them ideas as to how they could utilize the furniture that they save. We did, in the kitchen, however, advise them to do away with all the large pots, kettles, pans and so forth that they had had probably from the day when they had a household of little children, and stick to the smaller ones.

Senator WILLIAMS. Would it not be psychologically wiser to go to modern furniture than to go back to the colonial period?

Mrs. GARRETT. Yes; I think maybe it would in a way, although some of these people just don't have the means to do that and in that case we tried to prove helpful. For instance, here is a couple who have old overstuffed furniture, they don't have the wherewithal to buy brandnew slipcovers, especially to have them made; very expensive. One of the retail stores came up with an elastic slipcover that is really quite ingenious that fits any furniture and that we used.

The fireside chairs, you will notice, are a joy. Those big chairs that you see in the picture, they are rockers but they don't look like it. They are "platform" rockers and they were bright and gay and added quite a nice touch of color, and the most comfortable things you would ever want to sit in.

You will also notice that there is a little planter there. Older people like to have things growing. You would be surprised at the number of squawks that we had when artificial flowers were suggested. So we put in a little planter lined in copper; it is very attractive with African violets, little ferns, philodendron, and things of that sort.

When we came to the table we thought we would have a dropleaf table but some of the committee said that for people with arthritis or who were the least bit crippled or that sort of thing, it might be a problem, this lifting and lowering of the table. So you will notice from the pictures that we have put in a large, round table with a plastic coating on the top, and that is not only to serve as the dining table but as a work table. You can put your sewing machine there, work crossword puzzles, jigsaw puzzles, anything of that sort. You will notice that the light we have over it is the kind that can be raised and lowered.

The chairs around the table, now we had a few squawks on that because we had not put casters on the chairs, but that would make them dangerous when grasped for support. The type of chair is the captain's chair.

Senator WILLIAMS. Who was complaining?

Mrs. GARRETT. Oh, some of the older people around headquarters, because we asked other people around there what they thought of certain things and then we discussed them.

Senator WILLIAMS. How do you disseminate this information?

Mr. FITCH. We will introduce into the record the complete story of this apartment. This shows how many newspapers have carried it.

Senator WILLIAMS. I have here the Washington Evening Star that had full pictorial and descriptive coverage.

Mr. FITCH. This actually has been carried by the United Press International and the North American Paper Alliance as well as the local newspapers. Some of the trade publications have picked it up also—"Aging" of the Department of Health, Education, and Welfare. The whole story is quite well known.

Senator WILLIAMS. We have three programs dealing with housing for older people, the direct loans, the guaranteed loans and public housing for the elderly.

I just wondered if your findings in any way come into the public dissemination that would be useful to people that have the advantage of that kind of housing.

Mr. FITCH. I think you probably have pinpointed an area where we could be more specific than we have up until now. Some of them have picked it up. I think in my work with the Committee on Older Americans and the Poverty Committee—it might be helpful.

Senator WILLIAMS. I will say that the elderly housing that I have been privileged to be at or to dedicate and be invited in, it looks like it is fine living to me but you know your experience might be useful to the housing agencies that are affected here.

Mr. FITCH. I think this is the sort of thing we can do. In addition, one of the home economics advisers has written a little publication on the apartment that I think would be the kind of material that would be useful to the groups that you are talking about.

Senator WILLIAMS. The Government certainly is in the business of putting out publications. We had a fellow here yesterday and he described the various Government publications. This sort of thing I think you might find a partnership in a cooperative situation with the public housing and the FHA.

Mr. FITCH. Mrs. Garrett is too modest to say it but much of the success of this project was due to the older people, who corrected some of the views that the younger decorators and others had. This was a very interesting exchange of ideas.

Senator WILLIAMS. You know, you put your finger on something else that was raised yesterday; not in terms of interior decorating of the home, but in clothes designed. The designers are generally young people and don't understand the problems of design for older people. So we had Mrs. Behrens here and she described the mohair tape. I tell you, I don't know how these girls zip up those zippers in the back but they don't have to with the mohair tape.

Mr. FITCH. Mrs. Garrett was asking, "Shall we tell him about our fashion show?"

Senator WILLIAMS. Yes.

Mr. FITCH. Actually in our consumer program they put on a fashion show through the courtesy of one of the stores, showing what could be done in terms of modest-priced clothing that could be stylish. At that time we also took it upon ourselves to call attention to some of the things that had not yet been included in the design of clothes for older women. Mrs. Garrett was one of our models and you again can understand why we are happy to involve her.

Mrs. GARRETT. Senator Williams, I was asked to demonstrate what the well-dressed woman would not wear, and it was hilarious because many of the people who were at the fashion show—I think there must have been at least 250 or 300 that attended it—and many of the things that I wore that I thought were atrocious, you would be surprised, but some of the older people preferred them. It was sort of having to educate some of the older people what really looks better on them. One thing in connection with the apartment that I think I should stress is that in the cupboards and in the refrigerator we made use of the "Lazy Susans" at the request of many of the people who felt that it would be much easier. In the stove rather than to have pots and pans and things of that sort all littered together we had a contraption that could pull in and out so that you didn't have to stoop down and reach; it pulled out. Everything was done with the idea of convenience in mind. The oven—

Senator WILLIAMS. Yes, the raised oven?

Mrs. GARRETT. It is up higher, yes.

Senator WILLIAMS. Of course that reachin oven idea is useful to everybody.

Mrs. GARRETT. Yes.

Senator WILLIAMS. I don't happen to have one myself.

Mr. FITCH. I am concerned about time as I know you are and there are many other phases of this that could have been discussed. I do think that one of the conclusions that was reached, by the old people was evaluating it "at long last we have something that we would like to have rather than what somebody else has designed for us."

Senator WILLIAMS. Who said that?

Mr. FITCH. These were some of our older people who thought the apartment represented more of their taste perhaps than what some younger person "thought they should have," or "would be good for them." We overlook asking older people to serve as advisers and consultants in the areas that affect them. Our experience has been so successful in involving older people wherever we have an advisory committee, I am talking also about any consumer interest or program for older people, they should be represented to give the benefit of their own experience.

This was a practical demonstration of the kinds of things that we have done. We will make a full set of the material on the apartment available and if you have any other suggestions and where we might be able to disseminate it, of course we will always be glad to do that, too.

We are still receiving many requests for this material even though the project was completed about 10 months ago.

Senator WILLIAMS. I don't want to take too much of your time but do you have any way of relating your experience and findings to Federal programs?

The housing program, for example? Do you confer with the Federal Housing Administration, public housing?

Mr. FITCH. We have not established a close working relationship.

Senator WILLIAMS. Don't you think it would be smart?

Mr. FITCH. It should be, certainly, including the demonstration city program.

Senator WILLIAMS. Have they called on you for your advice, opinion, judgment?

Mr. FITCH. Not directly. Occasionally we have been called on to testify before the committees that are talking about the housing legislation.

Senator WILLIAMS. What committees?

Mr. FITCH. The one talking about the demonstration city program.

Senator WILLIAMS. You mean the legislative committee?

Mr. FITCH. Yes.

Senator WILLIAMS. I meant down in the executive.

Mr. FITCH. No, they have not.

Senator WILLIAMS. I think they should.

Mr. FITCH. I think they should, too. We have about a million so-called older consumers who should be considered in the projects that are being discussed. It is not just a question of walls and a roof, I think it is a question of the interests and needs of older people that they can best express themselves.

Senator WILLIAMS. I am going to follow up on this one<sup>1</sup> because you people are deeply involved, you know what you are doing, you have found wise conclusions to certain living problems of older people. These Federal housing programs are not fashioned to design apartments for older folks but there could be suggestions.

Mr. FITCH. We will be glad to follow through from our standpoint.

Of the many areas where older persons have been discriminated against, none has been more harmful than that of insurance.

We should not forget that only in the present decade have persons of 55, 65 years of age and older, been able to obtain adequate health insurance coverage at reasonable rates. And the credit or the fact that such coverage is available belongs largely to our association.

More recently we have received increasing serious complaints from our members regarding the availability of automobile insurance for the older driver. Since we feel it is the duty and obligation of our associations to be concerned with all problems facing the older person, we investigated the situation and found it to be much more serious than we had supposed.

The fact is that thousands upon thousands of older driver are having their insurance canceled, or they are denied renewal or their rates are drastically increased simply because they have exceeded an age limit arbitrarily imposed by the insurance company without regard for the physical soundness or driving ability of the individual involved.

We are awaiting the results of an intensive mail survey undertaken by both AARP and NRTA in which members of the associations were questioned about their driving habits and their experience with insurance coverage. The result of this survey—which will cover some 200,000 persons—has not yet been fully tabulated but a preliminary examination of the survey questionnaires indicates that the problem is very acute.

Accordingly, we are happy to be able to report that by working closely with an interested insurance carrier, we have been able to supervise the development of a special insurance program for the older driver which provides the kind of coverage our membership demands and needs—coverage based on the real capabilities of the driver—not just his chronological age.

Senator WILLIAMS. Now on that point I only know specifically the situation in the State that I come from, New Jersey. There is no periodic retesting of people's ability to handle an automobile. Do you know, is there any from your experience, retesting of people periodically?

Mr. FITCH. I now here in the District, and you probably know the ex-Commissioner of Social Security, Mr. Mitchell, who is reacting the fact that having just become 65 he has had to be retested here in the District of Columbia.

Senator WILLIAMS. Is there anything wrong with that idea?

Mr. FITCH. No; I think it is excellent. Our members are not trying to get automatic renewal but they would suggest periodic physical examinations for themselves as well as younger drivers.

Senator WILLIAMS. Yes. I can't see anything wrong with that.

Mr. FITCH. They are not asking for anything special, they are asking for fair and equal treatment. I think this is a credit to them. They are not asking for special privileges.

<sup>1</sup> Letter from Senator Williams to HUD Secretary Weaver appears on p. 244.

Senator WILLIAMS. I agree with you, too, that it should not be a matter of age 65.

Mr. FITCH. As a matter of fact, I would like to say that I think your own State has one of the best experiences on the older driver educational programs.

Senator WILLIAMS. We have no rechecking.

Mr. FITCH. No, but I think that you have actually lowered the number of accidents among older drivers in your State because of the fine program that Mrs. Harger and others have developed. We are going to be working closely with Mrs. Harger in developing our own program.

We are working with the National Safety Council, as a matter of fact. Some of our members are in Chicago attending a program that the National Safety Council is putting on that we would expect to carry out in our chapters and include as a part of our program. I know the older driver might say, "After 50 years I don't have to learn to drive." We are trying to improve their driving. The new word is "defensive driving." We are trying to not just keep the older driver behind the wheel, we are trying to make him a safer driver.

Senator WILLIAMS. But there are other problems of eyesight and physical fitness.

Mr. FITCH. We are suggesting it is not chronological age, it is their physical fitness. This covers any age group, not only persons over 65.

Senator WILLIAMS. I certainly agree with some of that.

Mr. FITCH. When we were in convention at Salt Lake City we went on record to indicate that to the best of our ability we were trying to represent the older person and put him where he should be, behind the wheel, if he is a safe driver, otherwise he should not be there. We are having a planning board and advisory group that will be working with the National Safety Council as well as our chapters to try to keep this program sound and also using the experiences of older people on our advisory group so that we will have the benefit of their feelings as we go forward. We are calling this "Driver Plan 55 Plus." This is a program that will be announced very shortly and it will also carry a responsibility on the part of our association for adequate training and for a followthrough to make sure that we are not also creating problems. All of us have felt in representing older people that if they have a valid driving license it does not make sense to deprive them of the insurance that they should have while they are driving.

I think this is a very much neglected or important area and hopefully we may have one of the answers to it.

Senator WILLIAMS. Of course on the other end of the spectrum the young insurance premiums for the new 17-, 18-year-old driver, I have learned, are a lot more expensive, particularly when they have a motorcycle.

Mr. FITCH. I have been a victim of that. I have two boys under 25.

Within the next 2 weeks we should have the details of this which should relate to insurance of this kind. We will be happy to make our experience available to the committee at that time.

I would like to say too that the Adult Health Protection Act which you introduced last year as you have often indicated should be non-controversial legislation in this session of the Congress. We have some-



documentation but we were all saddened that we have lost its sponsor in the House through the untimely death of our very close friend, Congressman John Fogarty. Surely there can be little doubt of our need for better ways to promote positive health after 50, which will reap benefits throughout the later years.

Our attempts have been providing voluntary health screening which has been overwhelming. Our membership could not possibly be accommodated among those invited to come so we followed through this on our own. Even in connection with that or prior to it in each of the last 2 years approximately 500 persons over 55 have registered for glaucoma tests with our group, 26 cases required severe attention there and at least one emergency operation saved eyesight of one of the individuals.

The hearing tests given to over 400 persons in 1965 and 1966 resulted in detecting the greatest number of hearing losses over any similar group. We can't understand why.

Senator WILLIAMS. Where was this testing done?

Mr. FITCH. This was actually done at our headquarters. This is part of the plan when we do have the equipment. If the people don't get to it, then we ought to use a little more imagination in terms of getting the equipment to the people.

Senator WILLIAMS. We had a mobile unit out here, you know.

Mr. FITCH. Yes.

Senator WILLIAMS. There was a waiting line.

Mr. FITCH. Mr. Oriol knows we were anxious to participate and thought we would have trouble getting 21 and when we got that many there were only spaces for five. We didn't know how to make the distinction so we decided we would forgo that but contacted the District of Columbia Health Department. We scheduled 120 during the 4 days. They can only take care of that many in that amount of time. We could double that, providing again that your program, your preventive care, or living care, really has a sound basis. I would hope that when your legislation is being heard that we might be privileged to present some of the testimony we have had documented.

It is difficult to emphasize one program as being of greater concern than another. Each is urgent to those whose needs are not being met in that area. Because of the shared retirement experience of our members and the success of our pilot projects, we are working out methods to expand these programs in cooperation with National, State, and local agencies.

Our Institutes of Lifetime Learning, begun in Washington, D.C., and later in Long Beach, Calif., have created new horizons for older persons, who need mental stimulation as well as nutrition for healthy later years.

The institutes offer courses to refresh old skills, update knowledge, explore new subjects and offer opportunities for creative expression. Over 3,000 persons 55 years of age and older have enrolled in these classes that have been designed with him in mind and conducted on a level that does not talk down to them but treats them as mature adults.

All of what I have said might very well be the subjects for dynamic retirement preparation programs that should be part of the preretirement training of all persons in private industry as well as government.

Our associations are well along in a comprehensive survey of Federal preparation for retirement programs which has resulted in question-

naires being requested by and distributed to over 2,000 government agencies and installations across the country.

It is our desire to share our findings with the administration of personnel programs and to assist in developing programs that will help to prepare individuals for meaningful retirement with a full awareness of all of the areas of consumer concern and a positive mental attitude for continued responsibility as older Americans.

These are but the highlights of some of our efforts to encourage the older person to be intelligent consumers. The focus of our programs is toward a fair market for this \$40 billion segment of our economy.

I am sure you know we welcome this opportunity to testify before your committee and offer our full support in implementing your recommendations.

Senator WILLIAMS. We kept you longer than I promised but it has been more than informative, it has been really helpful to our deliberations here.

As you know, our situation in this committee does not take legislation to the floor of the Senate. Any ideas we get we have to refine, after formulation, and then they go to other committees, but you mentioned the preventive medicine idea. That will be to the Labor Committee and the Health Subcommittee as will many other ideas here that developed out of these hearings. It certainly is a great forum and it has produced a lot of interest, I am glad to say.

Mr. FITCH. I think that these hearings do more to focus attention and develop awareness than almost anything I know in the broad field.

I would also like to have you know that our legislative council will be going into session right after this and I am convinced that on the basis of whatever legislation may be proposed as a result of the recommendation of this group you can count on them for support.

Senator WILLIAMS. What figure do you work with as the number of people who are in retirement in the country?

Mr. FITCH. I think the figure varies. We keep talking about 19 million persons 65 years of age and older and I suppose that is just about as accurate as we can get at the moment. This is no longer a meaningful figure because more and more people are retiring earlier. Part of the focus of our activity is toward the Brookings Institute conclusion several years ago that within the next 10 years compulsory retirement will probably be closer to 55 than 65. We are talking about developing practical programs, kinds of activities, such as your Senior Service Corps. There must be this kind of activity in the later years to insure meaning and satisfaction.

Senator WILLIAMS. But to go from full productivity to retirement on one day of a month and a year must be somewhat of a traumatic experience.

Mr. FITCH. This is why we are trying to work with Government and private industry in terms of preparation for retirement. We don't think this is just a fringe any longer, this used to be called a "fluff program." There are things they can think of and plan for such as budgets, living arrangements, health. All of these can be thought about constructively before retirement.

Senator WILLIAMS. Again we are very grateful indeed.

Mr. FITCH. We will introduce these other reports.

Senator WILLIAMS. We will include these. What we can we will put in the record; what we can't we will certainly keep in our committee files.

Mr. FITCH. Thank you.

(The information referred to follows:)

#### RETIREES FURNISH EFFICIENCY

THEIR IDEAS GIVE APARTMENT A NEW LOOK

(By Frances Lide)

Say you've retired and are moving from a house into an efficiency apartment. How do you furnish it so that it will be comfortable, attractive, convenient, and easy to keep?

There are some of the questions answered in a demonstration apartment that will be on view for the month of May in the classroom quarters of the American Association of Retired Persons and the National Retired Teachers Association on the sixth floor of the Dupont Circle Building, 1346 Connecticut Ave. NW.

Cooperating in the pilot project were 11 national retail firms, which provided the professional help of interior decorators, as well as the furnishings on display.

#### *Suggestions from retirees*

But, according to the sponsors, the ingredient which gives the demonstration its greatest authority came from a committee of retired persons who were asked to make suggestions.

For instance, everyone agreed on Hollywood beds which would serve as sofas by day, but the advisory committee insisted that they be wide enough for comfortable sleeping at night.

The assumption was that many couples would have a set of box springs and mattresses that could be used for this purpose. Those in the demonstration apartment are supported on adjustable, metal frames which are on casters so they can be easily moved.

The tailored covers on the beds are ready-made, come in standard sizes, and the material—corduroy—is easy to wash.

Helping to coordinate the furnishing are new draperies and curtains (buying them ready-made keeps down the cost). An antiquing paint kit also was considered a useful tool, since the paint is easy to apply and can make an old chest blend right in with the decor.

The gay-colored prints on a pair of Early American-style chairs are bright accents against a predominantly neutral background. And the chairs themselves add an unexpected note of comfort, being platform rockers.

Most of the basic furnishings in the efficiency are pieces the average couple might be expected to bring from a previous, larger residence.

But the experts strongly advise retired persons not to cling to the big pots and pans used when the family was larger.

Smaller utensils, they pointed out, are more efficient, easier to arrange and more attractive looking, too. Keeping up with the latest kitchenware also means keeping up-to-date on many new labor-saving devices.

Lazy-susans (or revolving racks), which are available in different sizes for both cupboards and refrigerators, represent one of the convenience items featured. An automatic, electric can-opener is another. (These are especially handy, a retiree pointed out, when fingers are crippled with arthritis.)

The approximate cost of the items used is listed in a brochure which points out that all the furnishings, accessories and kitchenware are available throughout the country from popular priced, general merchandise and variety stores and from leading mail order companies.

The retail companies cooperating include W. T. Grant, S. S. Kresge, S. H. Kress, McCrory-McLellan-Green Stores, Montgomery Ward, G. C. Murphy, Neisner Brothers, J. J. Newberry, J. C. Penney, Sears, Roebuck and F. W. Woolworth.

#### *Top officials at preview*

Several were represented by their presidents or other top officials at a preview reception and program held yesterday, with Louis P. Johnson, president of the Kress Co., acting as their spokesman.

Mrs. Esther Peterson, President Johnson's assistant on consumer affairs, was credited with suggesting the project to the retail industry and was expected to officiate at opening ceremonies today.

The story of the venture is related in a leaflet by Martha E. Jungerman, home economist for the W. T. Grant Co., who was among those on hand for yesterday's preview. "Apartment Dwelling—With the Retired in Mind" is the subject.

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SPECTRUM

THE COLORFUL WORLD OF GERIATRICS; ACTION BY AND FOR THE AGED

*Model apartment answers needs of the elderly*

What should an elderly couple do to furnish smaller living quarters?

Some answers were illustrated recently in a demonstration efficiency apartment designed for a retirement income of \$3,000 to \$5,000 a year.

The model apartment was prepared by 11 national retail companies in cooperation with the American Association of Retired Persons-National Retired Teachers Association in Washington, D.C.

A committee of retirees working with a home economist and others recommended, for instance, the use of Hollywood beds doubling as sofas, 36 in. wide for comfortable rest and on casters for easy make-up. From their old home, the couple could bring box springs and mattresses. Ready-made tailored covers could be dropped over the bed along with easily laundered bolster covers. With bolsters and extra pillows the beds could be converted into studio couches.

The couple was expected to bring most of the furnishings from their previous home. Antiquing paint kits would help unify the decor in the new home. The committee advised retirees to leave their big pots and pans behind and settle for smaller utensils which are more efficient and easier to use. Lazy Susans in various sizes for cupboards and refrigerators were recommended. Also recommended was an electric can opener, particularly helpful to the elderly with arthritis.

"Remember that if you bring too many large, bulky things, you may create a very depressing apartment," says a home economist. "You must have room to move about freely, and too many odds and ends may remind you that once there was room for all this and more."

A checklist of accessories and kitchenware used in the demonstration apartment, with approximate prices, was prepared for distribution. This and other information is available through AARP-NRTA, Dupont Circle Building, Washington, D.C. 20036.

Mrs. Esther Peterson, special assistant to the President for Consumer Affairs, saw the apartment and said, "It is heartening that business is listening to the views of the retired."

Senator WILLIAMS. Prof. John A. Howard.

We have had such an exhilarating morning, and now are into the afternoon. We appreciate the fact that you could stay with us, Professor Howard.

I understand you are conducting the largest survey that has ever been made of consumer motivation, and the Ford Foundation is interested in your work and is helping you in your efforts.

Proceed the way you want to. If you want to put your statement in as complete and condense it, that is all right. I am going to ask unanimous consent of all the members who are here and I know they will not object.

I will tell you why the members are not here, by the way. The bells rang and there is what they call a live quorum over in the Senate preparing to an important vote. I have permission to stay here but they had to be present.

STATEMENT OF PROF. JOHN A. HOWARD, PROFESSOR OF  
MARKETING, COLUMBIA UNIVERSITY

Mr. HOWARD. Thank you very much, sir. It is an honor to be asked to appear before this distinguished committee and to comment on the splendid goals that it has.

My name is John A. Howard. I will not bother to read the biographical statement. I will try to make my comments as brief as I possibly can.

The justification for my being here, as you mentioned, sir, is as the director of probably the largest study that has ever been done on consumer behavior. It is a general study not focusing solely on the elderly but including them as a part of a total cross section of American consumers.

In response to your letter, I have attempted as the first step in this study to pull out that evidence that particularly bears on the issues the committee is addressing itself to. One of the key elements of the study is an aspect that has come up repeatedly this morning, and that is how and under what conditions do buyers, and these are the elderly, get their information in deciding whether or not to buy any item that they are confronted with. That came out repeatedly in Dr. Goddard's statement and in Mr. Dixon's statement.

I think the question that I would like to address myself to is: Do the elderly have access to the necessary products and services that they need? I don't presume to answer this question but I hope to be able to throw a little light on it.

I think an effective way to begin to answer this question is to sharply distinguish between two kinds of products: those products that are new, just coming on the market, and those that have been on the market for some time. The reason for this being that if they have been on the market for a while experience of the older folks with the product will teach them how to use them. They will learn and discard those that are irrelevant and inappropriate. Also they will have a broad idea of knowledge about products from their friends that they can draw on, but with the new products they have real difficulty of finding out whether it is or isn't a good product.

I would like to build a brief perspective for the specific data that I want to bring to bear because I think it sets something of the key questions which do arise. We could say just very briefly that we all know of the tremendous increase in new products, the flow of them that has occurred since World War II.

Incidentally, I would like to make a correction in my statement here, if I may, on the last line of the first page. My secretary will have Mr. Dixon after me because in the last line where it begins, "Today," the phrase was left out, "it is alleged that." That is not my statement; that is the statement of the manufacturers who sell the products. So I would like to slip in that phrase, "it is alleged that."

Since World War II we have had this great increase in new products, as an example that I mentioned, where you can drink your breakfast and do it much more simply; the new clothes are often an entirely different kind of content. In other words, we are getting away from natural products. This seems to pose many problems for any buyer, much less the elderly, as there are many kinds of basic

materials coming and these are very difficult for the consumer to judge.

These facts are familiar to all of us but I would like to spell out something of the relevance of them in terms of, particularly, the economic welfare. If any segment of our society does not accept the new products that come out, then that segment is going to seriously suffer in terms of welfare in a few years, and that segment could be the elderly. In a few years they could be considerably behind the rest of us. That is why I emphasize the new products: Are they accepting or are the older folks failing in their declining years to achieve the increases in well-being that will come about from accepting these new products that are available?

It is very difficult to describe what it is that they are not getting in these new products. If one person buys a 1967 automobile and another buys a 1966, who gets the most satisfaction is the crucial point we are dealing with here. Our figures fail to reflect the real increases in welfare that does come about through new products. There is the great tendency to understate our growth in terms of our economic welfare when we use national income figures. We say, for example, that we are  $x$  percent better off than 10 years ago. However, that does not incorporate the improvement that has come about because of new products on the market.

I would like to also make a second point here. The new product issue is one that is researchable, one that researchers can get hold of much more in providing this committee with essential evidence than if we deal with established products.

Senator WILLIAMS. We started off with a governmental evaluation of food and drug products, right?

Mr. HOWARD. Yes, sir.

Senator WILLIAMS. Now the Congress has enacted into law certain requirements in automobiles. That is about as far as it goes; is it not?

Mr. HOWARD. Yes, sir. Perfectly all right, sir.

Let's go ahead, to the point of whether the oldsters do use the new products or not, because that is one of the first questions that has to be asked: Are they in fact taking on new products or are they continuing their established habits and using the existing products that they learned 10 or 15 years ago, and thereby their welfare relative to the rest of society is going down year by year?

Senator WILLIAMS. They are not catching up with the new ideas?

Mr. HOWARD. This could be the case, sir; yes, sir.

It is a widely held axiom in marketing practice that senior citizens are less inclined to try new products. This is generally believed. It may be true for some new products but our evidence from the project at Columbia University would suggest it is certainly not true for all new products. We find that oldsters, which we have arbitrarily defined as over 64 are even more inclined than the middle aged, and those are 55 to 64, to have favorable ideas to innovation.

Senator WILLIAMS. Wait a minute, now. Is that what middle age is, 55 to 64?

Mr. HOWARD. We arbitrarily define it that way, sir.

Senator WILLIAMS. Thank you.

Mr. HOWARD. They are more inclined than the middle aged to say that they buy new foods for the fun of it and that perhaps they are

willing to try any new product, any new food, once. Also, they are more likely to say they try something new for breakfast and they have different things for breakfast than do the middle aged.

More specifically in reference to other products, older housewives are more inclined to have and use instant rather than regular coffee, instant potatoes to fresh potatoes, canned toppings to whipped cream than either the younger or middle aged.

There may be dietary reasons for these particular preferences.

Senator WILLIAMS. I missed that.

Mr. HOWARD. That the oldsters are more willing to try these particular products than either the middle aged or the younger, and this is down to 25. Now these products were instant instead of regular coffee, instant potatoes to fresh potatoes, and canned toppings to whipped cream. Now there may be dietary reasons for this but, anyway, this is a statement of the fact as it stands. They are more inclined to prefer frozen dinners to home-cooked dinners than do the middle aged. These consuming habits imply a happy degree of flexibility in the approach of older folks to new products. It is true, however, that they do not think of themselves as being among the first to try new products and perhaps that they do not like to buy new products when they first hear of them. Also they are more inclined than either the younger or the middle aged to wait until their friends say how they like something new before they try it themselves. They depend on their friends for information.

These facts do not seem to imply an overweening degree of conservatism in adopting new products. We have to ask, Are there complications which make the elderly market a difficult one to reach?

I would like to address myself to this question under two different assumptions. The first is that they can use the regular products, that all they need is access to the products that are now available, and, secondly, to the assumption that they need different kinds of products, that their needs are different, their tastes are different from younger consumers.

So let's address ourselves first to the regular products; Are they satisfactory? Assuming they are, then what follows from this? The senior citizens are a particularly difficult market to reach. They constitute a market that is small in relation to the mass market and the risk of new product introduction is high for companies even in the mass market. In serving the mass market, companies suffer appalling losses of new product favorites. Company executives do not like to disclose their failures, but Booz, Allen & Hamilton, the largest consulting firm in the world, after screening 50 companies, recently concluded that 60 percent of all new products failed even after these products had been submitted to the market.

Senator WILLIAMS. Where are the largest failures? In food, in drugs, or in hard goods?

Mr. HOWARD. The best figures I have seen suggest that it is a little lower in food. I have seen figures as low as 40 percent failures in food. These are not terribly dependable data, but they are the best facts I have seen.

Second, one of the major costs in introducing a new product is that of informing consumers that the new product is available. Communication with the oldsters may be particularly difficult. Our work at

Columbia University indicates that older folks are more inclined than either younger or the middle aged to rely upon their friends; that is, to wait until their friends have used it before they themselves try it.

Dr. Goddard referred to this this morning and our data support it. We can assume that their friends are also older folks because we know from a lot of psychological and sociological research that humans tend to associate with people like themselves so that what the elderly buyer is doing is depending upon older folks too for their information about the products. This lack of information among the older folks about a new product becomes a vicious circle; that is, one consumer does not try it because he waits until his friends try it and his friends being older folks also, have difficulty in learning that it exists.

This is probably sensible behavior on their part in the sense that, if you don't know very much, ask people who have the same needs that you have and this probably provides you with the best information.

Senator WILLIAMS. Of course, television has changed this pattern somewhat, has it not?

Mr. HOWARD. Yes, it has, and this is one thing that I had hoped to bring data on this morning, the extent to which older folks used television versus newspapers versus their friends and other sources of information. The computer baffled me yesterday and I will send that data down to you. My guess is that there is a big difference, again, that they do not look at any medium as much as do the middle aged or the younger. Therefore, maybe their key sources of information are closed off except their friends.

Senator WILLIAMS. Except for the very poor elderly, I think older people probably watch television more than anybody else.

Mr. HOWARD. This may well be true, sir. I will have data on it.

Senator WILLIAMS. They sure make everything look good on television.

Mr. HOWARD. Yes, they do.

Senator WILLIAMS. I know my parents, both elderly and retired, really watch that television a lot.

Mr. HOWARD. And the television, furthermore, has a tremendous advantage in communicating assuming it is truthful—and I make no case for the truthfulness of the advertising. I would like to examine the second case and that is the case where the older people do need special products, and I think we ought to ask the question, Is it really true that they do need special products? I know of no conclusive evidence on this story. It is reported in one market research study, however, that I have seen, that for a number of products the older folks believe their needs are different than the younger, a commonsense approach. There was difference in shoes and frozen foods; this ran 55 percent of the people. Other products ran around 35 to 25 percent of those replying with dry cereals, low cholesterol foods, foundation garments, and baby foods. I would like to assume for the moment that this is true, since I have no reason to doubt this statement that they do have special need.

Developing products for these particular needs represent a still greater risk, however, than mass products. At least one company, H. J. Heinz, of Pittsburgh, attempted in 1955 to introduce low-salt food products, especially for the senior market, and failed. It tried again in 1960 with low-fat products. I do not know the outcome of



that. I would be terribly surprised if the failure rate is not higher for the foods made specifically for the senior citizens than for the mass foods.

One of the greatest barriers to getting a new product into the market, and this would be particularly true I think in the case of the elderly, is to get it on the retailer's shelf. Unless it is there, no one is going to buy it and shelf space in a modern supermarket is exceedingly valuable. A retailer can afford to use that space only when the volume is high or the volume of the sales is large and there is a built-in bias in favor of products that achieve a large volume of sales. We could go into that in a moment but I don't think I should take the committee's time for it. Except in those parts of the country where the older folks are highly concentrated, such as California and Florida, and these constitute a small proportion of the total of the elderly, the retailer is probably not very sympathetic to a new product for them alone. He is deluged anyway by offers of new products that have at least a chance of mass appeal. Even if the retailer's shelf is available the manufacturer often cannot achieve the lower cost of production possible with higher volume sales items possible in the mass market.

Further, the manufacturer must be reimbursed for his very heavy outlay on the advertising and promotion necessary to tell the oldsters about the new product, and this again is where we emphasize how important it is that the elderly appear to learn from their friends about new products. It has been reported that older members of society are somewhat concentrated in the small towns and communicating to the small towns again is more difficult than communicating to the mass urban areas. We are thus expecting a smaller volume of sales to the senior citizens to recoup for the manufacturer the extra cost of communicating with them.

The underlying reasons for this problem of marketing to the elderly revolves around the need for knowledge. Introducing new products for the aged is difficult for a number of reasons, some of which I have indicated, but the fundamental reason is that companies lack adequate information upon which to base their decisions. Many companies have a great amount of facts about their market because they devote a lot of funds to collecting them but they have little knowledge. This is a rather harsh statement. I could say further that not much is known generally about it. I will spell out this charge by saying there are two kinds of facts in any attempt to create knowledge, there are simple facts and facts about relationships. It is important to know, for example, how many older folks there are in each age group, but this is not very useful information unless we know about the relationship between these people and whether they adopt new products. It is those relational facts that are lacking. The U.S. census will give us a lot of facts, and a lot of data were referred to this morning of the simple kind of fact, but very little if any of the relationship kind of fact. This lack of fundamental understanding of the consumer will prove to be a serious handicap of carrying out the splendid intention of this committee as your letter so seriously and thoughtfully implied.

I suggest that effort be devoted to obtaining this understanding which will not only aid the committee but will be useful as well to

the many Government agencies involved in social policy for the aged. Also, it would be helpful to the companies that would like to serve the senior market but now because of their lack of knowledge, find it too risky.

I am really suggesting a pioneering task here that to the best of my knowledge no agency is currently undertaking.

Dr. Goddard's group is undertaking one part, Mr. Dixon's group is dealing with other aspects. There is nowhere that this whole set of facts are brought together to attempt to get at a fundamental understanding of the senior citizen as a consumer. Here is an elderly person behaving in a certain way, the issue is why. The nature of his information sources is one answer to the why, but there are other issues in that broad question. The opportunity now exists, I believe, as it has never before, to create this knowledge. It is an axiom in science that a certain minimum foundation of knowledge must be generated in a field before progress can be made in that field. This foundation has already been constructed in consumer behavior. Many of the simple facts that I have referred to earlier about older buyers are available. The relational facts can be taken over from other areas of human behavior and with some modification applied to the older buyer as we are now in the process of doing at Columbia University.

I would be happy to spell out the details of that.

In conclusion, I recommend that in its exploration of the buying habits of the older, as a basis for establishing a social policy, the committee focus upon the tendencies of our older citizens to accept or to not accept new products. It is in their failure to accept new products that they will suffer a subtle but serious loss in economic well-being.

Also, if new products are emphasized, I believe that the topic will be more researchable and the questions more answerable.

It is an honor to be asked to appear before this distinguished committee. Thank you for this unusual opportunity.

Senator WILLIAMS. It is our unusual opportunity to have you before our committee, sir.

In furtherance of the social policy that you conclude with, where could, possibly, the focus be here in the Federal Government?

Mr. HOWARD. Would you spell that question out a little bit, sir?

Senator WILLIAMS. You say, "I recommend that the committee focus upon the tendencies of our older citizens to accept or not to accept new products."

You know, really, we are not expertly equipped to deal in depth with this particular social policy of trying to give information about, for instance, new products. The Food and Drug Administration has to oversee purity of food and drugs, the Federal Trade Commission has certain well defined jurisdiction. We as a legislative body are not really in the matrix of dissemination day to day. We have our hearings and we have had 2 days of very worthwhile hearings and we have explored many areas with the help of you and all of the other witnesses. I think it has been useful and it has been well covered, and I am glad to say it has been educational, but we are not in it day to day.

Mr. HOWARD. I don't know the answer to that, sir. The problem is to get some agency somewhere to focus on the total buy rather than some particular interest. Why I say that is this: That for many years it has been respectable to study prostitution and juvenile delinquency

and other kinds of abnormal behaviors but the ordinary on-going behavior of a human consumer has received relatively little attention. With the growing emphasis on social policy there is an enormous need for a very fundamental understanding because somewhere you do start, when molding policy, with a set of premises, and I fear that the premises currently in use have not been subjected to careful scrutiny as to their truthfulness.

Now to your specific question, this is the kind of thing I think can be better done by universities, or some agency that is a research agency that is concerned primarily with creating basic knowledge rather than the knowledge to solve the immediate problems that most of the agencies are created to deal with. However, the work of all the agencies should begin from a common set of premises about the consumption habits of the aged. The derivation of these fundamental premises is the task of basic research.

Senator WILLIAMS. Have you had occasion to talk with Mrs. Peterson, for example?

Mr. HOWARD. No, I have not, sir.

Senator WILLIAMS. I think that would be worthwhile.

Now she is not departmentalized, she is a special assistant to the President not working out of any agency except the White House. She has a very small staff, yet out of that beginning we might have the ability to translate your kind of ideas out of appropriations and grants to institutions that are equipped as—what is your department called at Columbia, by the way?

Mr. HOWARD. Graduate school of business, sir, working closely with the Bureau of Social Research.

Senator WILLIAMS. It makes a lot of sense to me where we are trying to pioneer knowledge and understanding to use existing agencies. We are dealing with a bill of preventive medicine using the best of modern technology in detecting incipient diseases, and it has been my thought that we ought to go from our regional centers right to the medical schools.

Mr. HOWARD. Dr. Goddard mentioned this morning their work on quackery. This it seems to me is verging over toward the basic kind of thing. I have talked to some of his people who are working in this and this tends to be the basic side of the problem which will build the fundamental premises needed by all agencies on which to promulgate policy.

Senator WILLIAMS. Well, again as with other witnesses I would like to continue our discussion but now we are 20 minutes of 2 and I see a lot of hungry people that have been with us all morning and into the afternoon. I guess we had better get a little instant lunch. We will put your statement in at this point.

Mr. HOWARD. Thank you very much.

(Professor Howard's prepared statement and additional information requested by the chairman follow:)

PREPARED STATEMENT OF JOHN A. HOWARD, PROFESSOR OF MARKETING AT THE COLUMBIA UNIVERSITY GRADUATE SCHOOL OF BUSINESS

My particular interest in the activity of the Subcommittee on Consumer Interests of the Elderly is as a scientist who is attempting to build a fundamental understanding of how consumers make their purchases and carry out the related consumption decisions.

*Social Policy for the Elderly*

## I. INTRODUCTION

Do the elderly now have access to the products and services they need? This is the question to which I will address myself, and it is important because it underlies most of the questions set forth in Senator Williams' splendidly thoughtful document to me of December 28, 1966. I do not presume to answer the question, but I hope that I can throw some light on it.

An effective way to begin this question is to sharply distinguish between (1) the new products and services coming onto the market and (2) those products that have been on the market for a long time such as five years or more. If we make this distinction, the question becomes, "Are older folks adopting new products and are the regular new products appropriate for them?" This I believe is an answerable question.

## II. IMPORTANCE OF NEW PRODUCTS

The Second Industrial Revolution is upon us. Until World War II the products that we consumed were not much different from those consumed by our parents, the generation before us. True enough, canning, refrigeration and freezing made a great difference in foods, for example. Because of these innovations a wider range of foods were available throughout the year. We had fresh lettuce for Thanksgiving and Christmas dinners and all other less auspicious days of the year too. Everything was natural foods, however.

But World War II marked the beginning of a far greater emphasis upon developing new products of a radically new nature. Today, we can drink our breakfast from powder in a six-ounce glass of milk and get all the food content found in a breakfast of bacon, two eggs, toast with jelly, and coffee with cream in it. Clothing and other items have undergone similar radical changes and the end is not in sight. You gentlemen can name many other products in your own recent experience.

These facts that I have recited are familiar to all of us. What may not be familiar and obvious is their significance for the problems attacked by this Committee. This flow of new products is perhaps the main source of increases in our economic welfare. If any segment of our society does not accept these new products the well-being of that group of people will suffer relative to the rest of the population. In a few years it could be considerably and even startlingly behind the rest of us.

Is this true of our older folks? Are they failing in their declining years to achieve the increases in well-being merely because for some reason or another they do not take advantage of the new products that they might?

It is very difficult to describe, identify or measure the increases in well-being that come about because of new products. One person buys a 1967 automobile and someone else buys a 1966 model. How are we to say which of these two people receives the greater satisfaction? For this reason when we show by national income figures how much better off we are than 10 years ago, our statements are seriously incorrect. These statements fail to reflect that part of our greater welfare came about because of new products.

This tendency to understate our growth in well-being will become even greater as the flow of new products continues to increase. The source of new products is industrial research. These expenditures which have skyrocketed from a negligible amount in 1939 to \$22 billion annually are still continuing to rise year by year.

Not only is the new product essential to the older person, but it is relevant for the technical research problem of coming to understand his needs. If the researchers who study the consumption habits of the older people will focus their investigation upon new products I firmly believe their efforts will be more fruitful. When an older person uses a new product that is offered to him and as a result discontinues one of his current products, we can assume that the new product gives him more satisfaction than his old one. Otherwise, it is very difficult to come to any conclusion about that slippery entity we call "consumer satisfaction."

## III. OLDSTERS USE NEW PRODUCTS

One question must be resolved. It could be that the older folks find the simple act of adopting something new to be a painful process. The necessity to change

his behavior could be unpleasant to anyone who has for many years behaved in a particular way. He could find it very trying when he attempts to discontinue the breakfast habit of frying eggs and bacon, making coffee and toast and washing all the dirty dishes and he substitutes the new habit of adding powdered substance to a glass of milk.

Also there is the widely held axiom in marketing practice that senior citizens are less inclined to try new products. This might be true for some new products but the tentative evidence from our project at Columbia University suggests that it is certainly not true for all innovations.

We find elders even more inclined than the middle-aged to say that they buy new foods for the fun of it and perhaps that they are willing to try any new food once. Also, they are more likely to say they try something new for breakfast, and that they have different things at breakfast than do the middle-aged. More specifically and in reference to other products, older housewives are more inclined to prefer and use instant instead of regular coffee, instant potatoes to fresh potatoes, and canned toppings to whipped cream than either the younger or middle-aged. They are more inclined to prefer frozen dinners to home-cooked dinners than are the middle-aged. These consumption habits imply a happy degree of flexibility in the approach of older folks to new products.

It is true that they do not think of themselves as being among the first to try new products, and perhaps that they do not like to buy new products when they first hear of them. Also, they are more inclined than either the younger or the middle-aged to wait until their friends say how they liked something new before they themselves try it.

These facts do not seem to imply an overweening degree of conservatism in adopting new products. Hence, our senior citizens do want new products and will undergo a serious loss in well-being if new products are not made available to them in an identical or similar way that new products are available to the rest of us.

Are there however complications which make the elderly a difficult market to reach?

#### IV. COMPLICATIONS IN REACHING OLDSTERS

Please permit me to examine the complications of marketing to older folks according to two different assumptions since the problem would be different under each of them: First, the regular products are satisfactory and second, special products are required.

##### *Regular products are satisfactory*

The senior citizens probably constitute a market that is particularly difficult to reach. First, it is small in relation to the mass market, and the risk of new product introduction is high for companies even in the mass market. In serving the mass markets companies suffer appalling losses because of new product failures. Company executives do not like to disclose their failures, but Booz, Allen and Hamilton, the largest consulting firm in the world after screening fifty companies recently concluded that sixty per cent of all new products failed even after the new products had been introduced into an actual market situation.

Second, one of the major costs in introducing a new product is that of informing the consumer that the new product is available. Communication with the elders may be particularly difficult. Our work at Columbia University indicates that older folks are more inclined to rely upon their friends, that is, to wait until their friends have used it before trying the new product. We can assume that their friends are also older folks because it is widely known from psychological and sociological research that one's friends are very much like himself. This lack of information among the older folks about a new product becomes a vicious circle: one consumer doesn't try it because he waits until his friends try it and his friends, even if they were less reliant upon others than he, would have difficulty learning that it exists.

##### *Special products required*

Now let us examine the case where quite different products are needed. First, however, we should ask "Is it true that the regular new products now made available to the mass market are inappropriate for the older folks?" I know of no conclusive evidence on this score. It is reported in one market research study, however, that for a number of products the older folks believe their needs are different from those of the younger. This difference was greatest in shoes and frozen foods where 55% of the older people felt their

needs to be peculiar to them. Other products where they felt these differences existed were in dry cereals, low cholesterol foods, foundation garments and baby food. Let us assume for a moment that their beliefs are justified. Whether they readily adopt new products then becomes an even more serious question.

Developing products for these particular needs represent a still greater risk than with mass products. At least one company, H. J. Heinz of Pittsburgh is reported to have attempted in 1955 to introduce low salt food products developed especially for the senior market and failed. It tried again in 1960 with low fat products. I do not know the outcome of this second attempt. Nor have I seen any figures on the failure rate in attempts to serve the elderly market. But, I would be surprised if it weren't much higher than the 60% rate that I cited earlier for all products.

One of the greatest barriers in achieving new product introduction is to get it on the retailer's shelf. Unless it does appear on his shelf there is no hope that anyone can buy it. Shelf space in a modern supermarket is exceedingly valuable, and the retailer can afford to use that space only for those products where the margin is high or the volume of sales is large, especially the latter. For a number of reasons the retailer has a built-in bias in favor of products that will sell in volume. Except in those areas of the country where the older folks are highly concentrated such as in parts of California and Florida, and these constitute a small proportion of all the senior citizens, the retailer is not likely to be very sympathetic to a new product for them alone. He is deluged by offers of new products that have at least a chance of mass appeal.

Even if the retailer is agreeable to stocking the product, the manufacturer often cannot achieve the lower cost of production possible with higher volume sales. Further, the manufacturer must be reimbursed for his very heavy outlay on the advertising and promotion necessary to tell the oldsters about the new product. It has been reported that the older members of our society are somewhat concentrated in the small towns. Communicating information about new products is always more difficult there, and in general the rural and small town areas accept new products more slowly than do the urban areas especially the large urban areas. We are thus expecting a small volume of sales to recoup the extra cost of communicating with them.

#### V. NEED FOR KNOWLEDGE

Introducing new products to the aged is difficult for a number of reasons some of which I have indicated, but the fundamental reason is that companies lack adequate information upon which to base their decisions. Many companies have a great amount of facts about their markets because they devote considerable funds to collecting them, but they have little knowledge. Further, not much is known by anybody about the nature of consumer behavior for either the old or young. As you know there are two kinds of facts in any scientific effort: simple facts and facts about relationships. It is important to know, for example, how many older folks there are in each age group, but this is not very useful information unless we know about the *relationship* between the number of oldsters in each category and whether they will accept the new product. The U.S. Census provides the first kind of fact but not one has many facts of the second kind.

This lack of fundamental understanding of the consumer will, I believe, prove to be a serious handicap to carrying out the splendid intentions of this Committee as Senator Williams' letter so sincerely and thoughtfully implies.

I suggest that effort be devoted to obtaining this understanding which will not only aid the Committee but will be useful as well to the many governmental agencies involved in social policy for the aged. Also, it would be helpful to the companies that would like to serve the senior market but now because of their lack of knowledge find it too risky.

The opportunity now exists as it has never before to create that necessary understanding. It is an axiom in science that a certain minimum foundation of knowledge must be generated in a field before rapid progress can be made in the field. This foundation has already been constructed. Many of the simple facts about older buyers are available. The relational facts can be taken over from other areas of human behavior and with some modification applied to the older buyer as we are now in the process of doing at Columbia University. I shall be happy to spell out at length the procedures that could be used to elicit the information needed.

## VI. CONCLUSIONS

I recommend that in its exploration of the buying habits of the older as the basis for establishing social policy, the Committee focus upon the tendencies of our older citizens to accept or not to accept new products. It is in their failure to accept new products that they will suffer a subtle but serious loss in economic well-being. Also, if new products are emphasized, I believe that the topic will be more researchable and the questions more answerable.

It is an honor to be asked to appear before this distinguished Committee.

## ADDITIONAL STATEMENT BY PROFESSOR HOWARD

I am honored to respond to your request to amplify my statement made before your Committee. At present there is no single agency at the Federal level that assembles and interprets data which provides the necessary information needed by your committee. Some device is needed to provide you with both the immediate information you need as well as the more fundamental information.

You will agree, I believe, that your Committee needs a much better factual foundation to base its operation on than it now has. You are concerned not only with important social issues but also complex and subtle social issues. Permit me to illustrate your information needs with one of the issues to which you are directing your attention.

This issue is: Are senior citizens being denied a higher standard of living because they are prevented from access to the new products which contribute to the welfare of the rest of us? This is an important question because far more than we realize, so much of our standard of living comes from the new products that have appeared on the market in the last ten to fifteen years and that we take for granted (TV dinners, convenience foods and vegetables of all kinds; more comfortable, better wearing and neater appearing clothing). Let us assume that the new products appearing on the market actually do fit the elderly person's needs. Whether they do fulfill the older people's needs is itself an important issue but distinct from the one I am discussing here.

By a conventional ad hoc, action-oriented research project, you could attempt to answer this question whether the older person does have access to new products. At the moment this would be a very difficult question to answer with a satisfactory degree of conclusiveness. The researchers know very little, even about what information should be collected, much less about how to interpret it once it is collected. This is so because very little is known about the fundamental nature of the consumer's purchasing and consumption habits.

For the researcher to start from scratch as he now does with nothing to build upon is like a carpenter building a house on a foundation of sand.

What is needed instead is to build the house on a foundation of rock. The rock in your case is a body of fundamental knowledge about how consumers buy and consume.

Permit me to illustrate what I mean by fundamental knowledge. We have learned from our large research project at Columbia University something of the nature of how consumers buy new products. We find, for example, that in buying reasonably important products consumers typically use television and newspaper advertising to learn that the new product exists. But whether to buy the new product they depend on their friend's advice. This seems to be true of all consumers, young and old, rich and poor, alike.

Let us return to the question that we raised earlier, "Do older consumers have access to new products?" Now, if we apply the basic principle above about where consumers get their information we are in much better position to attempt to answer the question. By drawing upon the fundamental knowledge (the principle) from the previous paragraph, we can now direct our efforts to the simpler and more specific issue of whether the senior citizens have access to certain sources of information about new products.

The tentative findings from our general study at Columbia suggests that older folks are even more exposed to television advertising than are younger folks. But on the key point of whether the senior citizens have access to friends to rely upon the answer is no. First, this is particularly serious because older folks rely even more heavily on their friends for advice on whether to try a new product than do younger people. Second, they have less access to friends. For example, they socialize less and use the telephone less. Third, they are less confident in their judgment and therefore need to talk with their friends still

more than do younger people. From all this, we would tentatively conclude that older folks are handicapped in coming to use new products, and hence, their standard of living is suffering.

The important point is that this conclusion would not be difficult to verify, because we were able to call upon a generally valid principle of consumer behavior. Without this principle, we would have to go about answering our original broad question in the intuitive and ineffective manner that characterizes current action-oriented consumer research.

I hope I have been able to clearly distinguish between fundamental research and action-oriented research and how action-oriented research to be effective must build upon fundamental principles.

Nowhere in the Federal Government today is any agency given the responsibility for seeing to it that these basic principles of consumer behavior are developed. The current approach is to use ad hoc studies to answer immediate information needs, or more commonly and perhaps worse yet, to create public policy on the basis of very limited information.

This is especially unfortunate because there are many agencies deeply involved in public policy affecting the consumer. In addition to Congress, there is the Federal Trade Commission, Food and Drug Administration, Anti-Trust Division, to name only a few. If some agency were given the responsibility to see to it that the basic research is being carried out, all of the various agencies could call upon this knowledge in answering their multitudinous questions directly or to help them design quick, simple, efficient studies directed to each agency's specific and immediate issues. This arrangement would contribute substantially to the quality of the consumer public policy now being developed.

The Government agency given this responsibility can then make grants to universities to actually carry out the fundamental research. The universities are better equipped to perform this function.

I was greatly impressed by the sincere desire displayed by you and your Committee members to get at the facts. I found these aspirations gratifying and I came away from the hearing with a greater confidence in our Government. But I believe you will agree that you are now seriously handicapped as are the other Federal agencies in dealing with consumer affairs. If responsibility for this basic research is assigned to some one agency and the supporting funds are made available, this handicap could easily be removed.



# APPENDIXES

## APPENDIX 1

### RESPONSES FROM STATE AGENCIES

In order to secure the widest possible information, the subcommittee chairman wrote to State officials and submitted a questionnaire dealing with topics of interest. His letter, the questionnaire, and pertinent responses follow:

#### LETTER TO AGENCIES

As you know from an earlier announcement, this Subcommittee has extended its range of jurisdiction. We are no longer limiting our inquiries to cases of outright fraud or deception. We are now concerned with all consumer interests of the elderly, including problems that arise through misunderstanding, lack of information, or other causes. The enclosed description of jurisdiction will give you additional details.

I am writing to you at this time to inform you that the Subcommittee will conduct a public hearing next month. We will call representatives of all Federal agencies concerned with Older Americans as consumers.

We will thus be in a position to explore basic questions, including:

1. How well equipped are our Federal agencies to deal with consumer problems of the elderly?
2. How well do Older Americans spend their incomes?
3. What statistics and other information do we need for greater understanding of the elderly as consumers?
4. How can the Federal level help State government be of greater service to consumers in general and the elderly in particular?

The hearing is tentatively scheduled for January 17 and 18, 1967.

Perhaps you have suggestions or additional questions that should be considered by the Subcommittee, or perhaps you have information about problems or promising programs now at work to help elderly consumers in your state.

If you care to give us a statement for study before the hearing, we would be most happy to receive it.

I would also appreciate your filling out the enclosed questionnaire. We will keep our hearing record open until January 30 for any information which should become part of the record.

Upon completion of our survey of fundamental data and problems, we will be in a good position to consider specific problems. The Subcommittee staff is, for example, gathering data on prices and sales practices related to hearing aids, on franchise sales and other "business opportunities" directed at the elderly, nutritional needs of Older Americans, and several other topics.

Once again I would like to thank you for your help over the years. It is a pleasure to wish you the best of Holiday Seasons.

Sincerely,

HARRISON A. WILLIAMS, Jr.  
*Chairman, Subcommittee on  
Consumer Interests of the Elderly.*

Enclosure.

#### QUESTIONNAIRE FROM THE SUBCOMMITTEE ON CONSUMER INTERESTS OF THE ELDERLY OF THE U.S. SENATE SPECIAL COMMITTEE ON AGING

1. Are State, county, or local agencies in your State conducting consumer information programs that may be of special assistance to the elderly?

2. Are any bills of special interest to the elderly as consumers either pending or soon to be introduced in your State legislatures? Were any such bills introduced in recent sessions of the legislature?

3. Do you believe that you have adequate statistical information on buying habits and budgets of persons past retirement age in your home State? What more may be needed? To what special uses would you put such information?

4. Have conferences or reports recently been conducted in your State on nutritional needs of the elderly? If so, what were the major conclusions? Do you have additional observations?

5. Several authorities on aging have said that some products should be designed expressly for the elderly. For example, it has been suggested that furniture could be adapted to meet needs of Older Americans. Do you see any such needs? In what particular areas?

6. Has the Food Stamp Program been established in your State? Has it caused any special problems for the elderly? Do you have suggestions for improvements?

7. The Federal Trade Commission, through its program of a Federal-State Cooperation, is attempting to encourage action at a State and local level to stop the use of trade practices that occur primarily within a single State and that would be unlawful if used in interstate commerce. Do you see any opportunities for Federal-State action that would be of special help to the elderly?

8. The Federal Trade Commission, working with the Council of State Governments, has developed suggested State legislation to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. Has your State legislature acted as yet on any such proposals? Do you have any comment on the need for such action?

9. The Food and Drug Administration is also attempting to be of service to State regulatory agencies. Do you see any opportunities for Federal-State teamwork on such problems as the use of questionable medical devices, detection of useless "cures" or therapy for cancer and other diseases that are of special concern to the elderly, and the identification of deceptive practitioners or salesmen who move from one State to another in order to avoid regulation, and practices related to the use of over-the-counter or prescription drugs?

10. Subcommittee studies will probably be made during 1967 on the following subjects:

(a) Use and cost of hearing aids.

(b) Nutritional needs of the elderly, with some reference to consumption of vitamins.

(c) Correspondence school "second career" opportunities for the elderly.

(d) Franchise sales or other "business opportunities" directed at the elderly.

We would appreciate any information or suggestions you may be able to give us on any of the above topics.

11. Do you see any ways in which cooperative extension services or county agents can be assisted in their efforts to give information to elderly consumers?

12. Have consumer education programs conducted with OEO funds been of special help to elderly consumers? Have you any suggestions for broadening such programs?

Thank you for your assistance. If it is not possible for you to answer all questions by January 30, we would appreciate any responses you can give by that time. We will welcome additional commentary when it is possible for you to send it to us.

### Arizona

ARIZONA STATE DEPARTMENT OF HEALTH,  
ARIZONA STATE OFFICE BUILDING,  
Phoenix, Ariz., January 4, 1967.

HON. HARRISON A. WILLIAMS, Jr.,  
Chairman, Subcommittee on Consumer Interests of the Elderly, U.S. Senate  
Special Committee of Aging, Washington, D.C.

DEAR SENATOR WILLIAMS: \* \* \* At the present time we are in the process of developing an aging program under Title III of the Older Americans Act. Our knowledge of problems of the aged in this State is, therefore, not yet as complete as we would like; however, it appears that our aged citizens in Arizona are

facing much the same problems experienced by those in other areas of the country. It appears also that our excellent climate is an inducement to an increased number of aged people to move to Arizona, many of whom have health problems and who feel that the climate is a panacea.

A factor which may contribute to the difficulty of the aged consumer in our Metropolitan areas is that the rapid growth of these areas has caused a decentralization of shopping areas which, in turn, makes the provision of an adequate public transportation system impossible. This probably encourages the purchasing of specialty goods from door-to-door salesmen rather than at established but somewhat inaccessible businesses. Efforts are being made to discourage unsavory sales practices. For example, a Consumer Fraud Division was recently established in the Arizona Attorney General's office. The Better Business Bureau through public education is, of course, contributing greatly to the reduction of consumer fraud. Yet, I believe that much remains to be done in discovering and eliminating such practices.

We wish to thank you and your Committee for your interest and efforts along these lines, and will be most interested to hear of the fruits of your study.

We also wish to extend our Holiday Greetings to you and to your Committee.  
Sincerely yours,

GEORGE SPENDLOVE, M.D., M.P.H.,  
Commissioner.

Enclosure.

*Reply to Questionnaire from the Subcommittee on Consumer Interests of the Elderly, U.S. Senate Special Committee on Aging*

Item 1. The Attorney General of Arizona has within his office a Division of Consumer Fraud which receives consumer fraud complaints (not limited to problems of the aged) from state agencies, the Better Business Bureau, etc. It would seem that the problem is not so much the lack of laws, but rather the gathering of sufficient proof of fraud to get a conviction.

Item 2. Not to our knowledge.

Item 3. We think the Census Bureau and other agencies are providing adequate statistical material; however, it would seem that the rising cost versus the fixed income of the aged would make buying habits and budgeting difficult to interpret into meaningful knowledge. Perhaps additional statistics from the local level, based on well designed studies, would be helpful in our efforts to identify and define specific problems of our older citizens in this area.

Item 4. Two State meetings on Aging have been held within the past two years at which times nutritional needs as well as housing, employment, education and many other problems were discussed in rather broad and philosophical terms from many different points of view. It is probably fair to state that while no conclusions were reached on the specific question of nutritional needs, it was generally concluded that different socioeconomic groups of our aged population are faced with some very real and complex problems.

Item 5. We believe low cost housing with maintenance services and basic shopping complexes nearby are needed in our metropolitan areas. We also think as we move along in our aging program that other special needs will become better identified as the basis for remedial actions.

Item 6. No. Surplus commodities are distributed to eligible families by the Arizona State Welfare Department.

Item 7. We feel there is a need but the opportunity for such a program would require consultation between Federal enforcement agencies, the Arizona Attorney General's office, and other interested agencies and organizations. We would, of course, expect to participate in such a cooperative program and would encourage local health departments to do likewise.

Item 8. No. A consumer Fraud Division has recently been established in the State Attorney General's office. Operational experience by this Division could conceivably provide a basis for State legislative action.

Item 9. Yes, we believe many opportunities exist for the development of an effective Federal-State partnership in this very important problem area and that this teamwork would hopefully have responsible community involvement. However, we think it will be found advisable, if not necessary, that further well designed studies at all levels be conducted in order to pinpoint specific situations and to develop practical remedial actions. Incidentally, some of the field research in this area, especially where individual, family and community health is con-

cerned, might well be encouraged and supported under the comprehensive health planning provisions of P.L. 89-749.

Item 10. We regret that we have no suggestions to offer at this time.

Item 11. We have no specific suggestions at this time.

Item 12. We have no actual knowledge on the results of such programs.

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### Arkansas

OFFICE ON AGING,  
STATE CAPITOL,  
Little Rock, Ark., January 5, 1967.

\* \* \* \* \*

1. Arkansas State Department of Education conducts an annual workshop which deals with consumer information as well as other economic problems. Arkansas Extension Service is active in the field of consumer information. News mediate are active in conducting all consumer information programs. These programs are all general in nature, but much of the information applies to the needs of the elderly.

2. Arkansas Legislature has not met since this agency was created by Proclamation of Governor Orval E. Faubus in December, 1965.

3. No, we do not have adequate statistical information on this subject. We are a very new agency and are very busy exploring all facets of needs of the senior citizens of our State. If we had more facts we might be able to convince other agencies that to educate our elderly on correct buying habits would extend their buying power.

4. If such conferences have been conducted statewide we are not aware of them; however, we have six funded projects in our State and City and County Health Nurses as well as Home Economists speak to them. They discuss food patterns, weight control and other related subjects.

5. There is such a variety now of different kinds of furniture I am sure most needs could be met with wise shopping and purchases.

6. Yes, Arkansas has a Food Stamp Program in many counties. We are not aware of any special problems it has created.

7. Progressive states use Federal Programs to the maximum while uninformed states use minimum and the people are deprived of much help.

8. Again, we have had no State Legislative Meeting since creation of this agency and we feel there is a very great need for such a regulation.

9. All citizens profit when we have a working relationship of Federal and State agencies.

10. All subjects listed need regulating and other items for consideration could be Insurance for senior citizens and Credit Assistance. Many times people tend to lose business judgment as they age and need wise counsel.

11. As mentioned in Question 4, we are utilizing extension services and county agents now in Arkansas.

12. We do not have information on O.E.O. programs that have been or are now being conducted.

\* \* \* \* \*

(Mrs.) ERMA M. PETTY,  
Acting Director.

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### California

CALIFORNIA COMMISSION ON AGING,  
January 4, 1967.

\* \* \* \* \*

I was particularly pleased with the extension and more comprehensive concern of your Subcommittee as it relates to the broad consumer interest of our older population. The California Commission on Aging (formerly the Citizens' Advisory Committee on Aging) has experienced a long and growing interest in the plight of the older consumer and we are continually acting to provide information and assistance to individuals, local groups and agencies who are intent upon finding solutions to the increasing problems posed by limited incomes and the inflationary cost of living.

Our staff is currently compiling a statewide listing by counties of special discounts and exemptions in the following categories, which are available to older persons: trips and tours; transportation (municipal and private); theaters; sports events; pharmacies; membership fees; interest rates; taxes (personal and real); fees for professional services; restaurants; food and discount programs and licenses.

Many communities offer various financial advantages for older persons but unfortunately there has been inferior and widespread exploitation of our senior citizens through the promotion and sale of memberships within an organization for the sole purpose of obtaining special discounts and reductions which are usually available to the general public upon proof of age requirements. We are hopeful of an investigation of this matter by the Office of the Attorney General for the purpose of exploring the legitimacy of such an organization.

Enclosed are brief answers to your questionnaire. This is the extent of information our office can provide at present but our Southern California office is compiling additional information which will be immediately forwarded to you upon completion.

I am personally concerned with the plight of the older driver who, with an unblemished driving record, is forced to pay unrealistic insurance rates with no consideration of his past record but only of his present chronological age. In a state and a society which must remain mobile for geographic reasons, it is essential that consideration be given to this increasing problem for the prevention of catastrophic future problems.

Thank you for this timely information and we shall anticipate great progress in this field stimulated by your Subcommittee in this very vital area of concern.

Most sincerely,

Mrs. JANET J. LEVY,  
*Executive Director.*

*Replies to Questionnaire*

1. The California Consumer Counsel, since 1959, has conducted statewide surveys and legal studies of consumer problem areas which always affect the older person. The California Commission on Aging is currently collecting information of discounts and financial advantages offered to older residents living on low and limited retirement incomes.

2. There has been no legislation designed especially for the older consumer but I am enclosing a legislative summary of recent bills affecting older persons.

3. There is a real need for more knowledge concerning the buying and budget habits of retirees especially the difference between those retiring in the densely populated urban cities and the rural areas.

4. In some California counties the County Public Health Departments have provided health education programs which include information on adequate nutrition and physical fitness programs for older persons. San Diego Public Health has conducted an outstanding program in this area.

5. Although I realize certain authorities on aging recommend specific design for the elderly, I do not believe this is generally needed or acceptable to the older person, except where particular safety measures should be taken.

6. In 1965, the California Legislature passed a bill which enables counties to participate in the food stamp program thereby increasing the purchasing power of low income households by 35 to 50 percent. This plan allows low income families the opportunity to get a more balanced diet and variety in retail food purchasing than is available in the surplus food supplies which many counties have provided.

7. The only indication that our Commission has received for consideration and possible action is that of moving charges made to older persons without some uniform concern for limited and low incomes.

8. There have been attempts to legislate for the regulation of costs of hearing aids and other cosmetic appliances but no definite action has been taken to date.

9. Our Commission feels that there is a great need for federal-state and local teamwork in working on such problems as medical quackery, ineffective devices and treatment by inadequate programs and personnel and countless other means of exploiting the Older American.

## Connecticut

STATE OF CONNECTICUT,  
 COMMISSION ON SERVICES FOR ELDERLY PERSONS,  
 Hartford, Conn., January 19, 1967.

\* \* \* \* \*  
 Attached herewith are the answers to the questionnaire requested by you in your letter to our Commission December 15, 1966.

We trust that this information may be filed for the hearing record.

We would be most pleased to provide you with any further information you need.

Sincerely yours,

SHOLOM BLOOM,  
*Executive Secretary.*

STATE OF CONNECTICUT,  
 DEPARTMENT OF CONSUMER PROTECTION,  
 Hartford, Conn., January 18, 1967.

Mr. SHOLOM BLOOM,  
*Executive Secretary, Commission on Services for Elderly Persons*  
*State Office Building, Hartford, Conn.*

DEAR MR. BLOOM: In reviewing your request of December 20, 1966 I find that we have no knowledge adequate to properly answer many of the questions contained in the questionnaire. However, here are our answers:

Question #1.—“No knowledge.”

Question #2.—“No knowledge.”

Question #3.—“No knowledge.”

Question #4.—“No knowledge.”

Question #5.—It appears that all products necessary for the use of the elderly are now readily available.

Question #6.—“No knowledge.”

Question #7.—The Federal Trade Commission has not, to my knowledge, contacted the Department of Consumer Protection on such proposals, but the cooperation of any federal or state agency with this department is always most welcome.

Question #8.—While the answer to Question #7 would apply here so far as the FTC is concerned, the Connecticut Department of Consumer Protection does administer laws to prevent consumer deception and unfair competitive trade practices. This department feels that there is a steadily increasing necessity for such activity.

Question #9.—The Department of Consumer Protection has worked with the Federal Food and Drug Administration for many years in controlling the sale of worthless therapeutic devices and eliminating medical quackery. Connecticut has the so-called uniform law which is uniform with the federal act of the same name. It maintains a strict surveillance over all drug sales, both over-the-counter and those which can only be sold on prescription.

## Question #10.—

(a) We understand that a bill to require the registration of all hearing aid technicians will be introduced at the present session of the General Assembly. Our only contact with hearing aids has been a check on the exorbitant prices charged by some retailers.

(b) "No knowledge."

(c) "No knowledge."

(d) A bill designed to control franchise sales failed to pass the last session of the General Assembly but will be introduced again this year.

## Question #11.—"No knowledge."

## Question #12.—"No knowledge."

We trust that this information will be of some value to you.

Very truly yours,

JAMES J. CASEY,  
Commissioner, Department of Consumer Protection.  
HERBERT P. PLANK,  
Chief, Drug Division.

## Delaware

STATE OF DELAWARE,  
COMMISSION FOR THE AGING,  
Smyrna, Del., January 24, 1967.

\* \* \* \* \*

Thank you for your courtesy in sending me a questionnaire on the subject of "Consumer interests of the Elderly".

Because I did not have information on certain of the questions, I referred them to the University of Delaware. The numbers on their answers and mine correspond to the numbers on the questionnaire. (See enclosure)

I am still awaiting a reply from the Better Business Bureau. Hope this will be of help.

Sincerely,

HECTOR J. LEMAIRE, Ph. D.,  
Executive Director.

*Answers to questionnaire from Subcommittee on Consumer Interests of the Elderly*

(By Hector J. LeMaire, Ph. D., Executive Director, Delaware Commission for the Aging)

2. None to my knowledge.

3. Adequate statistical knowledge?—Answer "No".

Needed?—Delaware residents have one of the highest average income levels of any state. This bold statement is deceptive in that many elderly people lack adequate finances.

Specific uses for information.—(a) The state has an arbitrary ceiling of \$100 monthly payment for Old Age Assistance payments. Accurate figures would reveal how unrealistic in some instances this figure may be. (b) Could assist elderly people in their budgetary planning. (c) Could be used to stimulate provisions by labor and management for greater retirement benefits. (d) Would be of value to merchants.

6. No. Not established.

7. No. Not to my knowledge.

8. State action on proposals?—No. Comment on need for action. No abuses known.

9. None to my knowledge.

*Answers to questionnaire from Subcommittee on Consumer Interests of the Elderly*

(Prepared by Mrs. Alice Key, University of Delaware, Extension Service in Agriculture and Home Economics)

1. The Extension Service sponsored a series of four one-day conferences for professional personnel working with low income families in the Wilmington area. Although not designed especially for assistance to the elderly, much of the

discussion centered around needs of older people. Subjects covered were rising prices, credit, housing regulations, life insurance and controlling the family dollar. Personnel of the University of Delaware, credit agencies and housing authorities participated on the program with the State Insurance Commissioner and the State Director of Zoning and Planning. Packets of available literature were distributed to the 40 conference participants enrolled for the conference.

Two special meetings held in Kent and Sussex Counties dealt with food and nutrition problems of older people. One featured cooking for one or two people; the other explored the nutritional needs of the aging, gave suggestions for preparing and serving attractive dishes for the elderly. These lessons were conducted for volunteer leaders who in turn gave the information to people in their own communities.

Extension staff also cooperated with St. Stephens Lutheran Church in Wilmington in presenting a one-day program for their senior citizens' group. Subjects covered included a demonstration of meals for one or two, a fashion show on choosing low cost fashions for comfort and easy care, a demonstration on isometric exercises and a discussion of the contributions older people can make to society.

4. The two meetings in Sussex and Kent Counties listed in #1 were conducted by Extension.

5. There is need for chairs and beds to be built at heights that provide ease in getting into. Usually chairs that are higher than average and that allow for erect sitting posture are more convenient than the lounging type. Similarly, it is easier to get into and out of beds that are built at a convenient height for sitting posture. All furniture and equipment should have built in safety features that allow for normal physical handicaps of older people. Electrical outlets and other built in conveniences should be placed at levels that are easily available.

10-b. The enclosed bulletin written by Extension's former nutrition specialist deals with vitamin pills. It was prepared for the general public but may be applicable to the older generation. Nutritionists feel that for good health diet emphasis should be placed on the use of a variety of every day foods rather than reliance on nutritive supplements.

11. Many publications come to the desks of Extension specialists and county workers. If the publications contained suggestions applicable to older people, these workers might more readily apply this knowledge to this audience.

### District of Columbia

GOVERNMENT OF THE DISTRICT OF COLUMBIA,  
DEPARTMENT OF PUBLIC WELFARE,  
Washington, D.C., December 30, 1966.

\* \* \* \* \*

In response to your letter to Mrs. Roberta B. Brown, my special assistant for aging, I am happy to supply you with the enclosed response to the questionnaire of the Subcommittee on Consumer Interests of the Elderly.

Limitations of staff have prevented our accumulation of any substantial statistical information in the area of consumer education for the elderly, but the enclosed document represents a long-standing and intensive association by the Department of Public Welfare with the elderly in this community.

\* \* \* \* \*

DONALD D. BREWER, *Director.*

Enclosure.

*Response to Questionnaire for the Subcommittee on Consumer Interests of the Elderly*

1. The United Planning Organization in the District of Columbia conducts consumer information programs for residents in poverty areas where its neighborhood development centers are located. These programs are not specifically directed to the elderly, but may be presumed to be of value to them. Also, it is my understanding that the Administration on Aging and the Food and Drug Administration contemplate a nationwide program of consumer information for older persons which probably will be tested in the near future in this city.

2. Not applicable.



3. There is sufficient knowledge of the generally inadequate income of older persons, nationally and locally, to justify the assumption that their buying habits reflect the most stringent expenditures to meet minimum needs. Probably the most critical problem in management of spending is represented by the high cost of drugs and pharmaceuticals for most older persons. Further information in this area would be helpful. Improved efforts for a general consumer education program could be expected to benefit older persons if such a program can reach them. As a prerequisite, it is probable that current efforts to organize more communal activities for older persons would have to prove successful in order that a viable means of reaching groups, rather than individuals, could be devised as a part of such an education program.

4. There have been no recent conferences on nutritional needs of the elderly here. General information of some long standing indicates a serious nutritional deficiency on the part of a great many admittees to hospitals, as well as individuals found to be in need of home medical services.

5. Observation would seem to validate the assumption that the broad range of style and construction of furniture available in a large metropolitan area would provide for ample selection to make possible the meeting of individual requirements of the elderly. A greater lack, which seems to be almost completely overlooked by manufacturers and retailers, is that of adequate comfortable clothing for older women. Very few retail stores carry any wide selection of clothing which is preferred by older women (with front or side openings which can be managed with ease and skirts long enough for comfort in cold weather and modesty at all times of the year). Shoes are a particular problem in the face of current styling of heels, which fails to offer the support needed by any person whose footing is unsure. Studies of clothing preference of older women, which have been made by some of the agricultural colleges, notably Iowa State College, bear out the need for some way to accommodate this retail market. While the numbers of persons who would be potential consumers is small, in relation to the large ranks of younger people at present, it is a specialty of sufficient size, one would think, to merit some commercial attention.

6. The food stamp program has been established in the District of Columbia. Older persons probably share in the difficulties experienced by many poor families which have been accustomed to charging their food purchases with the result that this month's income pays for last month's food bill. Under such circumstances getting enough cash in advance to purchase food stamps is a real problem unless a credit union can extend the necessary loan. Also many older persons find it next to impossible to carry any substantial load of groceries home from a store and must rely on a neighborhood market which will deliver. Such small markets are sometimes reluctant to participate in the food stamp program, if indeed any of them will do so.

7. The District of Columbia enjoys a unique status in relation to the Federal Trade Commission. The legislation establishing the Commission extended its purview to the District of Columbia, and as a result it is conducting a vigorous program to eradicate unfair practice here.

8. For reasons stated above the question relative to state legislative action is irrelevant for the District of Columbia.

9. The Food and Drug Administration activities relating to questionable medical devices etc., are of the greatest significance to the elderly. Coordination of the federal, state and local activities should be encouraged and advanced. Cooperative efforts between FDA and the Administration on Aging should prove fruitful, if State Aging Agencies and their local counterparts are given the opportunity to make maximum use of program consultation and resources of the federal agencies.

10. If it is possible to do so before January 30, an effort will be made to obtain some specific local information in regard to the points raised under A,B,C,D. This will be forwarded if and when available.

11. Not applicable.

12. As indicated earlier the UPO programs can be presumed to be of benefit to those older persons whom they have reached. For the most part the Anti-Poverty Program in this and other cities has not reached substantial numbers of older persons to date. It is our hope that a project designed to conform to the model called operation "FIND" developed by the National Council on Aging will be funded here and will permit anti-poverty workers to reach older persons in sufficient numbers so that a wide range of services, including consumer education, could be made available to them. Also, we expect that a grant under

Title III of the Older Americans Act to the D.C. Department of Recreation will expand the number of Senior Clubs here and assist them in program development, which will include consumer education activities. Cooperation by Federal agencies in providing information and guidance will be of great importance to the District of Columbia as we move ahead in our program for the aging in the Capital city.

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Guam

GOVERNMENT OF GUAM,  
DEPARTMENT OF PUBLIC HEALTH AND WELFARE,  
*Agana, Guam, December 30, 1966.*

\* \* \* \* \*

Enclosed herewith is a reply to your questionnaire on consumer interests of the elderly. Unfortunately, we are not in a position on Guam to reply adequately to all of the questions posed, but we hope the information supplied will be of some value to you.

Sincerely yours,

RALPH B. HOGAN, M.D., *Director.*

Enclosure.

*Answers to the Questionnaire from the Subcommittee on Consumer Interests of the Elderly of the U.S. Senate Special Committee on Aging*

1. No.
2. No.
3. I see no real need.
4. No.
5. I see no real need.
6. Guam is not eligible for Food Stamp Program.
7. I endorse restraint of improper practices, but see no special need as relates to elderly.
8. No projected legislation.
9. All people are gullible especially the elderly, but over-regulation may reduce freedom of choice.
10. Comment no. 9 applies here.
11. Undoubtedly good sources of information. However, I have no suggestions as to the extent to which efforts should be made to reach the elderly.
12. Have had insufficient experience with OEO programs to comment.

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Hawaii

STATE OF HAWAII,  
COMMISSION ON AGING,  
*Honolulu, Hawaii, January 20, 1967.*

\* \* \* \* \*

I hope that your hearing on Consumer Interests of the Elderly was a success. I am taking the liberty to include some additional information and thoughts on your four points in order that you may add them to your permanent record as submitted from this office.

1. Federal agencies have been hampered in the past from offering a definitive type of protection for the elderly consumer, confined primarily to education, which often is misdirected or inadequate considering the type of audience that must be reached. Additionally, the prosecution of consumer frauds have remained in the hands of local jurisdiction further hampering the effectiveness of Federal effort. The elderly are often reluctant to bring charges against offenders or are unaware of procedures that they must take. False or misleading packaging and the myriad of other nefarious devices used by marketeers to confuse the consumer are doubly misleading to the elderly who lack firm health, good eyesight, and sufficient energy to carefully make shopping comparisons. Certainly Federal legislation on these aspects of consumer interest would greatly benefit the elderly.

2. Because of limited financial resources at their disposal, elderly persons generally are very careful of their expenditures to the point of miserliness, some-

times infringing on their good health from their reluctance to buy and eat an adequate diet. Otherwise, we have no definitive information on spending habits of the elderly.

3. Possibilities for compiling facts and figures for an understanding of the elderly consumer are endless. Several basic lines of information, however, come readily to mind, including rates of income in relation to pre-retirement income; spendable income not tied down by monthly expenditures such as rent, insurance; amounts and rates of assistance from children or other family (to include values such as food, clothing, gifts, a room in children's home, etc.); or rates or actual amounts spent on health to include doctor bills, hospital, medicines, patent medicines (laxatives, aspirin, etc.) and other subtle expenses.

4. The Federal government can propose ordinances and regulations which could assist local lawmakers and regulators in determining standardized procedures for protecting the elderly consumer and consumers in general. Proper programming of consumer information distributed to the local/State level with assistance in general distribution is advisable. The Federal government should encourage the formation of consumer organizations which could assist Senate and Federal agencies in the overall planning and protection of consumer interests.

I hope this information will prove valuable in developing some safeguards for the elderly consumer through your committee. No other segment of our society is more deserving or in more need of consumer protection.

Enclosed is the questionnaire submitted by you.

Sincerely,

CHARLES W. AMOR, *Director.*

Enclosure.

*Questionnaire from the Subcommittee on Consumer Interests of the Elderly of the U.S. Senate Special Committee on Aging with answers supplied*

1. Are State, county, or local agencies in your State conducting consumer information programs that may be of special assistance to the elderly? Yes, in May, 1967 in cooperation with State of Hawaii—Senior Citizens Month.

2. Are any bills of special interest to the elderly as consumers either pending or soon to be introduced in your State legislatures? Were any such bills introduced in recent sessions of the legislature? Yes, 1965, State created Office of Consumer Protection within Attorney General's Dept.

3. Do you believe that you have adequate statistical information on buying habits and budgets of persons past retirement age in your home State? What more may be needed? To what special uses would you put such information? No—Legislation.

4. Have conferences or reports recently been conducted in your State on nutritional needs of the elderly? If so, what were the major conclusions? Do you have additional observations? No.

5. Several authorities on aging have said that some products should be designed expressly for the elderly. For example, it has been suggested that furniture could be adapted to meet needs of Older Americans. Do you see any such needs? In what particular areas? Yes—Bathrooms, beds, etc.

6. Has the Food Stamp Program been established in your State? Has it caused any special problems for the elderly? Do you have suggestions for improvements? Yes, some problems, training funds.

7. The Federal Trade Commission, through its program of Federal-State Cooperation, is attempting to encourage action at a State and local level to stop the use of trade practices that occur primarily within a single State and that would be unlawful if used in interstate commerce. Do you see any opportunities for Federal-State action that would be of special help to the elderly? Yes, high cost of materials in Islands, often far beyond mere trans. costs.

8. The Federal Trade Commission, working with the Council of State Governments, has developed suggested State legislation to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. Has your State legislature acted as yet on any such proposals? Do you have any comment on the need for such action? No.

9. The Food and Drug Administration is also attempting to be of service to State regulatory agencies. Do you see any opportunities for Federal-State teamwork on such problems as the use of questionable medical devices, detection of useless "cures" or therapy for cancer and other diseases that are of special

concern to the elderly, and the identification of deceptive practitioners or salesmen who move from one State to another in order to avoid regulation, and practices related to the use of over-the-counter or prescription drugs? Writing suggested ordinances, regulations, and establish fines as implemented.

10. Subcommittee studies will probably be made during 1967 on the following subjects:

- (a) Use and cost of hearing aids.
- (b) Nutritional needs of the elderly, with some reference to consumption of vitamins.
- (c) Correspondence school "second career" opportunities for the elderly.
- (d) Franchise sales or other "business opportunities" directed at the elderly.

We would appreciate any information or suggestions you may be able to give us on any of the above topics.

11. Do you see any ways in which cooperative extension services or county agents can be assisted in their efforts to give information to elderly consumers? Assignment of family home life specialists in gerontology to Extension Service central staffs.

12. Have consumer education programs conducted with OEO funds been of special help to elderly consumers? Have you any suggestions for broadening such programs? Not reaching the mass. Need "outreach" type programs.

Thank you for your assistance. If it is not possible for you to answer all questions by January 30, we would appreciate any responses you can give by that time. We will welcome additional commentary when it is possible for you to send it to us.

### Illinois

STATE OF ILLINOIS,  
DEPARTMENT OF PUBLIC AID,  
Springfield, Ill., January 6, 1967.

\* \* \* \* \*

DEAR SENATOR WILLIAMS: I am enclosing our answers to the Subcommittee's questionnaire on "Consumer Interests of the Elderly". Although I must apologize for our limited knowledge in many of the areas of query, I do hope that what we are able to present will be of assistance to you.

With the implementation of the Older Americans Act of 1965 we have only very recently been able to build up our Services to the Aging staff somewhat, and believe that in the not too distant future we will be able to learn much more about some of these problems and establish some worthwhile, helpful programs aimed at their alleviation.

I should like to take this opportunity to thank you and your subcommittee for your great interest and very fine work, and to wish you much success in the forthcoming hearings.

Very truly yours,

HENRY L. MCCARTHY,  
Chief, Division of Community Services.

Enclosure.

1. Are State, county, or local agencies in your State conducting consumer information programs that may be of special assistance to the elderly?

We are aware of at least two agencies apart from our own which have programs designed for this particular purpose. Local C.A.P. programs which are spoken of at greater length in question #12 have been somewhat active in this area.

In addition, the Extension Services of the University of Illinois have conducted classes during the past year in food buying, consumer education and clothing buying. They have in these classes in downstate Illinois reached a minimum of 690 elderly individuals in the past 12 months.

We are reasonably sure that many other local programs have been produced about which we have no statistical data.

2. Are any bills of special interest to the elderly as consumers either pending or soon to be introduced in your State legislature? Were any such bills introduced in recent sessions of the legislature?

Since the 75th General Assembly of Illinois has only this week been organized, there are no bills of any kind pending. We are not aware of any such legislative proposals being prepared.

During the 74th General Assembly legislation was passed to regulate advertising in regard to real estate subdivisions. While this applies to the general public, it was the intent of the Illinois State Council on Aging (in whose interest the bill was sponsored) that it protect the aged against misleading advertising for "retirement villages" and the like. The administration of the act was vested in the Illinois Department of Registration and Education.

3. Do you believe that you have adequate statistical information on the buying habits and budgets of persons past retirement age in your home State? What more may be needed? To what special uses would you put such information?

No, we do not believe adequate information is at hand.

We are aware only by hearsay and a certain few general observations or specifically cited cases of many problems of the aged in their roles as consumers.

Much use could be made through our many local contacts with centers and other groups of any specific information which would be helpful for the older consumer.

We are in frequent contact with marketers and with advertising agencies in regard to their questions of products (health foods, trailers, furniture, Christmas presents, etc.). These individuals or agencies wish to know what is appropriate or useful, and what is not. Thus, it appears that there is a wide area of education for marketers which need attention. Recent attention in the national press has underwritten this as an area of need in all parts of our country.

We could use this information very effectively in consumer education courses, preparation for retirement courses, counseling and in special programming in the many communities where we are assisting local groups through the use of funds from the Older Americans Act of 1965.

4. Have conferences or reports recently been conducted in your State on nutritional needs of the elderly? If so, what were the major conclusions? Do you have additional observations?

To our knowledge, no such conferences or reports have been conducted in Illinois recently.

We are aware, however, that the Illinois Heart Association conducts courses throughout the State in weight control and nutrition. During the past year, 16 such courses were held involving 238 persons. The Association estimates that between 20% and 25% of these were elderly people.

5. Several authorities on aging have said that some products should be designed expressly for the elderly. For example, it has been suggested that furniture could be adapted to meet the needs of Older Americans. Do you see any such needs? In what particular areas?

We are aware of a need not only for furniture but for other household fittings and fixtures designed perhaps for the general market, but with the needs of the elderly in mind. Much contemporary Scandinavian furniture (particularly chairs) meet both the esthetic and functional demands of the elderly. Unfortunately, much of this furniture, not being mass produced, is priced prohibitively for many of our older citizens. Grab bars, reasonably priced intercommunications systems, and the like for household use are particularly useful for the elderly, but for some reason the marketers have not really turned their attention to this segment of the population.

6. Has the Food Stamp Program been established in your State? Has it caused any special problems for the elderly? Do you have suggestions for improvements?

Yes, the Food Stamp Program has been established in Illinois and is now being used in 18 counties. During the month of June, 1966 it served 27,276 persons who were Old Age Assistance recipients. This month is considered to be "normal" by our research department, and this number is a minimum since some few were served who were not actually recipients. As of this month (January, 1967), 21 more counties are approved to begin the program and in February, 1967, 14 more will be approved.

Other than the normal problems of mobility and lack of understanding which are common to many but perhaps more pronounced in elderly individuals, we are aware of no special problems which this program has created for older Americans.

Director Swank of the Illinois Department of Public Aid has made the Illinois position quite clear in regard to suggestions for improvement of the Act. We believe that his statement which follows has especial validity with regard to the aged:

"\* \* \* On two occasions a request has been forwarded to the Department of Health, Education, and Welfare for approval of a plan to have participating

recipients in the federally aided programs authorize the Department of Public Aid to deduct from their cash grants an amount equal to the value of the stamp purchase required for participation. The Department would then purchase the stamps from the Department of Agriculture and distribute them, with the bonus stamps, to the recipients with the balance of their assistance checks \* \* \*

"This appears to be an instance where too rigid adherence to a good, general principle is operating against the best interests of thousands of needy children. Further, we take the position that the 'money payment' principle is not violated, but rather that our proposal requests the individual to make his decision on the purchase of stamps at a different time and place than he does now. We are convinced that many recipients with the best of intentions to purchase stamps find that once the money is in their hands, temptations to spend cash for other items frustrate their plans \* \* \*"

7. The Federal Trade Commission, through its program of Federal-State Cooperation, is attempting to encourage action at a State and local level to stop the use of trade practices that occur primarily within a single state and that would be unlawful if used in interstate commerce. Do you see any opportunities for Federal-State action that would be of special help to the elderly?

With the designation of an appropriate State agency to administer funds under the Older Americans Act of 1965, it occurs to us that an exchange of information between that agency and the Federal Trade Commission might be of great help. At the present time we are wholly lacking in any such information as the Federal Trade Commission may have gathered pertaining to this kind of activity in our area.

We are favorably impressed with model legislation developed for states by the National Association of Real Estate Boards, but we believe that Federal regulations might serve the purpose better.

8. The Federal Trade Commission, working with the Council of State Governments, has suggested State legislation to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. Has your State legislature acted as yet on any such proposals? Do you have any comment on the need for such action?

Illinois does have a Consumer Fraud Division set up in the office of the Attorney General. To our knowledge there has been no specific legislation dealing with either hearing aids or with correspondence schools.

Lack of information prevents our commenting on the need for any such action.

9. The Food and Drug Administration is also attempting to be of service to State regulatory agencies. Do you see any opportunities for Federal-State teamwork on such problems as the use of questionable medical devices, detection of useless "cures" or therapy for cancer and other diseases that are of special concern to the elderly, and the identification of deceptive practitioners or salesmen who move from one state to another in order to avoid regulation, and practices related to the use of over-the-counter or prescription drugs?

Inasmuch as this agency is not of a law-enforcement nature there is little opportunity for hand-in-hand cooperative ventures. Once again, however, we can make a good case for exchange of information. Foreknowledge of approaching problems or knowledge of existing problems would be most helpful to us in our contacts with groups of elderly citizens throughout the State.

We applaud wholeheartedly the efforts of the Food and Drug Administration especially in the past several years.

10. Subcommittee studies will probably be made during 1967 on the following subjects:

- (a) Use and cost of hearing aids;
- (b) Nutritional needs of the elderly, with some reference to consumption of vitamins;
- (c) Correspondence school "second career" opportunities for the elderly;
- (d) Franchise sales or other "business opportunities" directed at the elderly.

Unfortunately we have no detailed information of recent data regarding any of the above.

11. Do you see any ways in which cooperative extension services or county agents can be assisted in their efforts to give information to elderly consumers?

\* \* \* \* \*

1. The advent of many Title III (Older Americans Act of 1965) programs involving elderly participants in various programs in all areas of the State will bring together larger numbers of these individuals than ever before and offer,

in many cases, adequate facilities for education, training, and information exchange.

2. State planning bodies (in Illinois the Illinois State Council on Aging) should be most helpful in this regard and would certainly welcome the opportunity to assist.

12. Have consumer education programs conducted with OEO funds been of special help to elderly consumers? Have you any suggestion for broadening such programs?

\* \* \* \* \*

Yes, they have. In Illinois there are a few OEO programs which are designed entirely to serve elderly. There are many more which in their service to the community reach a sizeable number of elderly residents.

An illustration: In rural Jackson County a "Homemaker Services" program was instituted which aimed at improving home conditions. A portion of this program was given over to consumer education courses which were attended by 50 elderly persons. Home visits by project personnel designed to promote better consumer practices were made to 37 elderly individuals.

Perhaps consultation between the State planning bodies of these agencies would make the service more valuable.

### Indiana

STATE OF INDIANA,  
INDIANA STATE COMMISSION ON THE AGING AND AGED,  
*Indianapolis, Ind., December 31, 1966.*

\* \* \* \* \*

You are to be congratulated for extending your inquiries into the consumer interests of the elderly. This is very timely and has been a neglected field.

You will note by my enclosure that the Subcommittee on Physical and Mental Health of the Indiana Commission on the Aging and Aged took this question up at the last meeting. The first resolution has already been accepted by the entire Commission. I am hoping that the Commission will include the second resolution for at least part of its program at this fall's Annual Conference which probably will be held at Indiana University.

\* \* \* \* \*

Sincerely yours,

N. L. SALON, M.D.,  
*Chairman, Indiana State Commission  
of Aging and Aged.*

INDIANA STATE COMMISSION ON AGING AND AGED, MENTAL AND PHYSICAL HEALTH COMMITTEE, EMLEY'S, MARION, NOVEMBER 30, 1966, 5:30 TO 8:45 P.M.

Presiding: N. L. Salon, M.D., Chairman.

Attendance: W. C. Anderson, M.D.; Truman E. Caylor, M.D.; Robert Oldham; Mrs. Marjorie Pearsay; Harry Potter, Ph. D.; N. L. Salon, M.D.; David N. Stiefler, D.D.S.; Harry Tharp, R.P.T. Guests: Kathy Brough, M.D.; Mrs. Beth Cardwell.

### Proceedings

Minutes of the April 6, 1966 meeting were read, and approved.

Dr. Salon then stated that he had purposely delayed this meeting because of the changes being effected by the emergence of the "Medicare" program and other changes that would affect actions of this committee.

In stating the purpose of this meeting, Dr. Salon invited discussion relevant to "Quackery as it relates to the aged of Indiana." Considerable general and specific discussion followed, the most pertinent points being the following:

1. Chiropractic claims, testimonials, advertisements, and unethical practices.
2. "Spiritual Healing"—"Faith Healing."
3. Improper claims, usage and sales of vitamins.
4. Improper practice of medicine and dentistry.
5. Cancer, heart, arthritis, polio, etc., cures.
6. "Electrical gadgetry."
7. Real Estate, stock, etc., "deals," swindles.
8. "Pigeon Drop."
9. Others.

Other discussions included the following points of significance:

1. Victims of quackery are reluctant to relate facts relative to the details of their specific swindle.
2. After chiropractic licensing, it is not unlawful to advertise and engage in undesirable and unethical claims and practices.
3. The types of people who are attracted to claims of quackery will always be present in our society. These are actually looking for and, in fact, groping for anything, including the mystical, dramatic, and fantastic.
4. The most potent manner of dealing with these problems of quackery is by *mass education*.
5. It is apparent that efforts to minimize quackery must be dealt with cautiously. One reason for this is that we are in certain areas, attempting to "minimize God."
6. Even though there is a degree of risk involved in this endeavor it is the responsibility of this committee to act in an advisory and suggestive capacity in matters of this nature.

A motion was made by Mr. Oldham that this committee recommend to the Indiana State Commission on Aging and Aged that they invite medical, paramedical, welfare and social agencies and financial, real estate, and ministerial associations and others to present a statewide conference on "Quackery as it relates to the aged of Indiana." Motion seconded by Dr. Caylor and passed unanimously.

Preamble to the recommendation:

1. Be it resolved that this subject is timely in that it follows closely various congressional hearings and investigations on the subject of "Quackery as it relates to the aged of our nation."

2. Because this committee recognizes that there is considerable risk involved in an endeavor dealing with public sentiment we ask that efforts be made to emphasize the positive with regard to medical care and that stress be placed on realistic religious counseling.

The Chairman then suggested the possibility of "Quackery" being the theme of the 1967 State Conference on Aging. After a short discussion period, Dr. Caylor moved the following: "This committee recommend to the Indiana Commission on Aging and Aged that the general theme for the 1967 State Conference on Aging be 'Quackery as it relates to the aged of Indiana.' Motion seconded by Mr. Oldham and passed unanimously."

There followed a short discussion on the status of the Older American's Act and Dr. Salon stated that as soon as the General Assembly enacted enabling legislation the commission would receive \$242,500 for dispersal. It is hoped that this legislative action will take place in early 1967 because the appropriation must be claimed prior to July 1, 1967. Dr. Salon then requested each of the committee to be thinking of qualified projects to submit to the commission for the proper use of this appropriation.

Meeting adjourned at 8:45 P.M.

Respectfully submitted.

HARRY D. THARP,  
*Secretary pro tempore.*

Iowa

THE STATE OF IOWA,  
COMMISSION ON THE AGING,  
*Des Moines, January 19, 1967.*

\* \* \* \* \*

Enclosed is a reply to the questionnaire you forwarded to our office last month. I am sorry for the delay in replying, but I wanted to obtain as complete answers as possible. We hope this information is helpful to you.

Thank you.

Sincerely,

RAY L. SCHWARTZ,  
*Executive Secretary.*

Enclosure.



*Reply to questionnaire from the Subcommittee on Consumer Interests of the Elderly of the U.S. Senate Special Committee on Aging*

1. During the past two years, the office of the Attorney General has conducted a number of consumer information programs, some of which were especially helpful to the elderly.

2. The Sixty-first General Assembly passed the "Consumer Protection Law," a copy of which is enclosed. Further legislation in this field was being prepared by Attorney General Scalise. However, he is no longer Attorney General and I have no definite information as to what legislation will be proposed.

3. We do not have adequate statistical information on buying habits and budgets of persons past retirement age in Iowa. We are hoping to develop research in this field, under the auspices of the Commission on the Aging, which will be used in public information programs for older Iowans. It also would be used to support legislation to provide more adequate income for the elderly.

4. In April of 1963, the Home Economics Department of Iowa State University sponsored a State Conference on Aging. Much of the agenda centered about nutritional needs of the elderly. There is a bound volume of the proceedings available. The Community Facilities Division of the State Department of Health has conducted a number of institutes for dietary consultants in hospitals and nursing homes. Also, this same department is serving in a consultative capacity to communities developing hot meal programs for the elderly.

The only major conclusions reached in these conferences and training sessions were that a nutritious diet is one of the most important needs of the elderly and it is the need most often overlooked.

5. We agree that there is a need for certain products, like furniture, to be designed expressly for the elderly. At Iowa State University, Dr. Mary Pickett is conducting a special project to design furniture for older persons. We see needs in other areas; for instance, life would be more enjoyable for the elderly if newspapers, magazines, television, automobiles, etc., were designed with the comfort and the convenience of older people in mind. The elimination of architectural barriers in public buildings also would be most welcome to older Iowans. We do have a law governing this, but it is not too inclusive.

6. The Food Stamp Program has been implemented in 43 of Iowa's 99 counties. According to participants, there are few problems. One mentioned was that the amount of food a person is required to buy may seem excessive to that person. Actually, it is not, since this program has been carefully piloted for a number of years. More than anything, this points up the necessity of the educational work required in a successful food stamp program.

7. At the moment we cannot cite opportunities for Federal-State action that would be of special help to the elderly. We are sure that such opportunities exist, but we are not familiar enough to be specific.

8. The answer to No. 2 above would apply to this question.

9. Yes, we certainly see opportunities for Federal-State teamwork on the problems mentioned. There is a rather high incidence of older persons bilked through fraudulent means. We are concerned particularly over practices in the field of home improvements and medications.

10. a. While there are many reputable hearing-aid dealers, there are entirely too many salesmen who concentrate on elderly clients and are masters at the art of extolling the virtues of their particular products and obtaining profitable installment contracts. Frequent complaints have been made.

b., c., and d. can be commented on together. All of these areas have presented problems in Iowa. We have been acquainted with specific problems in all of these areas.

11. We have begun to use Cooperative Extension Services and County Agents in public information programs for elderly consumers. Within the next month the Extension Service is conducting programs on nutritional needs of older people throughout the state. Our Commission is taking part. We can see other areas in which Extension Services could provide valuable education to older Iowans. For instance, information on items listed under No. 10 would be most valuable.

12. We contacted the state director of the Office of Economic Opportunity on this matter. He informed us that only a few consumer education programs have been implemented under the auspices of OEO. No conclusive results have been apparent as yet. Certainly the program should be broadened, but we feel that

it should be carried out as a joint effort among all agencies concerned, including the Extension Service, State Department of Health, Department of Social Welfare, and our own Commission on the Aging.

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**Maine**

STATE OF MAINE,  
DEPARTMENT OF HEALTH AND WELFARE,  
*Augusta, Maine, January 31, 1967.*

\* \* \* \* \*

Please accept my sincere apologies for the belated reply to your letter of December 15, 1966 concerning Consumer Problems of the Elderly. The length of time needed to reply to your letter should indicate to you the lack of information on this subject. Consulted for information were: Social Welfare Statistical People, Nutritionist, Extension Agents, and Family Services Specialists among others.

Answers to your questions following the format of the questionnaire:

1. No.
2. No.
3. No such information.
4. No such conferences or reports.
5. I do not see any such needs since our consumer goods and appliances offer such variety of style and ease of operation at this time.
6. It is established in Androscoggin County only. It does require disciplined budgeting of money. Creates a certain amount of indignity in paying for food with stamps instead of money.
7. I could not come up with any such examples.
8. No action by State Legislation. I could get no information on how crucial a problem this is in Maine. All indications are that this is not of much concern.
9. Much feeling that there is a tremendous need for this kind of regulation. A high percentage of the disposable personal income of Senior Citizens is wasted on these "Magic Cures".
10. No facts available in these areas.
11. I feel they are doing a good job at present in their home demonstration programs. I am sure they would be more effective if some of the information you propose to gather was available to them.
12. I am not familiar with any such programs nor can I find any indications that any have occurred in Maine.

I believe that the lack of information presented in this letter should serve as a stimulus to your Committee's efforts in gathering the data needed to educate society in what might be indicated to be a very important area of protecting the already inadequate income of Senior Citizens.

I am sorry that I could not provide you with more information but perhaps our lack of information is a vital discovery.

I wish you and the Special Senate Committee on Aging the very best in your endeavors to richen the lives of the Senior Citizens of our nation.

Very truly yours,

RICHARD W. MICHAUD, ACSW,  
*Supervisor, Services for Aging.*

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**Missouri**

STATE OF MISSOURI,  
OFFICE OF STATE AND REGIONAL PLANNING  
AND COMMUNITY DEVELOPMENT,  
*Jefferson City, Mo., January 10, 1967.*

\* \* \* \* \*

I am attaching a completed questionnaire in response to your letter of December 15. I sincerely hope that the answers to these questions may be of assistance to your subcommittee in this important undertaking.

I will be very much interested in receiving detailed information about the results of your hearings.

Sincerely yours,

ROBERT C. LINSTROM,  
*Director, Services to the Aging.*

Enclosure.

*Answers to questionnaire from the Subcommittee on Consumer Interests of the Elderly of the U.S. Senate Special Committee on Aging*

The following are answers to your specific questions raised in your questionnaire:

1. There are a number of programs in operation on consumer information through the Extension Division of the State of Missouri. Many of these do not focus specifically on the elderly, but do reach and are of special assistance to older persons.

There has also been a Senior Citizens Special Issue Council funded in the St. Louis area which has plans to conduct such programs in the future.

2. A bill has been introduced in the 1967 General Assembly dealing with Consumer Fraud. This bill, while not specifically focused on the elderly, would have definite special interest to the elderly as consumers. A similar bill was introduced during the General Assembly which met in 1965, but did not pass.

3. I believe that more adequate statistical information on the buying habits and budgets of older persons would be of considerable assistance in the further development of programs. Such information could be used to stimulate educational programs in local communities and might also lead to the development of legislation specifically focused on consumer problems of older persons.

4. Conferences have not been conducted, nor to my knowledge have any special records been issued on this subject.

5. I have not been made aware of any special needs of this type. However, there may be products needed which have not been brought to the attention of our Division.

6. The Food Stamp Program has been in operation in Missouri. It has been my observation that most older people are able to use this fairly satisfactorily. However, those confined to their homes are presented with special problems which should be met by a program such as Home Medical Service. This is not widely available to the elderly in our state.

7. I have not been made aware of any particular aspects of this problem; therefore, I have no recommendations for Federal-State action.

8. As mentioned in the answer to Question No. 2, a consumer fraud bill has been introduced and will be acted on in this session of the Missouri General Assembly. It does not specifically refer to hearing aids or correspondence schools.

11. I know there is a considerable interest on the part of our state's extension services to provide information of this type. It would seem to me that effective, well-done publications which could be made available as well as specific materials describing programs which could be conducted would be of assistance to the extension services.

12. Several projects have been conducted in the state with OEO funds. These have generally been much more focused on assistance to the younger families—rather than with special focus on elderly consumers. Very few such projects have been carried out—since it is my understanding that this is given quite low priority in OEO financed programs. In many communities of the state, neighborhood centers operated with OEO funds have been established. It would seem to me that these could be appropriately used as centers to disseminate information and to conduct consumer education programs for the elderly.

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Nevada

STATE OF NEVADA,  
DEPARTMENT OF HEALTH AND WELFARE,  
WELFARE DIVISION,  
Carson City, Nev., January 18, 1967.

\* \* \* \* \*

Attached are answers to the questionnaire included in your letter of December 15, 1966. To my knowledge, there has been little activity in this area in Nevada. I wish to assure you of my interest and concern in your committee's activities.

Sincerely yours,

QUENTEN L. EMBRY,  
State Welfare Administrator.

Enclosure.

1. There are no state-wide programs in operation at present. Efforts at consumer pricing by the University of Nevada's Bureau of Business and Economic Research could be adapted to provide a service for the elderly.

2. I know of no bills that were introduced, or are to be introduced, to the State Legislature for the special interest of the elderly consumer.

3. There is sparse statistical information about the consumption patterns of Nevada's residents because of the difficulties involved in separating the data into resident and tourist patterns. Data on the buying patterns of older citizens would be helpful in vitalizing public assistance grants.

4. Nutrition of the elderly has been an on-going concern in Nevada's Welfare Division. I am not aware of any recent conferences dealing solely with the nutrition of the elderly.

5. Adaptions to many basic consumer products could readily be made in the benefit of aging persons. We have not advocated a wide range of changes, because of the feeling that such modifications would place an additional cost upon the consumer at purchase and the item would be priced beyond the means of the majority. Moreover, it needs to be recognized that practically all such products are manufactured out-of-state.

6. The food stamp program has not been established, and has caused special problems for elderly persons. It is suggested that modification be made to permit the administrative costs, to include the delivery of commodities to elderly persons unable to travel, be made available to states needing such help.

7. No comment at this time.

8. Our legislature has not yet acted on consumer legislation. There is a definite need, especially in the hearing aid field.

9. The Food and Drug Administration could consider training and grant programs to strengthen local control, with a willingness to support local control by prosecution of federal charges those engaged in illegal interstate activities.

10. At the present time, we do not have any information or suggestions. We would certainly support constructive steps in any of these areas.

11. We are not familiar enough with present extension plans to make any positive suggestions.

12. We have had no such programs in Nevada yet, so cannot comment.

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### New Jersey

STATE OF NEW JERSEY,  
DEPARTMENT OF STATE,  
DIVISION ON AGING,  
Trenton, N.J., January 26, 1967.

\* \* \* \* \*  
Attached are the answers to your questionnaire concerning Consumer Interests of the Elderly. You will note that New Jersey has a considerable amount of legislation directed to consumer protection and is preparing to strengthen much of this.

However, a major problem seems to be gullibility and ignorance. Almost daily there are stories of swindlers who are playing "con games," persuading people to draw money out of banks, etc. Home repair frauds are common, too. These are not perpetrated only on the so-called "lonely" person either. Often it is a person who has family and apparently adequate education. A recent letter sent to us by Senator Mildred Hughes describes an "auction" on the boardwalk in Asbury Park. Frequently the lure of getting a bargain seems to be the attraction. Constant efforts at education are needed and hearings such as your committee holds are an important educational tool in reaching the consumer.

\* \* \* \* \*  
Sincerely yours,

EONE HARGER, *Director.*

Enclosure.

*Answers to questionnaire from the Subcommittee on Consumer Interests of the Elderly*

1. Organizations in New Jersey that conduct consumer information programs of some type and which are useful to older people include—

a. *New Jersey Consumers League*.—Distributes pamphlet on "New Jersey Consumer Protection Laws." Sponsors special meetings: On October 5, 1964, declared "Consumers Day" by Governor Richard J. Hughes, held reception and dinner marking *A New Era for Consumers*. In January, 1965, in connection with Farmers Week, sponsored a program entitled, "The Consumer is our Business." On Tuesday, March 14, 1967, is holding an all-day Consumers Conference at the Labor Management Center in New Brunswick during which there will be a seminar on *Senior Citizens*. The New Jersey Division on Aging has participated in and helped promote all of these events.

b. *New Jersey State Department of Insurance*.—Approves companies permitted to do business in New Jersey. Information available to any citizen requesting it.

c. *New Jersey Real Estate Commission*.—Administers full disclosure law re out-of-state real estate offerings. Published, in cooperation with New Jersey Division on Aging, pamphlet entitled, *13 Rules of Reason*.

d. *New Jersey Division on Aging*.—From time to time, publishes articles of consumer interest in monthly publication and carries similar information on a weekly radio program. Co-sponsors conferences with related organizations. Had representative of the Food and Drug Administration at Division booth at State Fair in September, 1966.

e. *New Jersey State Department of Health*.—Bureau of Food and Drugs; Division of Special Consultation Services.

f. *New Jersey Consumers Fraud Bureau*.—Publishes pamphlet entitled *Watch Out are the Watchwords*. Investigates complaints and secures restitution where possible.

g. *Better Business Bureau of South Jersey*.

h. *New Jersey Welfare Council*.—Held special session on consumer interests at 1966 Annual Conference.

i. *Agricultural Extension Agents*.—Do not educate re frauds specifically but hold classes re "Basic Food Shopping" and other broad consumer areas.

j. *New Jersey Nutrition Council*.—Issues reading lists to libraries re acceptable and non-acceptable books on nutrition. Has a standing committee on frauds that reviews all nutrition information that comes to their attention and issues evaluative statements.

2. In 1966, the penalties for violation of New Jersey's "act concerning consumer fraud" (P.L. 1960, c. 39) were increased. A bill making extensive revisions of the laws regulating weights and measures was introduced in the State Senate but was not released for vote. A similar bill has just been introduced in the 1967 Session and the Consumers League is hoping to have a "truth in lending" bill introduced in 1967.

The Weights and Measures Bill would provide tools for the state enforcement officials who now have no authority over non-food packages. It would update our present Weights and Measures Law, which was enacted in 1911 and added to in the 1930's and 1950's, and would extend protection by regulating short weight in non-food packages such as soaps, detergents, toothpastes, etc., slack filled containers and misrepresentation as to price. It would also preserve present safeguards and extend protection by requiring licenses for dealers in lumber, lumber products and related building materials, and for door-to-door sellers of lawn dressings.

New Jersey has laws covering home improvements (P.L. 1960, c. 41), and interest on loans. Additional legislation was introduced in the New Jersey Assembly on January 16, 1967 designed to protect and advise the consumer. It proposes an Office of Consumer Protection in the Attorney General's office which would be concerned with processing complaints from the general public. There would be a ten member Citizens' Consumer Advisory Committee to work on developing policies geared to assist consumers by providing information and carrying out fact-finding studies in the field of consumer protection.

3. We do not have any statistical information on buying habits or budgets of older people in New Jersey. We feel that the budget issued by the Labor Department that purports to be adequate but minimal is unrealistic in terms of actual

need (too low). We also know that many people are trying to live on incomes less than this minimal budget—those who receive Social Security only and have no supplemental funds. It is possible that valid information on food requirements, clothing preferences, etc., which showed the market potential represented by older people, might have value in development of suitable products, distribution of merchandise, etc.

The pharmaceutical industry is the only one that so far seems to have recognized this market—and, in New Jersey, at least, many pharmacists see this as a chance to exploit a group that is almost captive. Organized pharmacists are actively trying to prevent money-saving arrangements for purchase of drugs.

4. Only conference specifically on nutritional needs of elderly was a session held in October, 1961, during a joint annual conference of the New Jersey Public Health Association and the New Jersey Welfare Council. It was sponsored jointly by the New Jersey Nutrition Council and the New Jersey Division on Aging.

5. There may be need to modify some products to make them more suitable for older people. Furniture does not seem as important as special attention to clothes, particularly women's, so that inevitable figure changes are recognized without completely foregoing style and color. The psychic value in this area alone is worth considering.

Food packaging for the single person or small family needs more attention, especially to try to provide food in small quantities without exorbitant cost. There has been considerable progress in this in recent years so far as packaging itself is concerned but unit price is high. One chain grocery store manager told me that older people are among the greatest pilferers in his store—a fact he attributed primarily to low income.

6. New Jersey has a food stamp program. It was first established in Mercer County during 1965 and is currently being expanded to other counties. Comparatively few older people have taken advantage of it. One important reason for this failure has been the inability of many older people to accumulate enough money ahead to purchase the coupons. This was apparent to Washington officials in the first experimental phases of the program before it was offered to the states, but apparently the problem is still unsolved. People living on a minimal amount of money are afraid to pay out a large proportion of their total income for food stamps, with the consequent depletion of their limited cash. Some method of allowing stamps to be purchased in smaller amounts might be helpful. There also should be more coordination with emergency food arrangements provided under local assistance.

Newark has initiated a surplus food program through a Golden Age Center plan but it has run into difficulties that have brought some Federal intervention. The over-large packages of surplus food have always been a problem.

7. No information available.

8. The State Legislature has taken action as indicated in 2., but not specifically in the matter of hearing aid dealers or corresponding schools. The State Health Department has hearing listed among its responsibilities but has never given the matter special attention. Hearing aid dealers have taken steps purportedly aimed at self-policing, but complaints about cost and operation are quite frequent. At this point we lack enough information to make a specific recommendation. I understand that a New Jersey Hearing Aid Dealers' Association is interested in having individuals guilty of fraudulent practices prosecuted and works with the Attorney General's office on occasion. We are seeking more information on this.

The Vocation Division of the New Jersey Department of Education maintains a list of approved schools, programs and personnel operating home study programs both in New Jersey and out of state. "Approval" is in two categories:

*In-State schools.*—Must fulfill the New Jersey criteria as contained in Chapter 230, P.L.

*Out of State schools.*—Approval consists of permission to solicit students . . . three means by which said permission can be gained:

1. Home state approval is acceptable criterion.
2. Accredited by the National Home Study Council. (this agency is a recognized accrediting agency and is recognized by the Office of Education)
3. In lieu of either of the above, the school can employ an Educational Consultant from its State University to evaluate its program in view of and to meet New Jersey requirements.

9. The Food and Drug office of the New Jersey Department of Health works closely with the Federal FDA in maintaining the quality and purity of drugs. Certainly there should be an extension of cooperation into all areas in which the FDA carries responsibility.

10. We will try to gather specific information in the areas designated to amplify information given above.

11. County agents perhaps need to be alerted to specific problems of aging and elderly to supplement present programs, although some already are taking leadership in their areas. Perhaps making such programs general rather than present limitation to individual initiative would be a good idea. Since this is a program of the Department of Agriculture, wider distribution of information in the very valuable 1965 Yearbook of Agriculture, *Consumers All*, should be urged.

12. The consumer education given in the one OEO program for the elderly of which this office is aware was not adequately presented. A successful program which reached the OEO target group was one given in a public housing development in Jersey City, planned and carried out with the help of the State Division of Welfare. Entitled, "Homecraft Highlights," it included women of all ages, although the elderly women came in especially large numbers. Topics included food, laundry, clothing, etc., and had managers of local markets, etc., as speakers. It was far superior to the one OEO meeting we observed. "Packaging" this program for use with welfare, housing and similar groups would make it possible for local sponsors to organize similar educational efforts.

### New Mexico

STATE OF NEW MEXICO,  
DEPARTMENT OF PUBLIC WELFARE,  
STATE AGENCY ON AGING,  
*Sante Fe, N. Mex., January 10, 1967.*

\* \* \* \* \*

We are glad to hear from you again and to cooperate with the Committee by answering your questionnaire to the best of our ability, because frankly there just are not enough specific statistics about New Mexico's older population, and we need to begin to collect significant data for our own use as well as for your special Committee. The twelve points of the questionnaire which are answered in the attachment gave us helpful leads into making our own more definitive studies.

\* \* \* \* \*

Sincerely,

(Mrs.) K. ROSE WOOD,  
*Supervisor, State Program on Aging,  
Community Services Division.*

Attachments: Completed Questionnaire; 4 Enclosures.

#### *Reply to Questionnaire on Consumer Interests of the Elderly*

1. State, County, or local agencies in New Mexico conducting consumer programs which may be of special assistance to the elderly:

A Consumer Council has existed in New Mexico for about 20 years but because it was inoperative it was discontinued in 1964. However, the Attorney General's Office in 1965 established a Consumer Fraud Division with a full time staff and an Advisory Committee of 32 members which has just begun to function. No special concern for the aging has been defined but this program could be of great benefit and the Advisory Committee will be requested to include a Subcommittee on Aging.

2. Pending Bills of Special Interest to the Elderly as Consumers in New Mexico:

For introduction in the 1967 Session of the State Legislature which opens January 17, Bills have been drafted relative to the Unfair Practices Act, Amendments to the False Advertising Statutes, and to Delimiting Time for Going Out of Business to prevent false advertising and unfair profits.

3. Adequate statistical information on buying habits and budgets of persons past retirement age in New Mexico:

We do not have adequate information in this area, but Public Welfare Workers, Public Health Nurses, County Extension Service Home Economists, etc. imply that older people with whom they work need a lot of help in budgeting and buying especially foods, patent medicines, hearing aids, eye glasses, dentures, and other items for personal use.

No sample or state-wide studies have been or are being made among recipients of Old Age Assistance for two major reasons (1) Lack of staff time and training in this situation, and (2) Federal requirements prohibit administrative dictation as to use of grants when people have been determined to be eligible for public assistance. A third reason could be the small size of assistance checks and the need to obtain personal things which are not included in public welfare budgets—such as special diet foods, extra bedding and clothing, dishes, decorative things like pictures, flowers, music, or even basic essentials like pet foods and veterinary care for beloved old cats or dogs.

Needed to insure more factual data on buying habits is simply more specific information which social working agents could collect if they had a reliable schedule or questionnaire to use to help them. With more specific information welfare budgets could be better tailored to meet needs. Although in some cases grants would have to be increased it is possible that in others grants could be reduced if funds could be granted exactly as needed rather than on general formula basis. Adequate information could also point up needed adult education services to help older people learn how to stretch their dollars and get more of what they should have for their money.

#### 4. Conferences, Reports on Nutritional Needs of the Elderly:

Under auspices of the C&MS Division, USDA, an Inter-Agency Committee on Nutrition Education has just been established in New Mexico primarily to study use of Surplus Foods and foods purchased under the Food Stamp Plan but generally to improve food buying and use for the population. The program involves 6 pilot counties but 9 of the 32 in New Mexico already have local Committees on Nutrition. A Leadership Training Conference is planned for March 1967. Special needs of the elderly will definitely be studied and provisions taken to meet them. Represented on the Committee are the Health and Welfare Departments, School Lunch Program, State Associations of Home Economists, Dietitians, Nutritionists, USDA, Community Action Agencies (OEO), local grocer, Dairy Council, etc.

One Public Health program in 2 northern counties offers nutrition services to the elderly as part of a Health Program for senior citizens.

In general it appears that too many older people are subsisting on toast and tea or living "out of cans" and definitely need improvement in nutrition.

#### 5. Products designed especially for the elderly such as "geriatric furniture":

We definitely see need for specially designed products—Briefly these include beds, chairs, toilets, bathtubs, special seats in cars, ramps instead of stairs, more functional wheelchairs.

Special products are definitely needed in clothing of all kinds—even brassieres and under garments, shoes, easier-to-manage zippers in front or side instead of back. Older people should be able to "glide" or even "just fall into" their clothes rather than struggle with buttons and fasteners. Door knobs should be octagonal and cans should probably be square instead of round to permit arthritic old hands to open them. Shower heads need to be lowered first of all and then re-shaped to permit ease in bathing and protection from scalds. Refrigerators should open with foot pedals instead of handles and ovens should all have glass doors.

6. Food Stamp Program is in operation in 15 counties of New Mexico's 32 and by February 1 should be in 20 counties:

No particular "problems" for the elderly have been reported but no special efforts have been made to learn if any exist. The State Nutrition Committee will be looking into this matter as it is a known fact that *very few older* people are choosing to participate in this program because it is too expensive and they do not need as much food as could be purchased.

#### 7. Federal Trade Commission and trade practices in a single state:

(See Item 1 above)—The Consumer Fraud Division of the Attorney General's Office cooperates with the Federal Trade Commission and has pending legislation relative to the Unfair Practices Act.

Federal-State action could be planned and taken in the fields of drugs, patent medicines, hearing aids, dentures and possibly in regard to Probate and District Court procedures regarding guardianships, small estates, etc.



8. State Legislation to prevent consumer deception and unfair competitive practices:

(See Items 1 and 7 above)—New Mexico State Legislature should act on similar proposals in 1967 Session.

9. Federal-State Teamwork with Food and Drug Administration:

Because so many of the elderly need braces, trusses and other supportive devices which can readily be purchased, as well as inexpensive "cures" of many kinds to help them feel "younger" or "better" they are subject to exploitation—Local papers are full of ads for cures for everything from baldness to impotency and many people of all ages, eager to be supermen and superwomen fall for these deceptions. A great deal of Federal-State Teamwork is indicated for the general public as well as for the elderly who seem more gullible simply because they don't want to be old. The whole fascinating world of patent medicines needs to be explored and exposed. (See pages from Albuquerque Journal enclosed, advertising special sales during Senior Citizens month of May).

10. Special Sub-Committee studies to be made in 1967 and comments:

(a) *Use and cost of hearing aids.*—Too many older people buy "gadget type" hearing aids at high (or low cost), only to find they cannot use them and their hearing does not improve. Too many for whom good aids have been prescribed wear them in dresser drawers. The medical profession, special mobile hearing clinics, dentists, salesmen, etc. need to work cooperatively and take steps to sell or provide suitable hearing aids to older people who can and will really benefit—Audiological testing should be furnished to older adults on the same basis it is provided by the State for children.

(b) *Nutritional needs and Vitamins.*—With adequate programs of nutrition education, vitamins could be eliminated entirely from many older persons "diets" or habits. They are purchased in large supplies and often taken by handfuls in hopes they restore good health and potency. Vitamins should be prescribed by reliable doctors of medicine and sold on a formulary instead of brand name basis to reduce their high cost.

(c) *Correspondence School "second career" Opportunities for the Elderly.*—If possible a State agency such as the State Department of Education and the State Organization on Aging at State level and the US Office of Education and Administration on Aging (HEW) should be able to check out these schools and possibly to certify or license them. Many offer "something to do" at a good price for the elderly who can afford their services. Many offer suspicious material and have no way of finding jobs once the older "student" finishes the course. Such groups as the National Council on Aging, Association of Retired Persons, etc. could also be helpful in identifying the bonafide correspondence schools versus the "gyp joints". However, unless such schools are regulated, inspected, and controlled it is impossible to stop older people from trying to help themselves one way or another especially when society urges them to remain in the mainstream of community life as contributors and consumers.

(d) *Franchise Sales or other "business opportunities" directed at the elderly.*—If business and industry and the professions really want to utilize the skills and talents of retired persons all they need to do is to offer opportunities, but with the accent on youth and "shortage" of professional job opportunities, it is doubtful if Senior Executives, Senior Reserve Corps, or other possible Congressional plans will actually provide needed employment of the elderly who could and would work. Dubious programs cannot be any more successful than favorable programs but they continue to be offered and others than the elderly reap the profits.

11. Ways in which Cooperative Extension Services Agents can be assisted in efforts to help elderly consumers:

(a) Open services to *all* elderly persons instead of primarily to the farmers and ranchers.

(b) Offer education and demonstration services to departments of Public Welfare and Health especially to reach low-income groups of elderly.

(c) Provide trained staff to work as Home Economists in Health and Welfare.

12. Consumer Education Programs conducted with OEO Funds:

None have been offered in New Mexico but CAP Directors in OEO Programs are cooperating with the State Inter-Agency Committee on Nutrition Education in formation of Community Committees. These programs could be broadened if CAP (OEO) had earmarked funds and more specific directives and staff to go into consumer education in depth. No one Federal or State Agency can take

complete responsibility, as carefully planned teamwork and procedures are required to get the total job done. In New Mexico there are probably 2 or 3 Better Business Bureaus and probably one should be established in every county (see enclosures).

It is hoped that the 1967 Legislature will re-establish an official Consumers Council with funds, staff, and enforcement functions. With a central responsible agency cooperating with Federal and Inter-State Agencies consumer protection could be better insured. If the consumer in general is protected, the elderly consumer will be also.

### New York

NEW YORK STATE,  
EXECUTIVE DEPARTMENT,  
OFFICE FOR THE AGING,  
*Albany, N.Y., January 25, 1967.*

\* \* \* \* \*  
The broadened scope of the Committee's jurisdiction should permit a more comprehensive study of the elderly as consumers, and provide evidence which will permit action to eliminate fraud and chicanery.

The statements which follow are respectfully submitted for consideration by the Subcommittee on Consumer Interests of the Elderly in the order in which they were presented in your questionnaire.

1. New York State has, over the years, been vitally interested in protecting its citizens from unscrupulous practices and practitioners. The enclosed "Reference Book . . ." is the result of cooperative effort of all State agencies to acquaint the public with the recourse they have when questionable circumstances are experienced. The New York State Department of Law has been in the forefront in investigating such matters, prosecuting the principles involved, and through a broad public information program, acquainting the general public with the knowledge necessary to combat and avoid unscrupulous and fraudulent operators.

2. During this and the previous session of the New York State Legislature, a bill was and has been introduced to establish a Consumer Protection Division in the Executive Department. In the language of the bill, the division will be responsible for advising and recommending to the Governor and the Legislature, on matters affecting the consumers, from the consumers' point of view and to present their interests before administrative and regulatory agencies and legislative groups.

3. Statistical information on buying habits and budgets of persons past retirement age in New York is sketchy. It is our feeling that an in-depth study of this matter would provide us with many important insights relative to the directioning we would give to future programs. We would also feel that, in addition to clarifying programs benefiting the consumer, such information would be of vital concern to those responsible for production and marketing of specialty items meeting the variety of needs of older persons.

4. There is significant evidence to indicate that more than half of the elderly, who become institutionalized in a period of a year, have as a complication to their principal health problem, a long-standing malnutrition.

The New York State Departments of Social Welfare and Health have, through regional conferences and meetings, assisted long-term care institution operators in effecting nutrition programs to combat this problem. Unfortunately, the effectiveness of such practices cannot be easily transferred to the individual prior to admission. One can only conclude that in all too many cases, the precursors of malnutrition are lowered income fostering poor eating practices. Unfortunately, the effect after a period of time is inevitable. It would be interesting to know the number of non-institutionalized in this age group who have this problem and are never identified. A fair estimate based upon current income data would indicate that approximately 9 million persons in the 65 and over age group are faced with this as a daily recurring reality.

5. It is our opinion that motivation for product design should come from the user. All too often manufacturing and marketing sophistication imposes needless change on an unsuspecting public. However, I do agree that furniture could be adapted to meet the physical and health needs of older Americans. In addi-

tion, adaptations indicated could readily be accomplished in the home at minimal cost by interested members of the family capable of improvising the changes necessary to meet individual needs. A simple illustration which comes to mind relates to the use of plywood panelling as bedboards, small wooden blocks to elevate a bed and permit easier access by those caring for bed-ridden relatives, side boards similar to those found on youth beds, and provision of simple mobile aid devices such as walkers, hand rails on walls and in particular in the bathroom to permit a person to change position with more safety when tub bathing, showering, or toileting.

6. A food stamp program has been limited to a small geographic area in the western part of New York State. We understand that its level of acceptance has been good. You may wish to request a more detailed report on this from Mr. Rendle Fussell, Area Director, New York State Department of Social Welfare, State Office Building, 125 South Main Street, Buffalo, New York 14203. I am sure Mr. Fussell would be pleased to give you this information.

7, 8, 9, 10. I have temporarily deferred answering these particular questions to permit a better perspective on a number of things which are taking place in New York State. I will respond more definitively when a number of these concepts are more firmly structured.

11. The Cooperative Extension Service in New York State is one of the leading organizations promoting practical and economical consumer practices. Our office has maintained an excellent relationship with a number of county extension services and has participated with them on several occasions in stimulating and promoting services for New York State's senior citizens. We anticipate an expansion of program cooperation with the Cooperative Extension Service to the many counties beyond the immediate daily reach of our office.

12. We are of the opinion that a number of consumer education programs conducted with OEO Funds have been successful. However, it is our feeling that the impact on the elderly consumer has been limited because of the great diversity of activities in which community action personnel find themselves involved.

\* \* \* \* \*  
Sincerely,

Mrs. MARCELLE G. LEVY, *Director.*

Ohio

OHIO ADMINISTRATION ON AGING,  
DEPARTMENT OF MENTAL HYGIENE AND CORRECTION,  
Columbus, Ohio, January 27, 1967.

\* \* \* \* \*  
1. Are State, county, or local agencies in your State conducting consumer information programs that may be of special assistance to the elderly?

No continuing programs were found that were designed *specifically* for the benefit of the aged. Ohio Office of Opportunity does give consumer education as a *part* of Homemaker services and training and this benefits the aged to the extent that they participate in the programs. Lectures are sponsored by Community Action groups at neighborhood centers—*some* are on consumer education and part of the "audience" is elderly.

Newspaper articles appear periodically giving advice and warning to the elderly on fraud and quackery.

Some Senior Citizens centers are beginning to hold periodic lectures on various subjects of interests to the elderly. One of the subjects is Consumer Education, resulting in perhaps an annual discussion of the topic.

2. Are any bills of special interest to the elderly as consumers either pending or soon to be introduced in your State legislature? Were any such bills introduced in recent sessions of the legislature?

Information concerning bills not yet introduced is held confidential by Legislative Reference Bureau. No such bills were passed in the previous legislative session.

5. Several authorities on aging have said that some products should be designed expressly for the elderly. For example, it has been suggested that furniture

could be adapted to meet needs of Older Americans. Do you see any such needs? In what particular areas?

Many products can and should be designed specifically for the elderly:

*Furniture.*—Much furniture is too low and difficult for older people to get out of. Chairs with high backs and ottomans are especially comfortable. Drawers and storage space should not be placed so low that the older person has to constantly bend to reach his needs. Railings alongside bath-tubs and commodes add support when rising from them.

*Reading Material.*—Many libraries have found that a collection of large-print books encourages reading among older persons.

*Utilities.*—Electrical outlets should be placed high enough that deep bending is not required.

*Housing.*—Few steps or inclined ramps, wide doorways, and extra railings should be incorporated into designs for Senior Citizens' housing.

*Clothing.*—Simple fastenings that do not require contorting the body are helpful to older people.

*Sewing Materials.*—Large-eyed needles make sewing easier for those whose sight begins to fade.

6. Has the Food Stamp Program been established in your State? Has it caused any special problems for the elderly? Do you have suggestions for improvements?

There is a Food Stamp Program in Ohio. Special problems for the elderly center on lack of information. Many do not know about the program, do not know if they are eligible, do not realize the benefits, and have no way of getting downtown to find out about the program. The Director would like to start an educational program. A starting point might be giving information at Senior Centers, Neighborhood Centers, through Aid for Aged caseworkers, libraries, etc.

11. Do you see any ways in which cooperative extension services or county agents can be assisted in their efforts to give information to elderly consumers?

The Cooperative extension service has done very little work in this area—one lecture was given at the Columbus Senior Center on "New Clothing Fibers—Selection and Care". The extension service sees need for special consultation about food-planning for one or two persons and nutrition needs and "across the board" management. Including such lectures at Senior Centers in other communities as part of multi-service concept would enable county agents to reach more people. Published materials to distribute at libraries, etc. would extend reachable population.

12. Have consumer education programs conducted with OEO funds been of special help to elderly consumers? Have you any suggestions for broadening such programs?

OEO has not funded programs for consumer education, specifically. Home-maker service and neighborhood center lectures have been partially geared to the subject but have been extended to the elderly only as they were participants. Funds for specific lectures given at senior meeting places might be beneficial.

Sincerely,

Mrs. ROSE PAPIER, ACSW,  
*Coordinator, Administration on Aging.*

### Oklahoma

STATE OF OKLAHOMA,  
DEPARTMENT OF PUBLIC WELFARE,  
OKLAHOMA PUBLIC WELFARE COMMISSION,  
*Oklahoma City, Okla., January 3, 1967.*

\* \* \* \* \*  
We have tried to give you information on the questionnaire in numerical order as appears on the questionnaire, after exploring with personnel from other divisions and agencies.

1. Nine multi-purpose activity centers for senior citizens have been approved and funded in Oklahoma, and are currently in operation. In each of these centers efforts are being made to provide an information clinic for senior citizens. One of the sessions for this clinic will be in relation to consumer interests, and

the best qualified person in that area will be used to discuss this and answer questions senior citizens may have.

2. A Uniform Deceptive Trades Practice Act was passed during the 1965 Session of State Legislature.

3. We do not have adequate statistical information on buying habits and budgets of persons past retirement age, but more information is needed to improve buying and help with the budgeting of their dollars.

4. There have been no conferences or reports conducted recently on nutritional needs of the elderly. There have been local experiences; reports not conclusive.

5. It is our opinion that we are in need of products designed expressly for the elderly. The following are examples which have been suggested :

A. Low cost chairs with seat level adjustment for height

B. Low cost and low position bathroom stool designed for more comfort

C. A personal urinal receiving chamber for females, of disposable type

6. The food stamp program has not been established in Oklahoma.

7. According to the Legislative Council Secretary, a bill is to be introduced this session of the Legislature entitled, "Full Disclosure Act on Retail and Installment Sales". This would require that all contracts for sales on installment would be in a certain size large type and would also include the amount of simple interest being charged.

8. The State Legislature has not yet acted on proposals to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. It is felt that such legislation is needed as a protection for the elderly, and studies in this area are being made.

9. Yes, through printed materials developed at the federal level, and distributed by state agencies to different organizations who work with our older Americans. Possibly more publicity at state and federal levels would help our senior citizens to be more aware that questionable medical devices and useless cures are on the market, and educate as to their value.

10. It is our opinion that each of the subjects should be completely studied with efforts directed toward eliminating misrepresentation of facts as well as setting standards on the product and price.

11. Through our Special Unit on Aging, working with local organizations for the elderly, personnel from local extension services could and should be used in developing the program as well as continuing to provide help for an on-going program. This would provide groups of elderly to whom information could be provided by extension service personnel.

12. No consumer education programs have been conducted with OEO funds in the State of Oklahoma.

\* \* \* \* \*

Sincerely,

L. E. Rader,  
Director of Public Welfare.

Puerto Rico

ESTADO LIBRE ASOCIADO DE PUERTO RICO,  
COMISION PUERTORRIQUEÑA DE GERICULTURA,  
Santurce, P.R., January 26, 1967.

\* \* \* \* \*

As you probably know, in Puerto Rico, the problems of the elderly represent a relatively new concern for most governmental agencies, with the possible exception of the Bureau of Public Assistance in the Public Welfare Division whose clientele is comprised by a large number of elderly.

In spite of the increasing number of Social Security beneficiaries, the group of public assistance recipients continues to be relatively large. You are probably aware of the fact that at the present time the average monthly public assistance payment in the old age category is \$8.43, there are 25,979 beneficiaries 65 year of age and over to November 30, 1966.

The above facts should indicate that a large number of our elderly have so little income that their consumer potential is very, very limited. This in turn should indicate the great need for information on those basic questions stated in your letter. Right now as I write to you, it occurs to me that it should be interesting and very revealing if we took a small group of elderly persons (all over 60) such as we now have in a Foster Grandparent Demonstration Program

with OEO funds in a community in Puerto Rico, and we could record information on (a) how they spend their dollar, (b) their consumer habits, (c) most common or current fraudulent or deception practices in the community, etc.

I am also enclosing the answers to some of the questions in your questionnaire. We have contacted the corresponding agencies to obtain as much information as possible but there is very little, if any.

I hope that this information will be useful to you.

Thanks for your continued interest in our program.

Sincerely,

LUISA L. DE TRINIDAD,  
*Executive Director.*

*Answer To Some Questions*

There are no bills of special interest to the elderly as consumers either pending or soon to be introduced in our State Legislation but the Department of Commerce a governmental agency has an "Orientation Program" to all consumers in Puerto Rico.

In the area of nutrition the Department of Health through the Preventive Medical Services Department, has been giving orientation to persons who are already retired or to be retired. Also to residents in institutions and to their families. They feel more should be done in this area for the wrong concepts some people have about nutrition. The participants on these courses have shown great interest and concern.

There are no educational programs for the consumers being conducted with OEO funds.

We have contacted other agencies, to obtain an answer to all the other questions in your questionnaire but there was very little.

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**Rhode Island**

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS,  
EXECUTIVE DEPARTMENT,  
DIVISION ON AGING,  
*January 13, 1967.*

\* \* \* \* \*

I am pleased to give you the following information which will help resolve some of the questions asked of me concerning the elderly consumer in Rhode Island.

Legislation introduced in the Rhode Island General Assembly in the early part of the 1966 session and which ultimately passed, authorized the creation of a Consumers' Council.

The council was formed about three months ago and consists of seven (7) members, four (4) of whom were appointed by the Governor, one (1) appointed by the Lieutenant Governor and two (2) appointed by the Speaker of the House.

The council has appointed a director who will serve for five (5) years after his appointment wins the advice and consent of the Senate. The director may appoint such subordinates, assistants and employees as he may require for the proper performance of his duties, who shall be in the classified service.

The Consumers' Council shall conduct studies, surveys and research in all matters affecting consumer interests; promote ethical business and trade practices; recommend legislative programs to protect the consumer; further consumer education; appear before federal and state legislative committees, commissions or department hearings on matters affecting consumers; report to the attorney general for prosecution such violations of laws or regulations affecting consumers as its investigations or studies may reveal; secure all available information on utility rates, interest rates, insurance rates, transportation rates and services, and cost of commodities and services where regulated by law of the general assembly and make such information available to the public.

The general assembly shall annually appropriate such sums as it may deem necessary to carry out the provisions of the act.

A great deal of public concern has been expressed in Rhode Island these last three months concerning consumer education, interest, etc. Several organized

forums and meetings were conducted by colleges, universities, and private agencies. Established recently were a Women's Intergroup Committee, a citizens ad hoc committee for consumer interests, and a consumer protection committee. The Women's Intergroup Committee through its Consumer Protection Project is staffing a volunteer office for the specific purpose of helping low income families with their purchasing problems. No one group has especially been organized to help the elderly specifically but I'm sure many of the persons who will seek help from the various committees will be elderly persons.

I have talked to representatives of other agencies concerning the elderly's purchasing habits and if they have had complaints on purchases made, etc., and much of the information obtained substantiated the complaints received at the Division office. We have not had a significant number of complaints from the elderly in any area of consumer purchases. The few complaints we receive are from elderly who purchase hearing aids and from those elderly who are selling their homes, or making repairs to their home or installing a new heating system. The specific bank charge for home owners selling their property has risen from 2 per cent in early 1966 to 4 per cent and homeowners must pay this if the purchaser is applying for a FHA or GI mortgage. Some fine changes have been made with FHA regulations regarding the elderly who are purchasing or who cannot afford current mortgage payments and I do hope that other changes can be made to help those elderly who are selling their property (many of whom are doing so because they are moving into public housing especially designed for them.) We do not receive complaints from the elderly concerning the purchases of drugs, excepting that the price at times is quite high in relation to their income, however, our state medicare program which provides for payment of drugs has practically eliminated this situation for the elderly who qualify in Rhode Island.

Very few Consumer Education Programs are on-going in Rhode Island with OEO Funds but I would assume because of the publicity and public interest these past few months more CAP directors will consider applying for funds for this type of program.

We have been fortunate in Rhode Island to have had studies and surveys done on our elderly population in the 50's and much of the data tabulated then continues to be (with minor variations) the basis for our programing and development now. In addition, a book written by Professor Goldstein, *Consumer Patterns of the Aged*, gives us a detailed account of buying habits and budgets (along with information received from the BLS studies) of persons past retirement age.

The Foodstamp Program has been established in our State. Approximately 1,000 elderly are being served by this program. For those elderly who cannot leave their residence due either to lack of transportation or mobility, there is a hardship to purchase stamps. One CAP agency sends staff members out to the homes of elderly persons but most do not provide this service. The Foodstamp Plan seems to have met with approval of the elderly, however, I think in cases of older persons not on public assistance, the income level should be raised slightly to be more realistic and thus make more of the low income elderly eligible. Many hundreds have income levels just over the maximum set by welfare budgets and which are not adequate for living and yet, those elderly with low incomes do not qualify for either program. A case in point; two elderly families living on the same street with the same monthly income, one paying 50 per cent more rent than the other, the one paying the higher rent could qualify the other would not.

Much work is being done on the nutritional needs of the elderly by the District Nursing Association in Rhode Island during their day to day house calls and by other members of their staff who have preventive care programs established in several housing developments. The Rhode Island Division on Aging distributes pamphlets on diets, nutritional needs, etc., to thousands of the elderly. This material and other consumer information is distributed through the vehicle of the Rhode Island Association of Senior Citizens and Senior Citizens Clubs, Inc., who represent all organized older adult organizations in Rhode Island and by mass mailings to individual older people. Most of the material distributed is received from the Department of Health, Education, and Welfare, insurance companies and/or purchased from the United States Government Printing Office.

Sincerely,

Mrs. ALICE A. DE SAINT,  
Administrator.

## Utah

UTAH COUNCIL ON AGING,  
Salt Lake City, Utah, February 1, 1967.

\* \* \* \* \*

In response to your request of December 15, 1966, I submit the enclosed information in answer to your questionnaire. The answers are listed by number in the same order as shown on the questionnaire.

I hope this information will reach you in time to be of benefit to you.

Sincerely,

MELVIN A. WHITE, *Director.*

Answers to questionnaire on Consumer Interests of the Elderly

No. 1. In the State of Utah, a number of agencies have in the past, or are in the process of, conducting informational programs that may be of special value to the elderly. The State Council on Aging has sponsored a travel-oriented program on frauds and quackeries. Utah State University Extension Division has been active in sponsoring classes and workshops in the general area of consumer buying. The University of Utah, Brigham Young University and other state educational institutions, primarily through their Home Economics Departments, have conducted classes and have, at various times, sponsored workshops in the general area of consumer buying. One of the major problems that we noted was the fact that there was very little coordination between and among the various agencies. There appears to be a trend toward greater cooperative effort on a county and regional level in planning and conducting special programs for older people. The attached sheet, prepared by Carolyn B. Ellis, is typical of what one leader carried out in her area after attempting a leadership school.

No. 2. There are several bills that have been introduced into the current session of the Utah State Legislature that will be of benefit to senior citizens. One bill would change the existing State Tax Laws to permit individuals over 65 years of age an extra \$600 deduction. This would then conform to current federal tax law.

A second bill relating to the tax structure would permit individuals over the age of 65 to be exempt from paying taxes on the first \$20,000 derived from the sale of a home and a limited exemption on the income above the \$20,000 level. This program would also bring the State laws into conformity with the federal exemptions.

Another bill which would affect the public in general has been introduced to regulate the distribution and sale of packaging of hazardous substances intended or suitable for household use.

The fourth bill, somewhat indirectly related to older people, is to provide poultry production inspection in the State.

The fifth bill would eliminate the tax on margarine, making this product more available at a lower cost to all individuals.

No. 3. In the process of contacting agencies that have been active in the area of consumer buying, I was amazed to find out there was so little available in the way of factual statistical data regarding buying habits of elderly people in Utah. Most individuals with whom I discussed this problem felt that statistical data would be useful in program planning and also in planning and conducting educational classes for senior citizens on recommended consumer practices. One agency mentioned that their experience had provided them with information regarding eating, dressing and personal wants, but that it would be very valuable for them to have more information regarding the changes and the processes which occur.

The Health Department felt that additional information would be of value to them in knowing more about how the older person uses his money in relation to purchasing needed medications, and in relation to the purchase of "quack" remedies, food fads and appliances. This information would then be the basis for counseling and possible legislative action for the protection of older adults.

No. 4 There has been relatively little activity or conferences regarding nutritional needs of the elderly. Mrs. Sherma Johnson, ex-Director of the Meals-on-Wheels program in Salt Lake interviewed a large number of older adults



prior to the commencement of the Meals-on-Wheels program. The information derived from these interviews indicated that many older people, particularly when living alone, do not prepare adequate meals for themselves, either because of the lack of adequate finances or because of the inconvenience of preparing a meal for oneself. The Utah State University conducted several studies on the need for nutrition in older people and reached the following conclusions: "You can never retire from responsibility for eating the kinds and amounts of foods you need. Good nutrition cannot produce miracles but can make a difference in over-all vitality. At the earliest age, repair work goes on continually in the body and thus there is a continuing need for protein foods, minerals and vitamins for upkeep of bones and tissues. Regularity in eating is important; if three meals a day cause problems in digestion or sleeping, four or five smaller meals may be advisable. All foods should be eaten slowly and chewed well. Digestion is improved and the tendency to overeat is reduced. Eliminate barriers to nutrition such as poor teeth. Older people, usually less active, do not need as much food for energy, but they do need protein foods, minerals and vitamins."

This report also indicated that older people were more susceptible to "cure-all" types of diets or related dietetic fads.

No. 5. The general opinion expressed by those we contacted was that the older person definitely should be considered in designing furniture. It was felt that too frequently chairs were too deep and difficult to get out of, tables and other furniture too high. It is also mentioned that quite frequently, adequate furniture and other household furnishings are available on the market for older people but further education needs to be given to older people to help them select the type of furniture which will best suit their needs.

No. 6. The Food Stamp Program has been established in nine counties in the State of Utah; fourteen additional counties have been approved and soon will incorporate the Food Stamp Program in their areas. Approximately 37 percent of the persons potentially eligible for food stamps are participating in the program. This compares to 88 per cent participating in the counties with commodity distribution programs. The reason for the difference in percentage of participation appears to be (1) the newness of the program, and (2) the fact that people have to use a portion of their current grant to buy stamps. Frequently, many families have been using this money for purposes other than food, and apparently resist using the money to purchase food stamps. It was generally felt by those in the State that have been using the food stamp program that it is a good program and will be much more beneficial to the clients than the commodity program per se.

No. 7. Our experience with the Federal Trade Commission has been very limited in Utah and I do not feel qualified to respond to this question with any degree of knowledge. Many of those interviewed felt that Federal-State cooperation, as indicated, should be encouraged; however, where possible, the action taken should be on a local rather than a federal level.

No. 8. We believe that action should be taken to curb any practice which affects the health or well-being of any person. Control should be placed on any practice which might deprive the older person of his income. There also is a need for regulating practices of hearing aid dealers . . . costs are prohibitive.

No. 9. We have had an excellent cooperative working arrangement with a representative of the Food and Drug Administration. The nature of our activities to date have been primarily educational, with work shops and conferences being mutually sponsored by state agencies and representatives from the Food and Drug Administration. According to Helen Keaveny, a representative of the Food and Drug Administration in Denver, there also is a close working relationship between the State of Utah and her agency in regard to salesmen or deceptive practitioners that move from state to state to avoid regulation of their practices. We certainly are in full agreement with the cooperative arrangement that now exists with the Food and Drug Administration.

No. 10. The State Health Department indicated that the cost of hearing aids is prohibitive and many older people pay far more than they should for these devices. Another problem which arises in this area is that frequently, older people will not use hearing aids, and considerably more research needs to be done in terms of why older people will not use such devices even though they apparently improve their hearing.

We have very little to provide regarding the nutritional needs, correspondence schools and franchise sales, although we do feel these are areas that do require study with recommendations for control on education resulting from the studies.

No. 11. The Extension Service of the Utah State University has been very effective in developing programs designed to assist the consumer in "consumer buying." They perhaps can be of greatest value in assisting individuals in giving them the latest factual information on products, and to assist with the proper training of community people who are directly involved in program related to consumer buying. In Utah, we have had a close working relationship with the Extension Division and have been moving in the direction of utilizing county agents to a greater extent in working with senior citizen groups. Also, there have been actual classes conducted where welfare recipients have been taught how to prepare their commodity products and a cook book was developed by the Utah State Board of Education for a vocational education to be used by citizens in preparing food.

No. 12. To my knowledge, there have been no educational programs conducted with OEO funds for elderly consumers in the State of Utah. The State OEO also were unaware of any programs along this line.

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### Virgin Islands

GOVERNMENT OF THE VIRGIN ISLANDS  
OF THE UNITED STATES,  
INSULAR DEPARTMENT OF SOCIAL WELFARE,  
St. Thomas, V.I., January 9, 1967.

In reply to your letter of December 15, 1966, we enclose response to the Questionnaire which we hope will be helpful to your committee.

Sincerely,

MACON M. BERRYMAN, ACSW,  
Commissioner.

Enclosure.

#### Questionnaire—Answers

1. No.
2. No.
3. No. Information is needed about buying habits of the elderly of different economic brackets. This might be useful in planning various types of social and service programs.
4. No.
5. No.
6. No. This program is available only to the States.
7. Not in the Virgin Islands.
8. No need in the Virgin Islands for such legislation.
9. Not needed in the Virgin Islands.
- 10 (a) Some effort should be made to establish a lower retail price for hearing aids. Although not every elderly person will use one, many would use them if they were less expensive. (b), (c) and (d) are not problems in the Virgin Islands.
11. Yes—by coordinating their job with social service agencies already in contact with many elderly persons. These agencies can often arrange group meetings and provide transportation as needed. County agents can also provide resource material and counseling to other community agencies such as churches and groups interested in working with the elderly.
12. None operating in the Virgin Islands.

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### Washington

WASHINGTON STATE COUNCIL ON AGING,  
STATE DEPARTMENT OF PUBLIC ASSISTANCE,  
Olympia, Wash., December 29, 1966.

\* \* \* \* \*

We are glad to make the following comments and reports on some of the questions which you have submitted:

1. The State Council on Aging through its seven area committees and state conferences have conducted several consumer information programs in the last few years. Senior citizens centers and clubs throughout the State periodically have programs giving consumer information for the elderly. In addition the Senior Newsletter of the State Council on Aging and monthly newsletters of the Seattle and King County Council on Aging periodically run articles to provide information and consumer "tips" for the elderly.

The State Council on Aging was one of several co-sponsors with the Washington State Medical Society for a two day institute held in Seattle in the spring of 1966 on Health Frauds and Quackery. Following the institute a large exhibit on health frauds and quackery was shown for one week at the Seattle Center. Groups of elderly persons as well as school children were admitted free for this exhibit. Following the Seattle exhibit a smaller but similar meeting and exhibit was held in Spokane under the sponsorship of the Eastern Area Committee of the State Council on Aging.

Plans are now under way for a series of programs on, "What Do You See in Your Shopping Cart" which will be conducted by the state offices of the U.S. Food and Drug Administration and the National Dairy Council for groups of elderly people throughout the State of Washington.

2. We do not know of any bills which will be introduced in our state legislature on this subject.

3. Much more factual data is needed in our state on buying habits and budgets of persons past retirement age. Such information would give direction to educational programs and indicate whether or not protective legislation is needed.

4. No conferences have been held specifically on the nutritional needs of the elderly. However, nutrition has been one of a variety of subjects discussed at several of the area meetings and workshops of the State Council. Home agents of the County Extension Service, home economists of Public Utility Districts, and members of the Home Economics Association, have provided leadership. Our experience is that this subject must be handled very diplomatically as many older people do not want to be told how to eat at this phase of their life.

5. I agree that some products should be designed especially for the elderly and handicapped. Furniture, such as chairs and beds, should be of a height to make it easier for the person with stiff joints to get up and down. Clothing needs to be designed for use by persons with crippled hands; zippers and hooks are impossible for many to manage.

6. We have the Food Stamp Program in several counties of our State. Although some older persons have reported difficulty in getting to the bank to purchase stamps, this is not as great a problem as has been encountered by elderly people in the counties where surplus food is distributed and transportation is required to the distribution center.

7. No recommendation.

8. No action by our State Legislature.

9. Action needed. No suggestions.

10. Our experience would indicate the need for further study and control on use and cost of hearing aids and sale of merchandise by door-to-door salesmen. If you have not sent this questionnaire to the Consumer Information Division of our State Office of Attorney General, you may wish to do so. I'm sure they have information which might be helpful to you.

11. Several of the home agents of the Cooperative Extension Service are members of our local and area committees on aging. This has provided the agents with background data and information which they have used for homemaker clubs and other programs to inform the elderly consumers. Mr. A. A. Smick, chairman of our State Council on Aging, is Community Organization Specialist for the Cooperative Extension Service of the Washington State University. He provides articles and information on the needs of the elderly which is included in regular releases of the University to all county agents. The University has also conducted sessions on "Aging" at their annual workshops for home agents.

12. Several special projects for the elderly have been funded in this State through the Office of Economic Opportunity. All of these have been of special help to elderly consumers.

Sincerely,

MARGARET WHYTE,  
*Executive Secretary.*

## West Virginia

WEST VIRGINIA COMMISSION ON AGING,  
Charleston, W. Va., January 26, 1967.

\* \* \* \* \*  
The information being sent was gathered for us by Mr. John Mix, a 73 year old retiree who is employed on a part-time basis by the Commission on Aging. We hope that the enclosed information adds something to the body of material you are gathering for your Subcommittee.

Unfortunately, we have no documented information on the incidence of misleading or fraudulent practices directed at our older citizens. We know it occurs—but not how often or to how many. Perhaps, the inquiry and reports of your Subcommittee will inspire those who know of such practices, or who have themselves been victimized, to notify the state agency or your committee.

\* \* \* \* \*  
Sincerely yours,

HARRY F. WALKER,  
Executive Director.

Enclosure.

*Report Submitted by the West Virginia Commission on Aging in Response to a Questionnaire from the Subcommittee on Consumer Interests of the Elderly of the United States Senate Special Committee on Aging*

1. Are State, county, or local agencies in your State conducting consumer information programs that may be of special assistance to the elderly?

The West Virginia Department of Agriculture is initiating a consumer buying guide program. However, this is not particularly oriented to the aged. They will make recommendations on advantageous food purchases. Monthly bulletins will be mailed to a list of individuals, institutions, schools, etc. In addition, bulletins will be released to newspapers, promoting the use of foods most advantageous to nutritional requirements and to the consumers food dollar.

2. Are any bills of special interest to the elderly as consumers either pending or soon to be introduced in your State legislatures? Were any such bills introduced in recent sessions of the legislature?

No bills of special interest to the elderly were introduced in the 1966 legislative session other than legislation to comply with the provisions of the Social Security Amendment to provide grants-in-aid for the medically indigent.

3. Do you believe that you have adequate statistical information on buying habits and budgets of persons past retirement age in your home State? What more may be needed? To what special uses would you put such information?

No readily available information on retirees buying habits and budgets. Information of this nature might be valuable in planning a program of consumer education in nutritional planning and effective disbursement of the food budget.

4. Have conferences or reports recently been conducted in your State on nutritional needs of the elderly? If so what were the major conclusions? Do you have additional observations?

The West Virginia Department of Health holds periodic sessions with public health nurses to discuss nutritional problems of the aged. They have prepared and are distributing a brochure "The Senior Citizen Takes Stock" which recommends balanced diets and suggests methods of palatable preparation. They also are preparing a buying guide outlining the most efficient way to utilize the food dollar.

5. Several authorities on aging have said that some products should be designed expressly for the elderly. For example, it has been suggested that furniture could be adapted to meet needs of Older Americans. Do you see any such needs? In what particular areas?

The incidence of need to adapt furniture to the needs of the aged seems to be very slight. Architectural improvements to homes such as adequate handrails on stairs and steps, hand grips on bathtubs, etc., would be advantageous.

6. Has the Food Stamp Program been established in your State? Has it caused any special problems for the elderly? Do you have suggestions for improvements?

The Food Stamp Program is in effect in 40 counties in West Virginia. Some households find it difficult to budget sufficient funds to purchase stamps in view

of high utility bills during the winter season. For those not requiring special diets, the surplus food program offered some advantage. A sliding scale of purchase requirements to compensate for high seasonal utility bills would be advantageous.

7. The Federal Trade Commission, through its program of Federal-State Co-operation, is attempting to encourage action at a State and local level to stop the use of trade practices that occur primarily within a single State and that would be unlawful if used in interstate commerce. Do you see any opportunities for Federal-State action that would be of special help to the elderly?

The curbing of deceptive trade practices and misleading advertising in intra-state commerce should be of benefit to the entire population. There seems to be no FTC legislative recommendations specifically of help to the elderly.

8. The Federal Trade Commission, working with the Council of State Governments, has developed suggested State legislation to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. Has your State legislature acted as yet on any such proposals? Do you have any comment on the need for such action?

West Virginia has no legislation to regulate hearing aid dealers and correspondence schools or to prevent misleading advertising and deceptive trade practices in commerce within the State. The Attorney General's office has discussed the formation of a "Consumer Fraud Bureau" but has taken no definite action. However, they were successful in closing a correspondence "diploma mill" under existing law during the past year.

9. The Food and Drug Administration is also attempting to be of service to State regulatory agencies. Do you see any opportunities for Federal-State teamwork on such problems as the use of questionable medical devices, detection of useless "cures" or therapy for cancer and other diseases that are of special concern to the elderly, and the identification of deceptive practitioners or salesmen who move from one State to another in order to avoid regulation, and practices related to the use of over-the-counter or prescription drugs?

The FDA publication, "Your Money and Your Life," which exposes fakes and swindles in the health field is available to the elderly through the West Virginia Commission on Aging.

10. Subcommittee studies will probably be made during 1967 on the following subjects:

- (a) Use and cost of hearing aids.
- (b) Nutritional needs of the elderly, with some reference to consumption of vitamins.
- (c) Correspondence school "second career" opportunities for the elderly.
- (d) Franchise sales or other "business opportunities" directed at the elderly.

We would appreciate any information or suggestions you may be able to give us on any of the above topics.

(a) While the price of hearing aids seems to be excessive, the possible benefits derived from a properly-fitted aid may be justified. The recommendations of a competent otologist should always be sought. Certainly, in this as in other needed health aids, people ought to have some assurance that the cost is fair.

(b) The necessary supply of essential vitamins are contained in a balanced diet of ordinary foodstuffs. Unfortunately, many older persons lack a proper diet because of a variety of reasons. Under-nutrition seems to be a problem among the elderly. Some vitamins may be harmful if taken in excessive amounts or over long periods of time. A physician's advice should always be requested.

(c) and (d) Any correspondence school "second career" or franchise sales "business opportunity" for the elderly should be thoroughly investigated by requiring unquestionable proof that they have been successful in attaining the advertised results for a large percentage of those who have participated in the ventures. An individual with the qualifications to succeed in most of the projects advertised is probably now operating his own successful business.

11. Do you see any ways in which cooperative extension services or county agents can be assisted in their efforts to give information to elderly consumers?

The organization of County Committees on Aging in West Virginia, now in progress, will be an additional tool. The cooperative efforts of the County Committees, extension services and county agents should result in well informed elderly citizens.

12. Have consumer education programs conducted with OEO funds been of special help to elderly consumers? Have you any suggestions for broadening such programs?

We are aware of no consumer education programs conducted with OEO funds that have been of special help to the elderly. The projected activities of various departments of state government and the Commission on Aging should result in a more adequately informed aged population.

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### Wisconsin

WISCONSIN STATE COMMISSION ON AGING,  
MADISON, WIS., December 27, 1968.

\* \* \* \* \*  
You undoubtedly know of our work in Wisconsin in cooperation with our Attorney General Bronson La Follette in regard to consumer frauds. Because of his interest I am sending the questionnaire to him for answers in the areas in which he would have greatest expertise and you'll undoubtedly hear from him soon. I'll attempt to answer numbers 3, 4, 5, 6, 11, and 12.

We certainly do wish you the very best in your continuing efforts to protect the elderly against these unscrupulous business practices.

Sincerely,

JAMES F. MCMICHAEL,  
*Executive Director.*

Enclosure.

3. We have very inadequate information on buying habits and budgets of persons past the retirement age in Wisconsin. Some information is available from a number of studies we've carried on in rural areas and the United States census on income of individuals but we have very little information as to what they actually spend this money for. It can be assumed that because of the low level of income in many of these instances, much of it goes toward the purchase or maintaining shelter, food, and other essentials. This information could be particularly helpful to us in doing feasibility studies for low-cost housing for the elderly and in bringing about action to improve specific programs for the aging such as Homestead Tax Relief.

4. I do not recall conferences conducted purely on the nutritional needs of the elderly. The Attorney General's conference on consumer fraud may have touched on this area and activities of the state medical society and the cooperative extension service of the university of Wisconsin would also have been pertinent.

5. I would presume that there could be some rationale for the design of a product expressly tailored to meet the physical needs of an aging individual. I would suggest however, that such design also would be applicable to persons of all age groups who might have some degree of infirmity or who consider the practical more than the aesthetic.

6. The Food Stamp program has been established in Wisconsin and it has caused some special problems with the elderly. First, it requires an outlay of funds to purchase the stamps which many older people do not have, and secondly, in some areas, the participation by stores who will accept the stamps has not been too good, thereby increasing transportation problems for the elderly. We are now working with the cooperative extension service and the Department of Public Welfare in development of programs to improve the over-all operation.

11. The cooperative extension services are of great value in giving information to elderly consumers as well as all others. Through their vast network of homemaker programs they can serve as a good line of defense in altering the consumer to possible consumer frauds.

12. There have been no special consumer education programs conducted with OEO funds in Wisconsin that I know of.

WISCONSIN STATE COMMISSION ON AGING,  
Madison, Wis., January 10, 1967.

In addition to filling out the questionnaire you requested, may I inform you that the home agents in the extension offices in Wisconsin have made a survey of senior citizens. I am quoting from a report of Green County where there are

3225 senior citizens with 86% of them living under good conditions. This survey, done by the homemakers in Green County was a nutrition survey to determine the eating habits of folks over 65. 27% of the areas interviewed were rural, 56%, village, and 30%, urban. 4% of those interviewed were living under conditions described as poor, and homemakers listed 10% living under fair conditions.

Interestingly enough, most of these older people had their largest meal at noon and two-thirds of them frequently used home canned or frozen vegetables and about the same number had gardens. Many did not use any fruit on the average day and few were actually drinking milk. About 66% were receiving the equivalent of 2 or more glasses of milk through cheese, gravy, ice cream and other dinner items. In general, the men were eating better than the women according to this survey. Since I am new in this position, I'm not sure whether or not this committee would undertake to do a study of morticians' rates, but having considerable interest in this particular field, I would like to see a study made of the charges made by funeral directors when an older person expires. I believe this was of considerable interest at one time to a committee in Washington, but I do not know if anything ever came of it.

In reply to your letter of December 15, I would answer the questionnaire as follows:

1. Any question pertaining to consumer information is usually carried on by the Better Business Bureau of the Chamber of Commerce. The Extension Service has been very active throughout the state the past few months circulating consumer information through their county set-ups.

2. No.

3. No.

4. Yes. The Wisconsin Extension Division of the University of Wisconsin has conducted several conferences on aging during the past year. The nutritional needs of the elderly were considered in detail and at the same time, much salient material from the Department of Agriculture was dispensed and continues to be.

5. No.

6. Wisconsin has been in the process of establishing the Food Stamp program for about four years (local option) but more information is needed at the local level. The initial money needed to purchase these stamps often is not available.

7. I am hoping that something can be done at the federal-state level to control the sale of hearing aids since there are not too many of these on the market. I'm hoping that something can be established in order to (a) bring the price down and (b) make them available only through physicians that are licensed to do this type of work and not just "sharp" salesmen.

8. No.

9. I do feel that the State Medical Society should be the best agency to work with the F & D Administration relative to medical devices which are questionable, and to useless cures that are being brought into the state. We receive almost monthly, one or two inquiries on hearing aid devices that are being sold in the state. Usually, they have a fabulous cost attached. This needs to be examined in depth because I do feel that this is a necessary item since many people have hearing deficiencies, but because of cost, do without an aid.

10. One not covered in 10 is the old can game, being duped out of savings. This is a practice of long standing and the methods used should be publicized thoroughly.

11. In this state particularly, cooperative extension services and county agents have been the backbone in getting to the local areas to explain nutritional values, arousing consumer interest and we are adequately covered at the present time to bring this to the attention of all of our senior citizens of the state. I'm hoping this will continue on a yearly basis, repetition is needed.

12. We have not had any consumer education programs with the OEO funds in this state. The nation-wide "Truth in Packaging" campaign has rated much space and interest.

Sincerely,

MILDRED A. ZIMMERMANN,  
*Acting Executive Director.*

## APPENDIX 2

### MATERIAL SUBMITTED BY DR. JAMES L. GODDARD, COMMISSIONER, FOOD AND DRUG ADMINISTRATION

#### ITEM 1. STATEMENT BY JAMES L. GODDARD, M.D. (PRESENTED TO THE SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS MAY 25, 1966)

It is a pleasure, Mr. Chairman and members of the Committee, to appear here to discuss controls on the advertising of prescription drugs that we have developed in carrying out the Kefauver-Harris Drug Amendments of 1962.

When Congress passed the Food, Drug, and Cosmetic Act of 1938, primary jurisdiction over the advertising of foods, drugs, and cosmetics was assigned to the Federal Trade Commission. This was done through the Wheeler-Lea Amendments.

But primary jurisdiction over labeling was given to the Food and Drug Administration. Since labeling serves purposes similar to advertising, we were from the start deeply concerned with advertising practices to that extent.

In 1948, the Supreme Court sustained a broad application of the definition of labeling. This definition now includes all written, printed, and graphic matter used in the promotion of drugs and devices as they served the purpose of labeling—*regardless* of whether the product and its labeling were in the same shipment or not. Surveillance over labeling thus incorporated important advertising practices. Our responsibilities and capabilities were to be expanded.

Moreover, the Courts sustained our view that labeling for over-the-counter drugs (OTC) had to carry adequate directions and information so that a layman could use a drug for all the conditions for which it was intended—including, of course, all the conditions for which it was broadly advertised. This meant that we had a right to evaluate advertising copy along with other materials when we decided whether the drug was properly labeled or not.

And finally we developed, under exemptions from the "adequate-directions-for-use" provision, a number of requirements for the proper labeling of prescription drugs. This kind of labeling material is directed to the physician and not to the patient who ultimately may use the drug.

As Senator Kefauver pointedly phrased it, during the discussions on prescription drugs, "*He who orders does not buy; and he who buys does not order.*"

Thus, the brunt of the promotional effort for prescription drugs is directed to the prescribing physician.

I would also like to recall a statement made by the late Pierre R. Garai. Mr. Garai was a senior copywriter in the field of prescription drug advertising on the staff of an important advertising agency. He was blunt and candid in a paper read to a Johns Hopkins University audience in November, 1963, that no prescription drug could be sold—not a single dose—unless the manufacturer could persuade a physician to order that drug by signing his own name to a prescription for one of his patients.

The movement of the drugs that are prescribed—and, Mr. Chairman, I would say, therefore, the quality of the patient care in the Nation today—depend on the quality and power of the advertising message that gets through to the prescribing physician who is, frankly, under siege in my opinion. He is under siege from magazines, from direct mail, from movies, from unsolicited and frequently unwanted samples, from symposia sponsored by drug companies, from printed reports of these captive symposia, and from the manufacturers' own detail men who visit the doctor's office one after another, day after day.

The Kefauver Hearings on Administered Prices first placed drug advertising and other promotional practices under the lens of public scrutiny. This investigation, which was concerned with the range of costs of prescription drugs, embraced drug advertising because such high-cost advertising clearly affected the pricing of pharmaceutical products. It was built right in. Before the



hearings were completed, they had exposed a number of advertising practices that cried out for reform.

Reform was needed because all the good features about a drug were presented in four colors, but side effects, contraindications, warnings, and other limitations on the usefulness of the drug were somehow forgotten.

Reform was needed because drugs were being promoted as doing things they clearly could not do; because trade names were broadly overemphasied and generic names buried, if included at all; because lavish, sweeping superlatives were used to describe the effectiveness of just-another-drug in the physician's armamentarium.

Reform was needed because the burden of verifying the footnotes, bibliographies, testimonials, and all the other fine points was on the practicing physician. With a waiting-room full of patients he just didn't have the time. And he needed help in identifying the hazards involved in the use of the drug.

Surveys were taken of members of the medical profession to see how they felt. Medical students analyzed drug advertising as a project. The results, Mr. Chairman, were always the same, the advertising practices of the pharmaceutical industry left a great deal to be desired. The medical profession expressed not only general skepticism but actual disbelief of what was being fed to them.

Yet, we must be clear-eyed on this matter. It is a fact of life in this industry that sheer volume of promotion and advertising is what sells a drug. Again, Mr. Chairman, I must return to the observations of Mr. Garai:

"All this adds up to a well-nigh stupefying concentration of promotional weight on the individual physician. Does it increase the industry's cost of doing business? Of course. Is it paid for by the eventual consumer? Certainly. In the ethical drug business, as in all others without exception, promotional costs are borne by the public.

"Why all this drum-beating? The answer is quite simple. *One*, the drug companies cannot compete effectively without it. *Two*, it works.

\* \* \* \* \*

"The fact is that no ethical drug can reach the public, at any price, without the consent of the doctor. No drug, however aggressively promoted, can survive economically unless it gains and keeps the endorsement of the doctor.

\* \* \* \* \*

"As an advertising man, I can assure you that advertising which does not work does not continue to run. If experience did not show beyond doubt that the great majority of doctors are splendidly responsive to current ethical advertising, new techniques would be devised in short order. And if, indeed, candor, accuracy, scientific completeness, and a permanent ban on cartoons came to be essential for the successful promotion of ethical drugs, advertising would have no choice but to comply."

Mr. Garai mentions the "aggressive" promotion of drugs. Is this a proper adjective? The answer to that question I will leave with this Committee. However, drug firms report that gross sales for human drugs in 1964, for example, ran to 2.4 billion dollars. During that year, between six hundred and eight hundred million dollars were spent by the manufacturers of these human drugs on advertising and promotion. This represents one quarter to one third of the gross sales dollar.

But who was the target of that extensive promotional effort? The approximately 200,000 prescribing physicians. This means that the manufacturers are spending close to \$3,000 per doctor on advertising and promotion of their products.

This, Mr. Chairman, may give you an idea of the magnitude of the problem we are committed to resolve.

Now, sir, what is the actual face of prescription drug advertising? I have here current copies of some of the more prominent magazines that go regularly to the desks of the practicing physician: *Journal of the American Medical Association*, *Medical World News*, *MD Medical News Magazine*, *Medical Economics*, *Medical Times*, *Medical Tribune*, and the *GP*. In most of these publications, for every page of objective editorial matter, there is a page or more of paid advertising matter. In addition, there are the little stories and press releases that emanate from the public relations office rather than the advertising office.

These are, as I say, just a few of the many general publications to the medical profession. There are others—specialized journals and State and county medical journals.

For many of them, the advertising dollar is survival.

While this advertising and promotional effort of the prescription drug industry may be concerned with rendering some kind of real service, it is, as *Advertising Age* and other magazines have pointed out, primarily and realistically designed to sell drugs. Our concern, therefore, is not with its presence but with its substance, not with its scope but with its effect.

Such is the nature of the problem that was set before the Congress—and the task that Congress set before the FDA. It was to be our high purpose to improve the advertising message that goes to the Nation's physicians for the benefit of the human patient—the individual human life—at the end of the long line of drug manufacture, promotion, distribution, and sales.

Prior to the enactment of the Kefauver-Harris Drug Amendments in 1962, there were essentially no restraints on prescription drug advertising. Yes, the Federal Trade Commission initiated some cases, but under a law limited to prohibition of misleading statements and containing none of the essential requirements for disclosure of information.

This left the advertising agencies and account executives without guidelines as to what they could legally say and do. The drawing board presented both a challenge and a hazard. The result left much to be desired.

FDA took steps in 1960 to improve the quality of labeling—the brochures and mailing pieces that wash in upon the physician's desk with each day's mail. The old practice, which allowed the stock phrase "literature available upon request" to take the place of said information, was ordered discontinued. In its stead was a requirement that all labeling pieces contain "full disclosure"—good and bad—of what was known about the drug.

To satisfy the complaint that the physician did not know where to turn for reliable information about prescription drugs, we said that each prescription drug package (including each package of a sample) was required to contain an official brochure.

This brought the best available information as close to the physician as his corner drugstore or hospital pharmacy—and, with samples, right into his office.

There are, no doubt, better ways of getting the prescribing message to the physician. But no better way was available to us, under the law we then had to administer.

When the Kefauver Bill, S. 1552, emerged from the Senate in August, 1962, it contained an advertising amendment that President Kennedy himself had asked for. He called the amendment—with others that he also proposed—essential to require that "the promotional material tells the full story about the drug—its possible bad effects as well as the good—and the whole truth about its therapeutic usefulness." This amendment became part of the law.

Thus, a pharmaceutical advertisement is required to contain a true statement of (1) the established name printed prominently in type at least half as large as that used for any brand name; (2) the formula; and (3) "such other information in brief summary relating to side effects, contraindications, and effectiveness as shall be required by regulations which shall be issued by the Secretary in accordance with the procedure specified in section 701(e) of the Act."

FDA in February, 1963, four months after passage of the law, proposed new advertising regulations. They were simple regulations, designed to be an initial step. They required that any prescription drug that had theretofore been approved through the new drug or antibiotic drug procedures be advertised only for conditions for which the drug had been approved. Drugs that had never been cleared through these procedures could be advertised only for conditions for which they were generally recognized as safe and effective or for which they were generally recognized as safe and for which there was "substantial evidence" of effectiveness.

The proposed regulations called for the advertisement to show with fair balance the effectiveness of the drug for the conditions for which it was recommended in the particular advertisement. And it also had to list those side effects and contraindications that were pertinent to the uses recommended in the ad and to other uses for which the drug was commonly prescribed.

To make the "brief summary" idea helpful to the physician, the regulations called for a full though brief presentation of all adverse effects, even though the small size of an ad might limit the total amount of information to be presented.

The regulations said that the information on side effects and contraindications must be presented in close association with the information on effectiveness. We

felt and still feel that this can be done in the overall context of typography, layout, contrast, and other factors in advertising design.

There was a requirement for preclearance of an ad if the drug could cause death or serious injury. The Commissioner had to notify the sponsor of the need for preclearance, however.

The regulations also defined brochures, mailing pieces, file cards, bulletins, price lists, company magazines, literature reprints, and reference publications—the *Physician's Desk Reference* for example—as labeling.

When these regulations were made final in June, 1963, the Pharmaceutical Manufacturers Association, 44 of its member companies, the American Medical Association, and others objected. They demanded a public hearing. This had the effect of staying enforcement of the regulations until the hearing could be held. Final regulations based on the evidence at the hearing would then be issued.

In September, notice of the hearing was given on five issues that had been presented by the objectors. These were—

1. Whether the Secretary should really have the authority to require "fair balance" in the presenting of effectiveness, side effects, and contraindications.

2. Whether the Secretary can require that the advertisement give all the side effects and contraindications of the advertised drug when the advertisement really relates to only one use.

3. Whether the Secretary may limit the efficacy claims of old drugs—that is, the drugs not subject to a new drug application or certification—to those uses for which the drug is generally recognized as safe and effective and for which there is substantial evidence to support the claim.

4. Whether the side effects and contraindications would have to appear in "reasonably close association" with the information on effectiveness and be as prominent and conspicuous.

5. Whether advertisements would have to be precleared even in extraordinary circumstances.

Essentially, the dispute was about how much of the ad we could control, about the requirement of established effectiveness as a condition for advertising drugs not subject to new drug and antibiotic drug preclearance, and about the ad preclearance provision.

But PMA and AMA together said that our jurisdiction extended only to the "brief summary" in an ad. The rest of the ad was none of our business, said PMA and AMA.

AMA said that advertisements were not educational. They did not have to be fully informative. PMA said so, too. Indeed, AMA said that ads were only reminder pieces. Our regulations, said AMA and PMA, would frustrate and destroy the basic purpose of prescription drug advertising. Both contended that if the regulations applied to the whole ad—not merely to the "brief summary"—they lacked statutory authority. AMA objected to "fair balance," to the requirement of side effect and contraindication information for any use for which the advertised drug is commonly prescribed. AMA also objected to the close association of side effects and contraindications with claims of effectiveness and to the required preclearance of some ads. PMA did, too.

We invited these groups to a prehearing conference. We presented a large number of exhibits—including codes of advertising ethics adopted by PMA, AMA and other advertising groups, examples of current and past prescription drug advertising, and surveys of doctors' attitudes about prescription drug advertising. The FDA was ready to roll forward to the actual hearing.

PMA presented 24 questions, in writing, about our agency's interpretations and understanding of the regulations. The FDA promptly answered them. In addition, we agreed to comment on a series of current advertisements selected by the PMA, in order to provide a better understanding of our regulations.

The results of these discussions were embodied in two letters of October 1 and 9, 1963, sent by my predecessor, Mr. George P. Larrick, to the attorney for the PMA. With your permission, sir, I would like to offer copies of these letters as exhibits for the record in this hearing.

With this, and some small adjustments in the regulations, the objections to the regulations were withdrawn, the hearing was called off, and the regulations were placed into effect.

Aside from purely editorial and clarifying changes, the final regulations—allowed previously approved new drugs to be advertised for any claimed protected by the "grandfather clause" of the 1962 amendments;

allowed drugs never subject to new drug approval or antibiotic certification to be advertised for conditions for which they were generally recognized as safe and effective and for conditions of effectiveness supported by substantial evidence derived from adequate and well-controlled investigations or from adequately documented and substantial clinical experience;

required preclearance only if the manufacturer itself failed to develop an adequate program to notify the profession promptly of any newly discovered hazard involving a risk of fatalities or serious injury.

Mr. Chairman, I think it is important to note that, even through the PMA and the AMA objected to the regulations proposed in February 1963, the advertisements did begin to change between February and September, when the prehearing conference was held. These changes, however, were minimal as shown by the ads that we discussed with the representatives from industry and the medical profession at the prehearing conference.

Beginning January, 1964, when the regulations took effect, there was improvement in both the style and content of medical advertising.

An increasing number of prescription drug ads began to contain a prominent section on indications for use, side effects, contraindications, and warnings. This part of the ads, generally speaking, followed the approved labeling and succinctly told the reader what the drug is for and what hazards may attend its use.

Cursory examination of the ads—by knowledgeable physicians—did not reveal striking misrepresentations or omissions. And because the ads contained the "brief summary" they were actually more believable than before.

The general tone of the ads tended to change from blatant promotion to scientific information. We are encouraged to believe that a better message is now going to the physician.—But a subtle problem of great magnitude remained.

It was only by reviewing the whole ad—in depth—with all the underlying data at hand, that we found that the regulations were being widely violated in less obvious ways.

We found so many common faults with prescription drug advertising that it was necessary, in November, 1964, to issue a release detailing the kinds of abuses we had found and announcing that we were taking regulatory action on them.

These were the abuses our agency listed at that time:

1. Extension or distortion of the claims for usefulness beyond that approved in the product's final printed labeling.
2. A quote from a study used to imply improperly that the study is representative of much larger and general experience with the drug.
3. The selection of poor-quality research papers that are favorable to the product and the omission of contrary evidence from much better research.
4. Quotation out of context of a seemingly favorable statement by an authoritative figure but omission of unpleasing data from the very same article.
5. A favorable quote from an obviously authoritative source but no quote from other differing experts in the same field.
6. Data from papers that report no side effects while other papers reporting side effects exist but are not quoted.
7. Ads constructed from data previously valid but rendered obsolete or false by more recent research.

Mr. Chairman, even before this statement was issued, we had taken up with individual companies a variety of violations. Some corrections had been achieved, but not nearly enough to satisfy us so that we could feel we were acquitting ourselves well of this grave responsibility.

Thus far, the Medical Advertising Branch in the Bureau of Medicine has been charged with the in-depth review of advertising. Only two physicians have been available for this important task, but we are fortunate in having a physician in charge of the branch who has had extensive experience in the development of medical advertising copy.

The Branch has not been idle. It has been reviewing ads called to its attention by other medical officers in the Bureau of Medicine, by physicians outside the FDA, by the Medical Letter, by competing firms, by lawyers, and indeed by this Committee, also.

We are planning to increase our response by supplying additional medical manpower and by taking other necessary steps to accomplish our task. We will use other resources in the FDA to remain alert to new advertising developments and to monitor the advertising practices used for a new drug to be sure that they are consistent with its authorized labeling. We also intend to establish a total system to examine ads from the whole spectrum of drug advertisers, veterinary as well as human.

I would, at this time, like to describe to this Committee the procedures we have used to obtain correction in the area of drug advertising.

Early in our enforcement program we wrote to the sponsor or called the firm in for a conference.

Later, we adopted a policy of issuing a formal citation to a firm asking that it show cause why the misbranding arising from improper advertising should not be referred to the Department of Justice for prosecution.

One criminal case has been filed and terminated. Several others are in various stages in FDA, in our General Counsel's office, and in the Department of Justice.

The case prosecuted to completion involved the drug PreeMT, intended for premenstrual tension. The PreeMT advertisement which you have seen, falsely asserted that there were no known contraindications to its use, when in fact there were several important contraindications. The court imposed a maximum fine on each of two counts of the information.

We have made one seizure of a prescription drug because its advertising misbranded the drug. I am speaking of Peritrate (PETN), which has a proper use in preventing and treating the pain associated with angina pectoris. But the advertisement improperly claimed that the drug was life-sustaining and it helped to repair the circulatory system of victims of heart attacks.

This seizure brought about prompt elimination of the questioned ad. But even at this moment, Mr. Chairman, we are still concerned with the advertising for this drug and for others in the same class of drugs.

Other seizures on other drugs may be expected. We have not yet, however, brought an injunction case on prescription drug advertising.

Our policy will be to continue citation and prosecution on offensive prescription drug advertising. To us, it is a most serious matter to misrepresent a product to a doctor and induce him to prescribe it for his patients, possibly for the wrong reasons, at the wrong time, and with the wrong results. Such conduct by an advertiser will not be permitted.

While prosecution has the advantage of sharply drawing to the firm's attention its responsibilities in the matter of advertising, it has the serious disadvantage of delay. That is why we chose seizure as the method to stop the Peritrate ad.

Seizure offers the firm the opportunity to react promptly to develop a suitable advertising message for the drug. But if the seizure is not effective, we will recommend an injunction and seek specific directions from the Court to the firm as to how the effects of the offensive ad may be erased and how a properly revised message can be presented to the profession.

We think, Mr. Chairman, that the basic regulations are simple and sound. They require that prescription drug advertisements serve their intended purpose as a means of scientific communication.

The regulations were elaborated upon in the letters that became a part of the hearing record in 1963. They were further clarified by the November, 1964, guidelines.

We think the time has come to incorporate some of the details from the letters and the guidelines into these regulations. We have used them as guidelines for about two years to gain experience. We are now prepared, Mr. Chairman, to move to firmer ground by incorporating at least some of these guidelines into binding regulations.

We also have learned that once an offensive advertising campaign is initiated, it is difficult to wipe out. It is difficult to get across to the advertiser what he must do to correct his message. We are considering the need for requiring preclearance of new ads, after successful criminal or seizure actions and as a part of injunctive relief.

We have been asked to conduct a seminar for advertising personnel and we have willingly agreed to do so.

We have also met with representatives of companies that publish drug compendia. The most prominent one is the *Physician's Desk Reference*. We reviewed a number of presentations in PDR book to show how these did not meet the requirements of "full disclosure." We are also exploring new ways with *PDR*, *Modern Drug Encyclopedia* and others so that corrections for these presentations can be made in the middle of the year when the labeling of a drug requires new warnings or when a drug is withdrawn from commerce altogether. An annual volume, even with quarterly supplements, is really not adequate when an immediate change in labeling is required to help the physician properly prescribe for his patients.

It may be that additional administrative changes will also be helpful. We will always be alert to the need for the exercise of good management principles.

It may be that with the Bureau of Medicine organized along specialty and organ system lines, as I have discussed with this Committee in early March, a more effective review can be performed within those units on drugs falling within the specialty involved.

The specialist would have the benefit of familiarity with the research work on the drug from its IND stage through its NDA stage and subsequent review of the required reports of experience with the drug. But we also need an organization, methods, and persons skilled in mass communications, who understand the conceiving of an ad and its impact on its target audience. And we know that we have a distance yet to travel to adjust our inspectional activity to maintain proper surveillance over advertising practices.

Mr. Chairman, I appreciate this opportunity to present the history of this problem before this Committee. I know that the Food and Drug Administration and this Committee share the same objective: full implementation of the law so that the lives of all Americans are adequately protected.

And I would close, sir, by stating what I am sure everyone on your Committee feels and what my staff and I feel about this problem of pharmaceutical advertising. It is a serious problem; it merits our closest attention, our constant vigilance. But it is a part of the total responsibility we carry to help maintain this country's high level of personal health.

We are deeply concerned about advertising because, if we were not, our efforts in the areas of investigational new drugs, new drug approvals, and surveillance would not produce a quality result. Drug advertising is not a separate matter, as some would have us believe. It is not a matter to be shunted aside, buried in the dust of unused files, assigned to less than our best personnel. Drug advertising is a vital matter, a part of the total effort expended by the FDA to make sure that the American people, served by a well-informed and well-armed medical profession, is kept in the best of health.

We know our responsibility, Mr. Chairman, and I believe we can acquit ourselves well.

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ITEM 2. "DRUG AND DEVICE QUACKERY," A SPEECH DELIVERED BY DR. GODDARD TO THE CONGRESS ON MEDICAL QUACKERY IN CHICAGO, OCTOBER 7, 1966

It is a privilege to be here this morning, representing the five thousand men and women of the Food and Drug Administration. I do not believe that I speak here today merely as the head of the agency. As you well know, the Food and Drug Administration through the years has led the fight against quackery of every kind. The FDA has not relented either. Its employees—from the Office of the Commissioner to our newest young clerk—are imbued with the tradition of the agency as a leader in the protection of Americans against the frauds and quacks still lurking in the marketplace.

And I do not see this effort in the agency dwindling at all. I can see that our fight against quackery may take new forms as the quacks themselves alter their tactics.

We have no intention of looking away. We are not so busy that we would abandon this traditional and still vital assignment of fighting quacks and frauds.

In fact, one can say that now more than ever before must the FDA be vigilant in this area. There are a number of reasons why our people are more vulnerable than ever to medical quackery:

They are more health conscious than ever before.

They are exposed to more health articles and advertisements than ever before.

They have seen science achieve goals that were once thought to be impossible for man ever to achieve.

They are more aware of health developments and practices in other countries than ever before.

All these elements work to produce a comfortable climate for the medical quack. He knows that his services may be more in demand today than they were yesterday.

But what he is also coming to realize is that the three branches of Government at every level are also aware of the climate for quackery and we are exerting special efforts to make it as uncomfortable and as unprofitable as possible for the medical quack.

Still, it is enticing and we should be conscious of this fact. For example, consumer expenditures for medical care and voluntary health insurance has

doubled in the past decade. In 1955, almost \$13 billion was expended. In 1965, an estimated \$25.5 billion was expended.

In 1955, the average annual per capita expenditure for medical care and voluntary health insurance was about \$80. In 1965, we estimate the annual figure to be over \$130 per capita.

In other words, people want better health care and better health service and they are willing to pay for it.

And I might add that they are willing to vote for it—to vote with their letters and telegrams and with their feet as well, when they come to Capitol Hill and ask their representatives—their Senators and their Congressmen—to enact Medicare, to expand aid to families of dependent children, to expand vocational rehabilitation, expand the building of hospitals and university health facilities, and to expand assistance to our handicapped children and adults.

Let us remember, then, as we ponder the question of medical quackery here these few days, that we do so in the midst of a people who are sold on health. Therefore, the possibility that they may be victimized has become greater.

Who is today's medical quack? Is he the old-fashioned lecturer and spieler? Not really. The FDA found less than 50 to bother with last year and only took two legal actions.

No, today's fraud is more sophisticated. He runs a special "clinic" outfitted with all the wonderful gadgetry of a space-conscious Nation. Typical of such an operation is one in which the FDA took action this past year.

The phony practitioner would use a device called the "Micro-tabulometer." It was a wooden cabinet containing a series of electrical bridge circuits, meters, toggle switches, and a probe applicator. The "Micro-tabulometer" was supposed to help in medical diagnosis by indicating where there was a "toxic accumulation" in the body of diseased tissues and organs.

The record of this sort of thing is quite dismal. During Fiscal 1966 our agency initiated 70 seizures of medical devices. Some were substandard devices, some were inadequately labeled, and some bore false and misleading claims.

You probably know of the "Diapulse" case. This device, seized in Atlanta, Georgia, used electrical impulses to supposedly treat arthritis, hypertension, sinusitis, middle ear infections, TB, syphilis, toxemia, asthma, hepatitis, diabetes, gangrene, pneumonia, and other conditions.

Then there was the "Ionic Charger," that claimed its "Radon" gas used in drinking water was effective in treating gout, rheumatism, insomnia, neuralgia, chronic diarrhea, chronic joint swelling, functional diseases of the liver, and chronic skin diseases.

The Niagara Therapy Manufacturing Corporation had a number of its items seized—massage devices, vibration chairs, vibrating hand units, and various thermo pads—because the company claimed they were effective against bursitis, falling hair, tired eyes, shot muscles, and misplaced kidneys.

Last month, the FDA achieved a major victory in the quack device field when the U.S. District Court at Dallas issued a permanent injunction against a series of devices used for "effortless reducing." The injunction bans from interstate commerce any shipment of such widely advertised reducing machines as "Figure-care," "Figuretone," "Figuremagic," and "Isotron."

In the injunction complaint we charged, among other things, that some of the people who allegedly benefitted from these machines actually had a financial interest in the sale of the machines and had not experienced any benefits at all.

A similar complaint for injunction has been filed against Relax-a-cizor, Inc., of Los Angeles, but no trial date has been set yet. I believe the Figurecare case was a significant breakthrough for us, however.

But where does mischief stop and the dangerous fraud begin? I have spoken here of phony weight-reducing devices. But there are many doctors who are operating weight-reducing clinics without the aid of devices. Instead they are prescribing and even selling amphetamines for weight-reduction purposes on a scale far beyond what might be expected in normal practice.

Here is the old-fashioned quack in a new disguise—and a far more dangerous one. Young women know that those electronic machines are probably phony. There's been quite a bit of publicity to that effect during the past few years.

But drugs. That's new. That's different. Losing weight with pills. That's exciting. That's "in."

I'm afraid that many medical frauds today are not violating the device provisions of the Food, Drug, and Cosmetic Act but they are actually violating the Drug Abuse Control Amendments to that Act. Their new form of quackery is

not a harmless—though expensive—electrical jolt. It is a potentially very harmful form of fraudulent therapy.

Our new Bureau of Drug Abuse Control, staffed with 200 agents, is already at work in the field to crack down on this new and vicious form of medical quackery. It is the same get-rich-quick doctor—and he will receive the same get-caught-quick treatment.

The quacks today play upon the confusion the public sometimes has concerning new forms of therapy. They write books and organize cults which supposedly simplify the tough problems of modern medicine.

Then there are the quacks who defy the medical "establishment," as they call it, who decry Government oppression, who overtly break the law as a symbol of their protest against the conspiracy of science to keep them out of business.

They excite our basic sense of fair play—but they have a nasty habit of disappointing us most of the time. They turn out to be the same old quacks playing the same old roles, but in new disguises.

A case in point here involves "Regimen," also an allegedly effective product for weight-reduction. Last month, in a 20-page opinion, the U.S. Circuit Court of Appeals at New York unanimously upheld the convictions in the Regimen case, brought about in the lower courts.

The case was tried before a jury. The indictment charged violation of four Federal laws. It contained 58 counts: 18 on mail fraud, 27 on wire fraud, 12 on misbranding, and one on conspiracy to violate the mail and wire fraud statutes.

The FDA, the Federal Trade Commission, the Post Office Department and the Justice Department were all involved in the development of the Regimen case.

A number of organizations, with the American Medical Association prominent in the lead, expressed doubts about the effectiveness of Regimen. The National Better Business Bureau and its able President Kenneth Willson also led the fight to put Regimen out of the marketplace.

The promotion and advertising of Regimen were especially flagrant. For example, its television advertising used paid endorsers who had been instructed to diet strenuously—and who *did* diet strenuously—as long as they were on the Regimen payroll. The taking of the Regimen tablets—a phenylpropanelamine compound—had nothing to do with weight loss.

I understand that the Court of Appeals decision may be taken to the U.S. Supreme Court. Whatever the outcome, the case is highly significant, for not only the advertising but the advertising agency itself was hauled into court. The agency of Kastor, Milton, Chesley, Clifford, and Atherton was fined \$50,000. The agency, Regimen's president John Andre, and Drug Research Corporation, which filed false clinical reports, all were found guilty on 45 of the 58 counts.

The case is much discussed in advertising circles, for it sounds a clear note of warning to ad agencies of their involvement in quackery and the penalties they might have to pay. As President Willson of the National Better Business Bureau explains it:

"The principle is that an agency is held to the standard of reasonable care which an average prudent person would use in evaluating a claim. Thus, if an agency were advised by a responsible source that a claim was false, or, if by the exercise of reasonable prudence it would or should conclude that a claim was false, then it is under an obligation to determine the facts before disseminating the claim."

Quackery in medical advertising, therefore, is subject to court action. And I think it is about time that advertising agencies began to see that they cannot shift all the blame to their clients when they indulge in the following kinds of abuses:

1. Extension or distortion of the claims for usefulness beyond that approved in the product's final printed labeling.
2. A quote from a study used to imply improperly that the study is representative of much larger and general experience with the drug.
3. The selection of poor-quality research papers that are favorable to the product and the omission of contrary evidence from much better research.
4. Quotation out of context of a seemingly favorable statement by an authoritative figure but omission of unpleasing data from the very same article.
5. A favorable quote from an obviously authoritative source but no quote from other differing experts in the same field.
6. Data from papers that report no side effects while other papers reporting side effects exist but are not quoted.
7. Ads constructed from data previously valid but rendered obsolete or false by more recent research.



This kind of advertising is in the same category as quackery. It is not the practice of medicine. It is the practice of chicanery.

When the art of healing is twisted into the art of stealing, then I can assure you that the full power of the Food and Drug Administration and the U.S. Department of Justice will be exercised.

We will protect not only the physical integrity of the patient, but we will protect the professional integrity of the medical community.

And I can tell you this morning that the integrity of the medical community is indeed under attack not from outside but from within. I can tell you that the quackery of yesterday has infiltrated the highly sophisticated and critical fraternity of clinical investigators.

In the Regimen case, which I just mentioned, FDA inspectors obtained admissions from two doctors that they had filed false reports on clinical studies they had made for the Drug Research Corporation, parent of "Regimen Tablets."

And you are aware, I am sure, of the clinical investigators we have lately taken to task for filing false data with their sponsors and with the FDA.

I submit to this audience that this is a new face of quackery. Let us not be deluded into thinking that fraudulent drugs and devices constitute the sole targets of an anti-quackery campaign. Let us frankly admit that improper medical practice—knowingly twisted for profit—this kind of medical practice is quackery, pure and simple, and ought to be the object of major concern by the AMA and this Congress.

Clinical investigation is the very foundation of the structure of our drug supply. If it is pock-marked or otherwise flawed, the structure itself will be unsteady.

But strong, vital, impeccable clinical investigation—beyond the charge of deception, but true to the high traditions of medicine—will continue to help expand our exceptional drug armamentarium.

This is a plea for rational medical practice. This is a plea for modern thinking about the question of quackery. I have asked you to consider not only the familiar—I was almost going to say "traditional"—types of drug and device quackery, but I have asked you to consider false drug advertising and false clinical investigation as also forms of fraud and quackery. Now let me advance one other suggestion.

I believe that the medical profession has a major stake in the elimination of nutritional quackery as well. I can recall that the American Medical Association published in its *Journal* the conclusions of its Council on Foods and Nutrition. Entitled "Vitamin preparations as Dietary Supplements and Therapeutic Agents," the position paper concluded that combinations of essential vitamins may be desirable for supplementation of certain restricted diets, but this paragraph was also added:

"Vitamin mixtures, other than those discussed herein, may be demonstrated to be useful in therapy by further research. Until adequate scientific evidence is presented as to their value, however, such mixtures should not be advocated for general use. Public health will be served best by insistence on a factual basis for vitamin supplementation and therapy. It is sound judgment to emphasize repeatedly that properly selected diets are the primary basis for good nutrition."

We know that millions of Americans seem to feel that they just aren't getting enough nutrition if they don't take special vitamins, minerals, diet food preparations, vitamin-mineral combinations, and formula foods and food supplements. Many Americans have applied a social hypothesis to medicine; that is, if five vitamins and minerals are good, then ten must be twice as good.

This is a problem that involves not only large manufacturers of the basic chemicals and the broadly merchandised brand-name products. The field is also cluttered with small-time picumen quacks raddists and know-nothings who turn nutritional hypochondria into exaggerated profits. The consumer is very vulnerable—and he need not be.

In order to carry out our mandate given us by the Congress to protect the consumer from economic as well as medical frauds the FDA published on June 17th of this year revised labeling regulations and new standards for fortified foods and vitamin and mineral supplements. Unless there are legally justified hearings the regulations will go into effect on December 14, 1946.

The new regulations—revisions of those promulgated in 1941—are designed to provide the consumer with more information about foods purchased for weight control for dietary supplementation and for other special dietary needs, such as controlling salt intake.

They set standards for foods to which nutrients may be added only if they have real value. They tie down the meaning of "low calorie" and "fewer calories."

They stipulate which nutritional elements—and the amounts of each—may be used in so-called "fortified" foods.

The regulations would also prohibit extravagant promotion of shotgun formulas containing nutrients that meet no dietary need and tend, instead, to deceive the consumer.

Many in this audience are aware of doctors who prescribe vitamin pills as a kind of placebo. We also know perfectly healthy men and women who eat well-balanced meals but who wouldn't be without their daily vitamin capsule.

We have no intention of taking vitamin and mineral supplements off the pharmacy shelves. But we *do* intend to insure that those diet supplements that are left are not nutritional hoaxes, that they do not promise more health fortification than they can possibly deliver, and that they do not deceive the consumer in the listing of contents.

We *do* intend to have these products live up to the fair business practices that other products in the marketplace must live up to.

And I believe that with the continued help of the American Medical Association and its membership, the Food and Drug Administration can do its job of protecting the consumer—and the medical profession, too—from the nutritional quack and fraud.

I want to thank you all for giving our agency much strong support through the years in the fight against quacks and frauds. I know that this partnership in the public interest will continue to be as vital and as effective as in the past.

It will be the intent of my administration that this be so. And I will assure you once again that this is the way all our people feel.

Thank you very much.

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ITEM 3. "WORKING AGREEMENT BETWEEN FTC AND FDA," A PRESS RELEASE  
ISSUED ON JUNE 9, 1954

The Secretary of the Department of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, and the Chairman of the Federal Trade Commission, Edward F. Howrey, jointly announced today the approval of a working agreement between the two agencies. Its objective is to correlate more effectively the work of the Commission and the Food and Drug Administration and to prevent overlapping activities and duplication of effort.

Secretary Hobby and Chairman Howrey issued the following statement:

"The close parallel in purpose between provisions of the Federal Trade Commission Act which deal with advertising of foods, drugs, and cosmetics, and the labeling requirements of the Federal Food, Drug, and Cosmetic Act, has led to overlapping activities on the part of the two enforcement agencies. Such overlapping arose primarily because the same representations regarding a product may be both advertising and labeling, depending on the circumstances of each case. A clearly defined understanding between the two Government organizations is essential to prevent needless duplication of effort. Certainly, two different agencies should not start legal proceedings against a business firm for essentially the same reason unless the public interest requires two proceedings.

"In concluding the working agreement our purpose, among other things, is to improve the liaison between the two agencies and insure a properly coordinated and effective law-enforcement program in the important field of foods, drugs, and cosmetics."

The agreement provides more effective liaison, particularly in instances where—

"(a) The same, or similar claims are found in both labeling and advertising;

"(b) written, printed or graphic material may be construed as either advertising or as accompanying labeling or both, depending upon the circumstances of distribution;

"(c) the article is a drug or device and appears to be misbranded solely because of inadequacy of directions for use appearing in the labeling for conditions for which the article is offered in advertising generally disseminated to the public."

Liaison activity in these circumstances will be "for the purpose of avoiding duplication of work and to promote uniformity and consistency of action in areas where both agencies have a concern and the actions of one agency may effect proceedings by the other," the agreement says.

The text of the agreement is attached.

ITEM 4.—Samples of food, drug, cosmetic, and device recalls by the FDA in 1966

No.	Name and form	Lot No.	Rx, OTC NDA Food	Responsible for violation	Responsible for handling recall	Recall date	Recall reason	Recall type	Recall depth	Product district	Re- marks
	JUNE 22-28, 1966					1966					
5	Pentaerythritol Tetranit tablets, 20 milligrams	244f3.....	Rx.....	Lustgarten Labs., Philadelphia, Pa.	Lustgarten Labs., Philadelphia Pa.	June 23	Subpotent.....	FDA indi- cated.	Retail.....	National..	
	JUNE 29- JULY 5, 1966										
2	Oxsorbil and Ox- sorbil P.B. sam- ples.	166C360..... 165C409.....	Rx.....	Ivers Lee, Co., Newark, N.J.	Ives Labs., New York, N. Y.	June 30	Label mixup....	FDA was ad- vised.	Doctor.....	do.....	
	AUG 10-16, 1966										
3	Darvon compound..	OQ 394A.....	Rx.....	Eli Lilly Co., In- dianapolis, Ind.	Eli Lilly Co., In- dianapolis, Ind.	Aug. 12	Loose labels....	do.....	Wholesale....	do.....	
4	Penta-erythritol tetranitrate, 30- milligram cap- sules.	13-72.....	Rx.....	Schlicksup Drug Co., Peoria, Ill.	Schlicksup Drug Co., Peoria, Ill.	Aug. 15	Subpotent.....	FDA ini- tiated.	Doctor and pharmacy.	Regional..	
	AUG. 17-23, 1966										
1	Ipeco No. 4353001, catheterization, set with catheter.	All lots.....	Device..	Hospital Supply & Development Co., Shippen- ville, Pa.	Hospital Supply & Development Co., Shippen- ville, Pa.	Aug. 17.	Nonsterile.....	FDA advised.	Wholesale level.	National..	
2	Ipeco No. 4353011, catheterization, set without catheter.	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	
3	Ipeco special cath- eter set.	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	
4	Larjan No. 6000, urinary drainage bag with tube.	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	
5	Larjan No. 6100, urinary drainage bag without tube.	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	
14	Whole hog stomach substance.	924.....	Rx.....	Cudahy Labs, Omaha, Nebr.	Cudahy Labs, Omaha, Nebr.	do.....	Adulterated with salmo- nella.	FDA initi- ated.	Wholesale.....	do.....	

	AUG. 24-30, 1966									
6	Granular pepsin	260, 360	Non-Rx	do	do	Aug. 23	Contaminated with salmonella.	FDA advised.	do	do
7	Pancreatin NF	66B0090	do	do	Sigma Chemical Co., St. Louis, Mo.	do	do	do	do	do
128	Eserine salicylate, 25 percent.	50443	Rx	Zemmer Co., Oakmont, Pa.	Zemmer Co., Oakmont, Pa.	Aug. 30	Suspect metal particles.	do	Doctor	Regional
	AUG. 31 TO SEPT. 6, 1966									
17	Canz pepsin	8912, 0673, 4003, 0748.	Rx	Cudahy Labs., Omaha, Nebr.	Cole Pharmacal, St. Louis, Mo.	Aug. 31	Adulterated salmonella.	do	Retail	National
	SEPT. 14-20, 1966									
3	Sterile catheterization set with catheter, item No. 3541 deluxe.	66543 and all lower numbers.	Device	Hospital Supply & Development Co., Shipperville, Pa.	Davol Rubber Co., Providence, R.I.	Sept. 13	Defective packages.	FDA initiated.	Hospital	do
4	Sterile catheterization set with catheter, item No. 3560.	66373 and all lower numbers.	do	do	do	do	do	do	do	do
5	Sterile catheterization set, item No. 3540 deluxe.	66557 and all lower numbers.	do	do	do	do	do	do	do	do
6	Sterile catheterization set without catheter, item No. 3561.	66493 and all lower numbers.	do	do	do	do	do	do	do	do
7	Sterile bladder irrigation set, item No. 3531.	66564 and all lower numbers.	do	do	do	do	do	do	do	do
12	Sterile urinary catheters.	60717	do	Ellot Labs, Fitzwilliam Depot, N.H.	Macbick Co., Wilmington, Del.	Sept. 16	do	FDA advised.	do	Regional
18	Unicaps	WH 720	OTC	Upjohn Co., Kalamazoo, Mich.	Upjohn Co., Kalamazoo, Mich.	do	Standard (tablets cracked).	do	Branch warehouse.	Unknown
	SEPT. 21-27, 1966									
10	Orchic substance	593	Rx	Cudahy Labs., Omaha, Nebr.	Cudahy Labs., Omaha, Nebr.	Sept. 26	Adulterated <sup>2</sup>	do	do	National
11	Prostate substance	304	Rx	do	do	do	do <sup>2</sup>	do	do	do
12	Stomach substance	933	Rx	do	do	do	do <sup>2</sup>	do	do	do

See footnotes at end of table, p. 195.

## ITEM 4.—Samples of food, drug, cosmetic, and device recalls—Continued

No.	Name and form	Lct No.	Rx, OTC NDA Food	Responsible for violation	Responsible for handling recall	Recall date	Recall reason	Recall type	Recall depth	Product district	Re- marks
	SEPT. 28 TO OCT. 4, 1966										
2	Pentaerythritol tetranitrate.	D-0746.....	Rx.....	Bryant Pharmacal Co., Mount Vernon, N. Y.	Bryant Pharmacal Co., Mount Vernon, N. Y.	Sept. 27	Subpotent.....	Company initiated.	Retail.....	Regional..	
3	Pancreatin powder NF.	1094.....	Rx.....	Cudahy Labs, Omaha, Nebr.	Cudahy Labs, Omaha, Nebr.	do.....	Adulterated.....	do.....	Wholesale (actually to the manufacturer).	National..	(3)
4	Pancreatin 4X NF.	955.....	Rx.....	do.....	do.....	do.....	do.....	do.....	do.....	National..	(3)
13	Nitroglycerin sublingual tablets.	1002.....	Rx.....	Lit Drug, Inc., Union, N. J.	Haberle Drug Co., Montclair, N. J.	Sept. 29	Disintegration.....	do.....	Doctor.....	Regional..	
16	Whole hog stomach substance.	980.....	Rx.....	Cudahy Labs, Omaha, Nebr.	Cudahy Labs, Omaha, Nebr.	Sept. 30	A adulterated.....	do.....	Manufacturer..	National..	
	OCT. 5-11, 1966										
2	Pancreatin 3x.	1120.....	Rx.....	do.....	do.....	Oct. 4	do.....	do.....	do.....	do.....	(3)
6	Bladder irrigation set IT-1, catheter No. 8311.	All lots.....	Device..	Elliot Labs, Fitzwilliam Depot, N. H.	Elliot Labs, Fitzwilliam Depot, N. H.	Oct. 5	Manufactured with deceptive packaging.	do.....	Hospital.....	National..	
7	Bladder irrigation set B1-4, catheter No. 8734.	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	do.....	
	OCT. 12-18, 1966										
2	Sterile bladder irrigation sets 8731 It-1 and It-IDX.	do.....	do.....	do.....	do.....	do.....	Punctures in paper pouches and defective packages.	FDA initiated.	do.....	do.....	
	OCT. 2-8, 1966										
2	Sterile urethral catheterization trays.	D520.....	do.....	Park Industries, Inc., East Rutherford, N. J.	Becton, Dickinson Co., East Rutherford, N. J.	do.....	Defective wrappers.	Voluntary.....	Wholesale.....	do.....	

6	NOV. 16-22, 1966 Nitroglycerin sublingual tablets.	4694, 8344, 6526, 6515, 11605, 11625.	Rx-----	Lit Drug Co., Union, N.J.	Hoberle Drug Co., Montclair, N.J.	-----	Disintegration--	-----do-----	Physician-----	Pennsylvania.	(*)
7	NOV. 30 TO DEC. 6, 1966 Urethral catheterization trays.	693, 694, 676, 677 (all lots of catalog items).	Device--	Becton-Dickinson & Co., East Rutherford, N.J.	Bard-Parker Co., Inc., East Rutherford, N.J.	-----	Defective packaging.	-----do-----	Hospital-----	National--	(*)
5	DEC. 14-20, 1966 Enteric-coated, 1,000 tablets, methenamine mandelate, 0.5 grams.	73410-----	Rx-----	NYSCO Laboratories, Inc., Long Island City, N.Y.	NYSCO Laboratories, Inc., Long Island City, N.Y.	-----	Fails to meet USP disintegration time limit.	-----do-----	Wholesale-----	National and Canada.	
4	DEC. 21-27, 1966 Pentaerythritol tetranitrate tablets (10 milligrams).	S-2656 S-2703 S-3978 S-2960 S-2713 S-3558 S-3016 S-3676 S-2876 S-3295 S-3036 S-3289	Rx-----	Shaw Pharmacal Co., St. Louis, Mo.	Shaw Pharmacal Co., St. Louis, Mo.	-----	Subpotent-----	-----do-----	-----do-----	St. Louis district.	

<sup>1</sup> Ophthalmic ointments.

<sup>2</sup> Subrecall. These dosage forms were manufactured from bulk thyroid powder being recalled because of Salmonella contamination.

<sup>3</sup> Contaminated with Salmonella.

<sup>4</sup> Extension of September recall.

<sup>5</sup> Extension of recall to include items 676 and 677 to the hospital level.

Source: Compiled and edited by the press relations staff of the Office of Education and Information, Food and Drug Administration, DHEW, Washington, D.C. 20204.

## ITEM 5.—FDA Aging Conference schedule, fiscal year 1967

District	Subject and/or audience	Conference schedule		Sponsors
		Date	Location	
Atlanta.....	Challenges in health protection, 75 to 100 professionals engaged in positions to assist the aging.	Feb. 3, 1967.....	Tampa, Fla.....	FDA-Administration on Aging (AOA).
Baltimore.....	Planning session Jan. 10 re jointly sponsored conference.	April 1967.....	Washington, D.C.....	FDA-AOA.
Boston.....	Conference with 75 leaders engaged in positions to assist the aging.	.....do.....	Boston, Mass.....	Do.
Buffalo.....	Planning session Jan. 24 in Albany with FDA, AOA, New York State Office for Aging, and New York State recreation programs for olderly re New York conference program.			
Do.....	Quackery conference with Health and Welfare Council of Erie County, Pa., 500 expected to attend.	May 1967.....	Erie, Pa.....	FDA participating with council.
Do.....	Planning session Jan. 31 in Harrisburg, Pa., with FDA, AOA, Office of Aging, Department of Public Welfare, Commonwealth of Pennsylvania, re conference for State.			
Chicago.....	University of Illinois, mayor's committee on aging, and directors of 12 senior citizen centers in Chicago, 18 leaders in aging.	Oct. 25, 1966.....	Chicago.....	FDA.
Do.....	FDA and AOA working on Wisconsin conference possibility.	4th quarter.....	Madison or Milwaukee.....	
Cincinnati.....	Louisville, Ky., Council of Senior Citizens Clubs.	March 1967.....	Louisville, Ky.....	FDA and Louisville Council of Senior Citizens Clubs (30 in area).
Dallas.....	Conference on aging with professionals engaged in aging.	Apr. 7, 1967.....	Austin, Tex.....	FDA, AOA, Governor's committee on aging, Extension Service.
Denver.....	3-day training program for professionals engaged in aging.	4th quarter.....	Salt Lake.....	FDA, AOA, State agencies working with elderly.
Do.....	Quackery conference for older Americans.....	Feb. 21, 1967.....	Denver.....	FDA, AOA, Colorado Medical Society, State health department, Dietetic Association, Denver Area Federation of Organizations of Older People.

Do.....	FDA exhibit and speeches for 14 Wyoming senior citizen audiences on quackery.	January to May 1967..	14 Wyoming counties.....	FDA, State food and drug officials, local professionals in aging.
Detroit.....	3 conferences held for public health nurses to discuss FDA programs as they relate to older citizens, 350 nurses.	July 29, 1966..... July 30, 1966..... Nov. 19, 1966.....	Toledo, Ohio..... Detroit, Mich..... Dearborn, Mich.....	FDA.
Do.....	FDA-AOA Conference possibility being investigated for Cleveland.			
Kansas City.....	Conference in planning stage for church, housing, and aging group leaders.	February 1967.....	Kansas City.....	Kansas Council on Aging, FDA, AOA.
Los Angeles.....	Conference on consumer problems of the elderly, 200 to 300 to attend.	Feb. 1, 1967.....	Los Angeles.....	FDA, Los Angeles County Department of Senior Citizen Affairs, and University of Southern California's Rossmoor-Cortess Institute for the Study of Retirement and Aging.
Minneapolis.....	Biennial conference of Governor's committee on aging.	Feb. 23-24, 1967.....	Minneapolis.....	FDA involved in conference planning and will be chairman of conference session.
New Orleans.....	Representatives from church, housing, and Golden Age Clubs.	4th quarter.....	Birmingham, Ala.....	FDA and local leaders in Birmingham and surrounding cities.
New York City.....	Planning session Jan. 24 in Albany (see Buffalo schedule).	4th quarter.....		
Do.....	Participation in quackery conference.....	4th quarter.....	Staten Island, N.Y.....	
Philadelphia.....	Pennsylvania Division on Aging.....	Mar. 15, 1967.....	Philadelphia.....	FDA and State agency.
Do.....	Biennial conference of Governor's committee on aging.	Apr. 12, 1967.....	do.....	FDA speaker.
Do.....	New Jersey State Health Department Senior Citizens Day, 15,000.	Sept. 22, 1966.....	Trenton, N.J.....	FDA exhibit and participation in planning Senior Citizens Day in cooperation with New Jersey Division on Aging.
St. Louis.....	247 members of 132 senior citizen clubs representing 20,000 members in meeting.	Oct. 10, 1966.....	St. Louis.....	St. Louis Medical Society, St. Louis Older Adults Special Issues Council, FDA.
San Francisco.....	200 professionals engaged in positions to assist the aging.	Mar. 17, 1967.....	San Francisco.....	FDA, AOA, agencies in northern California.
Seattle.....	Quackery conference with emphasis on implications for the older citizen.	Jan. 1-31, 1967.....	Boise, Idaho.....	FDA, AOA, Extension Service, Boise Council on Aging, county medical society.
Do.....	FDA and AOA will soon meet with Washington State leaders on aging in western section of State to plan conference for this area.	4th quarter.....	Spokane, Wash.....	



ITEM 6. SEVERAL ARTICLES PREPARED BY MR. THEODORE SCHUCHAT FOR FDA  
GOOD AND WELFARE

(Released by Press Associates, Inc. (PAI), Washington, D.C.)

In 1965, the last year for which complete figures are available, drug companies spent a total of \$122.8 million for advertising space in medical journals and for commercial literature mailed to doctors.

Such a figure may surprise you, since this type of advertising is seldom seen by the public. Its main purpose is to promote prescription drugs to physicians. Of course, you the consumer ultimately buy the drug; but it is your doctor who chooses it for you.

Perhaps you wonder how an advertisement can really help your doctor make wise decisions about the drugs he prescribes. The drug ads we consumers see in magazines and on television are often likely to confuse our own selections of "over-the-counter" medicines. How then does your doctor manage?

Because of a number of federal laws, prescription drug advertising is required to give the reader a great deal more information than regular advertisements. The late President Kennedy, who urged enactment of these laws, felt that prescription drug advertisements should tell "the full story about a drug—the possible bad effects as well as the good."

The labeling of any prescription drug (this includes leaflets sent out to doctors or inserts that come with the package) must contain all the information a doctor should know in order to safely and effectively use the drug in treating a patient. This includes what conditions the drug should be used for, what the effects will be, how much, how often, and in what way it should be given to the patient, any precautions the doctor should take in prescribing it, and any conditions under which a patient should not take the drug at all. This is called the "full disclosure" requirement of the law.

In magazine advertisements, however, it is allowable for the manufacturer to use what is called a "brief summary." The Food and Drug Administration, which administers the prescription drug advertising laws, insists that the "brief summary" mention all adverse effects listed in the labeling of the drug.

The purpose of the law, says FDA Commissioner James L. Goddard, is to protect lives. Whenever the FDA has reasonable belief that a particular advertisement is misleading, action will be taken against the product and its manufacturer.

One recent case of misleading advertising of a prescription drug involved the promotion of a leading medication for the treatment of angina pectoris. This product is a perfectly good drug for treating the condition, but advertisements in medical journals implied claims for it which went far beyond its true effectiveness.

False advertising of prescription drugs falls in the same category as medical quackery, feels the Food and Drug Administration. It is twisting the art of healing into the art of stealing.

#### COSMETICS

Did you ever swallow lipstick? What about toothpaste? Would swallowing either hurt you?

Look at the labels. Why don't they tell you what lipstick or toothpaste is made of?

Federal law defines both lipstick and toothpaste as cosmetics. Any product used on the body for cleansing or beautifying is considered a cosmetic. These items range from toothpaste and after-shave lotion to lipstick and mascara.

Thus far, the law does not require cosmetics to list their ingredients on the label. However, the law does prohibit the use of any poisonous or harmful substance in these products.

The exceptions to this rule are the few cosmetics which include drug ingredients. For these, the law requires that the drug content be spelled out on the label and the product is actually considered a "new drug" under the law.

But what about those products that include exotic materials such as "turtle oil" or "royal bee jelly"?

The U.S. Food and Drug Administration warns senior citizens against falling for claims that these so-called "miracle ingredients" will work mysterious changes in your appearance.

"The promoters are only interested in your money," the FDA advises.

Although proper use of cosmetics can help a great deal to enhance your appearance, the FDA cautions against products that promise overnight miracles, such as growing hairs on bald heads or restoring youthful skin.

Certain cosmetics—such as hair dyes—should be used with caution.

The FDA requires bottles of hair dye containing coal-tar color to carry a warning that the dye may irritate your skin or cause blindness if used near the eyes.

You should read these labels carefully, the FDA says, and, to make sure your skin won't be harmed, follow the directions calling for a "patch" test *every time* you dye your hair.

The FDA points out that some people develop a sensitivity to hair dye only after using it many times.

#### DEVICES

Th old days when a quack "doctor" could sell a bottled cure for everything from heart failure to gout are on the way out.

Nowadays, the Federal Government warns, quack medicines are more sophisticated and the men who peddle them are less easy to spot.

Dr. James L. Goddard, Commissioner of the U.S. Food and Drug Administration, says the modern quack may run a "special clinic" with all sorts of elaborate—but useless—gadgets. In 1966, the FDA took action against one such clinic where something called the "Micro-tabulometer" was being used.

Dr. Goddard describes this device as a wooden cabinet containing a series of electrical bridge circuits, meters, toggle switches, and a "probe applicator." This machine was supposed to aid medical diagnosis by showing up "toxic accumulations" in diseased tissues and organs of the body.

The FDA seizure of this quack medical device was one of 70 similar actions last year.

One case involved a device that was supposed to use electric impulses to treat arthritis, hypertension, middle ear infections, tuberculosis, syphilis, asthma, gangrene, pneumonia—plus a variety of other diseases!

In another case, the U.S. District Court in Dallas issued a permanent injunction against a series of devices for so-called "effortless reducing." Among the reducing machines affected were "Figurecare," "Figuretone," "Figuremagic," and "Isotron." Some of the people who said they had benefited from the machines actually had a financial interest in them and had never used them!

Goddard believes, however, there are several reasons why some Americans are more vulnerable to quackery nowadays:

- (1) We are generally more health-conscious than ever before.
- (2) We are more exposed to more health articles and advertisements.
- (3) We have seen science achieve goals once thought to be impossible.
- (4) We hear more about new health developments and practices in other countries.

The Commissioner warns that many medical frauds today are not directly violating the provisions of the Federal Food, Drug, and Cosmetic Act or its Amendments. But Dr. Goddard promises that his agency will continue to fight against quackery and warns that the Government's fight will take "new forms as the quacks themselves alter their tactics."

## ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"

(Presented by the Food and Drug Administration, U.S. Department of Health, Education, and Welfare)

FDA: Judith S. Bublick

(Produced by Audio Productions, Inc., New York, N.Y., January 3, 1967)

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
Carnival montage. A rapid series of cuts, to the accompaniment of calliope music and appropriate sound effects, establishes the garish, kaleidoscopic county fair. The atmosphere and period dress is of the pre-World War I era. People pass in front of the camera. There are glimpses of a carousel revolving. A clown's vividly painted face looms up. Fireworks go off, and their glare illuminates faces, a row of patent medicine bottles, and also the perennial pitchman, whose strident voice rises above the music.	Music-----	4	32
M.S. Camera follows woman and elderly man as they approach stand, where a pitchman is selling patent medicine to small crowd.	PITCHMAN [voice over]: Step right up, ladies and gentlemen, step right up. Hurry, hurry, hurry; step right in. Just come in a little closer,	24	32
C.U. Young man and woman-----	ladies and gentlemen. I want you to know my	27	19
M.C.U. (over shoulder of two women). Pitchman, delivering his spiel.	PITCHMAN. Friends, this is the very latest discovery of science.	28	27
M.C.U. Pan along ELIXIR bottles lined up on counter in front of pitchman. His hand is full of dollar bills.	absolutely guaranteed-----	30	21
C.U. Pan to Cuban woman-----	to cure rheumatism and-----	31	21
C.U. Pitchman-----	fallen arches, stomach cramps, shortness-----	32	24
C.U. Pan along line: Young man, elderly man, woman----	of breath, and warts.	34	5
C.U. Pitchman-----	Rub it on the fingers and it keeps children from biting their finger nails.	35	10

C.U. Woman.....	WOMAN. Will it help spots in front of the eyes—	37	1
C.U. Pitchman. Pull back to M.C.U.....	PITCHMAN. Indeed it will, Madam. Indeed— PITCHMAN. It will. One spoonful for little spots, two for bigger ones [start fade]. Come on; step right in, ladies and gentlemen [voice fades out]. NARRATOR. The pitchman—	39	13
C.U. Hand, reaching up dollar bill, passes in front of woman's face as she asks question.	with his snake oil—positively guaranteed to cure all the ills of mankind.	43	31
C.U. (As in scene 19). Pitchman reaches down under counter.		45	10
C.U. (Over shoulder pitchman.) Handing ELIXIR bottles over counter to young man.	As familiar a sight in an America	46	36
M.S. Pitchman talking to crowd. Move in to C.U. as he continues his spiel.	that has vanished, as the Tin Lizzie, or the straw boater.	48	33
Dissolve to M.S. The same pitchman addressing the same people of the earlier scenes. However, everything has been brought up to the present time, including back- drop, costume, and smooth, soft-sell delivery. The raucous carnival atmosphere disappears entirely, as well as all traces of a bygone era.	NARRATOR. But the bunkum artist did not disappear with the Tin Lizzie. He is still around today, al- though he looks and sounds very different.	53	32
C.U. Woman in straw hat and young woman.....	WOMAN. And you think it will take care of this dizzi- ness? It comes and goes—	58	7
M.C.U. Pitchman holding ELIXICIN, a modern, at- tractive package.	PITCHMAN. 95 percent of those who have suffered from dizziness have found fast relief with this product [start fade]. This secret formula—	60	39
C.U. ELIXICIN boxes lined up on counter.....	NARRATOR. And he is still selling the same old snake oil. It, too, is more	68	18
Dissolve to C.U. Dials and recording chart on "Micro- dynameter." Pull back to reveal entire machine.	NARRATOR. Professionally packaged. It might be a product in a fancy box or bottle	71	38
Dissolve to C.U. Handing "Doc Henry's ELIXIR" bottles (from old-fashioned carnival sequence) over counter. (Succeeding scenes are in the present.)	or a fake but impressive-looking machine which claims to do miraculous things to the human body.	77	12
Dissolve to M.L.S. Modern pitchman talking to crowd..	But it's still the same old snake oil.....	80	22
	Today, more than ever, you and I are all too often taken by the con man and his products and de- vices with promises to cure all the ills that trouble us.		

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
C.U. Elderly man.....	ELDERLY MAN. I need something to take care of the stiffness in this hand.	87	36
C.U. Cuban woman.....	WOMAN. They want to operate, but if there is anything that will dissolve this lump instead—	89	35
C.U. Fat man.....	FAT MAN. If I take this, will I lose weight?	93	27
C.U. Elderly woman.....	ELDERLY WOMAN. You say this will supply a special nutrient to tone up sagging face muscles?	95	6
C.U. Fat man. Move in to E.C.U.....	FAT MAN. And will it also cure this nagging backache of mine—and help my kidney trouble?	97	35
C.U. Elderly man.....	ELDERLY MAN. You say these heart palpitations will really disappear?	100	28
M.S. Pitchman talking to crowd. (Same as scene 30.)..	PITCHMAN. I've got PITCHMAN. The answer right here, ladies and gentlemen, to everything that ails you. Now, step right up. Will you	103	23
C.U. Elderly man and young woman.....	come in closer, please. Now I.....	106	22
E.C.U. Fat man.....	have here testimonials from.....	107	28
C.U. Cuban woman.....	people who have been cured—I said.....	108	30
C.U. Pitchman.....	cured—of backaches.....	109	36
C.U. Elderly woman. (Same as scene 40.).....	nervousness, cancer.....	110	39
C.U. 2 women. (Same as scene 31.).....	lost manhood.....	112	11
C.U. Handing ELIXIR boxes over counter. Freeze frame in the act of transference. Package is in the grasp of both the Pitchman and the buyer. Over this frozen frame, super the following titles, which wipe on and fade out in succession:	NARRATOR. But it's still the same old snake oil.  Music.	114	5

The Health Fraud Racket  
 presented by  
 FOOD AND DRUG ADMINISTRATION

U.S. Department of Health,  
 Education, and Welfare

Dissolve to M.L.S. Pitchman behind counter, counting money. Narrator enters, picks up ELIXICIN box and questions pitchman (with a broad wink to audience).  
 C.U. Pitchman, in reply, warming up to his subject.

C.U. ELIXICIN in narrator's hand. Pitchman's hand gesticulating in emphasis.

C.U. Narrator (against yellow limbo backdrop)-----

C.U. Narrator's hand sets down ELIXICIN package. Pull back, and off to side. Traveling titles (spidery lettering) appear beside package on cue:

MISINFORMATION  
 DISTORTION  
 SUGGESTION  
 HALF-TRUTHS

These disappear and are followed by:

IGNORANCE  
 FEAR  
 SUPERSTITION

which disappear in turn.

C.U. Narrator-----

I've got a hangnail, chronic bursitis and a nervous tic. I suppose this is science's answer for all of them?

PITCHMAN. Friend, this has a secret ingredient which will absolutely relieve every single symptom of hangnail, bursitis, tic—all the ancient diseases that have plagued mankind—

NARRATOR (Laughs). The cruel practice of making money on people's worries, fears, and hopes for health has been known throughout the years as "quackery." The word comes from the old Dutch "Quakzalver"—one who quacks like a duck about his salves and remedies.

Time has made a few changes, but quackery today is still essentially built on misinformation, distortion, mental suggestion, faddism, and half-truths about health and well-being. And it is still spread in an atmosphere of ignorance, fear and superstition—wherever people

NARRATOR. Have reason to worry about their health or good looks. When the social historians write the story of our times

116	15
119	
120	34
125	22
136	36
140	16
145	10
157	30
161	29
168	6
170	28

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
Dissolve to M.L.S. Woman steps on scale.....	they will surely record the fact that, midway through the 20th century, Americans became concerned with their waistlines——	175	10
C.U. (Over shoulder). Needle registers weight.....		178	30
M.S. Woman on scale. Move in to C.U. She expresses horror, and hangs up purse.		179	28
M.S. Side angle. Woman sheds fur piece. Tilt down as she kicks off shoes.	WOMAN. Good gracious! NARRATOR. And their weight. And with good reason—excess weight can be a serious health problem. And so quackery in one of its modern guises is part of this story, too—a big part.	183	36
C.U. Woman's face in thought. Move in to E.C.U. out of focus.	-----	189	29
Dissolve to C.U. Ice cream sundae. Pull back to M.C.U. Fat man eating sundae with obvious relish. He looks up and speaks to camera. He reaches into his pocket and produces a bottle of pills which he holds up.	FAT MAN. Sure you won't have one? Delicious!	190	33
C.U. Small bottle of pills is placed on table top.....	NARRATOR. (off camera). No, no, I'm afraid I can't. It's not on my diet. FAT MAN. That's old fashioned! You don't have to worry about diets if you take these pills. They rearrange the calories.	208	30
Dissolve to prism shot, creating multiple images of green bottle of pills.	NARRATOR. Quackery today, in one of its many forms, floods the market with hundreds of products which claim a magic	212	5
Dissolve to prism shot. Pan bottle of red pills.	NARRATOR. Ability to do some such	213	29
Dissolve to prism shot. Pan—bottle of green and yellow pills.	ridiculous thing as	214	29

Dissolve to prism shot—hands unscrew bottle cap, and tilt out white pills.	rearrange calories, or melt away fat, or	215	29
Dissolve to prism shot—emptying bottle of red pills.	inhibit weight. All of them are worthless. It's true that there are certain legitimate products which can help curb the appetite, but these medicines	217	36
Dissolve to prism shot. Hand picks up pills from counter top.	are safe only when prescribed and taken under a doctor's supervision.	221	22
Dissolve to prism shot—fat man takes pill.	NARRATOR. Here's the basic	223	38
Dissolve to: E.C.U. (normal shot). Fat man swallowing pill.	truth about overweight: nothing yet	225	38
E.C.U. Last spoonful of sundae being raised toward mouth.	has been discovered that takes the place of sensible dieting. It's the only sure, safe way to control weight. For, in spite of rumors—or claims—to the contrary, calories	227	16
E.C.U. Fat man eating ice cream. Tilt up from mouth.	do count.	229	
E.C.U. Spoon scraping dish for remaining traces of ice cream.	Other forms of quackery lure victims in other ways—fake devices, for example, which are supposed to eliminate the accumulated deposits of a full, rich life—	234	5
Dissolve to: prism shot. Fat man smacking his lips.		237	31
Dissolve to: M.C.U. Fat man, his flesh quivering. Tilt down to vibrating belt around his waist.	NARRATOR. And this kind of swindle, which operates on human vanity—potions and creams that promise to erase the telltale marks of age and restore what time has taken away. The benefits of cosmetics, of course, have been reaped by both men and women for countless centuries just as	240	5
Woman applying globs of cream to her face, starting from C.U. of jar on dressing table and tilting to her reflection in the mirror.	the rewards of sensible exercise have also been recognized. But quackery strikes well beyond these legitimate purposes, by making claims that can never be fulfilled. Here are	247	22
C.U. Man applying yellow ointment to bald head-----	the sober facts on the aging process: Man has not yet discovered the legendary fountain of youth. No product, no device yet developed, can grow hair on a bald head or	253	26
M.S. (side). Fat man with vibrating belt. Zoom in to C.U. of his face, which is perspiring profusely.	erase the furrows of age, or restore the fresh beauty and vigor of youth. Any promises to perform these miracles, however tempting they sound, are false.	259	14
C.U. Bald man peering in mirror, wipes off cream. Move in to E.C.U. as he carefully searches for traces of hair.		267	30
M.S. Woman at dressing table examines her reflection in mirror. Zoom in to C.U. as she picks up hand mirror and looks at her face more closely.		276	26



## ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued.

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
Dissolve to M.S. Pitchman (in his white smock, as last seen in Scene 52) tallying up his receipts and stock of ELIXICIN. Move in to C.U. of his face as he makes his calculations.	Medical and nutritional quackery, too, is big business today. It robs the American people of of hundreds of millions of dollars each year.	284	20
M.L.S. Pitchman at counter. He finishes tally, pockets the neatly stacked money, and prepares to pack up remaining ELIXICIN boxes.	What is it? Nothing but oldfashioned quackery in modern dress. But the phony practitioner is not as visible as he used to be. And when we do see him, he's no longer a county fair medicine man. Today's peddlers of hokum	290	21
Dissolve to M.S. Pitchman, in the guise of a salesman, wearing business suit and hat, enters and goes through motions of ringing doorbell. He tips his hat and speaks to camera. Move in closer as he continues patter and bends over.	NARRATOR. Get around in many different disguises. For example: You could encounter one at your front door any day. Many Americans have.	323	24
M. C. U. Pitchman, straightening up, brings a pamphlet up to camera and out of focus.	PITCHMAN. Good afternoon, madam. I represent the Nutritional and Biological Health Institute. Your name has been suggested to us as one of the intelligent, farsighted members of your community interested in being informed about science's latest discovery in the field of dietary arrangement. I brought with me lots of material this afternoon that I'd like you to take a look at. NARRATOR. Door-to-door peddling is one way of selling good, honest products. But this method is also used by phony promoters of health frauds and swindles. PITCHMAN. A treatise written by Dr. Goodfallow.	323	24

Dissolve to M.S. Pitchman, at lectern, begins to speak. He is now bearded and spectacled. (His words occasionally come through under the voice of the narrator.)

Dissolve to M.L.S. Display rack featuring several copies of a pamphlet and book by Dr. Tillsdale Goodfallow. C.U. Books displayed upright on shelf. Title: "Food Will Kill You" clearly visible on spine and cover. Dissolve to M.S. Pitchman lecturing (as in scene 84), pausing only to sip some water, continues talking earnestly as camera moves in to C.U. of his face.

Dissolve to C.U. Pan over soft focus display rack to focus sharply on single book.

C.U. Low angle. Hand turning pages of book. Dissolve to C.U. Prism shot of printed page. Words appear to be swimming. Tilt down.

Dissolve to C.U. Prism shot of printed page. Pan. Dissolve to M.L.S. Display rack of pamphlets and books. Pan over to carton on counter top, stenciled ELIXICIN letters prominent. Move in to C.U.

Dissolve to C.U. Pitchman at lectern. Various zooms in and out and tilts distort his image. He keeps on talking throughout.

[Applause.]

NARRATOR. The lecture hall is another favorite stomping ground for a different kind of con man—the food quack.

PITCHMAN. Ladies and gentlemen, it is indeed a great pleasure—

NARRATOR. He operates by implying there's something wrong—

NARRATOR. With America's food; by arousing fear.

and suspicion about our regular, daily food supply.

PITCHMAN. The constant depletion of our soil, year by year, is taking away more and more of the nourishing natural elements nature puts into food. And what isn't destroyed that way certainly is by fertilizers, pesticides, and chemicals. What do we buy at the market? Food stripped of nature's vitamins, food contaminated with chemicals—

NARRATOR. And not only that. Modern methods of cooking and overprocessing, he claims, destroy the nutritional value of food . . . and we all wind up with aches, pains, that tired feeling, and what the bunkum artist calls "subclinical deficiency diseases." But don't despair!

The book will save us. Very often the book is clever.

convincing.

It may extol the superior virtues of blackstrap molasses, or

royal jelly, or honey and vinegar, or whatever.

NARRATOR. And the promoter, of course, just happens to have a supply of the product with him, along with the book or magazine.

True, the products themselves may not be dangerous, but worthless products can harm the sick by causing delay in getting proper treatment. But, whatever the food fad happens to be, the idea behind these phony promotions is one and indivisible: To take money out of your pocket and transfer it to the pocket of the promoter. Here are the facts about food:

325 39

334 32

336 31

339 17

369 21

372 25

374 18

377 12

380 13

386 32

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
Dissolve to: C.U. Infant being spoon fed.....	Americans today.....	402	34
Dissolve to: C.U. Young boy eating cracker.....	are better off nutritionally than.....	404	25
M.C.U. Little girl eating; ice cream cone.....	NARRATOR. Any people in the history of man.....	406	1
C.U. Young boy munching.....	Music.....	407	28
C.U. Another young boy eating cracker.....	Music.....	408	38
M.L.S. Group of teenagers picnicking on grass.....	Music.....	410	1
M.S. Farmer picking apples.....	NARRATOR. The laws of the land protect our food supply against any harmful residues.....	411	24
M.C.U. Hand picks oranges on tree.....	or pesticides, preservatives or other additives.....	414	27
M.C.U. Box of fresh strawberries taken from row of similar boxes.	The food in our.....	417	2
M.L.S. Woman at packaged meat section of super- market.	corner groceries and supermarkets, in our restau- rants, and in our homes.	418	22
C.U. Row of packaged pork chops.....	NARRATOR: contain all the vitamins.	420	32
M.L.S. (side view). Supermarket clerk stocking the shelves as woman, wheeling cart, approaches.	minerals, and quality factors needed for good nu- trition. Natural nutritional quality is not only protected,	422	3
M.C.U. Supermarket checkout counter. Assorted pack- aged foods pushed toward camera as cashier rings them up.	but sometimes even improved by modern process- ing methods and standards.	427	16
Dissolve to C.U. Bottles of pills and notebook on desk. Zoom back to M.L.S. of pitchman (in the guise of a doctor) seated at desk talking to a patient.	NARRATOR. Here's still another angle to health frauds and swindles—the oldest and most danger- ous game of all—the cure-all drug. This form hides in the shadows and fringes of medical science and thrives on misleading promises to cure serious illness and disease.	431	33

Dissolve to:  
 M.S. Narrator speaks to camera. Move in to C.U.  
 and slowly back to M.S.

Dissolve to M.C.U. Pitchman-doctor talking-----

M.C.U. Patient listening-----

Same as scene 111-----

C.U. Bottles of pills and notebook. Pitchman's hands  
 gesticulating.

Dissolve to—M.L.S. Pitchman and patient seated at  
 desk. Pitchman talks vehemently.

Dissolve to C.U. Cabinet. Tilt up to Micro Dyna-  
 meter.

Dissolve to M.C.U. Narrator-----

Dissolve to M.L.S. Heart-lung machine-----

The oldtime medicine man could sell his snake oil  
 by positively guaranteeing it would cure any and  
 every disease known to man and beast. But the  
 beginning of the end came for all that with the  
 passage of the first pure food and drug laws back in  
 1906. Over the years, these laws have become  
 tighter and stronger. Today, all new drugs must  
 be proved safe and effective before they can be  
 marketed. In other words, the medicine must be  
 safe and must do what's claimed for it. But there  
 are always the handful that operate outside the  
 law. A few misguided promoters peddle cures for  
 incurable diseases. Some of them honestly be-  
 lieve in the useless medication. More, however,  
 are bunkum artists without pity or conscience—  
 willing to risk  
 the lives of fellow human beings to line their own  
 pockets.

NARRATOR. Fortunately, this form of quackery in  
 medicine is gradually being eliminated  
 by our food and drug laws.

But there's  
 still another form equally dangerous, and far more  
 difficult to control

Phony machines and devices, which are supposed  
 to diagnose and treat disease. Unlike new drugs,  
 therapeutic devices  
 do not have to be proved either safe or effective  
 before they are sold or used. And so, medical  
 device quackery continues to thrive—to feed off  
 human weaknesses, and to capitalize on genuine  
 scientific advances. There are, of course, many  
 valuable

medical devices today which truly work medical  
 miracles. Like this heart-lung machine. People  
 understandably have faith in them and the won-  
 ders they perform.

443 31

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486 32

493 24

503 21

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
Dissolve to C.U. Pitchman taking a Dynameter reading. Pull back to M.L.S. (side angle). He places electrical device in patient's palm. (Patient is seated alongside the machine, stripped to the waist. Pitchman, in the white coat of a doctor, remains standing as he operates the various knobs and attachments of the Dynameter.)	But there are many fake devices, equally impressive-looking to the untrained eye. It's easy for anyone but an expert to be fooled by a machine like this, especially when the practitioner puts up an impressive medical front.	511	5
M.C.U. Patient being tested with electrical attachment to Dynameter.	PITCHMAN. Now, may I have your hand palm up, please. Now you won't feel anything—you won't feel the current going through at all. There will be current going through from here—to this—through the machine—and that way we will get the readings and you won't feel it. Now, if you'll just hold your chin up	523	18
M.S. (side angle). Pitchman finishing test, speaks to patient. (Both men are in same relative position as in Scene No. 119.)	PATIENT. Doctor, how long is this going to take?	535	12
M.C.U. Patient's face expressing worry and concern.	PITCHMAN. Well, I'm afraid the readings are not favorable. The findings show a PITCHMAN. High cellular waste exchange rate in the abdominal region. PATIENT. Does that mean—cancer? PITCHMAN. Well, I'm going to have to take a few more readings to confirm the diagnosis.	549	24
M.L.S. Pitchman repeats Dynameter tests on patient.	NARRATOR. Quackery flourishes in an atmosphere of pain—the threat of serious illness—fear—terrible anxiety. In desperation almost all of us tend to grasp at straws—at anything—no matter how ridiculous the device or the claims made for it. PITCHMAN. Frankly,	558	5

C.U. Pitchman.....	it doesn't look too good. Yes, let's face it. It looks very much like cancer.	574	37
M.C.U. Patient. Zoom in to C.U. showing his reaction to diagnosis.		579	29
M.S. Pitchman leans over and pats patient reassuringly --	Don't worry. There's still hope.	583	29
E.C.U. Patient's anxious face.....	There's hope—hope—	586	39
C.U. Pitchman's face. Distorted image with a green light playing over it.	hope—don't worry—hope—hope—.	589	16
E.C.U. Patient attempts a half-smile.....	hope—science, fortunately, has given us the equipment to fight and defeat this disease.	592	17
M.C.U. Pitchman.....	This machine, which diagnosed your ailment, is one of science's	595	21
E.C.U. Patient.....	PITCHMAN. Greatest marvels. It not only measures the electrical currents in the body, it also can influence them.	601	12
M.C.U. Pitchman.....	And cancer, too, you know, is a matter of electrical current. That is why this machine has been so highly effective in treating many forms of cancer without surgery or X-rays—particularly the kind you have. So, just relax.	604	17
M.L.S. Pitchman plugs an attachment resembling a set of electrical tubes into the Dynameter as he speaks to patient.	Don't worry, we'll lick this.	607	27
Pitchman places patient's hands over this new gadget. Start with C.U. of hands and pull back to M.S. of patient.		619	23
M.L.S. Pitchman sets Dynameter dials and tests patient, whose hands have remained in position over the tubes.	NARRATOR. Here is the brutal core of the charlatan's crime. The machine which diagnosed	426	12
M.C.U. Patient, hands firmly planted over tubes. Pull back to C.U. of his face, which now registers hope.	NARRATOR: and is now going to treat this man is a total and complete fake. He is being sold a false hope. Because of this, if he really is suffering from a serious illness, he is being deprived of his one chance to live: immediate medical attention.	637	13
Dissolve to M.S. Patient reading a book. Pull back to L.S. which includes wife. Both are seated in living room, table and lamp between them. During ensuing dialog, wife remains seated in chair in the same position.	And precious time is slipping by.....	641	15
M.S. Wife.....	WIFE. George, please: You've wasted 2 months. You must see Dr. Thompson now. Today.	647	36
	WIFE. He wanted you to come to the hospital weeks ago.		

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
M.S. Husband.....	HUSBAND. I don't have to see Dr. Thompson: He's going to give me the same old answer—"Oh, we can't be sure—we need more tests—an exploratory operation." I've heard all of that before. Besides, I've got the real answer now and from a machine that can diagnose without surgery. And let me tell you one other thing. That machine is going to cure me.....	649	10
M.S. Wife.....	WIFE. That machine: We don't know anything about that machine.	664	12
M.S. Husband rises from chair.....	HUSBAND. Maybe you don't, but I do.....	667	7
M.S. Wife.....		669	13
M.S. Husband at bookcase, replaces a book.....	HUSBAND. And don't forget—a lot of very important people have spoken out in favor of it.	670	22
M.S. Wife.....	WIFE. People, yes. But no medical experts. We have to have the best advice medical science can give us.	673	28
M.S. Husband turns from bookcase and faces wife.....	HUSBAND. Medical doctors: You know them. What have they got against it? They use some pretty complicated gadgets themselves. When I was in Dr. Thompson's office for my checkup, he wired me and strapped me to a machine that was pretty wild.	677	20
M.S. Wife.....	WIFE. Oh, George, stop		
M.S. Husband sits down again.....	WIFE. lying to yourself. You know.....	688	33
M.S. Wife.....	darn well that that was for an electrocardiogram.....	689	39
	Now that machine has been around a long time in every doctor's office—	691	13
M.S. Husband listening. He smiles tolerantly and picks up newspaper from table.	for heart checkups and things. You must know there's a difference.	693	30

M.S. Wife continues talking.....	Please, let's talk it.....	697	5
M.S. Husband becoming more exasperated as she goes on, tries to read paper and finally folds it up in annoyance.	over with Dr. Thompson.....	698	21
E.C.U. Hand manipulating dials and switch of dynameter. Two different angles.	NARRATOR. Yes, clearheadedness and reason have vanished. The machine and the quack have erased George's fears and answered his silent prayers.		
C.U. Hands placed over "stator" tubes.....	NARRATOR. The crooked devices and the phony operators vary—but the trap is.....	707	5
E.C.U. Hand turning dial on dynameter.....	always baited the same way:	708	27
C.U. Patient's face as last seen spellbound by Pitchman.....	quick diagnosis.....	709	37
C.U. Pitchman (as in scene 126).....	hope of complete cure.....	711	31
Dissolve to C.U. Cat on lap of old woman. Pull back to M.S. Woman gets up in response to doorbell ring, and sets cat down on chair.	happy ending.....	712	20
C.U. Old woman, her ear to the door. After hearing who it is, she opens door for delivery man.	Not all device quackery takes place in an impressive office, with an impressive practitioner to set the scene.	714	
	OLD WOMAN. I'm coming. I'm coming.	715	36
	OLD WOMAN. Who is it?		
	POSTMAN. Package for you.		
	OLD WOMAN. Just a moment.		
	POSTMAN. Mrs. Schmollendorf?		
M.S. Delivery man hands large package to old woman.	OLD WOMAN. Yes. Thank you. One moment.	739	26
	POSTMAN. Package for you, Mrs. Schmollendorf. It's pretty heavy, you'd better be careful.		
	OLD WOMAN. Thank you very much. Thank you. Sure is heavy.		
M.L.S. Husband of old woman, wiping traces of shaving cream from his face, enters as his wife sets package on table and begins to open it. Her back, is to camera during their dialogue. Husband faces camera.	HUSBAND. Who was that?	744	14
M.C.U. Husband walks around table.....	OLD WOMAN. It came at last!		
M.S. Wife removes large, stiff belt from package. Move in to C.U. as she gazes at it.	HUSBAND. What came?		
	OLD WOMAN. You'll see. You'll see.		
	My Magnetic Ray Belt.....	751	29
	HUSBAND. Your what?	755	
	OLD WOMAN: My Magnetic Ray Belt. To take care of my arthritis.		
M.C.U. Husband watches in wonder.....	HUSBAND. Did you pay good money for that?.....	763	13
M.C.U. Old woman places belt over her head so that it rests on her shoulders.	OLD WOMAN. It's going to be worth every penny. I just know it is.	775	6



ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16mm footage)	
		Feet	Frames
M.C.U. Husband looks on sadly, in disbelief.		775	6
M.S. Old woman settles into armchair with the belt around her. Move in to C.U.	OLD WOMAN. The article I read said it would help for sure. And I need help. You know I do.	776	37
M.C.U. Husband (as in scene 164)	NARRATOR. There is no device—no treatment—no drug	789	28
C.U. Old woman, expression of bliss on her face. Pull back to M.S. as husband comes around chair to kneel beside her. Move in to C.U. of couple, who are close together, their foreheads touching.	which can truthfully be called a cure for arthritis. But that means nothing to the health fraud peddler. His objective is simple: to make sufferers think that a cure exists—and to make them pay for it. And they do pay. Heavily. For a few hours, a few days, a few months of hope. And then—bitter disillusionment.	791	16
	HUSBAND. Well, we've tried about everything. Let's hope this will work.		
	NARRATOR. Across the length and breadth of this land, quackery fattens on the worries, suffering, and hopes of human beings in trouble.		
Dissolve to M.C.U. Pitchman holding ELIXICIN box, still making his pitch. Move in to C.U.	How can we protect ourselves against quackery?	817	2
C.U. Fat man, wiping his forehead.	How can we recognize it? How can we		
C.U. Elderly man and young woman.	its victims, tell the phony from the real—	830	34
C.U. Cuban woman.	know what is false and what is valid?	823	38
Dissolve to M.C.U. Heavy woman talking on phone. Zoom in to C.U. and pull back to M.C.U. as she continues conversation without pause.	Well, NARRATOR. First of all WOMAN. My dear, it's the most marvelous system for drying up ulcers. I heard about it from my sister, and she had it straight from a friend, who was absolutely cured of a horrible	826	
	NARRATOR. When you hear something like this, close your ears. Quackery, unfortunately, has a		

Dissolve to C.U. Pamphlet "Facts About Natural Eating." Pull back to M.C.U. and open to ad for ELIXICIN.

C.U. ELIXICIN ad. Tilt down to testimonial.

C.U. Ad addressed to ulcer and colitis victims.

Pull back to M.C.U. of a page headed "Our Poisoned Food."

Dissolve to: C.U. Pitchman as lecturer. Pull back to M.S. (Pitchman's voice is indistinctly heard under the narrator, but comes through during the narrator's pauses in scenes 179-182.)

Dissolve to M.C.U. Pitchman as door-to-door salesman. Move in to C.U.

Dissolve to C.U. Pitchman as diagnostician. Pull back to M.S. Top of Micro-Dynameter comes into view.

great many helpers, and among them are well-intentioned people who give word-of-mouth testimonials.

For that matter, endorsements or testimonials from patients themselves

NARRATOR. are always questionable in matters of health and medicine. If the product is promoted with such testimonials, be on guard.

And remember that a statement is not necessarily true just because

you read it somewhere. There are some other simple rules to keep in mind, too.

PITCHMAN. This secret product is so new, ladies and gentlemen, that the formula is known to only a very few

NARRATOR. The word "secret" is a danger signal. If this claim is made for a health product or device, you can be pretty sure it's a phony.

PITCHMAN. everything there is to know about This product is effective for many conditions and diseases because scientifically it all depends

NARRATOR. You can be pretty sure it's worthless, too, if this kind of claim is made—that it will treat or cure a wide variety of ailments, especially the diseases for which medical science still has found no answer.

PITCHMAN. Of course, the medical doctors won't have anything good to say about my technique. They're a closed corporation. I can't tell you how

NARRATOR. Does the man with the product or device claim that he is being persecuted by the medical profession, which opposes him out of blindness or stupidity or stubbornness? If so, watch out! This is one of the surest signs that quackery is at work.

PITCHMAN. and shipped out by bus

841	24
844	22
850	35
853	9
856	39
869	21
882	36

ITEM 7.—FINAL SCRIPT: "THE HEALTH FRAUD RACKET"—Continued

Scene	Dialog	First frame of scene (16 mm footage)	
		Feet	Frames
Dissolve to C.U. Narrator. Pull back to M.L.S. of table with phony devices.	because the post office  NARRATOR. Perhaps the most important thing of all to remember is this: Your family doctor is your closest ally in matters relating to your health and well-being. If he doesn't have the answer himself, he'll send you to a specialist. Other Federal agencies, as well as the Food and Drug Administration, are deeply involved in combating the quackery problem. The Justice Department, for example, brings court action on recommendations of FDA for	900	13
C.U. Micro-dynameter to which is attached tag labeled SEIZED. M.L.S. Narrator at table (same as scene 182)-----	seizing fake products like this, and removing them from the market. The Department also prosecutes phony promoters of health and medical frauds, and brings them to justice.	916	20
Dissolve to C.U. Stamped wrapping paper. Pull back to M.S. past Dynameter as wrapper is placed inside magnetic ray belt.	The Department of the Post Office ferrets out mail frauds—like this one. But in order to set legal wheels turning.	923	36
Dissolve to M.S. Old woman with Magnetic Ray Belt. Pull back to C.U.	NARRATOR. There must be victims who are willing to register complaints and testify in court. It's often difficult to locate these witnesses. Personal pride and shattered vanity hold them back.	929	7
Dissolve to M.S. Narrator-----	The Federal Trade Commission, FTC, is responsible in the medical field for preventing false and misleading advertising in newspapers, magazines, radio and television commercials, and so on. In a case like this	936	33
Dissolve to M.S. Poster on easel. Move in to C.U.-----		940	23

Dissolve to C.U. and tilt up poster: "Go-Go-Go with Jameson's Iron-Dyna."

Dissolve to M.L.S. Narrator leaning against table holding phony devices. Move in to C.U.

Dissolve to C.U. Pitchman as doctor-diagnostician.

C.U. Patient.....  
 C.U. Pitchman as in scene 191. Move in to E.C.U.  
 C.U. Money exchanging hands. Move into E.C.U. of one hand, outstretched palm.  
 C.U. Patient. Move into E.C.U.  
 Fade out.  
 End titles.....  
 Fade in.

Produced  
 by  
 Audio Productions, Inc.

Fade out.  
 Fade in.....

Presented  
 by

Fade out.  
 Fade in.....

FOOD AND DRUG  
 ADMINISTRATION

U.S. Department of Health,  
 Education, and Welfare

Fade out.  
 Fade in.....  
 FDA logo.  
 Fade out. (993 feet 26 frames is last frame of fadeout.)

the FTC can take action to stop the false claims. State and local licensing and law enforcement agencies also fight quackery, not only worthless products, but fake practitioners as well. But the combined efforts of all these Government agencies and the Congress, and the American Medical Association, and the voluntary health agencies, science and law, working together to protect you, still aren't enough. You must join the battle by protecting yourself and your family from health frauds. When you're in trouble, that's  
 NARRATOR. Not always easy.  
 But, in the end, being victimized can be far worse.  
 It can mean not only your money, but your life.

Music.....

946	22
955	1
967	7
969	2
970	8
972	39
975	38
979	35
983	7
985	7
990	16

### APPENDIX 3

## MATERIAL SUBMITTED BY PAUL RAND DIXON, CHAIRMAN, FEDERAL TRADE COMMISSION

Item 1. Article reprinted from State Government, Winter, 1966, Published by the Council of State Governments

### FEDERAL-STATE COOPERATION TO COMBAT UNFAIR TRADE PRACTICES

(By Paul Rand Dixon)

Established in 1914 to stop trade practices which unfairly injure honest businessmen, and given responsibility in 1938 to protect consumers from false advertising and other deception, the Federal Trade Commission has recently taken action to share its experiences more fully with state and local authorities.

The commission on October 14, 1965 established an Office of Federal-State Cooperation to develop programs of effective cooperation between the FTC and state and local officials interested in the enactment or administration of state antitrust, anti-deceptive-practice, and consumer protection laws.

The purpose is to aid local initiative in meeting rising demands from the public for more adequate protection against unfair and deceptive practices. Effort will be made to nip such practices in the bud, by action at the state or local level, before they grow into problems of interstate or national significance. Thus will need for federal action be minimized, and judgments about what constitutes unfair or deceptive practice will so far as possible be decentralized to the people who are most directly affected.

The Office of Federal-State Cooperation is under the FTC General Counsel, James McInnes Henderson, and is in the immediate charge of an Assistant General Counsel, Gale P. Gotschall.

At the outset, the new office is performing its functions in three principal ways, by supplying information to state and local officials, by referring complaints to them, and by preparing to aid with legislative proposals.

#### SUPPLYING INFORMATION TO STATE OFFICIALS

To make sure that state and local officials at all levels are aware of the public service available from the Federal Trade Commission, effort is being made to acquaint them with the types of unfair, restrictive or deceptive practices in interstate commerce which might warrant corrective attention under laws administered by the commission. This liaison with state and local officials is carried on not only from the commission's offices at Washington, D.C., but also from field offices located in Atlanta, Boston, Chicago, Cleveland, Houston, Kansas City, San Francisco and Seattle. Thus state and local officials are being encouraged to report to the FTC any unfair or deceptive practices in interstate commerce affecting their areas, in order that the commission may give most effective service to the people in that section of the country.

A method is being sought for distribution to state and local officials, including county and city attorneys, librarians and school principals, of the commission's publications which contain information about its jurisdiction and activities. Thus the officials will be in a better position to advise their constituents, both businessmen and consumers, when they might have just cause to complain to the FTC about an unfair competitive practice or one that is misleading or deceptive.

Four of the commission's publications which are available free upon request may be worthy of mention.

A leaflet entitled "Fight Back," generally intended for consumer use, is aptly described by its subtitle: "How can you avoid being gypped? And, if you have been, what can you do about it?"

A pamphlet, "Here Is Your Federal Trade Commission," contains more detailed information, including description of the antitrust and economic reporting functions, as well as the anti-deceptive-practice functions, of the commission.

"Look for that Label," a leaflet for consumer use, presents information about the special statutes administered by the commission requiring truthful labels as to composition on wool, fur and textile products.

Another pamphlet, "Business Advisory Service," contains information about how businessmen seeking to comply with the law can obtain advice and guidance from the commission.

We also are particularly desirous that state officials and attorneys, and school principals and librarians, know about availability of the commission's "News Summary," which is published about once a week and is sent to any official or organization on request. It contains a running account of FTC actions as they occur, and presents information about all commission activities, including restraint of trade, deceptive practice, and economic reporting. For those interested only in deceptive practice and textile or fur labeling matters, the leaflet "Advertising Alert" is issued about once a month.

#### REFERRING COMPLAINTS TO STATE OFFICIALS

The FTC frequently encounters trade practices which appear to be unfair or deceptive but which are beyond its jurisdiction because used within a single state and not in interstate commerce. The commission's authority, by and large, extends only to practices used across a state line, in interstate commerce.<sup>1</sup>

Complaints about practices used within a single state that are unfair or deceptive come to the commission not only from consumers. Just as frequently they come from businessmen. The complaint may be a businessman who would prefer to operate on a higher level of ethics than the level to which he is being forced by local competition. Or he may be the operator of an interstate business who by reason of complying with federal law is losing business to intrastate concerns which divert trade to themselves by use of false advertising or other misleading and unfair practice.

When the commission has information about unfair or deceptive practices which appear to be used primarily within a single state, it will refer the information to the appropriate state or local official for consideration as to whether action might be warranted under state or local law. Such referrals are subject to the public interest requirements applicable to other commission actions. For example, matters which appear to be primarily private controversies, in which the interests of the public are not significantly involved, will not be referred.<sup>2</sup>

Such referrals will be accompanied by citation to precedent court decisions or such other information as might be helpful to the state or local official in deciding whether to proceed.

<sup>1</sup>The commission's authority, under Section 5 of the Federal Trade Commission Act, to prevent "unfair methods of competition" and "unfair or deceptive acts or practices," extends only to methods, acts or practices used "in commerce," and "commerce" is defined as meaning interstate or foreign commerce or commerce in the District of Columbia. That authority comprehends all types of goods or services and all types of business, except banks, common carriers and certain activities of packers and stockyards operators (Title 15, U.S. Code, Sections 44 and 45). The commission's authority under the Clayton Act, as amended by the Robinson-Patman Act, to prevent price or other discriminations which tend to lessen competition or create a monopoly, also is limited to discriminations used "in commerce" (15 U.S.C. 13). The commission's authority to prevent false advertising of food, drugs, medical devices and cosmetics under the 1938 Wheeler-Lea Amendments to the FTC Act is somewhat broader, extending to false advertisements disseminated via the U.S. mails or "in commerce," or disseminated by any means likely to induce purchases in commerce (15 U.S.C. 52). The commission's jurisdiction to prevent misbranding of wool, fur and textile products and to prevent the sale of dangerously flammable wearing apparel fabrics, extends to firms producing goods for introduction into commerce or selling goods which were received in commerce (15 U.S.C. 68, 69, 70 and 1192).

<sup>2</sup>The commission's *General Procedures*, in Section 1.13, provide that it will act only in the public interest and not with respect to mere private controversies which do not tend adversely to affect the public. Other sections of the *Procedures* possibly applying to such referrals provide that the commission may institute action upon request of government agencies or members of the public, or upon its own initiative (Sec. 1.11); that the name of a complainant will not be divulged except as required by law (1.12); and that confidential data may be disclosed by the commission to an agency of state government upon due consideration of the commission's rules, statutory restrictions and the public interest (1.134). Section 6 of the FTC Act contains some limitation on disclosure of information such as trade secrets and customer lists (15 U.S.C. 46), and Section 10 of the same act prohibits employees from disclosing information without commission authorization (15 U.S.C. 50).

The FTC's Office of Federal-State Cooperation provides legal and technical assistance to the state Attorneys General and other state officials to the fullest extent practicable. For example, if a state official has need for legal, economic, accounting or medical advice on a point within the expertise of the commission's staff, effort will be made to supply the advice upon request. Enforcement officials contemplating whether to institute action respecting an alleged or suspected violation of state law can be supplied with information showing whether the commission has record of action involving the potential defendant, and whether it has had prior experience with similar alleged violations. If the nature or legal effect of the laws administered by the commission, or commission actions by way of trade regulation rule or stipulation or order to cease and desist, become an issue in any matter involving a state, the commission will provide authoritative information relevant to such issues, and in appropriate cases will consider filing briefs *amicus curiae*, or intervening pursuant to Rule 24(b) of the *Federal Rules of Civil Procedure*.

#### POSSIBLE NEW LEGISLATION

If a state does not have adequate legislation to deal with unfair or deceptive trade practices, the commission's Office of Federal-State Cooperation will, upon request, aid in formulating a draft of proposed legislation. For this purpose, information about existing and proposed state laws against general false advertising and other unfair and deceptive practices is being assembled, and will be collated into a form judged most useful in advising state officials with respect to such matters.

The staff's efforts will be focused primarily on the types of conduct which would be classified as "unfair methods of competition," or "unfair" or "deceptive" or "discriminatory" practices, or "false advertisements" if used in interstate commerce. In other words, the objective will be to stimulate state adoption and enforcement of laws prohibiting use of practices which would be unlawful if coming within the interstate jurisdiction of the FTC. This treatment of the situation should tend toward a more or less uniform and consistent level of business regulation throughout the several states, and thus facilitate trade and commerce and consumer understanding of business practices in our highly mobile society, while a minimum level of ethics is being established to prevent unfair competition and deceptive or monopolistic practice.

To permit fullest utilization of the commission's experience it may be desirable for states to consider adoption of legislation which would remedy unfair or deceptive practice by injunction or assessment of civil penalty and not require proof of intent or knowledge as a prerequisite to a finding of violation. This assumes that fraud and other types of criminal conduct commonly requiring proof of intent or knowledge on the part of the accused before he can be convicted, and involving fine or imprisonment as the punishment, are already adequately covered by state laws and by federal laws such as the postal fraud statute, the fraud-by-wire statute, and the Sherman Antitrust Act, which are administered by agencies other than the Federal Trade Commission. I might say in passing that we enjoy a very congenial working relationship with these other federal agencies, and we often consider with them whether given conduct of a reprehensible character is more appropriate for treatment under the criminal laws or under the cease-and-desist authority of the FTC.<sup>3</sup> The commission also has a variety of advisory and guidance procedures designed to effect industry-wide and voluntary compliance with the trade regulation laws at minimum expense both to the government and to the business community.

One reason for considering adoption of laws complementing the federal prohibitions against "unfair methods of competition" and "unfair," "deceptive" or "discriminatory" practices, as already enacted in several states, is that the administering official and the courts of the state, in applying the law, would have the benefit of fifty years of federal decisions interpreting similar language.

<sup>3</sup>When the commission has "reason to believe" that anyone has used an unfair or deceptive practice in commerce, and that a proceeding would be "to the interest of the public," a formal complaint is issued stating the charges and giving opportunity for hearing. If the charges are sustained, a cease-and-desist order may be issued directing the party proceeded against to stop using the practice found to be unlawful. Appeal to U.S. Circuit Courts and the Supreme Court is provided. If no appeal is sought within sixty days, or the order is affirmed by the courts, it becomes final, and violation thereafter is subject to civil penalty of up to \$5,000 for each violation and each day of violation (15 U.S.C. 45). The procedure for preventing discriminatory practices is similar (15 U.S.C. 21).

The 800-odd court decisions reviewing FTC orders are collected in six volumes and three paperback supplements entitled "Statutes and Court Decisions, Federal Trade Commission," available at nominal cost from the U.S. Government Printing Office. The commission's decisions, numbering several thousand, are published in sixty-one volumes, and are digested and indexed in handy loose-leaf services available from commercial publishers of trade regulation material.

Another advantage of delineating the prohibited areas of conduct by use of the general terms "unfair," "discriminatory" and "deceptive" is that these terms encompass all lines of business and all types of practices which may be detrimental to competition or injurious to consumers. The types of business recently covered by the Federal Trade Commission acting under such general language include manufacture and distribution of food, drugs, clothing, shoes, home improvements, automobiles, electrical appliances, housewares, toys, and recreation equipment. Under that general authority the commission has promulgated trade rules or guides for more than 150 different industries, as recorded in Title 16 of the *Code of Federal Regulation*.

The types of practice covered by the commission's actions are equally varied. They include:

Bait advertising, or the advertising of an attractive offer, not in good faith for the purpose of obtaining leads. When the prospects respond, the salesman disparages the advertised product in order to sell more expensive models.

Use of deceptive guarantees, or claims that an article is "guaranteed" without disclosing limitations of the guarantee.

Referral selling, or the promise of commissions on sales made to friends, relatives or neighbors. Very seldom does the amount of commissions measure up to expectations.

Misrepresentation of credit or finance charges, or failing to disclose fully the terms and conditions of sale.

Selling used or reconditioned products as new.

False claims that prospect has been specially selected as part of an advertising or introductory promotional program, or that offer will be in effect for a limited time only.

Deceptive pricing, or false claims that the product usually sells for a much higher price.

False claims as to safety, health benefits, composition, quality or performance of product.

Agreements among competitors to fix prices or restrict competition.

Conspiracy to eliminate a competitor.

Use of discriminatory pricing or allowances which favor a large concern and injure its small competitors.

Congress purposely employed general prohibitory language, rather than cataloging the practices which might then have been considered unfair or deceptive, so that the law would be flexible enough to cope with novel practices, or with variations on old practices, which sharp operators might invent to eliminate competition unfairly or to cheat the public.

The FTC's Office of Federal-State Cooperation is ready to work closely with the National Association of Attorneys General, the Council of State Governments, the President's Committee on Consumer Interests, and others in helping states to formulate or improve laws in this field.

We will participate by invitation in conferences of state and local government agencies, and in individual conferences with Attorneys General and other state and local officials interested in consumer protection and trade law administration. We invite them to communicate with us, and to visit us when they are in Washington. They will find our latchstring always out.

To bring us up to date quickly on the situation in the several states, and improve our capacity to render cooperative assistance, we ask that the Attorney General or other official primarily responsible within a state for administering antitrust, and anti-deceptive-practice and consumer protection laws send us any news releases which are issued on these subjects, and any readily available information showing the present extent of activity in his state to protect consumers and honest businessmen from unfair, discriminatory, restrictive and deceptive trade practices.

#### CONCLUSION

To recapitulate, the Federal Trade Commission has established its Office of Federal-State Cooperation to work closely with state and local officials interested



in the enactment or administration of laws to combat false advertising and other unfair and deceptive trade practices. This cooperative effort is expected to result in improved service to the public, not only through increased effectiveness of the FTC in apprising itself of interstate practices needing attention, but also through improved methods of dealing with trade abuses of an intrastate or local character. The objective is to provide more adequate governmental protection against selling practices which victimize either the consumer or the honest competitor.

Comments, suggestions and inquiries concerning the commission's program for federal-state cooperation are invited. They may be addressed to me, to the Commission's General Counsel, James McL. Henderson, or Gale P. Gotschall, Assistant General Counsel for Federal-State Cooperation, Federal Trade Commission, Washington, D.C. 20580.

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ITEM 2. PRESS RELEASE ISSUED BY FTC ON JULY 7, 1966

**FTC PROPOSES THAT STATES ENACT LAWS TO PREVENT CONSUMER DECEPTION AND UNFAIR COMPETITIVE PRACTICES, ALSO TO REGULATE HEARING AID DEALERS AND CORRESPONDENCE SCHOOLS**

The Federal Trade Commission is urging that the States enact laws to prevent consumer deception and unfair competitive practices, and also to regulate hearing aid dealers and correspondence schools. This was announced today by Paul Rand Dixon, Chairman of the Commission.

The purpose of the proposals, Chairman Dixon said, is to afford the public and honest businessmen better protection from unfair and deceptive trade practices. By stopping such practices locally before they grow into problems of interstate proportions, he said, the need for federal action will be minimized and the people most directly affected will be deciding what constitutes unfair or deceptive practices.

Chairman Dixon pointed out that, generally speaking, the Commission's jurisdiction is limited to practices which are used across state lines, in interstate commerce. By enlisting the aid of Attorneys General and other State officials to control such practices within each State, he said, the Commission can be freed to deal more quickly and effectively with problems of regional or national significance. Moreover, the need to take action against deceptive practices by local businessmen, has become even more apparent in the low-income markets where those least able to afford the loss are frequently the prime object of such practices.

Since many of the States do not have adequate laws to curb unfair or deceptive trade practices, the Commission is urging them to adopt legislation similar to the Commission's own authority to prevent "unfair methods of competition and unfair or deceptive acts or practices in commerce." The States of Washington and Hawaii have already enacted such laws, which can serve as a model for the other States, Mr. Dixon said.

By so doing the States can draw upon the Commission's 50 years of experience and the 800-plus court decisions interpreting the Federal Trade Commission Act which declares such practices to be unlawful.

Chairman Dixon pointed out that a general law against "unfair" and "deceptive" practices has the advantage of extending to all lines of business, to the sale of merchandise as well as services, and comprehends all types of practices which may be deceptive to the consumer or unfair to competitors. It is sufficiently broad to reach practices such as "bait" advertising, deceptive guarantees, fictitious pricing, referral selling, oral misrepresentations by house-to-house salesmen, misbranding, sale of used products as new, false claims as to performance of products, price-fixing conspiracies, and boycotts to eliminate competition.

The Commission additionally proposes that the States enact laws requiring hearing aid fitters and dealers to be licensed, similar to the present practice in the State of Oregon. This is suggested because investigations by the Commission over the years have shown considerable consumer dissatisfaction with hearing aids. Many of the complainants are older persons on limited incomes or public assistance who can ill afford to expend large sums for a hearing aid which does not meet their needs or expectations. The promotional practices of local dealers, and their competence in the fitting of the devices, have been the most common cause of complaint, Chairman Dixon said.

To eliminate this problem, the Commission proposes that hearing aid fitters and dealers be licensed like watch repairmen, barbers, optometrists, podiatrists, plumbers, etc. The Commission suggests, however, that membership on such regulatory boards include, in addition to industry members, one or more public members, to guard against trade-restrictive or deceptive practices and to assure that the general public interest is adequately represented.

The Commission also proposes that State laws be enacted to provide more adequate control of correspondence and vocational schools. The purpose is not only to protect educationally disadvantaged persons from being exploited, but also to assure that the operators of such schools are possessed of instructional staffs and physical facilities adequate to reach the claimed objectives of the courses being offered for sale. The Commission proposes to cooperate with other interested federal agencies and with the departments of education or vocational training and rehabilitation in the several States to develop appropriate regulatory legislation.

These proposals have been forwarded to the Council of State Governments Committee on Suggested State Legislation, via the U.S. Bureau of the Budget.

Complete texts of the proposals are available upon request. Requests should be addressed to:

Assistant General Counsel for Federal-State Cooperation,  
Federal Trade Commission,  
Washington, D.C. 20580

### ITEM 3. "TEAMWORK CAN OFFER PROTECTION FOR THE FAMILY," FTC BULLETIN, 1966

Though small in number, enough illegal business practices dupe our senior citizens to warrant a joint defense by the intended victims and their children and friends. The careful purchasing that would result would be welcomed indeed by the vast majority of businessmen whose genuine products and services are frequently regarded with suspicion because of the phony bargains offered by a few hit-and-run peddlers of false hope.

Of the 18 million people in the U.S. aged 65 and over, a great many are prime targets for false advertising and slick salesmanship. Their aches and pains, their need for extra income, their vanishing hopes for a retirement home in the lands of warmth and sun, and their gratitude for attention offered by "such a nice salesman" provide a feast for the illegal operators.

Too often the senior citizen is a lonely target for such blandishments, whereas these sellers are almost invariably well organized and experienced, with glib answers prepared to overcome sales resistance.

Here is where you can team up with your parents or older friends to help them protect themselves from being victimized. Together you can study and evaluate the bland assurances and promises offered. Not being subject to the same degree of temptation for the product being offered and not being the direct target of the salesman's charm (whether it be his words and manner, or the language of a tricky advertisement), sons, daughters, and younger friends can offer valuable assistance in determining whether the goods or services are worth the money. If the sellers can pool their talents, so can you. Your combined investigation, judgment and experience might well prevent the loss of precious savings by those whose age denies them opportunity to replace them. Indeed, sons and daughters might be confronted with making up the loss.

The monetary toll is not the only one. The disreputable tout spurious substitutes for proper medical treatment, steal time and effort on phony income producing schemes, and reward hope for a happier existence during the sunset years with disillusionment and bitterness, if not tragedy.

The reputable business community also suffers. Offering needed services and products and genuine opportunities—all at fair prices—it is unjust that their efforts and their advertising be ignored or devalued simply because a small minority of overly eager sellers would destroy confidence in any kind of claim.

With more than 50 years of experience in halting unfair business competition and deception in interstate commerce, the Federal Trade Commission has become expert in how law violators operate. It has made thousands of investigations leading to federal orders stopping illegal acts and practices, a great many of which have been aimed at elderly men and women. In some cases where there is sufficient public interest and the illegalities operate across state lines, the

FTC can take direct action, but in many cases its help can only be in the form of sound advice on how to avoid being misled.

The first piece of advice may sound strange coming from a government agency, but it must be offered because it is fundamental to a successful defense against the multitude and cleverness of false or misleading claims used to ensnare our older people. Moreover, this advice has nothing to do with the protection the law affords.

It is the simple admonition to younger people to seek and maintain the confidence of aging parents and older friends as to what their needs and desires are. If the relationship can be built up to the point where they will confide any plan to invest their savings to better their situation, the plan can at least be studied and assessed more thoroughly. Law violators will have lost immediately their biggest advantage, namely, to deal with isolated individuals and to play on their hopes and fears. It is one thing for them to get a trusting signature on a contract when the signer makes his or her decision without first confiding in children or trusted friends; it is quite another matter if the older person invites others to make a check on the proposition first. The latter situation is exactly what the suave and kindly salesman and his boss do NOT want. They will argue that opportunity cannot wait, that the sands of time are running out, that their offer is a limited one, and that countless other "mature investors" are lolling in comfort and gratitude for having made a similar investment.

What are the false or misleading claims devised especially to appeal to the elderly? The FTC has found that the following are time-tested favorites (although experience has shown that new ones are born as fast as opportunity offers.) Here are the principal ones to keep an eye on in the interest of those you need and who need you:

#### THE HEALTH CLAIMS

The old time medicine men who sold magical cure-alls and pain killers (frequently high in alcohol or opium) have all but disappeared. Not only have laws been tightened and government policing intensified, particularly by the FTC, the Food and Drug Administration, and the Post Office Department, but buyers have become more sophisticated. They would scorn the kind of outrageous claims made for some of the "medicines" at the turn of the century.

However, the selling of false hope in the health field has not disappeared; it has simply kept pace with the times. It has seized the coattails of legitimate new discoveries and developments by making sly use of modern terms and aping the scientific attitude of reputable producers of ethical and proprietary drugs. Even the old cry of "Amazing Relief!" is being heard more distantly, or at least it must share advertising space with modernized jargon.

This does not mean that many useful remedies are not being marketed. They are, and the claims made for them are fully justified. But it behooves the buyer to learn exactly what the claims are. It is significant that the labels on medications must not exaggerate their usefulness.

Significant, too, is the appeal by the peddler of "Astounding Discoveries" to the fears of the elderly that proper medical diagnosis and treatment would be too expensive. Yet bargain prices for the treatment of dangerous symptoms can be tremendously costly in money and pain to the sufferers—as well as costly to those of you who might have to foot the eventual bill, up to and including funeral expenses.

Nobody knows, of course, exactly how much quackery costs in the United States today, but at hearings conducted by the Subcommittee on Frauds and Misrepresentations Affecting the Elderly, a unit of the U.S. Senate's Special Committee on Aging, testimony indicated the cost ran into the hundreds of millions each year. Subcommittee Chairman Senator Harrison A. Williams, Jr., in commenting on the cost, said: "It seems to me there are losses that go far beyond the original purchase price for the phony treatment, the useless gadget, the inappropriate drug or pill. How can we measure the cost in terms of suffering, disappointment, and final despair? Do we really know how many Americans are quietly using therapy or products that can give them neither cure nor the hope of cure?"

One of the principal deceptions aimed at the elderly is the "cure" for arthritis and rheumatism. It is a favorite because 12 million Americans have some form of arthritis. They may call it rheumatism, depending on the word they prefer. Sufficient to say, the quacks are ready with concoctions and treatments for both.

The Federal Trade Commission has moved against false advertising of alleged cures with all the force it could spare for this purpose, but sufferers from arthritis and rheumatism offer too tempting a target for the slicksters. The fact of crippling pain, plus the truthful advice from doctors that no cure has yet been discovered, provide the quacks with the elements they need to peddle their treatments and their products. The FTC's position, backed by competent medical authority, is that no arthritis remedy now known is capable of giving any more than temporary relief from the aches and pains of the disease.

Certain remedies are frightening. Testimony before the Senate Subcommittee on Frauds and Misrepresentations Affecting the Elderly revealed such arthritis "treatments" as alfalfa tea, plunging hands into hot and cold water, conversations over the telephone, salves and a box containing "numerous little bottles with lavender caps" over which a transparent crystal ball was swung.

There also have been cases in which ignorance rather than avarice prompted the offering of a cure. For example: a bricklayer in Alabama had a dream in which he thought the Lord had instructed him how to help suffering people. So the next day he went to a grocery store and bought a terrifying mixture of solids and fluids and put them together—and sold this "cureall" to anybody suffering from anything. The FTC stopped him before his remedy had seriously hurt anybody.

So how can the sons and daughters and friends of elderly people join forces with them in stiffening their defenses against medical quackery, whether it be "cures" for arthritis and cancer (which they may actually have or only fear they have), or high speed mail order "bargain" cures for other diseases, including those of the eyes and ears, that require proper diagnosis and treatment.

Step No. 1 is to invite and to listen attentively to a description that the elderly person can give of his ailment. Because most people of any age are all too eager to discuss their pains, the temptation exists to let their complaints go in one ear and out the other. Such indifference invites the suffered to seek his own solution, which is exactly what the illegal few count on.

Step No. 2 is to urge that diagnosis of any persistent ailment be made by competent medical authority, rather than an acquaintance "who had exactly the same trouble," or the sweeping assurances of many an advertisement.

Step No. 3 is to persist in Step No. 2. Sound advice, given but once, can too easily be ignored.

#### THE EXTRA INCOME CLAIMS

Knowing that many elderly people are hard pressed to stretch their retirement income to cover even the barest necessities, the fast buck operators are all too ready to sell, at a cruel price, false hope for extra income.

This does not mean that many legitimate opportunities are not advertised. They are. But the genuine offers can stand up under careful investigation. It would be a good idea to question your friends who have earned a reputation for careful judgment to get their opinions on which offers are worth pursuing.

In its investigation and prosecution of scores of cases, the FTC has discovered a pattern to these deceptive offers. The initial approach to the victim is by an advertisement promising excellent, even spectacular, profits for easy spare time work. Frequently the ad appears in the "Help Wanted" columns of a newspaper. But invariably there is a small requirement before the victim can commence collecting the exciting reward for his part time labors. This is that he make a substantial investment in the enterprise. Usually it is described as an investment in inventory or in a vending machine.

Here are typical ads the FTC has ordered stopped:

"YOUR NET PROFITS approximately 100%, and on some of our machines the net profit may be 200 to 300%!"

"The Sarest Surest Business on Earth."

"No RISK of losing your investment!"

"\$400 to \$500 MONTHLY POSSIBLE . . . applicant must have car, references and \$600 to \$1,200 working capital which is secured by inventory . . . Work only 8 to 10 hours a week!"

"Your \$800 to \$1500 investment GUARANTEED to produce \$200 to \$250 a month!"

The cold truth is that legitimate vending machine operations are carried on usually by manufacturers selling only to companies thoroughly versed in the vending machine business. The dubious activities are encountered when machine makers address their ads to individuals promising them that a minimum of capital and work will produce fantastic profits.

How can you detect which are the spurious offers for extra income?

In the first place, you must shut your own eyes and ears to the golden promises and force yourself to do a little cold-blooded investigating. If the "opportunity" involves selling a product, you would do well to make a market test of your own—contact the people you think might be interested in buying such a product and find out what they have to say. It would also be worth your while to ask the sellers or the owners of competing products and discover what kind of competition would confront you. In the case of vending machines, you might well ask the operators of popular restaurants and stores in your neighborhood how eager they would be to have an elderly person place a vending machine in their establishment and be responsible for servicing it. And as a double check on your own market testing, you would do well to talk the proposition over with your banker or a representative of the Better Business Bureau, and, if neither is available, ask the opinions of the men and women in your community whose business judgment you most respect on what they think of the idea.

Armed with the answers you most likely will get, you can argue persuasively for a safer use of the precious savings of our senior citizens.

#### LANDS IN THE SUN

Having escaped from the treadmill of earning a living, many a retired man and his wife also would like to escape winter and join others of about the same age and inclinations in the playlands of our nation. The reputable majority of the real estate industry is able to accommodate their desires. But when enough of our citizens are beset by such heady aspirations and have the money to make their dreams come true, a few sellers, more careless with the truth, are ready to accommodate them.

In advising the elderly person whose appetite for a retirement home has been whetted by the advertising of a mail order land developer, you would do well to consult first with a lawyer or someone else who is well versed in real estate and then get the answers to these questions at the very least:

(1) Does the state in which the land is located have a law requiring full disclosure of pertinent facts concerning land developments? If so, an effort should be made to inspect a copy of the real estate developer's report to that state's real estate commission. It may not be as easy reading as the sales brochure, but it contains vital information. Fewer than half the states have such a law (as of 1965). However such retirement favorites as California, Arizona, New Mexico and Hawaii do.

(2) Does the salesman have any actual photographs of the land to contrast with the artists' conceptions of what the property *might* someday resemble?

(3) How far distant is the land illustrated in the literature from that which is being offered?

(4) Who drew the map of the real estate development? Is it, too, an artist's conception. Or does it make the property offered for sale appear to be more accessible and closer to vital services and conveniences than is the fact?

(5) Are distances described as "minutes away" or in miles over travelable roads?

(6) Has the literature disclosed anything about such subjects as flash floods, windstorms, sandstorms, temperature extremes, altitude, or water depth?

(7) Does the contract contain a nonacceleration clause which prevents taking of title and deed before it suits the developer's convenience or his ability to release his mortgage or get subdivision approval?

(8) Has the senior citizen been given information on exactly what improvements will be installed—and *when*? And is the information in the contract?

(9) If there is a money refund assurance given, is it necessary to travel all the way to the property to get it?

(10) If the seller guarantees that you can transfer your payments to buy a different lot (for example, to get closer to a glimpse of mankind or to vital services) how much more is the preferred location going to cost?

(11) Have you and your senior citizen really read the purchase contract—not just the bold type that the seller would like to have you read, but the fine print containing information presented in the dulllest possible way? Hopeful eyes have the capacity to see only what they are encouraged to see.

Finally, if your investigation convinces you that scurrilous salesmanship is being used to sell retirement property, you would do well to pass on what information you have gained to the Better Business Bureau, to the real estate commission of the state involved, to the U.S. Post Office Department, to the Securities and Exchange Commission, or to the Federal Trade Commission. By this you can make a real contribution to the protection of others, both young and old.

#### MAIL-ORDER HEALTH INSURANCE

It would be hard to find any field in which your teamwork with elderly people would be more beneficial than in the cautious purchase of mail-order health insurance. Most of this is legitimate, and it provides a most welcome safeguard for those purchasing it.

It also provides a made-to-order situation for the illegal fringe operators who would come to the "rescue" with mail-order insurance at "low cost, no exam, comprehensive hospital and medical coverage, no ifs, and, or buts, no limitation \* \* \* all for pennies a day!"

Fortunately, the gyp outfits are very much in the minority, but theirs are the claims and omissions that dangle the brightest promises to the elderly, even to the extent of persuading some of them to take the tragic step of abandoning higher cost, but most certainly higher benefit protection. Too late do they discover that the protection they think they have bought exists only in their minds and not in the fine print of the misrepresented policies.

While the business of regulating insurance lies principally with the states, the Federal Trade Commission has had enough experience with certain mail-order outfits to know how the few high pressure boys trick the buyer of health insurance and work a hardship on the reputable majority of sellers.

Here is a sampling from the bag of tricks, things for which you and your elderly parents and friends should be on the lookout:

The health insurance advertising might fail to disclose exceptions, reductions, or limitations of the policy. It also might conveniently fail to mention that there is a waiting or probationary period before health benefits become payable. Or that they are payable only on the occurrence of certain conditions, and what these conditions are.

The ads might fail also to mention what effect preexisting conditions of health may have on the insurance coverage, or that the policy applies only to a certain age group.

You would do well, too, to explore whether the advertising has failed to disclose all the terms affecting renewability, cancelability, or termination of the policy. And do the ad's golden promises refer to the benefits of one policy or more than one?

The cautious buyer also would want to double check to learn if the mail order advertising squares with the facts as to whether the health of the insured is not a factor in determining if he can be insured or what benefits would be paid. The same holds for claims that no medical examination is required; or, if none is required, what limitations are put on the policy's protection?

A go-slow warning shows up when you encounter a sales' pitch that employs words such as "up to" and "as high as" in describing how much money will be paid in dollars. Such amounts might be very much the exception and paid only for the treatment of rare diseases.

In short, you would do well to advise the senior citizen to hold off buying mail-order insurance until he knows exactly what he's going to get for his money.

Granted that an insurance policy makes hard reading (and requires better eyesight than bold type advertising), your careful reading of it could provide a great service to the senior citizen you want to help. And if you would like a synopsis of its possible pitfalls by a trained eye, the chances are better than even that any reputable insurance agent would be glad to accommodate you.

#### MISCELLANEOUS DANGERS

Because the foregoing types of deception are of particular concern to the elderly does not mean our senior citizens are not victimized by other schemes whose targets include the young as well as the old.

To learn how to dance is an accomplishment worth attaining, and most dance studios provide instruction that is well worth the money. However, there are some exceptions.

Typical is high pressure selling of dancing instruction, resorted to by a few of the nation's less reputable dance studios. While the younger folk are baited into signing up for more lessons than they can afford in a desire to become more popular with the opposite sex, the elderly find in dancing instruction an escape from loneliness. The FTC has encountered such spurious lesson selling schemes as bogus contests, fanciful testimonials, and salesmanship in which teams of salesmen work in relays to batter down sales resistance. The result has been that many bewildered older people have been persuaded to buy so much dancing instruction that their life expectancy could not accommodate the thousands of hours purchased.

Another method of selling that needs investigation is so-called "referral selling," in which the buyer is led to believe that he or she can greatly offset the cost of a product by giving the seller the names of friends and acquaintances as likely prospects for sales. The enticement here is that for each sale resulting from the list of names provided, their own payments for the product will be accordingly reduced. The FTC moved against this practice whenever it became apparent that the buyer was not getting the promised discount, indeed was paying as much or more than he could have bought the product from a reputable dealer.

Vanity publishers also exact a toll from both young and old, with the latter being given special attention. Often senior citizens have long been nursing a desire to write a book as soon as they achieve the leisure to do so, or, as frequently happens, a widow is anxious that the world recognize by means of a book the stature and wisdom of her departed husband. These understandable desires will be accommodated by the so-called "vanity press" for a price.

There is, of course, nothing wrong with subsidized book publishing. Many a book whose subject material is of limited interest could not otherwise be published. Where the chicanery creeps in is when the publisher understates the true nature of his business. Instead of revealing that the expense of publishing the book (plus a profit to the publisher) will be paid entirely by the person wanting to get it published, the impression is created that the book's merits are such that it could make money, even become a best seller. There have been instances where publishers have concocted the most flattering readers' reports on hopeless to mediocre manuscripts solely to entice the would-be writer (or his widow) to invest in the book's publication.

Admittedly it is difficult for you who are consulting with your elderly father, mother, or friend to say that the book they want published does not have the sales possibilities the vanity publisher implies it does. However, you can try. And one way you can do this is to urge that the manuscript be submitted to any number of reputable publishers in the certain knowledge they will reject it if it has no merit.

The FTC also has encountered deception in the advertising of some correspondence schools. While the vast majority give students their money's worth in education and training, there are always a few concerned primarily with collecting fees for their study "courses" with little or no regard for whether the student is even qualified to commence the course, much less learn anything from it. Their advertising, however, skips over any requirements a prospective student should have and concentrates instead on the high salaried jobs which graduates might expect.

To the elderly these flamboyant claims offer hope of augmenting their income. For example, the FTC has brought action to halt advertising that a mail order course of instruction would qualify a graduate (regardless of her age) to become a hospital nurse when, in fact, no hospital would accept such credentials.

It would require from you only a minimum of investigation to get a useful opinion from a school authority or a person engaged in the profession concerned on whether the senior citizen by completing such a course of study might indeed be able to find employment in that field. It behooves you to do this, for the phony correspondence course is one of the cruelest of all deceptions; it robs the victim not only of money but of time and hope.

These are the principal areas of deception which might trap the elderly. There are others, too, and still others yet to be conceived. Some are obviously dangerous and to a cautious person they are palpably phony, but their advertising is not addressed to the skeptical but to the fears and hopes of the credulous and the desperate.

Where deception has snared a victim, it is usually too late or too costly to get a refund of the money invested, if indeed it is possible to find the perpetrator

of the trick. Many of them are aware that their operations can ill afford a fixed address where suit could be brought against them. In other cases, their defense can be based successfully on the fine print of a contract that their victims failed to read. And the best that such organizations as the Better Business Bureau can do is to identify the illegal scheme and those who engage in it. City and state authorities can levy fines and imprison if their ordinances and laws empower them to do so. The Federal Government also can bring stern measures to bear, although the Federal Trade Commission has authority only to issue orders to cease and desist from the illegality. Only if its orders are violated can it seek fines of up to \$5,000 for each violation.

To punish the law violators is small compensation to the elderly man or woman who has been victimized. Far better than the senior citizen avoid the pitfall in the first place.

Here is where you, the sons and daughters and friends can be of greatest help. By teaming up with those you love, by inviting their confidence in your judgment before instead of after they invest their time and money, by doing the investigating they may not be able to do, and by quieting as often as necessary the siren song of temptation, you can save them money and heartache.

You can become a team the illegal fringe can't beat.



APPENDIX 4

ADDITIONAL STATEMENTS AND INFORMATION

FORSYTH COUNTY, DEPARTMENT OF PUBLIC WELFARE,  
*Winston-Salem, N.C., January 11, 1967.*

HON. HARRISON A. WILLIAMS,  
*U.S. Senate,  
Washington, D.C.*

SIR: I read the announcement in our local paper that you propose to hold a special subcommittee hearing on the consumer problems of the elderly. I wish you success in your deliberations on the elderly because it is time to expose their plight.

As a county director of public welfare and as a project director for special services for the aging for four (4) years, sponsored by a private foundation with matching funds from the federal government, I have had the opportunity to study the major problems of the aged, and all the findings that I could gather indicated that malnutrition was one of the major problems. The material that we collected remains unpublished but is on file at the Forsyth County Welfare Department.

On the surface, it appears that all the new benefits that the aged are receiving have given sufficient attention to their problems, but I call to your attention that many of the so-called benefits have involved charges, such as the \$3.00 charge for supplementary medical insurance for those who do not receive social security and now it is being proposed by our state to charge the old age assistance recipients a minimum of \$1.00 for drugs obtained in addition to funds paid through the public assistance medical program. The extra dollars, although small, are of the utmost importance to the aged person who has such a limited annual income. In addition to charges creating a budgetary problem for the aging, an even greater problem, which is forgotten when programs are formulated, is that a service or a program may be available for the aged but because of their particular handicaps they cannot utilize or cannot be put into contact with the service. For example, for those who have the \$3.00 for the supplementary medical insurance, it requires an effort to purchase a money order to mail the monthly amount to the social security office which is beyond those who are dependent, homebound, or bedridden. The same problem exists as well in public assistance programs that are not supplemented by service programs. Homemaking services, attendant care services, meals on wheels programs, etc., are vital for many of the aged to get a proper diet.

I am taking the liberty of enclosing two of our brochures which I think may be of interest to you, and if there is any other way that I can be of service, please feel free to call on me.

Very truly yours,

JOHN T. McDOWELL, ACSW,  
*Director, Public Welfare.*

MANOA, HAVERTOWN, PA., *January 18, 1967.*

HON. HARRISON A. WILLIAMS, Jr.,  
*Chairman, Subcommittee on consumer Interests for the Elderly, U.S. Senate,  
Washington, D.C.*

DEAR SENATOR:

\* \* \* \* \*  
It will be perfectly alright for you to use all or any part of my letter of the 27th of December in anyway you desire and I have no objection to the use of my name in connection therewith.

\* \* \* \* \*  
Sincerely,

THOMAS M. MCKEE, Sr.

MANOA, HAVERTOWN, PA., December 27, 1966.

HON. HARRISON A. WILLIAMS,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR: The enclosed clipping is from the Philadelphia Evening Bulletin of December 20, 1966 and it interested me very much.

In order to tell you of my background, I was employed in 1912 in the Library of Congress at \$30.00 a month and worked with and was personally acquainted with Mr. J. Edgar Hoover. He was studying law and I accounting.

I also did work at the national headquarters during the campaign by Woodrow Wilson for President.

During the First World War, I was unable to get into the armed services due to a bad fractured arm which happened when I was a very young child but did obtain the position of Chief Clerk and Secretary to the Board of Ordnance and Fortification, which passed on all suggestions and inventions sent to Army to win the war. The Chief of Staff and the heads of the various departments of the Army made up the Board. At the close of the war the Board was abolished by an Act of Congress after many years of activity.

After the war, through Commissioner of Internal Revenue Mr. Dan C. Roper I went to work in the Miscellaneous Division of his department. Another fellow and myself wrote the regulations and prepared the forms which put into effect the Harrison Narcotic Law as amended by the Revenue Act of 1919.

In 1923, I resigned from the Government and went to work for Sharp & Dohme, Baltimore. This firm later purchased the H. K. Mulford Co. of Philadelphia and located in that city. About 1957 the business was purchased by Merck & Co. of your state and Mr. John Conner, Secretary of Commerce now was prior to his Government appointment president of the company. I had met him on several occasions.

I am 73 years old and was retired at 65. I receive a pension from my company and also health benefits supplementing Medicare for both my wife and myself.

My wife and I both receive Social Security benefits and our yearly income is as follows:

Yearly pension.....	\$866.88
Social security.....	1,950.00
Total.....	2,816.88

This is less than the \$3,000.00 established as the poverty line.

We do own our home but when we purchased it the local taxes including school taxes (1944) was about \$125. This has increased to \$319.00, of which \$204 is local school taxes. We educated our four children. The one question in my mind is why it is necessary for the elderly on Social Security be required to pay this ever rising taxes.

I set down below our approximate fixed expenses a year:

Local taxes.....	\$320
Heat.....	220
Sewer rent.....	30
Water cost.....	70
Gas and electricity.....	100
Telephone.....	84
Insurance.....	240
Total.....	1,064

Yearly income.....	2,816
Yearly expenses.....	1,064

Balance.....	1,752
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The balance is to cover food, clothing, upkeep on home and various miscellaneous necessary expenses. There are people in this area on relief receiving a larger income than we do and they never worked a day in their life and don't want to as long as they receive the money they get.

I hope that you and your committee when the hearings start will give considerable attention to the financial condition of the many good solid elderly citizens who are feeling the considerable increase in the cost of living and will

recommend a substantial increase in Social Security payments and some local tax relief to offset the mounting yearly living cost.

With best wishes, I am,  
Sincerely yours,

THOMAS M. MCKEE, Sr.

STATEMENT BY RICHARD L. PELZMAN, PRESIDENT, SENIOR SERVICES CORP.

While the problems of the elderly in the United States have long been a concern of the Congress and various Governmental agencies, the actions taken have been misdirected for two major reasons. The first is a lack of an objective definition and understanding of just who are the Aging and what are their real problems. Second, the courses of action have been designed exclusively to deal with the effects of aging in terms of physical and material needs rather than to analyze the causes of the problems of aging in terms of those social and psychological pressures which create the condition. The action required are programs designed to develop preventive and corrective measures to inhibit the proliferation of aging as an American anathema.

For many years the terms "Senior Citizen," "Golden Age," "Elderly," "Aging," etc. have been applied exclusively to the over-65 population and programs for the Aging have been developed primarily to meet their needs. Yet this chronology does not accurately present the real scope of the Aging population. Federal, State and Municipal funds have been used to aid the sick and indigent over-65 and social legislation has been directed to provide them with adequate material and creature comforts. Yet at no time has there been an objective consideration of the 'quality of life' of the Aging American.

It should be realized that the majority of these Seniors were born and raised when the "Protestant-Puritan" Ethic still dominated the nation's social and moral structure. Self-dependence, to work for your living was moral and honorable; to accept support from others without working was immoral and self-deprecating. Although this Ethic is no longer a mandate to younger generations, the over-50 can still remember their youth, the Depression and its degrading unemployment.

Today it is no longer primarily a question of feeding or housing the Aging, nor is it a question of providing adequate medical care. The poignant question is: what are they to survive for? How can they live a meaningful existence without contributing? Yet gainful employment in private industry has become impossible today for half of the over-50 population and for one-quarter of those over 45.\* The harm that is done cannot be measured only in terms of the man hours that are lost through unemployment, but also in the traumatization of those who are employed, and their well-founded insecurity and terror of losing their job and being unable to find another because of their age. It is obvious that the quality of work which these older workers produce deteriorates when performed in an atmosphere of fear and trepidation.

During the past forty years, modern medicine has achieved miracles in prolonging the American's life span. Yet the same period has seen the role of the Senior American deteriorate dramatically from one of an honored and respected member of the family, the society and the culture, into one of an unwanted and unneeded statistical reject. Having fought and lived through two World Wars and a major depression, today's stereotype of the Aging American is that of a collectively ailing, incompetent and poverty stricken population.

It is paradoxical that much of this image has literally been created by the very forces which sought to create a better life for the older American. In the legislative battles to get greater financial appropriations to aid Seniors in need, it has been politically necessary to describe the aging population en masse as a pathetic by-product of social and technological progress. And most of the well-intentioned private organizations which are concerned with lobbying for increased aid to the Aging actually support and abet this image.

As a result, the Government, employers, the business community and the population in general have tended to adopt this imagery to a degree that approaches organized *Gerontocide*.

Consider this contradiction: Federal legislation prohibits discrimination or segregation in housing on the basis of color, religion, race and national origin . . . at the same time, the Federal Government is underwriting the development

\* *Age Discrimination in Employment*. Report of the Secretary of Labor to Congress, June 1965.

of Golden Age Ghettos which segregate Americans specifically on the basis of age.

We have found that it is not the current cult of youth obsession which makes a 50-year old man or woman virtually omitted from all commercial considerations and exploitation. Rather, it is the general impression that the Aging are collectively indigent and emotionless has-beens, incapable of maintaining the pace of the contemporary go-go culture.

What is needed is a new and objective appraisal of the Aging American and the development of positive concepts and programs for the re-integration of the Aging into the mainstream of today's and tomorrow's American scene.

Retirement is no longer a goal; it is a threat, yet early retirement, increased Social Security, Medicare, private pension and insurance plans encourage many men and women to retire at the age of 50. Considering the size of the 50-plus population of the nation today, and projecting its growth over the next twenty years produces a staggering possibility. Sixty million Americans may be in mandatory retirement by 1987. What will they do? Where will they live? How will they exist? What we can do now is to develop the means to utilize the experience, the talents, the training, the judgment and the *need to be needed* of the 35 million Americans who are over 55 in 1967.

We are a nation of consumers. The health of our economic system dictates that we must consume to survive. It is a singular responsibility of the businessman in a capitalist society to create profits through the sale of products or services.

Perhaps the most destructive aspect of the problem of aging in the United States is the attitude which has been taken by the nation's business and financial communities. It seems incredible but true that the businessmen who urgently pursue consumers in their teens, in their 20's, in their 30's . . . turn their backs on them when they reach their mid-40's and 50's and over. Over 30% of the adult population is over 55. They are the most affluent population segment in the nation—but they are totally ignored in the marketplace.

There is a Senior market . . . a market for special goods and services, for foods, drugs and cosmetics, for transportation, clothing, housing and furniture, and for travel and leisure time activities. Yet this wealthy market of 35 million Seniors is arbitrarily dismissed in the marketplace.

Advertising performs a vitally important function in the stimulation of desire for goods and services. Yet in the entire field of sales communication, sales messages directed to the Aging American are practically non-existent. While Seniors provide the vast majority of the audience viewing prime television, most of the programs available are designed for the 12-year-old mentality. This failure is not only morally wrong—it is economically idiotic. People do not stop needing and wanting and buying as they grow older. But the things that they need and the ways in which they want them change. They are not only as entitled to goods and services tailored for their specific needs as are teenagers, but they are also entitled to see selling messages which include them specifically.

In the vital area of education, the vast amounts of money and time being invested are concerned almost solely with the training of youth. Yet there is an equally critical need for the re-education and retraining of the millions over 50 who want to get a job or change their job. In order to keep the Senior's abilities current to meet the nation's growing labor needs, new methods of education and training must be developed. Men and women over 50 have been out of school for 30 to 35 years and are totally unfamiliar with contemporary teaching techniques. They are unable to adjust to teaching programs which may be suited to a 12-year-old.

In the field of social service, equal attention must be given to planning and preparation for eventual retirement and the reduction of familial responsibilities as is given to the feeding and care of the sick and needy aged. Future generations must not be faced with the spectre of millions of hopeless older Americans drifting aimlessly through their cities or buried alive in suburban Golden Age Ghettos. A job and a reason and a means to contribute must be provided for every older man and woman who desires to remain active and within the mainstream of American life.

In response to the specific questions being explored by the Subcommittee on Consumer Interests of the Elderly, I would like to offer the following opinions:

1. *How well equipped are our federal agencies to deal with consumer problems of the elderly?*

To the best of my knowledge the various Federal agencies that have investigated the "consumer problems of the elderly" have been primarily concerned with

the negative aspect of the problem; namely, the examination and exposure of "frauds and quackeries" in goods and services directed at the older American. There has been no positive effort to encourage legitimate marketers to drive out the fraudulent by underwriting the research and development of honest products which can be marketed to meet specific needs. In our highly competitive and competent community of manufacturers and retailers, goods and services specifically designed for the special needs and desires of the older American can be brought to market, advertised legitimately and sold profitably. Senior Services has extensive evidence that clearly branded Senior products, competitively priced, are not only acceptable but actively desired by Seniors.

*2. How well do older Americans spend their incomes?*

The Bureau of Labor Statistics data concerning consumer expenditures by age are woefully inadequate, dated and lacking in specific detail in the over-55 age group. However, the latest data from private sources indicate that Seniors' purchasing patterns in most consumer product groups are considerably different from those of the rest of the population. The BLS reports show relatively higher expenditures for food prepared at home, medical care and travel and transportation other than automotive. This last point is particularly significant in that the automobile industry specifically designs and advertises its products for the youth markets with the result that today's automobiles are infinitely less appropriate, far more dangerous and virtual torture traps for most Senior drivers.

*3. What statistics and other information do we need for greater understanding of the elderly as consumers?*

Again the problem of definition. At what age does a consumer qualify as elderly? Three years ago Senior Services Corporation made a judgment that the 35 million American men and women who are over 55 are truly Senior consumers. During the past three years we have conducted over 16,000 hours of consumer and market research including personal interviews in depth with thousands of Seniors throughout the United States. We have found that there are radical differences between what the business community believes or admits are Senior's purchasing habits and desires and what actually takes place. Our research clearly indicates that the needs and desires of a 55-year-old woman are different from those of a 35-year-old woman as are the differences between a 13-year old girl and a 19-year old girl. Yet, in our great and creative cosmetics and hair products industries, not one line of products has been specifically formulated, marketed and advertised to the 18 million women who are over 55. This glaring omission is equally obvious in the apparel and foundation garment industries.

Since there is ample statistical evidence that the majority of older women have the ability and the desire to buy products suited to their special needs, why have the manufacturers and marketers of cosmetics and apparel arbitrarily and callously excluded them in new product development and advertising? The reason is a lack of specific information and conviction that merchandise can be sold where age is the condition of purchase. Nor are any products likely to be marketed to the Senior until those concerned with the problems of the Aging American provide a new and accurate image of the Aging as consumers. Extensive quantitative and qualitative consumer research is urgently needed to provide marketers with accurate information concerning the Senior consumer.

*4. How can the federal level help state government be of greater service to consumers in general and the elderly in particular?*

In response to this question I will concern myself only with the Aging and repeat the urgent recommendations made in answer to Question 3. Consumer research must be done amongst the Senior population on a national basis to document their particular and specific needs and desires. This can and should be done in conjunction with those state and local agencies and governments interested in the Aging population.

*5. Is there great need for new products or private services designed expressly for the elderly?*

Senior Services has extensive evidence of a great need and desire for special products and services designed exclusively for the Senior American. We offer to provide the Subcommittee with our findings and recommendations and to assist wherever requested in the preparation of programs designed to seek further information.

6. *Potential improvement in government publications intended for consumers with special reference to the elderly.*

My first recommendation is that *Aging*, published by the Administration on Aging, be given a totally different format and content. Recent issues have covers which illustrate the Aged, not the Aging. If the Senate Subcommittee on Consumer Interests of the Elderly can accept the hypothesis that the problem of aging actually begins long before age 65, it may judge that two publications may be needed—one called *Aging*, dealing with the problems of the Aging, and another called *The Aged* to deal with problems of the Aged.

The second recommendation is that a bi-monthly newsletter dealing with subjects which concern the older American be mailed to every recipient of Social Security and Medicare. I further recommend another publication designed for those people who have aging parents or relatives or the prospect of caring for the physical or emotional welfare of older employees or friends.

In respect to a publication for the Aging, I must inject a personal note. I have tried for three years to interest major publishers in underwriting a consumer magazine which would be directed to the over-55. I regret to say that I have not been successful. The primary barrier to such a publication seems to be the publisher's lack of conviction that such a venture could be commercially successful. This is a vital point. There must be the prospect of sufficient advertising revenue to warrant the substantial investment required. They reason that the business community's lack of interest in the Aging American as a consumer would doom the effort from the start.

In summation, I believe that the inaccurate and highly unflattering stereotype of the Aging American is largely responsible for creating the prejudices and pressures which harm him as a consumer even more than fraudulent merchandise and schemes. This image has been inadvertently created and amplified largely by the very forces who have sought to aid the Aging.

Most of the current statistical information concerning the over-55 population is inaccurate, dated and collectively inhibiting to an objective analysis and understanding of the Aging American as an affluent but totally overlooked consumer market for specialized goods and services.

What I believe must be done is to redefine and re-analyze the total problem of the Aging American in terms of today and tomorrow. Consideration must be given, programs prepared, and legislation written which will anticipate the problems of aging rather than deal with its results. Federal legislation must guarantee every Senior American employment opportunities without discrimination based on age.

DENVER, COLO., January 16, 1967.

Senator HARRISON A. WILLIAMS,  
*Chairman, Subcommittee on Consumer Interests of the Elderly, U.S. Senate  
Committee on Aging, New Senate Office Building, Washington, D.C.:*

The Association of Food and Drug Officials of the United States was founded on the principle of Federal-States cooperation and gives unqualified support to a Federal-State partnership in the area of food and drug law enforcement.

Premarketing testing of medical devices for safety and efficacy is and has been an area in which the association has stated that the Federal contribution can be material due to the large commitment of staff and funding necessary to adequately perform the required scientific and legal functions.

The association endorses a Federal-State partnership based on a capability-contract relationship wherein both parties contribute within the structure of their respective strength to achieve a common goal as recommended by the public administration service.

URLEN J. WIEMANN,  
*President Association of Food and Drug Officials of the United States.*

U. S. DEPARTMENT OF LABOR,  
BUREAU OF LABOR STATISTICS,  
*Washington, D.C., February 20, 1967.*

Hon. HARRISON A. WILLIAMS, JR.,  
*Chairman, Special Committee on Aging,  
U.S. Senate, Washington, D.O.*

DEAR MR. CHAIRMAN: In response to the request in your letter of February 9, I am enclosing a statement on the revision of the Bureau of Labor Statistics<sup>1</sup>

<sup>1</sup> Additional discussion on the revision appears on p. 23ff.

Retired Couple's Budget for inclusion in the record of the January 17th hearings of the Subcommittee on Consumer Interests of the Elderly.

The testimony of Mrs. Geneva Mathiasen, Executive Director of the National Council on the Aging, as shown on pages 7 and 8 of the transcript accompanying your letter, does not clearly distinguish between the BLS Interim Budget for a Retired Couple, with 1959 cost estimates for 20 large cities, and the adaptation of this budget currently published by the Budget Standard Service of the Community Council of Greater New York. The 1965 budget cost statistics for New York, cited on page 8 of Mrs. Mathiasen's statement, are based on the Community Council's budget and do not represent an updating of the 1959 BLS Interim Budget for a Retired Couple. The current revision of the BLS budget was undertaken because the 1959 budget, based on goods and services which provided a modest but adequate standard of living in terms of standards prevailing in the 1950's, does not provide a valid basis for estimating the cost of such a standard in the 1960's. The enclosed statement describes this revision program.

I hope this information will be helpful to your Committee. If we can be of further assistance, please call on us.

Sincerely yours,

ARTHUR M. ROSS, *Commissioner.*

U.S. DEPARTMENT OF LABOR,  
BUREAU OF LABOR STATISTICS,  
Washington, D.C., February 17, 1967.

#### REVISION OF THE RETIRED COUPLE'S BUDGET

##### *Original Budget*

A "modest but adequate" standard budget for a retired couple was originally developed in 1946-47 by the Social Security Administration (SSA) to parallel the City Worker's Family Budget developed by the Bureau of Labor Statistics. The Social Security Administration published estimates of the cost of its budget for 13 selected large cities for March 1946, June 1947, and March 1949. The Bureau of Labor Statistics published October 1950 cost estimates for this SSA budget for 34 large cities. No cost estimates for this budget were published after 1950 because the quantities and qualities of goods and services included in the budget were based on standards prevailing prior to World War II and were not representative of the postwar standard of living.

##### *BLS Interim Budget for a Retired Couple*

In 1957-59, the Bureau of Labor Statistics made an interim revision of the retired couple's budget to develop a new list of goods and services which would reflect a "modest but adequate" standard of living in terms of standards prevailing in the 1950's and published estimates of its cost for 20 large cities. (See report enclosed) Since this basic concepts and general procedures used in the original budget were not changed in the interim revision, plans were made to initiate a comprehensive revision of the budget when data became available from the 1960-61 Survey of Consumer Expenditures. In the meantime, no cost estimates, subsequent to 1959, for the interim budget have been calculated.

##### *Current Revision Program*

In 1963, an advisory committee, representative of important users of standard budgets outside the Federal Government, was asked by the Bureau to review the standard budget research program and to make recommendations as to the needs described by the budgets, the general concepts of the standards of living to be described by the budgets, and problems associated with estimating and publishing budget costs. This committee recommended that the "modest but adequate" budget for a retired couple be revised, following the broad concepts and general procedures used for the original budgets, and that budgets be developed reflecting a lower and a higher standard of living; that the cost of maintaining an owned home be added; and that, in addition to large cities, cost estimates be obtained for a sample of medium-sized and small cities as required to prepare estimates of the average budget cost for urban United States.<sup>1</sup>

A revision program along these lines was initiated in the autumn of 1965. A new list of goods and services which provide a "modest but adequate" stand-

<sup>1</sup> See Report of the Advisory Committee on Standard Budget Research, U.S. Department of Labor, Bureau of Labor Statistics, Office of Prices and Living Conditions, Washington, D.C., June 1963.

ard of living for a retired couple in terms of standards prevailing in the 1960's has been developed and autumn 1966 prices have been collected. Autumn 1966 detailed budget cost estimates will be published, about September 1967, for each of 23 metropolitan areas;<sup>2</sup> for medium-sized cities (50,000-1,000,000 population) and small cities (under 50,000) in 4 geographic regions; and for urban United States. Spring 1967 estimates of the cost of the "modest but adequate" budget and of budgets for a lower and a higher standard will be available about the end of 1967.

U.S. DEPARTMENT OF LABOR,  
BUREAU OF LABOR STATISTICS,  
*Washington, D.C., February 1, 1967.*

**LARGE METROPOLITAN AREAS FOR WHICH STANDARD BUDGETS WILL BE PREPARED,  
RANKED BY DESCENDING ORDER OF TOTAL SMSA POPULATION IN 1960**

STANDARD METROPOLITAN STATISTICAL AREAS

1. New York-NE New Jersey SCA
2. Chicago-Northwestern Ind. SCA
3. Los Angeles, Calif.
4. Philadelphia, Pa.-N.J.
5. Detroit, Mich.
6. San Francisco-Oakland, Calif.
7. Boston, Mass.
8. Pittsburgh, Pa.
9. St. Louis, Mo.-Ill.
10. Wash. D.C.-Md.-Va.
11. Cleveland, Ohio
12. Baltimore, Md.
13. Minneapolis-St. Paul, Minn.
14. Buffalo, N.Y.
15. Houston, Tex.
16. Milwaukee, Wis.
17. Seattle, Wash.
18. Dallas, Tex.
19. Cincinnati, Ohio-Ky.
20. Kansas City, Mo.-Kans.
21. San Diego, Calif.
22. Atlanta, Ga.
23. Honolulu

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INDEPENDENT ASSOCIATION OF RETIRED  
PERSONS OF DELAWARE VALLEY,  
*Upper Darby, Pa., February 3, 1967.*

Hon. HARRISON A. WILLIAMS, Jr.,  
*Senate Office Building, Washington, D.C.*

DEAR SENATOR: I have recently been elected to the above named office of our Association. As such I wish to have available all pertinent printed materials related to the well being of our aging citizens. I note that you are Chairman, Subcommittee on Consumer Interests of the Elderly. I have followed some of your proceedings and compliment you for your untiring efforts.

I ask of you, Sir, if you will be good enough to place me on your mailing list to receive your bulletins, and or, any other material pertinent to the well being of our elderly persons. My purpose is for the interest of our society through me as their representative.

I note in one document issued by you that you mention several activities in which you seem to have taken a special interest in the above mentioned activities. If I may be so bold as to make a couple of suggestions, please excuse me, but here they are:

(1) Stress should be forthcoming to provide the packaging of food items in such a manner that economical purchases may be available for small families, couples or individuals. As the matter now stands the public are required—because of the method of packaging and or, merchandising—to purchase in such

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<sup>2</sup> See attached list.



quantities as is economically unrealistic to these groups. Because of these conditions, they are captured purchasers—permitting waste, spoilage and monetary loss.

(2) May I suggest that means be established in the Retail Food Markets for the purchases to understandingly observe, visualize and comprehend his cost of purchases made by the present system of cost price by weight wherein the whole transaction is computed on a pair of delicate scales under a cost table attached to the scales, observed and determined at the exclusive prerogative of the weighing clerk.

Thanking you for your interest,  
Respectfully yours,

WILLIAM A. COLES.

NEW YORK UNIVERSITY MEDICAL CENTER,  
New York, N.Y., January 12, 1967.

Senator HARRISON A. WILLIAMS, Jr.,  
Chairman, Subcommittee on Consular Interests of the Elderly, U.S. Senate,  
Washington, D.C.

DEAR SENATOR WILLIAMS: It is with sincere regret that I had to inform Mr. Oriol that previous academic commitments will prevent me from accepting the honor of testifying before your committee. However, I do want to take this opportunity to express my appreciation for your invitation and to assure you that I will always consider it a distinct privilege to be of service to you concerning problems relating to the elderly and chronically ill population.

The questions outlined in your letter are all of vital importance, and I hope that the information collected from the testimony of your expert witnesses will result in recommendations for some urgently needed legislation aimed at the eradication of many existing irregular practices.

I hope you will not consider it presumptuous if I suggest that the present interpretation of consumer interests, which seems to be limited to fraudulent practices, should be broadened to include further exploration of the special needs of our elderly population, and other related problems. Also, if efforts are to be made to meet these needs, the education of those professionals involved in designing products for the elderly is of equal importance.

Enclosed is one of my articles which I believe touches on subjects in the area of your interests.

I look forward with anticipation to meeting with Mr. Oriol on February 8th.  
Cordially,

MICHAEL M. DACSO, M.D.,  
Professor, Director-Goldwater Hospital Service.

[Enclosures]

#### THE BODY AS ITS OWN ENVIRONMENT—PHYSICAL FUNCTIONING OF THE OLDER PERSON

The need for enlisting the aid of sciences which deal with anatomical structure and functional performance has already been recognized by architects, dress designers, and designers of personal and mass transportation (automobiles, railroads, airplanes). However, the designers of furniture in general have rarely considered human needs in furniture design. Indeed, under the guise of functional design comfort is often compromised and the most glaring atrocities are committed against the human body. For example, to sit on or get up out of a soft, low, deep, reclining chair or sofa, manufactured ostensibly for luxurious comfort, often requires the skill and agility of an acrobat or athlete. Moreover, under the Oriental influence the modern low coffee table barely clears the floor, ignoring the fact that the Oriental's characteristic sitting position at his table is low; he does not need to reach it from a high chair or sofa. The low table can be particularly hazardous for old people. Because of their stiff joints, tremors, and impaired coordination and vision there is always the danger of being scalded with hot beverages and injured with sharp utensils when reaching a low table placed at a distance from a low and soft chair. On the other hand, above standard height tables, while not as dangerous, can be quite uncomfortable.

Physicians and scientists who are conversant with the diminished skill and strength of the old person do not view cooperation with furniture designers to

be within their legitimate sphere of interest. This is one of the reasons for the lack of properly constructed furniture for the elderly and infirm. However, in some instances commendable exceptions are found which have resulted in gratifying improvements in the lives of many people. For example, excellent research projects have been conducted to design a kitchen in which a cardiac or otherwise disabled housewife can work with increased efficiency while substantially conserving her energy. In spite of these advances further improvements can be made in kitchen and bathroom furniture and equipment for old people, bearing in mind the aforementioned limitations in energy and skill, and impairment of sensory organs, e.g. vision and hearing and, in some instances, even touch.

Those responsible for providing furniture for old people must understand that sitting demands the active participation of a number of muscles and, therefore, is energy consuming. It is clear from this that sofas, chairs, etc., for the elderly must be designed so as to allow unhampered and ready use, requiring a minimum of energy expenditure. A chair or a sofa must stand firmly on the floor and should not slide when the elderly person leans on it or sometimes awkwardly flops into it. It is important too that the arms are properly placed and well padded. For some inexplicable reason furniture designers often labor under the misconception that the comfort of a chair increases in proportion to the depth of the reclining back and the backward slant of the seat. Frequently, in an effort to increase comfort, the front edge of the seat is raised to create a soft padded cushion. This may be true, particularly in cases of low seating facilities. However, if this position is maintained for a prolonged length of time it becomes unnatural and forced and in the presence of frequently encountered affection of the hip and knee joints, may produce hip and knee flexion contractures in the elderly, too high a price for unnecessary comfort. Also, this position makes it practically impossible for the elderly individual with diminishing muscle strength to get up to a standing position. The recent popularity of plastic upholstery, while indisputably hygienic, may during prolonged sitting become rather uncomfortable due to high environmental temperature and its characteristic lack of absorptive capacity.

The designer, aware of the space problems in modern living, is often tempted to create a dual purpose bed or other sleeping accommodations (popularly known as the convertible bed) for use during the day as well as at night without disturbing the appearance of the room. This piece of furniture often has a hidden compartment for pillows and blankets. An easily accessible storage closet would be more desirable for storing bedding than the storage space in the furniture itself. The conversion for night use almost invariably requires considerable physical strength and agility, and is frequently a hazardous operation. These days when only a few of the elderly can count on outside assistance, it is imperative that such demands are not imposed on them. The delicate balance between firmness and uncomfortable hardness of the upholstery should also be carefully considered.

The widely used wheelchair is at present considered exclusively a prosthetic device. Therefore all problems relating to its use should be thoroughly discussed. The standard wheelchair can and should be made more presentable. Here, the ingenuity of the furniture designer should be called upon to develop a piece of furniture which would combine all the functional advantages of the wheelchair with the esthetic appearance of a light chair. Admittedly this presents a difficult design problem, but this combination of the esthetic and functional may help many an old person overcome his aversion to the stand wheelchair and at the same time assure him a freedom of action not provided by the conventional wheelchair. This combination of the esthetic and the functional must be the dominant trend in furniture design for the elderly infirm and disabled patient. In many an old person's life the wheelchair is a permanent necessity, without which he cannot move about. He usually spends all his waking hours sitting in this wheelchair. At night, however, when not in use this device is left standing within accessible range. This presents a serious safety hazard and the room, generally quite small, has a cluttered appearance. It would be more desirable to have the beds and sofas designed to provide storage space behind the headboard for the collapsed wheelchair. The size of the storage space should not create difficulties since all modern wheelchairs are built to standard dimensions. In providing such space the designer must be aware of the physical limitations of the bedridden elderly person, whose agility and freedom of joint motion, as well as his muscle strength, is at times considerably reduced, and place this within easy reach from the bed.

Old people use furniture, walls, and anything they can grasp for support. This habitual need of the elderly person makes it necessary to have the lighter furniture firmly but not permanently anchored to the floor. This may seem to be a trivial matter but is rather complicated inasmuch as it would require the invention of a new mechanical device allowing easy movability of furniture at the same time providing a firm grip which would not yield under the elderly person's body weight. The conventional casters even if they are provided with brakes are not the answer to the problem since they rarely roll easily and since the elderly person more often than not forgets to apply the brake which is usually placed in an inaccessible position.

To recapitulate, some major criteria concerning furniture design for the elderly seem to crystallize:

(1) Furniture must be functional in design, taking into consideration the old person's physiological regression of strength, skill, and sensory capacity, as well as some of the pathological changes which often result in paralysis and severe anatomical deformities;

(2) In spite of its functional advantages it must not look like a prosthetic device or a piece of equipment from the orthopedic surgeon's armamentarium, or Rube Goldberg recalling the best days of the Medieval Inquisition.

(3) It has been repeatedly pointed out that with advancing years skill, strength, and sensory functional capacity are diminished, even in the absence of any identifiable disease. The combination of these factors create a situation which presents a considerable safety hazard. Therefore, in addition to practicality and esthetic appearance the furniture designer must constantly bear in mind the importance of safety provisions. These safety measures will have to be considered not only in the design and construction of furniture but also in the materials used. In considering the need for designing a new type of furniture for elderly people I do not believe there is any question about the need for intimate cooperation between the furniture designer, manufacturer, and those who are by the very nature of their profession acquainted with the physical and emotional demands of the elderly person. It must be recognized that in addition to the architect, the furniture designer is in the best position to alter the elderly person's physical environment to suit his comfort and functional needs. The need for cooperation is so obvious that one often wonders why it has not been recognized before. It is hoped that a promising cooperation between health scientists and furniture designers will develop in the future, resulting in additional constructive steps to make the elderly person's life safer and more comfortable.

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[From the Medical Tribune, Wednesday, July 8, 1964]

#### CURRENT OPINION: A PLEA FOR IMPROVEMENT IN CHRONIC MEDICAL CARE

(By Michael M. Dacso, M.D., Professor, Physical Medicine and Rehabilitation, New York University School of Medicine; director, Department of Physical Medicine and Rehabilitation, Goldwater Memorial Hospital, New York)

In the past the responsibility for the care of the indigent and chronically ill aged and handicapped was traditionally entrusted to country homes, poor farms, and other publicly owned institutions with almost universally low standards of care. In recent years this regrettable situation has begun to improve as responsibility for long-term medical care has gradually, albeit reluctantly, been included in the general medical care pattern. Some hospitals, as well as public and voluntary agencies, have already made or are in the process of planning changes in their long-term medical care programs. In addition, sporadic but vigorous research trends are also evident in this field.

Today's medical education is still primarily focused on acute illness. However, it is becoming increasingly recognized that a substantial proportion of patients suffer from chronic ailments for which the medical student has not been adequately prepared. Recognition of this deficiency has already shown itself in places by the introduction of at least a degree of instruction in chronic medical care in our already critically overburdened medical school curricula.

Changes in curriculum content alone will not solve the problems of long-term medical care. What is needed is a re-evaluation of the basic concept of comprehensive medical responsibility. The student should be trained to recognize

and accept, as a fundamental principle, that the physician's responsibilities go far beyond a concern for his patients' health and include a concern for their total welfare.

Long-term illnesses affect a large segment of the population and if this problem is left unsolved it will continue to exacerbate the already politically volatile needs and demands of our population. Unless planned action is taken, arbitrary and illconceived decisions will be made which are motivated by exigency rather than by sound public policy. The solution of important health issues by using emotional rather than professional considerations can only lead to an intensification of this already difficult situation and as a result the public and the medical profession will suffer.

At the present time, with a few exceptions, neither the physical plant and equipment nor the professional and ancillary staff of the chronic disease hospitals can be compared favorably with those of the general hospitals. It cannot be denied that the quality of medical care available to the acutely ill is far superior to the care given to the chronically ill. Such a double standard is not compatible with the concepts of modern medical care. The need for prolonged hospitalization should not be used as an excuse for substandard services. Patients suffering from chronic illnesses require the same high-quality medical and nursing services as the acutely ill patients. The magnitude of the problem of chronic illness is such that only the coordinated efforts of physicians and other experts in the health and social fields can meet it. Therefore, it is suggested that a study group be organized similar to the now defunct Commission on Chronic Illness. This organization should be responsible for making recommendations for immediate improvement as well as long-range planning in chronic medical care.

The problem of long-term medical care is not new. The most conscientious, dedicated, and knowledgeable efforts of many governmental and voluntary agencies, such as the Commission on Chronic Illness, the U.S. Public Health Service, and the local governmental and voluntary health agencies, have so far not resulted in the sorely needed improvement in the standards of chronic medical care. The task of preventing the ravages of chronic diseases and of treating and rehabilitating the physically handicapped is an enormous one, and the longer it is postponed the more formidable it becomes. In view of these undeniable facts it is suggested that we forget the frustrating failures of the past and that vigorous steps be taken to develop a sound and realistic long-term medical care policy. With appropriate modifications to suit local and regional needs, programs could be introduced in some of the already existing chronic disease institutions. New services should be created where necessary and those which are capable of improvement should be revitalized.

Intensification of the fight against chronic illness has never been more timely than it is at the present time when the world's economically best endowed nation has begun a concentrated attack against poverty. Long-term illness is undeniably a significant factor in creating poverty. It saps the patient of his vital strength and drains his financial resources, often contributing heavily to the complete disintegration of the family structure. A multiplicity of such family situations eventually strikes at the very heart of the community, leading to social and economic disorganization. Radical and immediate improvements in long-term medical care would not only help to eliminate a major health problem but would serve as a most effective tool in the struggle to raise the physical and economic standards of the nation.

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CALIFORNIA COMMISSION ON AGING,  
SACRAMENTO, CALIF., *January 31, 1967.*

Hon. HARRISON WILLIAMS, Jr.,  
*Chairman, Special Committee on Aging,*  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR WILLIAMS: In addition to the material previously mailed from this office, I am enclosing a statement submitted by Mrs. Lucille Moore of the Los Angeles Hearing Center.

As indicated in previous correspondence received from this agency, there is a great need for guidance and counseling in the purchase and use of hearing aids. It seems to me that this need should be of vital concern to those interested in

the best possible purchasing opportunities for the elderly, in addition to the most valid and reliable sources of information and referral.

I hope that this data will help to direct attention and activity to this greatly needed area of concern to all of us interested in the well being of older persons.

Most sincerely,

MRS. JANET J. LEVY,  
*Executive Director.*

STATEMENT BY MRS. LUCILLE MOORE OF THE HEARING AID CENTER

1. In Los Angeles County there are 110,000 on the OAS (Old Age Security). Approximately 10% of this number or 10,000 have a hearing impairment in varying degrees. A small percentage of this number have asked for help or advice as to their problem. The Hearing Center of Metropolitan Los Angeles and the Department of Senior Citizen Affairs offer free counseling.

2. By means of radio and other types of publicity more of these elderly people should be contacted. The Department of Senior Citizen Affairs of Los Angeles County broadcasts weekly over KFI for 15 minutes discussing Senior Citizen problems. Hearing is one of them. Information is given as to how, where and when to secure counseling and aid. A leaflet entitled "Hearing Helps" is distributed to Senior Citizens.

3. Many elderly persons with prolonged hearing problems are suspicious of having their hearing tested. Many have repeated negative experiences with hearing aid dealers and so-called hearing specialists and consultants. Some get an exaggerated impression of the value of hearing aids to overcome their hearing impairment.

4. One man was told by an otologist that a hearing aid would not help him. He bought it anyway, signed a contract and was told his hearing would improve, but due to his nerve loss the aid only made him more nervous, etc. He came to see me and I advised him to get a written statement from his doctor and take it to the salesman. This was a case of misrepresentation.

Another man, a pensioner, came to the Hearing Center of Metropolitan Los Angeles and complained of having been pressured into buying three hearing aids and still was not able to hear. He was desperate. I sent him to the Los Angeles Better Business Bureau.

The California State Law permits \$175 maximum to be spent on each ear for a hearing aid. This means that the pensioners in California may have a monaural hearing aid up to \$175. Their social workers take care of the contracts and the added monthly payments (in their checks) which the pensioners pay to the hearing aid dealer. In many cases these pensioners are buying a monaural \$350 hearing aid, using the \$175 from the county with their social worker's permission and taking \$175 out of their own pockets without their social worker knowing about the deal.

5. The basic concerns regarding the sale of hearing aids to the elderly are:

a. The dealer must assume the responsibility of servicing the instrument for an indefinite period after the sale just as a dentist services dentures for a lengthy period after he fits the patient (minimum of 2 years servicing).

b. It is fair to pay a fair price for the hearing aid which includes servicing. But some dealers are not too anxious to do this servicing after the sale.

c. Here is where the biggest complaints come—some dealers talk the elderly person into buying a new aid when the old aid would do just as well with a small amount of repairs.

6. Recommendations regarding hearing needs of the elderly:

A non-profit service station where persons can have their hearing aids tested and repaired, batteries changed, etc. This station should be sponsored by a nonprofit clinic or center—it should not be in connection with any hearing aid dealer or company. The reason this recommendation is made is most hearing aids can be kept operable for many years. (My aid is over 6 years old and my hearing aid dealer said I did not need a new one—like an ear-level model which I had considered buying.)

Most hearing aid repairs are minor and can be accomplished within a few minutes (removal of corrosion, replacement of batteries, cords, new ear molds, etc.).

It is a common fact that some hearing aid dealers will try to sell a new aid and disregard the possibility of repairing the old one or will make the price for repairs so prohibitive that the unknowing individual will again be involved in a contract for a new aid.

Lastly, people coming to the service station should be shown how to wear their aid effectively, should receive some auditory training and should have same lipreading lessons.

#### SUMMARY

My advice to the elderly is to see an ear specialist (otologist) first, follow his advice, purchase a hearing aid if so advised, take lipreading lessons (eyes see the consonants, ears hear the vowels, brain interprets the meaning of what is being said).

Be slow to sign a contract for a hearing aid, and then only with their social worker's knowledge and advice. Find and attend faithfully a lipreading class near their home. In Los Angeles County there has been a growing need for organizing more lipreading classes. Some of the Senior Citizens Homes now have such classes established.

EXCHANGE OF LETTERS BETWEEN SENATOR WILLIAMS AND SECRETARY WEAVER<sup>1</sup>

FEBRUARY 11, 1967.

Hon. ROBERT C. WEAVER,  
*Secretary, Department of Housing and Urban Development,*  
*Washington, D.C.*

DEAR MR. SECRETARY: On January 17 and 18, during a hearing on consumer interests of the elderly, I received information about a "model apartment" assembled last year for older Americans by the American Association of Retired Persons in cooperation with several retail firms.

The AARP Executive Director, William C. Fitch, described the apartment and also gave information about the contributions made by an advisory board of elderly persons. I have enclosed the transcript of the conversation I had with Mr. Fitch at the hearing.

As you can see, we discussed—particularly on pages 238 and 239—the potential lessons to be learned from the AARP-NRTA project, and I informed Mr. Fitch that I would discuss the matter further with your department.

Several questions occur to me:

1. Is there any way for HUD to encourage establishment of similar advisory committees of older persons during early and more advanced stages of planning housing units for the elderly? I am not suggesting, of course, that the advisory committees should be associated with the AARP-NRTA or any other organization; but I am impressed by the apparent effectiveness of the committee described by Mr. Fitch and Mrs. Garrett.

2. Can the Demonstration Cities program be useful in developing new functional design standards in new or rehabilitated units for the elderly?

3. Would discussions with Mr. Fitch be productive to members of your staff?

4. Can HUD do any more than it is now doing to encourage manufacturers to give more thought to special needs of the elderly? Would there be any point, for example, in sponsoring a conference to discuss appliances, design of closets and shelves, etc., directly with industry?

I am asking Mr. Fitch to send you complete information on the apartment project. Within a few days, I will also have testimony taken in Tampa, Florida, on February 3 from Mr. Haley Sofge, Executive Director of the Miami Housing Authority.

He, too, had several practical suggestions; and I think they should be forwarded to you.

I will look forward to your comments with great interest.

With kind regards,

Sincerely,

HARRISON A. WILLIAMS, Jr.,  
*Chairman, Subcommittee on Consumer Interests of the Elderly.*

Enclosure.

<sup>1</sup> See testimony of Mr. Fitch on p. 121.

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,  
Washington, D.C., March 7, 1967.

HON. HARRISON A. WILLIAMS, JR.,  
Chairman, Subcommittee on Consumer Interests of Elderly,  
Special Committee on Aging, U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: This is in response to your letter of February 11, 1967 with regard to the testimony of William C. Fitch, Executive Director of the American Association of Retired Persons during your January 17 and 18 hearing on consumer interests of the elderly. As always, it is a pleasure to be in touch with you.

First of all, however, I should like to extend my warmest congratulations on your appointment as Chairman of the Senate Special Committee on Aging. Over the years, this Committee has made many valuable contributions in the field of aging through its studies, reports and recommendations, and all of us are especially appreciative of the Committee's efforts on behalf of housing for the elderly. I know that there will be even greater achievements under your leadership.

I am familiar with the work of the American Association of Retired Persons and the National Retired Teachers Association on behalf of the nation's senior citizens and I am impressed by the scope of their activities. We would welcome the opportunity to meet with Mr. Fitch and other members of his staff at any time to discuss their ideas and suggestions and I would like to suggest that he get in touch with Moses J. Gozonsky, our Acting Assistant for Problems of the Elderly and Handicapped to arrange a meeting at their mutual convenience. I also will be looking forward to receiving further information from Mr. Fitch with regard to the AARP-NRTA demonstration apartment and to the testimony given by Haley Sofge.

I think the suggestion that sponsors of housing for the elderly seek the advice of older people an excellent one, and I know that some already have met with representatives of aging groups for this purpose. While the applicants and their architects are responsible for the development and preparation of plan, specifications, etc., the ideas of older citizens, as the prospective consumers of such housing can be quite helpful, and we will be glad to encourage sponsors under each of our programs to consider their suggestions.

As you know, President Johnson, in his recent Message on Older Americans, directed that we make certain that the model cities program gives special attention to the needs of older people in poor housing and decaying neighborhoods. Our standards for the model cities program already require that there should be maximum possible use of new and improved technology and design, including cost-reduction techniques, and this will be applicable to housing for the elderly as well as other structures.

The provisions for special grants supplementing assistance available under existing grant-in-aid programs also can be very helpful to the elderly. Since these supplemental grants, which can be up to 80 percent of the total non-Federal contribution are not earmarked, they may be used without further local matching for any project or activity included as part of the approved comprehensive model cities program. In addition, since these supplemental grants must be used first to support new and additional projects and activities not otherwise assisted under an existing Federal grant-in-aid program, these funds might very well be used, at least in part, in developing new functional design standards for housing for the elderly.

I know that industry is becoming more and more interested in the senior citizens housing market, and your suggestion that we might sponsor a conference to discuss new designs has great merit. I have requested Mr. Gozonsky to make preliminary inquiries with representatives from industry and organizations in the aging field, such as Mr. Fitch, as to the feasibility of such a conference, and I will keep you informed with regard to our findings. In the meantime, I am enclosing copies of several of our publications which include design criteria for senior citizens housing. These include our *Architect's Checklist, Guides for Project Design* and a draft of *Housing for the Physically Impaired—A Guide For Planning and Design*. Our FHA is revising its minimum standards for housing for the elderly and I will be pleased to send you a copy as soon as the new publication is available. I also am enclosing a copy of our guide for the model cities program.

I hope this information will be helpful to you, and please let me know whenever I can be of any further assistance.

Sincerely yours,

ROBERT C. WEAVER.

Enclosures.

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ADDITIONAL EXHIBITS FURNISHED BY MR. NOAKES<sup>1</sup>

THE WHITE HOUSE

President Johnson today announced the appointment of a National Commission on Architectural Barriers whose task will be to find ways of making buildings accessible to the handicapped.

The Commission will determine to what extent barriers impede access to or use of facilities in buildings of all types, and what is being done to eliminate such barriers. On the basis of its studies, the Commission will make recommendations for further action needed to achieve access and full use of buildings by the handicapped.

Appointments to the Commission have been made by the Secretary of Health, Education, and Welfare, John W. Gardner, under Public Law 89-333 which authorized such a study as one of the 1965 amendments to the Vocational Rehabilitation Act.

The Commission will consult with and make its recommendations through the Commissioner of Vocational Rehabilitation, Miss Mary E. Switzer.

"More than a quarter of a million Americans are in wheelchairs, and many persons have some other disability which makes entering and leaving the average building a major problem," President Johnson said. "Research has provided us with some of the standards to make buildings and facilities more accessible to the handicapped. We now must put this information to practical use by eliminating architectural barriers from existing buildings, and preventing them in the vast amount of public and private construction which lies ahead."

The Commission will take advantage of work done in this field in recent years by numerous national, state, and local organizations, including the American Institute of Architects, National Society for Crippled Children and Adults, the President's Committee on Employment of the Handicapped, United Cerebral Palsy Associations, Vocational Rehabilitation Administration, and others. To date, 24 states have passed legislation aimed at reducing the problems of architectural barriers in public buildings.

Chairman of the National Commission on Architectural Barriers will be Leon Chatelain, Jr., of Washington, D.C. Mr. Chatelain is past President of the American Institute of Architects, a member of the Executive Committee of the President's Committee on the Employment of the Handicapped, and a Trustee of the National Society for Crippled Children and Adults.

Mrs. Kathaleen C. Arneson has been named Executive Secretary of the Commission, which will hold its first meeting June 10, 1966.

Because of the leadership you have already given, twenty-five States have now passed legislation on architectural barriers in public buildings. In other States, the Governors have taken administrative action or have legislative proposals under discussion looking toward final passage in forthcoming sessions of the legislatures. With some new approaches and the impetus that the National Commission can provide, I feel that we can make more progress in the immediate years ahead.

The Secretary and I count on you to reflect our official and our personal commitment to the objectives of this new Commission. Let us have your ideas and recommendations. They will help us and the Commission to deal with the remaining problems of barriers in the light of our best collective judgment.

FACT SHEET—NATIONAL COMMISSION ON ARCHITECTURAL BARRIERS

THE PROBLEM

Nearly one person out of every six in the United States has a permanent physical handicap—such as heart disease, arthritis, deafness, and blindness.

More than seventeen million men and women are over 65 years of age.

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<sup>1</sup> See p. 40.



Architectural barriers exist in buildings in the form of steep stairs, high curbs, lack of ramps or street level entrances. They deny access to places of work, recreation, worship and public business, and impede or prevent the pursuit of livelihood and happiness for these millions.

#### ORGANIZATION OF THE COMMISSION

The National Commission on Architectural Barriers is a three-year Commission composed of 15 members appointed by the Secretary of the Department of Health, Education, and Welfare. Authorized by legislation of the 89th Congress, it has a mandate to report its activities and recommendations to the Secretary for transmission to the President and the Congress prior to January 1, 1968.<sup>1</sup>

The Commission is made up of representatives of the general public and non-profit agencies and groups having an interest in and able to contribute to the solution of these architectural problems.

#### OBJECTIVES OF THE COMMISSION

To determine how and to what extent architectural barriers impede access to or use of facilities in buildings of all types by the handicapped.

To determine what is being done to eliminate such barriers from existing buildings and to prevent their incorporation into buildings constructed in the future.

To prepare plans and proposals to achieve the goal of ready access to and full use of facilities in buildings of all types of the handicapped.

#### METHODS TO BE EMPLOYED IN ACHIEVING OBJECTIVES

The Commission is authorized to appoint special advisory and technical experts and consultants and to establish committees useful in carrying out its functions to make studies, and to contract for studies and demonstrations to assist in performing its functions.

An effort will be made to bring together agencies, organizations and groups already working toward the goal of elimination of architectural barriers, or whose cooperation is essential to effective and comprehensive action.

Background material may be secured from the National Society for Crippled Children and Adults and the President's Committee for Employment of the Handicapped. States and communities have already recognized this problem, and have undertaken activities to reduce such barriers.

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#### SUMMARY OF REMARKS AT FIRST MEETING OF NATIONAL COMMISSION ON ARCHITECTURAL BARRIERS JUNE 10, 1966—BY MARY E. SWITZER

One of the most important assets handicapped people or older people with reduced strength can have, is understanding by the community that they want to and can remain active persons if environmental factors do not further confine them. For example, too many churches, stores, schools, courthouses, business buildings and the like, have in them not-so-hidden barriers in the form of doors that are too heavy for them to push, or doorways too narrow for wheelchairs or people on crutches. Many have toilets they cannot get into, telephones, water fountains and lunchcounters that they can't use because they are positioned for the "average" man or woman who is likely to use the building.

In my opinion, much of this design in buildings which causes problems for the handicapped is wholly unnecessary. I believe that it is the result of architects and builders just not realizing that they are building-out instead of inviting-in the young crippled child, the permanently disabled young college student or handicapped person, and older people with declining physical vigor.

I am convinced that many barriers are erected without recognition of what it means to these people to have this added difficulty in using community facilities. It is an unnecessary and unnatural brake on their chances to get an education, to do their business, to shop, to hold down jobs and to enjoy movies, to go to the library, or to church.

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<sup>1</sup> Public Law 89-333, The Vocational Rehabilitation Act Amendments of 1965.

Many business communities, such as the multi-stored shopping centers, do not always provide for parking spaces for people who are handicapped, but who drive their own cars. Some shopping areas are not gently curbed anywhere from parking lot to sidewalks, the result being that the people who move in wheelchairs are kept from getting from their cars to the shops. Once on the sidewalks, having been lifted up by passers-by, they still cannot get into some of the stores because of too-narrow doorways. The end result of such architectural barriers is that the person stays at home. The community has lost a worker, and a customer. It has gained instead, a frustrated, dependent person. Often he must accept relief because he can't get into school for an education, or into a store to be trained and to hold a job.

The Federal government must get its own house in order. Many agencies have large construction programs for facilities such as post offices, social security offices, and veteran's hospitals. The agencies have in fact done much in recent years to open their doors to the handicapped but the job isn't finished. I am especially impressed with what the Post Office Department has done and plans to do! They are behind this campaign 100%.

Under a variety of other Federal laws, Federal tax money is granted to States, towns and private groups, to build schools, libraries, hospitals, auditoriums, airports, and other civic buildings. Many of these structures, erected with the help of Federal tax funds, are not built with easy access or usability by the older residents or the handicapped. This unconscious discrimination, against what are growing segments of our population for years to come, should stop right now.

As have others, I recommend the insertion into these and other new Federal laws and programs, of a requirement that all buildings erected with the help of Federal subsidies should meet some minimum standard of accessibility. These might be the standards set forth in 1961 by the American Standards Association which organized a special group study under the leadership of Leon Chatelain, Jr., of Washington. I am told that the standards can be introduced into new construction at little or no extra cost.

The standards provide for such features as safety no-slip floors, wider doorways, lower waterfountains, properly identified hazards, and a toilet that can be entered by a person in a wheelchair. They recommend ramps instead of stairs going into the buildings, and moving from level to level inside buildings. Buildings with these features are safer and easier for all people to use, not just the handicapped.

Half the States have already passed laws regarding State and local public buildings, and others are working on legislation. This has come about because of the persistent and imaginative work of the National Society for Crippled Children and Adults, of local Easter Seal groups, of Governor's and Mayor's committees and other civic leaders.

The help of the Vocational Rehabilitation Administration is available to the Commission in carrying out its tasks. They must search out the pertinent facts about architectural barriers, and prepare workable recommendations about this problem for the guidance of government and private groups, including business and local governments which are now engaged in massive building and public transportation efforts to rebuild the face of America.

There is a broad and growing national public interest in this job. President Johnson announced the appointment of this group by Secretary John Gardner. All of us who are interested in getting more handicapped people back to work and into the mainstream of community living will be guided by their recommendations for action and their report to the President and the Congress next year.

#### DESIGNING PUBLIC TRANSPORTATION FOR USE BY THE HANDICAPPED

(By Edward H. Noakes, A.I.A.)

It is axiomatic that a public transportation system is for the use of all the people. A system financed with public funds could have no other objective. Despite this fact, large numbers of people are and will be denied access to and use of new rapid transit systems now taking shape in several metropolitan areas around the country. Design decisions on either the policy, administrative, or drafting board level can literally stop hundreds of thousands of people from enjoying the benefits of mass transit.

These potential ticket purchasers are estimated to total about 10 percent of all potential transit users—a percentage that can make an important difference in the income receipts anticipated by every system. But this loss in income does not match the loss to the individuals thus segregated.

These are the people who have temporarily or permanently lost some of their ability to get around and do things. They may be handicapped by a broken leg, arthritis, pregnancy, a heart or lung condition, birth defects or old age. They have lost or perhaps never had the full functional capacities ascribed to the average man. And they are normally the victims of the unsupportable assumption, by designers, that everyone can use or adapt to a physical environment designed for the use of the average man.

This assumption finds its base in a statistical analysis of the dimensions, strengths, mobility, senses, and adaptability of a select sample that excludes everyone who is low in physical fitness. The average thus arrived at actually fit the needs of less than one-quarter of the population and ignore the foreseeable extremes of human needs and capacities. The predictable result is an environment that, through design, is either difficult, exhausting, or impossible to use to the nonaverage person.

Designers of structural, mechanical, or electrical systems in buildings accept the maximum foreseeable extremes of performance as the basis for their design decisions. It is ironical that when the person is being considered for whom the buildings or vehicles are being built and financed, his average rather than his maximum needs are considered.

The condition of man is *not* one of physical and mental fitness every day, all his life. There are endless variations in his capacity to function that come and go—or that come and stay. But despite the changeability of his condition he still wants to work, live, and move about to the greatest extent of his capacity. Why, then, do we continue to frustrate his wishes through the construction of design barriers in our communities, public services, and buildings? It is neither difficult nor costly to eliminate them, and in the process achieve a safer and more convenient environment for everyone.

A request that provisions for the handicapped be designed into a specific project is frequently met with a counter request to prove that there are indeed enough handicapped people to justify the effort and added costs. Regarding added costs, they are normally nonexistent or minor with relation to the cost of the entire project. This is particularly true if, from the outset of the design process, these provisions are a part of the requirements the designer must meet. Regarding the number of handicapped, there is one guide in the estimate that within 10 years, one-half of the population will be either permanently handicapped, living with a chronic disease or be over 65 years of age.

There is another guide in a public health document that indicates more than 80 million people, or 44 percent of the civilian noninstitutional population experienced one or more chronic diseases or impairments over a 24-month period (1961-1963) and of these, 22 million were limited in their activities as a result of chronic conditions exclusive of blindness or deafness. Most of these people are invisible—a heart condition that forbids walking up steps, arthritis that makes turning a door knob very difficult, pulmonary problems that make extra exertion dangerous. Some are visible—a wheelchair user, someone using crutches or canes, a broken leg or arm in a cast. Then there are mothers carrying children or pushing a baby carriage or shopping cart.

There are indeed enough handicapped people to economically justify the requirements that our designers provide for them in all aspects of public transportation facilities.

Once the design decision makers are persuaded to provide a public transportation system accessible to and usable by all the people, the requirements of that system would include the following:

#### *Stations*

1. There would be no step or change in level between the outside sidewalk and the inside floor level.
2. If doors are provided, they would be automatic and at least 3'0" wide.
3. Elevators would be available at every level and clearly marked for those not wishing or able to use an escalator or stairs.
4. Provisions for people in wheelchairs or on crutches would be made at the ticket turnstile.

5. The height and design of counters, drinking fountains, telephone booths would be determined to permit use by people in wheelchairs.

6. Public toilets would be planned for full use by people in wheelchairs including mirrors, soap dispensers, towel dispensers and at suitable heights.

7. All floors would be level without changes in elevation.

8. There would be appropriate audio and visual announcing systems to aid the blind and the deaf.

9. There would be a map readable visually and by touch conveniently located at each station.

10. Where free-standing stations are built, the floor level would be flush with the sidewalks as well as the rail rapid transit car to permit easy and direct transfer from rail to bus rapid transit or to a parking lot via short easy ramps.

#### *Rapid Rail Transit Cars*

1. The cars would level flush with, and close to, the passenger platforms, without swaying as the passengers enter and leave the cars. The gap between the car floor and the platform should not exceed  $\frac{1}{2}$  inch to prevent catching of heels, wheelchairs, canes, or crutches.

2. Space should be provided immediately inside the car door for parking of a wheelchair otherwise occupied by standing passengers.

3. Door widths should permit easy access for a wheelchair or a person on crutches.

4. Doors should have safety edges full height to prevent closing if a crutch or wheel of a wheelchair is projecting.

5. The stop interval should allow for people of less than average agility to enter or leave the car in safety.

6. There would be appropriate audio and visual announcing systems to aid the blind and the deaf.

#### *Rapid Transit Buses*

1. The platform of the bus would be no more than 12 inches above the ground and would permit level access from the sidewalk.

2. There would be specially designed stretches of sidewalk to permit the bus to pull up immediately adjacent to the sidewalk and flush with it.

3. Door widths would be sufficient to permit wheelchair access.

4. There would be at least 30 inches clear aisle.

5. There would be a space near the entrance, large enough to park a wheelchair that would otherwise be occupied by standing passengers.

Of the suggested requirements listed above, probably the one needing the most research is the design of buses. Present bus design derives from criteria for the very physically fit. When a review is made of all the vehicles designed for a wide variety of purposes, there is every reason to have faith in the capacity of designers to meet every problem that faces them.

The greatest hurdle is to convince the operators and manufacturers of mass transportation vehicles that by meeting the needs of the handicapped they will be providing a superior, safer, and more convenient service for everyone. Where public funds are involved, the public must have a voice in these decisions, so vital to so many people. Public transportation is for *all* the people, not just for the most of the people.

[Reprinted from Performance, the Story of the Handicapped, Monthly Publication of the President's Committee on Employment of the Handicapped].

