ANNUAL REPORT

OF THE

FEDERAL TRADE COMMISSION

FOR THE

FISCAL YEAR ENDED JUNE 30

1931

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON 1931

For sale by the Superintendent of Documents, Washington. D.C. - - - Price 25 cents (paper cover)

FEDERAL TRADE COMMISSION

CHARLES W. HUNT, *Chairman*.
WILLIAM E HUMPHREY.
CHARLES H. MARCH.
EDGAR A. McCulloch.
GARLAND S. FERGUSON, Jr.
OTIS B. JOHNSON, *Secretary*.

FEDERAL TRADE COMMISSIONER--1915-1931

Name	State from which appointed	Period of service
Joseph E Davies	Wisconsin	Mar. 16, 1915-Mar. 18, 1918.
William J. Harris	Georgia	Mar. 16, 1915-May 31, 1918.
Edward N. Hurley	Illinois	Mar.16, 1915-Jan. 31, 1917.
Will H. Parry	Washington	Mar.16, 1915-Apr. 21, 1917.
George Rublee	New Hampshire	Mar.16, 1915-May 14, 1916.
William B. Colver	Minnesota	Mar.16, 1917-Sept. 25, 1920.
John Franklin Fort	New Jersey	Mar.16, 1917-Nov. 30, 1919.
Victor Murdock	Kansas	Sept. 4, 1917-Jan. 31, 1924.
Huston Thompson	Colorado	Jan.17, 1919-Sept. 25, 1926.
Nelson B. Gaskill	New Jersey	Feb. 1, 1920-Feb. 24, 1925.
John Garland Pollard	Virginia	Mar. 6, 1925-Sept. 25,1921.
John F. Nugent	Idaho	Jan.15, 1921-Sept. 25, 1927
Vernon W. Van Fleet	Indiana	June 26, 1922-July 31, 1926.
C. W. Hunt	Iowa	June 16, 1924.
William E Humphrey	Washington	Feb.25, 1925.
Abram F. Myers	Iowa	Aug. 2, 1926-Jan. 15, 1929.
Edgar A. McCulloch	Arkansas	Feb.11, 1927.
G. S. Ferguson, Jr	North Carolina	Nov.14, 1927.
Charles H. March	Minnesota	Feb. 1, 1929.

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ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION, 1930-31

To the Senate and House of Representatives:

The Federal Trade Commission herewith submits to the Congress its annual report for the fiscal year July 1, 1930, to June 30, 1931.

PART I. INTRODUCTION

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PART I. INTRODUCTION

THE YEAR'S ACTIVITIES

COMMISSION OUTLINES MAJOR UNDERTAKINGS

Undertakings of the Federal Trade Commission during the year which have been outstanding because of their comprehensiveness and the wide public interest attaching to them are two general business and industrial investigations conducted under authority of Senate resolutions. They are:

Power and gas utilities.--Examination in public hearings of the financial structure of large utility holding companies.

Chain-store systems.--Inquiry into the extent and methods of operation of the chain-store groups of the country.

Both investigations are still in progress. They are described beginning on pages 17 and 24, respectively, of this report. Closely related to the power inquiry, although conducted by direction of a different Senate resolution, is the survey and report on the extent and significance of the interstate transmission of electric energy, completed during the year (p. 22).

Another study completed was that on resale-price maintenance, undertaken on the commission's initiative.

COTTONSEED AND OTHER INQUIRIES CONTINUE

Cottonseed prices and marketing conditions in that industry continue to be the subjects of testimony now being taken in southern cities in response to two Senate resolutions introduced late in 1929 (p.31).

An inquiry similar in treatment to that on cottonseed is the peanut-price investigation, except that no public hearings are held. It was authorized by resolution of the Senate at about the same time as cottonseed.

More recent undertaking in the investigation field concern trade practices of the cement industry and of building companies which contract to erect Government buildings.

The commission's investigation of basing-point methods of pricing is being continued.

AMENDMENT OF ORGANIC ACT AGAIN SUGGESTED

Renewal is made of the suggestion in the last two annual reports for an amendment to the commission's organic act to put beyond question the grant of specific authority to the commission to make investigations, upon request of the President or of either House of the Congress in aid of its legislative function; and it is suggested that such an amendment might also set at rest any doubt as to the applicability of the provisions of section 9 of the act to such investigations and those authorized under section 6 (d) of the act (providing for investigations of alleged violations of the antitrust acts, upon direction of the President or either House of Congress.)

TRADE-PRACTICE RULES RECONSIDERED

Another activity large in scope because of the number of industries interested is the commission's completion of its reconsideration of trade-practice conference rules. It declined to approve or accept a number of rules previously approved or accepted, and in addition suggested numerous changes.

Including the reconsideration of rules previously promulgated and those which were acted on for the first time, close to 100 trade groups were affected by the commission's actions on trade-practice conference rules during the fiscal year.

UNFAIR COMPETITION CASES REVIEWED

Besides the comprehensive tasks just mentioned, numerous cases involving alleged unfair methods of competition violative of the Federal Trade Commission act, as well as other practices prohibited by the Clayton Antitrust Act ,[1] have occupied the attention of the commission. The more important cases are reviewed, beginning on pages 45 and 55.

Among practices involved are alleged false advertisement by a motion-picture company of a jungle play as an authentic African picture taken by a famous explorer; resale-price maintenance by a manufacturer of cosmetics; acquisition of capital stock of a competing company by a manufacturer of automobile parts; and others.

A fairly complete listing of the numerous methods of unfair competition condemned by the commission may be found on page 66.

COMMISSION CASES IN THE COURTS

Commission cases in the Federal courts are reported at page 70. Out of 11 in which decisions were reached the commission was reversed in 3.

1 See report, p. 42, on consolidations and mergers and reasons for their decrease in number.

One reversal involved the commission's order to Raladam Co., Detroit manufacturer of thyroid "obesity cure" tablets, to cease advertising and selling them as safe and dependable in use when the present knowledge of thyroid as a remedy does not justify it. The Supreme Court said proof of competition necessary to establish the commission's authority was lacking. It denied a motion for modification of its judgment but without prejudice to the commission's making a similar application to the circuit court of appeals. This has been done.

The other reversals involved a case of stock acquisition (Temple Anthracite Coal Co.) and a case of use of the word "stone" in names descriptive of a product consisting mostly of crushed stone and cement (Arnold Stone Co.).

Two decisions affirming the commission's order concern the practice of designating beverage concentrates by fruit names when the actual juice of the fruit named is not always present. (Good Grape Co., and Morrissey, Charles T.) A similar case (NuGrape Co. of America) has reached the courts on petition for review by the respondents.

Two court cases pertain to actions of the commission to obtain records needed in general business inquiries. A history of the long litigation which resulted in a court decision securing for the commission desired documents from the Millers' National Federation for use in the bread and flour investigation appears on page 81 while on page 75 is recounted the status of the suit to obtain from Electric Bond & Share Co. data considered germane to the power utility inquiry.

SPECIAL LEGAL ACTIVITIES ARE REPORTED

The commission's progress in the field of eliminating false and misleading advertising in periodicals is related beginning on page 111.

Another branch of the legal work is administration of the act "to promote export trade," better known as the Webb-Pomerene law, which offers exemption from antitrust laws to associations engaged solely in export trade.[2] The total amount of exports by associations organized under this law to compete for foreign trade fell below the figure for the previous year. The reasons given for this are on page 115.

The foregoing activities of the fiscal year were in pursuance of the acts of Congress administered by the commission and of the interpretations and procedure evolving in the last 16 years. The origin and background of this work are presented as follows:

2 A review of recent legislation in foreign countries regarding trusts and competition begins on page 110. Some of the subjects suggest problems now engaging the attention of American business.

BACKGROUND OF THE COMMISSION

The Federal Trade Commission is one of the "independent establishments" of the Government whose control is lodged not in a Cabinet officer but in five commissioners appointed by the President. Not more than three of these members shall belong to the same political party, it is provided in the law, in order to make the com-mission nonpolitical and bipartisan.

The term of office of a commissioner is seven years, as provided in the Federal Trade Commission act. The first commissioners were designated to continue in office for periods of three, four, five, six, and seven years, respectively, from the date the act became effective, but their successors were to be appointed for terms of seven years. The term of each commissioner dates from the 26th of September preceding the time of his appointment, September 26 marking the day of passage of the act in 1914.

COMMISSION ORGANIZED IN 1915

The commission was organized March 16, 1915, as a result of the passage of the Federal Trade Commission act of September 26, 1914. The nucleus of the new agency was the old Bureau of Corporations of the Department of Commerce, which ceased to exist as such upon formation of the commission, although its work was taken over by the commission under what is now the economic division. The legal functions of the commission were brought into being by the act.

The Federal Trade Commission act is the foundation of the commission's activities. For years prior to its passage there was wide-spread demand on the part of the public, especially through the medium of business men, commercial organizations, and trade associations, for legislation to prevent unfair methods of competition in the channels of interstate trade.

With the increase of business and industrial activities situations were arising with such complications that owing to fixed precedents the courts could not give such relief as would meet the public interest.

The courts, indeed, had jurisdiction of an action for unfair competition when a property right of the complainant was invaded. And under the Sherman Act suits for triple damages could be instituted for unfair competitive methods involving restraint of trade, while the Government in antitrust proceedings commonly charged unfair methods of competition and procured judicial decrees restraining such methods. But the Federal Trade Commission act gave authority to the commission itself, when it had reason to believe that any person, partnership, or corporation was using unfair methods of

competition in commerce, providing it appeared that a proceeding in respect thereof would be in the public interest, to institute a proceeding by complaint against such party. After a hearing the commission could, for good cause shown, require the party to cease and desist from unlawful methods.

Before passage of the Federal Trade Commission act unfair competition was often enjoined or damages procured through individual actions in the courts. A person claiming damages, for example, as a result of another's "passing off" merchandise by simulation or misrepresentation, generally sought relief in a private action. After passage of the Federal Trade Commission act additional relief was afforded the injured competitor, who could avail himself of the authority vested in the commission under this act, when it appeared that a proceeding would be in the public interest.

The Federal Trade Commission act supplements the common law and the Sherman Act. The Sherman Act, the antitrust measure, commands business to refrain from contracts, combinations, etc., in restraint of trade or from attempting to monopolize trade, while the Federal Trade Commission act commands business to refrain from unfair methods of competition by which free competition would be greatly endangered.

FUNCTIONS OF THE FEDERAL TRADE COMMISSION ACT

The Federal Trade Commission act is aimed not at persons but at methods. Its function is remedial, not punitive, as no authority is vested in the commission to impose penalties. Its object is to protect the public, not to punish the offender.

In section 5 of the Federal Trade Commission act it is stated that "unfair methods of competition in commerce are hereby declared unlawful." Jurisdiction is given the commission in determining in the first instance what is or what is not an unfair method of competition which may depend in part on the circumstances peculiar in a particular industry or business.

In section 6 of the act the commission is given power--

> to gather and compile information concerning and to investigate from time to time the organization business, conduct, practices, and management of any corporation eng aged in commerce, excepting banks and com mon carriers, * * * and its relation to other corporations and to individuals,. associations, and partnerships.

The Clayton Act (approved October 15, 1914) is a part of the anti trust laws. It does not amend the Sherman Act, but supplements it. The sections assigned, in whole or in part, to the commission for administration are those relating to (sec. 2) price discrimination,

(sec. 3) tying and exclusive contracts, (sec. 7) acquisition of stock in a competing company, and (see. 8) interlocking directorates. The remaining sections are in the jurisdiction of the Department of Justice.

For the administration of these laws the commission is organized into divisions of work. Beginning with the work of the commission itself and continuing through the activities of the staff, the organization is outlined as follows:

ORGANIZATION

THE COMMISSIONERS AND THEIR WORK

The commission is composed of the following members: Charles W. Hunt, of Iowa, chairman; William E. Humphrey, of Washington; Charles H. March, of Minnesota; Edgar A. McCulloch, of Arkansas; and Garland S. Ferguson, jr., of North Carolina.

Commissioner Hunt was elected chairman for the calendar year 1931, succeeding Commissioner Ferguson. Each January a member of the commission is designated to serve as chairman for the succeeding: year. The position rotates, so that each commissioner serves at least one year during his term of office.

The chairman presides during meetings of the commission and signs the more important official papers and reports at the direction of the commission.

Official activities of the commissioners are generally similar in character, although each assumes broad supervisory charge of a different division of work. One commissioner maintains contact with the chief counsel and his staff another keeps in touch with administrative functions and with the board of review, while trade-practice conferences, the trial examiners' division, and the special board of investigation make up the field of a third commissioner. A fourth and fifth commissioner have assigned to them, respectively, the economic division and the chief examiner's office.

However, all matters scheduled to be acted upon by the commission are dealt with by the board as a whole or a quorum thereof; consequently, the facts in all cases to come before the whole body are previously placed before the commissioners individually for their consideration.

The commissioners meet regularly for transaction of official business Mondays, Wednesdays, and Fridays, except in July and August, when sessions are held only on call. They also conduct oral hearings, such as final arguments in cases before the commission and hearings on motion of the attorneys for either the commission or respondents. Besides these duties and their conferences with persons discussing official business, the members have a large amount of

reading and study in connection with the numerous cases before them for decision.

The commissioners also conduct trade-practice conferences held for industries in various parts of the country. One of them usually presides at such a conference.

The commission has a secretary who is its executive officer.

The commission and its staff numbered 546 persons at the close of the fiscal year, with a total pay rolls of $1,517,600. Of the total personnel, 286 held administrative and clerical positions, 113 were attorneys, 34 economists, and 97 accountants. Of the total personnel 186 were women.

HOW THE COMMISSION'S WORK IS DELEGATED

The work of the commission is organized into the following general divisions: Legal, economic, and administrative.

The legal division is charged with investigation of unfair methods of competition and other practices condemned in the organic acts, and with trial of cases before the commission and in the courts. This work is carried on by the chief examiner (for whose functions see pp. 37 and 41), the board of review (pp 38 and 42), chief trial examiner (pp. 39 and 43), and the chief counsel, who is legal adviser to the commission (pp. 38 and 45). A tabular summary of all legal work begins on page 96.

Other legal activities are trade-practice conferences (p.107), special board of investigation for handling cases of false and mis-leading advertising (p. 111), and export-trade work, which latter is under supervision of the chief counsel (p. 114).

The economic division, under the chief economist; carries on certain of the general inquiries of the commission, whether directed by the President, by either House of Congress, or by the commission itself. This division conducts such investigations as those on chain store systems, interstate power transmission, resale-price maintenance, and price bases. It carries on that part of the inquiry which deals with the financial structure of power and gas utilities, although the chief counsel has charge of the examination in public hearings and all legal proceedings pertaining thereto. The chief examiner also cooperates with the economic division in legal aspects of the chain-store study.

3 The trial-examiners' division, established by the commission Dec. 1, 1925, function. under direct supervision of the commission. Duties of this division are subdivided as follows: (1) Presiding at the trial of formal complaints issued by the commission; (2) settlement of application for complaint by stipulation; and (3) presiding as a special master in taking testimony in connection with investigations under congressional resolutions.

The investigations of cottonseed prices, peanut prices, cement industry, and building materials are in the custody of the chief examiner, the chief counsel furnishing an attorney for work on the cottonseed inquiry, and the economic division cooperating in the cement inquiry.

The administrative division conducts the business affairs of the commission and is made up of units usually found in Government establishments, the functions of such units being governed largely by general statutes. The division is responsible directly to the assistant secretary of the commission.

ADMINISTRATIVE MATTERS

Among the commission's general administrative functions is that of issuing publications concerning those of its activities which are of interest to the public.

PUBLICATIONS OF THE COMMISSION

Publications of the commission, reflecting the character and scope of its work, vary in content and treatment from year to year, especially those documents covering general business inquiries. These reports are sometimes printed as commission publications and often as Senate or House documents. A number of commission reports have formed the basis for legislation, and among these may be mentioned Cooperation in American Export Trade (prepared by the economic division) , containing recommendations for creation of export combinations composed of competing domestic concerns which Suggestions were embodied in the export trade act (Webb-Pomerene law).

Such studies are illustrated by appropriate charts, tables, and statistics. They deal not only with Current developments in an industry, but contain a wealth of scientific and historical background that proves to be valuable not only to members of the industry under consideration but to the student and the writer.

The findings and orders of the commission as published contain a mass of interesting material regarding business and industry. Written with legal exactitude, they tell, case by case, the story of unfair competition in interstate commerce and of the efforts put forth by the commission to correct and eliminate it.

A noteworthy publication of the year was Statutes and Decisions Pertaining to the Federal Trade Commission , 1914-1929 (prepared in the legal division) , comprising, among other things, the acts administered by the commission and court cases pertaining to them, and all court decisions in cases to which the commission has been a party from its organization in 1914 down to December 31, 1929.

Other publications of the year include Utility Corporations , Nos. 25-34, inclusive, published as parts of Senate Document No. 92, from July 15, 1930, and at intervening dates to June 15, 1931, and containing transcripts of the record of testimony, the reports and exhibits (based on investigations of the economic division) and introduced by the chief counsel in the commission's hearings on the various utility holding companies; Annual Report for 1930, issued December 15, 1930; Decisions, Findings, and Orders of the Federal Trade Commission, volume 12 (January 30, 1928, to June 11, 1929), issued October 7, 1930, and volume 13 (June 12, 1929, to May 4, 1930), issued June 6, 1930; Rules of Practice and Procedure, Amended, July 1, 1930; Interstate Movement of Electric Energy, interim report issued September 19, 1930, and final report, December 20, 1930; Newsprint Paper Industry, June 30, 1930; and Investigation of Cottonseed Industry, with interim reports containing transcripts and exhibits introduced in hearings held in Washington, D. C., Georgia, Alabama, and North Carolina, February 28, 1930, to February 27, 1931.

A complete list of all publications of the commission, 1915-1931, may be found on page 235.

Wide discretion in issuing publications is given the commission by law. The statute says the commission shall have power--

> To make public from time to time such portions of the Information obtained by it hereunder, except trade secrets and names of customers, as it shall deem expedient in the public Interest; and to make annual and special reports to the Congress and to submit therewith recommendations for additional legislation; and to provide for the publication of its reports and decisions in such form and manner as may be best adapted for public information and use.

The foregoing publications are distributed by the commission through its publications office, which also handles mimeographing and mailing lists.

OTHER ADMINISTRATIVE SERVICES

Other general administrative services are: Accounts and personnel, disbursing office,[4] docket, editorial service, mails and files, supplies, stenographic, hospital, and the commission's library.

In the course of one afternoon the work of 15 years in building up the library was largely wasted. The carefully selected collection of 25,000 books was ruined by fire and water August 30, 1930. The loss of the book stacks, then the hurried moves during the following month, served to add to the chaos. Nevertheless, with the aid of

[4] A statement of the commission's fiscal affairs, including appropriations and expenditures, appears on p. 129.

loans from the Library of Congress, library service was resumed in a few days.

Steady progress has been made during the year toward rebuilding the library. Metal book stacks to accommodate 40,000 books have been installed. Printed material is being acquired as rapidly as possible. Care is exercised to limit the purchase of books and periodicals to supply only those needed constantly and immediately in the various investigations of the commission.

PART II. GENERAL INVESTIGATIONS

POWER AND GAS UTILITIES

INTERSTATE POWER TRANSMISSION

CHAIN STORES

RESALE-PRICE MAINTENANCE

COTTONSEED PRICES

PEANUT PRICES

PRICE BASES

CEMENT INDUSTRY

BUILDING MATERIALS

BREAD AND FLOUR

PART II. GENERAL INVESTIGATIONS

POWER AND GAS UTILITIES

FINANCIAL STRUCTURE OF HOLDING COMPANIES

Continuing its investigation of large utility holding companies, their financial structure, and other phases of the business, the commission during the year held public hearings pursuant to Senate resolution (S. Res. 83, 70th Cong., 1st sess., February 15, 1928)[1] and concerning the following groups:

Name of company	Name of group	Hearings began-
Carolina Power & Light Co	National Power & Light Co.	Sept. 29, 1930
Minnesota Power & Light Co	American Power & Light a	Oct. 1, 1930
Southeastern Power & Light Co	Southeastern Power & Light Co. b	Nov. 12, 1930
Southeastern Securities Co	do	Nov. 15, 1930
Georgia Power Co	do	Dec. 2, 1930
Washington Water Power Co	American Power & Light Co. a	Jan. 15, 1931
Alabama Power Co	Southeastern Power & Light Co. b	Jan. 27, 1931
New England Co. and subsidiaries	New England Power Association	Mar. 4, 1931
New England Power Association	do	Mar. 6, 1931
Deerfield Construction Co	do	Mar. 11, 1931
Power Construction Co	do	Do.
New England Power Construction Co	do	Do.
Sherman Power Construction Co	do	Do.
International Paper & Power Co	Control of New England Power Association	Mar.18, 1931
The North American Co	North American Co	May 13, 1931
North American Edison Co	do	May 22, 1931
Union Electric Light & Power Co. (Missouri).	do	May 26, 1931
Union Electric Light & Power Co. (Illinois)	do	May 27, 1931
Power Operating Co	do	May 28, 1931
Mississippi River Power Co	do	Do.
Central Mississippi Valley Electric Properties.	do	May 29, 1931
Western Power Corporation	do	June 2, 1931
Edison Securities Corporation	do	June 3, 1931
North American Utility Securities Corporation	do	Do.
Northwestern Electric Co	American Power & Light Co. a	June 16, 1931
Pacific Power & Light Co	do	Do.
Inland Power & Light Co	do	Do.
Idaho Power Co	Electric Power & Light Corporation.	June 17, 1931
Phoenix Utility Co. (Minnesota Power & Light Co. operations).	Electric Bond & Share Co	

a Affiliated with Electric Bond & Share Co.
b One of the predecessors to the Commonwealth and Southern Corporation.

1 Full text of the resolution appears on p.219.

During the prior fiscal year the following groups and companies having aggregate gross revenue for 1929 approximating $3000,000,000 were made the subjects of examinations in public hearings:

Name of company	Testimony and exhibits reported in--
American Gas & Electric Co	Parts 21 and 22.
Appalachian Electric Power Co	Do.
Ohio Power Co	Do.
Indiana & Michigan Electric Co	Do.
Scranton Electric Co	Do.
Electric Bond & Share Co	Parts 23 and 24.
Two Rector Street Corporation	Do.
American Power & Light Co	Do.
Electric Power & Light Corporation	Do.
Electric Investors (Inc.)	Do.
National Power & Light Co	Part 25.
W. B. Foshay Co	Do.
Public Utilities Consolidated Corporation	Do.
Investors National Corporation	Do.
Foshay Building Corporation	Do.

COMMISSION PRESENTS ITS TESTIMONY

Testimony is presented in these hearings mostly by the commission's own experts, who previously have been at work in the companies' offices studying their accounting records, financial policies, and engineering efficiency. Occasionally the president or another official of a company takes the stand to answer questions regarding its affairs. At all hearings the utility-company counsel are given opportunity to cross-examine the commission's witnesses and to offer testimony of their own.

Records of the hearings, including transcripts of testimony and exhibits introduced, are sent to the Senate each month. Records transmitted during the year have been printed as Senate Document No.92, parts 25 to 35, inclusive. Up to July 15, 1931, this Senate print includes 35 parts (parts 1 to 16 having accompanied the volumes of exhibits).

The publicity or propaganda phase of the investigation as to utility-association activities, including the defense of the association, is printed in parts 1 to 20 and some additional items in part 35. The defense appears in part 19. Publicity material introduced since February 15, 1930, appears in subsequent volumes and parts and relates mostly to the activities of the public-relations sections of the various companies.

The hearings during the last fiscal year covered chiefly the control, financial, and management aspects of electric and gas utility companies and their holding companies, including (1) growth of capital assets and capital liabilities, (2) the issues of securities and the proceeds and expenses of such issues, (3) the extent of interest of the holding company in subsidiary public utilities and other companies, and their relations with

each other, (4) the service furnished

to such public utility corporations by such holding companies and their affiliated companies, the fees, commissions, bonuses, etc., made therefor, (5) the earnings and expenses of such companies, and (6) the advantages and disadvantages of holding companies, and other matters specified in Senate Resolution 83 (70th Cong., 1st sess., February 15, 1928.)

No conclusions or recommendations have been made by the com-mission in its reports on this investigation.

Reports for use in hearings were completed for a number of groups on that part of the investigation dealing with intercorporate relations, management, supervision, and servicing. These reports cover such methods of control as stock ownership; stockholders in com mon; directors in common; directors who are employees; officers in common; officers who are employees; proxy holders who are directors, officers, or employees; and management, supervision, and servicing contracts, and other relations.

QUESTIONNAIRES GO TO COMPANIES

Questionnaires calling for the quantity of electric energy generated, sold, etc., and that for energy moving across interstate boundaries were sent to 63 holding-company groups covering their operations during the calendar year 1930. Originally 796 schedules were sent out in June, 1931, and additional copies have been furnished on the request of several of the groups. Questionnaires calling for similar information regarding operating gas companies were sent to 81 holding-company groups. Seven hundred and eighty-four schedules were mailed out in June, 1931.

Returns to the above-mentioned electric energy and gas questionnaires are sought for individual operating companies, whether directly or indirectly affiliated with the holding company. Forms were also mailed to holding-company offices. The mailing list for holding companies includes those having operating companies in two or more States or a head office in a State other than that of its operating companies, following the terms of the Senate resolution initiating this inquiry.

Accountants' reports, covering all phases of Senate Resolution 83 on various large holding companies and on their numerous subsidiary operating companies, are being completed, and field work is in progress on several other important holding companies.

Field-engineering inspections are being made of the generating stations, transmission lines, and distribution systems, as well as critical studies of operations of electric and gas operating companies.

The hearings on the financial structure and other phases of additional companies and groups were resumed this autumn and will be presented during the coming season as rapidly as the data are ready.

During the year the commission succeeded in replacing a part of the data destroyed in the fire of August 30, 1930, which wrecked its former building. Losses were especially serious regarding records of the power investigation, and because of this it was necessary to alter the order in which certain companies were examined in the hearings.

ELECTRIC BOND & SHARE Co. GROUP

Continuing its examination into affairs of Electric Bond & Share Co. and affiliated companies, the commission conducted hearings several times during the year. Hearings on seven companies which are control led by the Electric Bond & Share Co. occupied a total of 10 days. Among subsidiaries of the American Power & Light Co. of this group the Minnesota Power & Light Co. was examined October 1 and 2, and on June 18, 1931, testimony on the construction work done for this company by the Phoenix Utility Co., a direct subsidiary of the Electric Bond & Share Co., was received. In a 2-day hearing the story of the acquisition and control by the American Power & Light Co. of the Washington Water Power Co. and its financial history were put into the record, and the Pacific Power & Light Co., Northwestern Electric Co., and Inland Power & Light Co. were the subjects of a hearing held in June, 1931.

The hearings on Carolina Power & Light Co. lasted three days. This company is a subsidiary of National Power & Light Co., of the Electric Bond & Share Co. group, and is interconnected with Appalachian Electric Power Co., a subsidiary of American Gas & Electric Co., in Virginia, and with other companies in North Carolina and South Carolina. The hearings on Idaho Power Co., another subsidiary of Electric Power & Light Corporation, lasted two days. Its operations are closely related to those of Utah Power & Light Co.

ELECTRIC BOND & SHARE CO. SUIT

Progress has been made in prosecuting the suit against Electric Bond & Share Co. in the District Court of the Southern District of New York, to compel obedience to subpoenas issued by the commission for production of the expense ledgers and certain other records of Electric Bond & Share Co. Examination of these data is necessary to complete properly the investigation under Senate Resolution 83. It is expected this case will come on for final argument during the autumn or winter.

SOUTHEASTERN POWER & LIGHT GROUP

A holding company known as the Southeastern Power & Light Co. until recently controlled operating companies in Mississippi, Alabama, northwestern Florida, South Carolina, and Georgia. The principal subsidiaries were Mississippi Power Co., in Mississippi;

Alabama Power Co., in Alabama; Gulf Electric Co., in Florida; and Georgia Power Co., in Georgia; and Southeastern Securities Co. and another subsidiary serving as a temporary financing company and as intermediary for handling companies and properties in process of merger and consolidation were also the subjects of a hearing. Control of Southeastern Power & Light Co. was obtained by the Commonwealth & Southern Corporation in December, 1929.

Hearings on the Southeastern Power & Light Co. and on the three subsidiaries named in the tabular statement on page 17 consumed a total of 13 days. The activities of Southeastern Power & Light Co. and its subsidiaries with respect to municipal ownership and other matters referred to in Senate Resolution 83 were brought out in the hearings. Georgia Power Co. and Alabama Power Co. (including its contractual relations with the Government for Muscle Shoals power), subsidiary companies to Southeastern Power & Light Co., were made the subjects of hearings which began December 2, 1930, and January 27, 1931, respectively. Considerable testimony was brought forth regarding the activities of these companies in regard to publicity and propaganda. All of the companies controlled by Southeastern Power & Light Co. are interconnected and constitute a unified system of electric transmission lines operating in South Carolina, Georgia, Alabama, Mississippi, and Florida.

NEW ENGLAND POWER GROUP

The New England Power Association and its predecessor company, New England Co., were the subjects of a hearing continuing from March 2 to March 20, 1931. New England Power Association is virtually a holding company, although technically it is not a corporation but is a voluntary trust association formed under the general laws of the Commonwealth of Massachusetts. The association controls 18 companies owning and operating hydroelectric generating plants, transmission lines, and electric and gas distribution systems in Massachusetts, New Hampshire, Vermont, Connecticut, and Rhode Island; and its electric transmission lines interconnect at the Massachusetts-New York boundary with transmission lines controlled by the Niagara Hudson Power Corporation. Most of its electricity is produced in New Hampshire or Vermont, so that a considerable part of that generated in one State passes out to another.

The New England Power Association has been controlled since March, 1929, by International Hydro-Electric System, which also controls Canadian Hydro-Electric Corporation. International Hydro-Electric System is controlled, in its turn, by International Paper & Power Co., a Massachusetts voluntary trust association, successor to the former International Paper Co.

NORTH AMERICAN GROUP

Hearings on the North American Co., a holding company that controls directly or through subsidiary holding companies the electric light and power utilities that Serve such large cities as St. Louis, Cleveland, Milwaukee, and Washington, as well as other important communities, were begun May 13, 1931. As a result of having sold its recently acquired holdings of capital stock of Western Power Corporation to Pacific Gas & Electric Co., the North American Co. also holds a large minority voting interest in this company, which owns or controls a great network of gas and electric utility properties in central California. It also owns a large minority interest in North American Power & Light Co., a holding company, owning gas and electric operating companies in the Middle West. Hearings on various companies in the North American Co. group occupied a total of 13 days.

The North American Edison Co., an intermediate holding company, and some of its subsidiary companies were examined, including Union Electric Light & Power Co. of Missouri, which operates in St. Louis and its vicinity, Union Electric Light & Power Co. of Illinois, and Power Operating Co., the latter two of which own or operate the steam plant which supplies the city of St. Louis with most of its electrical energy, and Mississippi River Power Co., which owns the Keokuk Dam hydroelectric plant and other properties.

In addition to the financial data submitted on these companies, testimony and reports on the physical properties and operating practices and results were presented regarding Cleveland Electric Illuminating Co., which is also a subsidiary company of North American Edison.

ADDITIONAL COMPANIES ARE EXAMINED

Since the close of the fiscal year hearings have been held on Standard Gas & Electric Co., Chicago, one of the largest holding companies of the Byllesby group, and a number of its subsidiary companies.

INTERSTATE POWER TRANSMISSION

REPORT COMPLETED AND TRANSMITTED TO SENATE

The interstate-power inquiry was initiated by Senate Resolution 151, Seventy-first Congress, first session, adopted November 8, 1929.[2] The fourth quarterly report under this resolution was submitted to the Senate in December, 1930, in the form of a final report containing totals for the United States and details by States, also such

[2] For full text of the resolution, see p.220.

analysis of results as seemed appropriate. The printed public document containing this report was made available in February, 1931.

Final figures (which were subjected to slight correction between the third and fourth quarterly reports) were found to be, for electric city generated, 95,582,000,000 kilowatt-hours; and 15.18 per cent of this quantity moved across State lines. Total electricity consumed, after allowing for losses in transmission and distribution, which are necessarily largely estimated, amounted to 80,967,000,000 kilowatt-hours; and the ratio of imports across State lines to this figure was found to be 19.65 per cent. Imports include 1,401,000,000 kilowatt hours coming into the United States from foreign countries in excess of the corresponding amount exported to Canada and Mexico. This figure is one factor in the difference between the above quantities and ratios.

Revision of the above figures of interstate movement by excluding from imports and exports quantities crossing State lines a second time results in modifications of the ratios, which thus become 13.42 per cent for exports to generated and 17.57 per cent for imports to consumed.

Analysis made in the report to eliminate railroad and municipal elements in quantities generated and consumed and moved across State lines shows that the ratios are little affected by such revisions of bases.

Ratios for particular States are notably high in certain cases. After eliminating duplication of quantities crossing State lines a second time there were found to be four States exporting more than half the quantities generated in those States, namely, Vermont, Maryland, Idaho, and Rhode Island. Similar ratios excluding duplications for individual States show seven States importing more than half the quantity consumed within the State, these States being Mississippi, Arkansas, Delaware, Nevada, Utah, Missouri, and West Virginia. It should be noted that the imports ratio is more affected by losses between points of crossing and of consumption than the exports ratio is affected by losses between points of generation and of crossing, and the two ratios are affected in opposite directions, a fact which in part explains the greater number of States in the second list.

The report shows data by individual States in the appendix tables similar to those above mentioned for the United States as a whole. It also shows the location of crossings on an outline map and in tabular form by boundaries between pairs of States. As directed by the Senate, it also lists the names of companies ascertained to contribute to, or to obtain energy by way of, interstate movement.

CHAIN-STORE INQUIRY

COMMISSION SENDS ONE REPORT TO CONGRESS; PREPARES OTHERS

Substantial progress was made on the chain-store inquiry, and a report on one feature of the work was approved for publication just before the close of the fiscal year.

The chief effort has been to prepare material for analysis in order that reports covering important phases of chain-store operations may be ready for submission to Congress. This has involved the procuring of supplementary schedule information for both 1929 and 1930 in order to bring the report up to date, as well as the following up of all defective returns for additional information. The collection of buying and selling prices of chain and individual retail stores was also extended to two additional cities, Memphis and Detroit. during the year. By the close of the fiscal year the work of obtaining statistical material. aside from discounts and allowances of manufacturers. was largely completed. In addition the schedules received had been edited and most of the tabulations completed except for the financial information, which branch of the work, however, was well under way.

Just before the close of the fiscal year a report on cooperative grocery chains was completed and ordered sent to the Senate. This was issued before the publication of data on centrally owned chains because of the widespread interest in the subject and because emphasis has frequently been placed on the idea that the cooperative chain may be the salvation of independent retailers. Moreover, on account of the smaller number of concerns involved, the tabulations were completed before those of centrally owned chains. The report contains much information regarding the business organization, management, and operation of more than 300 cooperative grocery chains, including a detailed analysis of their financial and operating results. This report is more fully discussed below.

Reports on cooperative drug and hardware chains were completed, in draft form.

By the close of the fiscal year the field work on chain and independent buying and selling prices was completed for five cities, Washington, Cincinnati, Des Moines, Memphis, and Detroit. This work involved obtaining retail selling prices of a large number of grocery, drug, and tobacco items for both chain and independent retail stores, and also chain and wholesale buying prices. For all five cities the retail-price quotations obtained approximate upwards of 1,250,000. In order to facilitate the work of compiling these price data, it was decided to install two units of Hollerith electrical tabulating equipment. By April, 1931, the necessary personnel had been trained, or employed, and the work of preparing these price records was begun. Although there have been occasional interruptions due to additional

field work or the needs of other phases of the inquiry, this work has progressed fairly rapidly. The price data received in the grocery, drug, and tobacco studies in Washington, D. C., and Cincinnati, Ohio, were partially tabulated, and at the close of the year the preliminary work on the material received from the other cities was well advanced.

A schedule covering discounts and allowances made by manufacturers to chain stores, wholesalers, cooperative chains, and individual retailers was prepared and mailed during the last half of the fiscal year to a number of grocery manufacturers. Similar schedules will be sent early in the fiscal year 1931-32 to additional grocery manufacturers and to other manufacturers.

RETURNS ARE RECEIVED FROM MORE THAN 1,700 CHAINS

Replies to the general questionnaires or schedules were received in usable form from more than 1,700 chains, operating more than 66,000 retail units, and from approximately 2,000 wholesalers and about 4,600 independent retailers. These will furnish the bulk of the statistical material to be used in the report on this phase of the chain-store inquiry. Early in the fiscal year considerable effort was directed to following up these schedules, since a larger response was regarded as essential. In addition, supplementary schedules covering operations for the years 1929 and 1930 were prepared and mailed out later in the fiscal year to all those chains, wholesalers, and retailers who had answered the original schedule, and at the close of the fiscal year supplementary returns had been received from about 1,100 chains, 1,150 wholesalers, and 3,300 retailers. By the time the follow-up work on these schedules is completed these totals will be somewhat larger. The editing of both sets of these schedules was completed by the close of the fiscal year and much of the material was in form for analysis and report writing.

The financial sections of the chain-store schedules were audited and a great deal of follow-up work, both by correspondence and by field work, was done, and this material was practically ready for tabulating by July, 1931. The schedules returned by chain stores will apparently represent a' substantial majority of the chain-store business measured by the number of stores operated and probably an even larger proportion of such business measured in terms of volume of sales, as the returns include most of the larger chains.

COOPERATIVE GROCERY REPORT IS SUMMARIZED

The report on cooperative grocery chains describes the business organization, management, and operation of a substantial proportion of such cooperatives, the scope of this phase of the inquiry being

shown by the following quotation from the letter of submittal which accompanies the report:

This report includes information and data for a total of 319 cooperative grocery chains with a retail membership of 43,141 independent grocery stores as of the beginning of 1930. The commission estimates that there were 395 cooperative grocery chains in the country with an estimated membership of 53,400 retail stores. This number compares with a total number of centrally owned chain grocery stores variously estimated at from 55,000 to 57,000. The estimated volume of business of these 395 cooperative chains in 1929 was between $600,000,000 and $700,000,000. As nearly as can be estimated not more than three-quarters of this volume, and probably only about two-thirds, is represented by business with members.

In the "retailer" type of cooperative, where the business is owned by the retail members, a stock investment is generally required from each member, but this is rarely found in the "wholesaler-retailer" cooperatives. Weekly, monthly, or annual dues usually are required of members by wholesaler-retailer cooperatives and in a lesser degree in the retailer types. Some cooperatives require an initiation fee. The letter states that--

Based on the average amounts of all required expenditures, and 6 per cent interest on returnable contributions to capital as reported by both types of cooperative grocery chains, the average cost of belonging to a retailer cooperative grocery chain is about $47.50 per annum; while the cost of belonging to a wholesaler-retailer cooperative chain is about $84 per annum. The method of calculation is explained in the report.

That these cooperative grocery chains do a volume of business of considerable size is further indicated by the fact that--

The reporting wholesaler-retailer cooperative chains averaged about $2,000,000 of net sales per company in 1929, which were much larger than those of the average retailer cooperatives net sales of about $1,400,000. Ninety-six per cent of the wholesaler-retailer but slightly under 50 per cent of the retailer cooperatives sell to nonmembers. The retailer groups, however, made less than 8 per cent of their net sales to nonmembers in 1929, while over 50 per cent of the volume of the average wholesaler-retailer cooperative was nonmember business. As a result, the volume done by the average retailer cooperative with Its own members was considerably greater than that of the average wholesaler-retailer cooperative with Its members.

Most of the reporting cooperative grocery chains use leaders and these are generally advertised. It is shown that--

The average annual expenditure for advertising by the retailer cooperatives was $5,453 for 47 reporting companies, while that of 40 wholesaler-retailer cooperative chains was $8,984. Manufacturers contributed to the advertising of both types of grocery cooperatives. The amounts of such contributions received by 47 reporting retailer groups averaged $3,034 per cooperative, or 56 per cent of their total advertising expenditures. The amounts received by 40 reporting wholesaler-retailer groups averaged only $2,287, or 25 per cent, of their total advertising

expenditures.

MOST COOPERATIVES HAVE PRIVATE BRANDS

A majority of the reporting grocery cooperatives reported the ownership of private-brand lines of merchandise; this practice being more commonly found among the wholesaler-retailer cooperatives.

The average number of private-brand items carried by the wholesaler-retailer cooperatives is nearly six times the number carried by retailer cooperatives. About two-thirds of the wholesaler-retailer cooperatives and about
one-third of the retailer cooperatives report a higher mark-up on private-brand goods than on nationally advertised goods. a larger proportion of retail members of wholesaler-retailer cooperative organizations than of retailer cooperatives also reported that their mark-ups on private-brand goods were higher than on nationally advertised brands. No marked difference was reported by the two types of cooperatives in their price policy on private brands as compared with nationally advertised brands.

The report does not discuss the financial results of the individual retail members of the grocery cooperatives. The operating expenses, investment, rates of return, and profits are shown in detail for the wholesale end of the business of both types of cooperative chains. Some of the significant results are indicated by the following quotation from the letter of submittal of the cooperative grocery-chain report:

The results shown by this report lead to certain definite conclusions. The first of these is that the retailer cooperatives have concentrated their activities primarily on the distribution of goods to members at a low cost. As compared with the wholesaler-retailer cooperatives, much less has been given in the way of service and less attention has been devoted to advertising. The report shows that retailer cooperatives are, on the average, getting goods into the hands of their members and other retailers on a gross margin (5.5 per cent in both 1928 and 1929) which is about one-half that of the average of the wholesaler retailer cooperatives (11 per cent in 1928 and 11.5 per cent in 1929). These computations from financial returns are substantially confirmed by mark-up data reported by a larger group of companies in 1929. In contrast, the average wholesaler-retailer cooperative, in attempting to meet chain-store competition, has placed the chief emphasis on the regular use by retail members of a number of low-priced leaders, backed by extensive newspaper and miscellaneous advertising, on store appearance, arrangement, display, and on store management and supervision. To date comparatively little has been done to get goods into the hands of either member or nonmember retailers at a low price or to reduce the spread between the manufacturer and the retailer.

The wholesaler-retailer cooperative is too recent a development to permit any definite conclusion at this time as to which of these two plans of merchandising is more effective in meeting competition. From the standpoint of the success of the cooperative chain, however, it would appear that each of the two types might profit to some extent from the example of the other. The retailer-cooperative figures apparently demonstrate that the actual operating expense necessary to get goods from the manufacturer to the retailer need not exceed the average for this group, or about 4 per cent of sales, and studies of these companies according to sales-volume groups do not indicate that this figure is dependent in any appreciable degree upon the factor of

size. On the other hand, low cost of merchandise to the retail member is quite probably not the only consideration for the merchandising success of the cooperative chain. The merchandise obtained by the retailer member through the cooperative must be sold by him in competition with other types of retail distributors, and in such merchandising, advertising, store appearance, arrangement, display, management, and supervision are undoubtedly important.

CHAIN STORE LEGAL ASPECTS STUDIED

On March 6, 1931, the commission assigned to its chief examiner for investigation and report the portions of the resolution appearing to involve primarily legal questions. This assignment relates particularly to paragraph 1 of the resolution (complete text will be found on p. 220) and items (a), (b), (e),and (f) of paragraph 2.

Paragraph 1 of the resolution includes information as to the' extent to which consolidations in the industry have been effected in violation of the antitrust laws, the extent to which such consolidations are subject to regulation under the Federal Trade Com mission act or the antitrust laws and what legislation, if any, should be enacted for regulating and controlling chain-store distribution.

Additional information is authorized under paragraph 2 of the resolution, item (a) pertaining to the extent to which the chain-store movement has resulted in monopoly in the distribution of any commodity; item (b) to evidence of unfair methods of com petition or agreements in restraint of trade involving chain-store distribution; item (e) to the question whether quantity prices are illegal; and item (f) to what legislation, if any, should be enacted with reference to quantity prices.

The commission's economic and legal divisions are cooperating in obtaining the data on which to base a report. As to the legal questions involved attention is being given to the decisions of the commission and of the courts, which will be reviewed in the light of the facts disclosed by the investigation.

RESALE-PRICE MAINTENANCE

FINAL REPORT IS TRANSMITTED TO CONGRESS

The work on resale-price maintenance during the year 1930-31 consisted in the preparation of the second and final volume of the report.

The first volume was submitted to the Congress January 30, 1929, and dealt with the positions taken by various interests (including consumers) on this subject and also with the legal status of resale price maintenance.

The second volume, submitted to Congress June 22, 1931, consisted chiefly of an analysis of statistical data regarding selling

prices, in correlation with manufacturers' and dealers' costs and profits and with their price policies. While comparisons could not be made between the prices of goods for which resale-price maintenance contracts are in legal effect and the prices of other goods, there are numerous nationally advertised commodities for which the resale prices are "suggested" by the manufacturer and generally conformed to by the retailer, which were found available for such comparisons.

While recognizing that resale-price maintenance advocates had some ground for complaint, due to the price-cutting practices of some dealers, it appeared to the commission that there was no way, to validate resale-price maintenance contracts which would not either expose the consumer to a more serious injury or impose on the administrative authorities an impracticable responsibility.

In connection with the study of margins between costs and prices, the letter of submittal for this report makes the following statement:

> The variation of operating expenses and of margins of profit from dealer to dealer within the same class of retailers is highly pertinent to the resale-price-maintenance question, because the fixing of a resale price practically involves fixing the gross margin to be obtained by the dealer on the price-maintained article. Such a resale price would have to be fixed with due regard to the needed margins of the retailers (and also of the wholesalers, where handled by them), but the question as to what margin would be reasonable for a given article is hardly demonstrable as a matter of accounting, because the average margin required for a reasonable profit, especially for a retail store, depends on the results for many commodities which individually may properly have quite different mark ups. The ratio of operating expenses to sales for the 319 retail druggists making returns for 1927, for example, ranged between 7 and 56 per cent, with an average of 27 per cent, so that the problem of an appropriate margin of a fixed resale price evidently is not simple even for the more typical articles handled. Fixed at the average mark up, it would obviously be excessive for some retailers and quite inadequate for others, and furthermore would not take into consideration varying costs of handling slow-moving and fast-moving Items that constitute varying proportions of sales volume. a similar situation was found for groceries and for other lines.

Nationally advertised articles were found on the average to show a higher selling price but a smaller margin of gross profit than competing articles not so advertised. Leader price cutting was seldom found to occur to the extent of selling at prices below the purchase cost of the seller. Instances of permanent material reduction in sales volume primarily on account of such leader price cutting were searched for without finding satisfactory evidence thereof.

The general conclusions of the report adverse to legislation permitting resale-price maintenance were based on the apparent impracticability of proper governmental regulation of resale-price contracts and considerations as to whether, under resale-price

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maintenance, without such Government regulation., the injury done to the consumer's interest through the elimination of dealers' competition with respect to price-maintained articles would be greater than the damage alleged to be done to the manufacturers and distributors by leader price cutting of trade-marked, nationally advertised brands. The conclusions are summed up as follows:

The law at present prohibits manufacturers from contracting with those who purchase their goods for the maintenance of resale prices named by the manufacturer, but it has sometimes been thought that such resale-price con-tracts should be made lawful, if subject to governmental approval as to the fairness of the prices. Practically, however, it would be too difficult to determine, or even estimate closely, true operating-cost figures for a particular commodity for numerous dealers to make them the basis of any regulation of such contracts requiring application by an administrative authority in a manner which would give consumers the benefits of efficient merchandising. The alternative of specific Government proceedings against price cutting declared unlawful (leaving aside the possibility of constitutional limitations) is equally impracticable, even if due allowance is made for mercantile exigencies such as seasonal closing out sales. If, however, to avoid the difficulties of onerous administrative determination of price cutting, the essential test was declared to be sales below purchase price disregarding the dealer's operating expense, this rule would give little satisfaction to manufacturers complaining of price cutting, on account of the comparative infrequency of such sales. Less extreme leader price cutting injurious to the business of the manufacturer, as affecting the sales of his identified goods, may be regarded by him, however, as having a "predatory" character. It has often been claimed, indeed, that it is unfair competition, though the specific injury in question is not usually an injury to the manufacturer as a direct competitor of the price cutter. It would be difficult, evidently, to devise a plan of governmental regulation (even apart from possible constitutional limitations) which would give substantial relief to the manufacturer of such identified goods without injustice to consumers and at the same time meet the tests of practical governmental administration such as have been pointed out above.

This report is based on facts and on the opinions of those in contact with the pertinent commercial conditions set forth in detail herein. While some of the arguments for resale-price-maintenance legislation are sound in part, they fail to take account of all the facts. By retaining ownership and responsibility for price risks up to the final sale to the ultimate consumer, the manufacturer may (and often does) at present legally and naturally control the prices for which his goods are sold. To give him, by special enactment, a like control after the goods have passed out of his ownership, while discontinuing the parallel mercantile responsibility, would seem not only to be in itself inconsistent, but also to assume that this is a simple method of disposing of the problem, when it is quite the contrary. According to the experiences and opinions of some of those close to the facts of trade, it appears that, in order to protect the public from the consequences of such apparent simplification of business conditions for the manufacturer and his distributors, elaborate governmental administrative machinery would need to be provided to prevent numerous abuses injurious to the consumer and to the retailer from developing under the conditions thus created, and such governmental participation in the control of prices is a dangerous departure from existing policies with respect to

price making in the ordinary course of commerce, as well as of questionable efficiency. It is alleged especially that the waste and inefficiency in the processes of distribution, which are already the subject of general complaint, would be enhanced by the proposed legislation. The commission believes that such collateral issues are very important.

The commission concludes, therefore, that no legislation permitting resale-price maintenance is at present called for.

COMMISSIONER HUMPHREY'S STATEMENT

Commissioner William E Humphrey appended to the report the following statement:

I doubt the advisability of voluntarily sending a report of this character to Congress. I affirmatively refrain from any expression, favorable or unfavorable, as to any opinion, inference, conclusion, or recommendation which the report may carry.

I concur in its transmittal only so far as the same may be helpful as a report upon facts.

COTTONSEED PRICES

TESTIMONY IS TAKEN IN SOUTHERN CITIES

Two resolutions involving an investigation of the cottonseed industry were adopted by the Seventy-first Congress at its first session, namely, Resolutions 186 and 147.[3]

Resolution 136 provided for an investigation of the facts relating to an alleged combination in violation of the antitrust laws with respect to prices as to cottonseed and cottonseed meal. Resolution 147 provided for investigation of the ownership and control of cotton gins by corporations operating cottonseed-oil mills and also for public hearings in connection with the investigation authorized by the two resolutions. In accordance with Senate Resolution 292, adopted June 20, 1930 (71st Cong., 2d sess.), the record of the hearings is being transmitted to the Senate and printed for distribution.

In December, 1929, an extensive inquiry was begun which in-eluded an examination of the files and records of the companies operating cottonseed-oil mills as well as those of trade associations in the industry. Public hearings were begun in Washington June 2, 1930, and have continued throughout the current year.

Hearings have been held in Atlanta, Montgomery, Raleigh, Columbia, Jackson, Dallas, New Orleans, Shreveport, Houston, Oklahoma City, and Little Rock. Other hearings will be held at points in Louisiana and Tennessee, after which an opportunity will be given the industry to present any additional facts bearing on the issues raised by the resolutions.

3 Complete text of these resolutions will be found on p.222.

PEANUT PRICES

FIELD WORK ON INQUIRY IS COMPLETED

The United States Senate, October 22, 1929, adopted the following resolution:

Resolved, That the Federal Trade Commission is hereby requested to make an immediate and thorough Investigation of all facts relating to the alleged combination in violation of the antitrust laws with respect to prices for peanuts by corporations operating peanut crushers and mills. The commission shall report to the Senate as soon as practicable the results of its investigation.

The field work in connection with this investigation has been completed, and a report is in course of preparation. Some of the data obtained were destroyed by the fire in the offices of the commission in August, 1930, but most of this matter has been duplicated, so that complete facts, according to the terms of the resolution, can be reported.

PRICE BASES

This inquiry, begun in conformity with a resolution of the commission adopted July 27, 1927, was undertaken to ascertain the methods used by industry in differentiating prices with respect to location, the reasons for their use, and their effects upon prices and competitive conditions and to examine and report on any measures calculated to bring better results in the methods of quoting or charging prices. These methods of differentiating prices include the f. o. b. mill, delivered, zoning, and basing-point systems.

Since an investigation of these methods in industry generally was contemplated, schedules calling for information as to the exact method in use were sent to manufacturers in all industries and a somewhat similar schedule to trade associations. The purpose of this information was twofold: (1) To supply the material for a survey in industry, as a whole, in respect to selling methods, and (2) to furnish the basis of selection for a more intensive study of a few industries.

Following this more general survey specific industries were selected upon which a more detailed study was made for the purpose of illustrating the methods employed in making prices, and finally, because of the limited staff available for the inquiry, a single commodity, cement, was chosen as affording an excellent example of the working of the multiple basing-point system.

The principal sources of material for the latter phase of the inquiry are cement manufacturers, some 80 in number, dealers in cement in a score or more of representative cities, State highway commissions purchasing cement for contractors by bids and awards,

and several miscellaneous sources, such as departments of Federal and State Governments and trade associations.

At the close of the fiscal year ended June 30, 1931, a report on the multiple basing-point system as illustrated by cement was in an advanced stage of preparation.

CEMENT INDUSTRY

At the last session of Congress the Senate adopted a resolution directing the commission to investigate competitive conditions in the cement industry. (S. Res. 448, 71st Cong., 3d sess. For complete text see p. 224. The commission is to report the facts with respect to sale and distribution and whether the activities of trade associations, manufacturers, or dealers constitute a violation of the antitrust laws or the Federal Trade Commission act.

Some of the data have been requested from the companies in a questionnaire. This is being supplemented by an examination of the files and records of the trade associations and most of the important manufacturers. Other data are being obtained from contractors, builders, and other large users of cement.

BUILDING MATERIALS

The commission, April 27, 1931, issued the following order with respect to all investigation of the building-materials industry:

> It is ordered, upon motion of the commission and in pursuance of authority granted it by law, that the commission conduct an immediate investigation of all facts relating to the letting of contracts for the construction of Government buildings, particularly with a view of determining whether or not there are or have been any price-fixing or other agreements, understandings, or combinations of interests among individuals, partnerships, or corporations engaged in the production, manufacture, or sale of building materials with respect to the prices or other terms at or under which such materials will be furnished contractors or bidders for such construction work; and that the chief examiner make such investigation and report to the commission.

Preliminary work in connection with the foregoing order was begun in June, 1931, which includes obtaining from the Treasury Department a list of all buildings contracted for since January, 1929. It is evident that the items to be included in the inquiry will have to be limited, although such important commodities as structural steel, stone, lime, and hardware will of necessity be studied. a questionnaire requesting specific data as to particular jobs has been sent to contractors. The matter so obtained will be supplemented by data from manufacturers furnishing the materials used in Government buildings.

BREAD AND FLOUR

The Court of Appeals of the District of Columbia, February 2, 1931, reversed the former decree of the Supreme Court of the District of Columbia against the commission, and remanded the case; and the lower court, March 10, 1931, made final disposition of the case by entering its decree dismissing the complaint of the Millers' National Federation upon its merits, and setting aside the permanent injunction hitherto granted On April 17, 1931, the federation delivered to the commission all the documents, including correspondence and minutes of meetings called for in the subpoenas issued by the commission in April, 1926.

a supplemental report is being prepared based on this correspondence and these minutes.

For a history of the court case see page 81. The Senate re solution originally authorizing this inquiry appears in full text on page 224.

PART III. GENERAL LEGAL WORK

DESCRIPTION OF PROCEDURE

LEGAL INVESTIGATION AND REVIEW

CONSOLIDATIONS AND MERGERS

STIPULATIONS

REPRESENTATIVE COMPLAINTS

ORDERS TO CEASE AND DESIST

DISMISSALS

TYPES OF UNFAIR COMPETITION

CASES IN THE FEDERAL COURTS

TABULAR SUMMARY OF LEGAL WORK

PART III. GENERAL LEGAL WORK

DESCRIPTION OF PROCEDURE

A case before the Federal Trade Commission may originate in several ways.

The most common origin is through application for complaint by a competitor or from other public sources. Another way in which a case may begin is by direction of the commission.

No formality is required for anyone to make an application for a complaint. a letter setting forth the facts in detail is sufficient, but it should be accompanied by all evidence in possession of the complaining party in support of the charges being made.

INFORMAL PROCEDURE (CONFIDENTIAL RECORD)

When such an application is received, the commission, through its legal investigating division, considers the essential jurisdictional elements. Is the practice complained of being carried on in interstate commerce? Does it come under jurisdiction of the Federal Trade Commission act prohibiting unfair methods of competition?[1] Would the prosecution of a complaint in this instance be in the public interest?

It is essential that these three questions be capable of answer in the affirmative.

Frequently it is necessary to obtain additional data by further correspondence or by a preliminary investigation before deciding whether to docket an "application for issuance of complaint."

Once an application is docketed it is assigned by the chief examiner to an examining attorney or a branch office of the commission for investigation. It is the duty of either to obtain all facts regarding the matter from both the applicant and the proposed respondent.

Without disclosing the name of the applicant, the examiner may interview the party complained against, advising of the charges and requesting submission of such evidence as is desired in defense or explanation.

[1] Or of one or more of those sections of the Clayton Act administered by the commission?

After developing the facts from all available sources, the examining attorney summarizes the evidence in a final report, reviews the law applicable thereto, and makes a recommendation as to action.

The entire record is then reviewable by the chief examiner. If it appears to be complete, it is submitted with recommendation to the board of review or to the commission for consideration. Recommendations for dismissal outright or upon the signing by the proposed respondent of a stipulation of facts and an agreement to cease and desist from the unlawful practice charged ordinarily are sent direct to the commission. Recommendations for complaint and for certain types of stipulations go to the board of review.

If submitted to the board of review, all records, including statements made by witnesses interviewed by the examiners, are reviewed and passed on to the commission with a detailed summary of the facts developed, an opinion based on the facts and the law, and the board's recommendation.

The board may recommend (1) dismissal of the application for lack of evidence in support of the charge or on the grounds that the charge indicated does not violate any law over which the commission has jurisdiction, or (2) dismissal of the application upon the Signing by the proposed respondent of a stipulation of the facts and an agreement to cease and desist the unlawful practice charged, and (3) issuance of a complaint without further procedure.

Usually if the board believes that complaint should issue it grants the proposed respondent a hearing. Such hearing is informal, involving no taking of testimony.

The foregoing procedure is applied to all cases except those pertaining to false and misleading advertising, as handled by the special board of investigation. (See p.112.)

Up to this point the procedure is informal and for the purpose of furnishing information to the commission. Nothing in regard to a case in this stage is made public, except in cases disposed of by stipulation, and even then only the facts are given, for information of the public and benefit of the industry involved; the names of parties stipulating are not revealed. Withholding of names in informal cases is for protection of the respondent, against whom no formal complaint has been ordered or served.

FORMAL PROCEDURE (PUBLIC RECORD)

Only after most careful scrutiny does the commission issue a complaint. Unlike the preliminary inquiries and applications for complaint, which are informal, the complaint and the answer of respondent thereto are a public record. The case is now in charge of the commission's chief counsel for preparation of complaint and trial of the case.

A complaint is issued in the name of the commission in the public interest; It names a respondent and charges a violation of law, with a statement of the charges. The party first complaining to the commission is not a party to the complaint when issued by the commission, nor does the complaint seek to adjust matters between parties; it is to prevent unfair methods of competition for the protection of the public.

The commission's rules of practice and procedure provide that in case the respondent desires to contest the proceeding he shall, within 30 days from service of the complaint, unless such time be extended by order of the commission, file with the commission an answer to the complaint. The rules of practice also specify a form of answer for use should the respondent decide to waive hearing on the charges.

Failure to appear or to file an answer within the time specified-

shall be deemed to be an admission of all allegations of the complaint and to authorize the commission to find them to be true and to waive hearing on the charges set forth in the complaint.

In a contested case the matter is set down for taking of testimony before a trial examiner. This may occupy varying lengths of time according to the seriousness of the charge or the availability and number of witnesses to be examined. Hearings may be held before a commission trial examiner, who may sit in various parts of the country, the commission and the respondent each being represented by its own attorneys.

After the taking of testimony and the submission of evidence on behalf of the commission in support of the complaint, and on behalf of the respondent, the trial examiner prepares a report of the facts for the information of the commission, counsel for the commission, and counsel for the respondent. Exceptions to the trial examiner's report may be taken by either counsel for the commission or counsel for the respondent.

Within a stated time after receipt of the trial examiner's report, briefs are filed and the case comes on for final argument before the full commission. Thereafter the commission reaches a decision either sustaining the charges of the complaint or dismissing the complaint.

If the complaint is sustained, the commission makes a report in which it states its findings as to the facts and conclusion that the law has been violated, and thereupon an order is issued requiring the respondent to cease and desist from such practices.

If the complaint is dismissed, an order of dismissal is entered.

These orders are final functions of the commission as far as its own procedure is concerned.

CASES MAY BE TAKEN TO FEDERAL COURTS

No direct penalty is attached to an order to cease and desist, but a respondent against whom it is directed is required within a specified time, usually 60 days, to report in writing the manner in which he is complying with the order. If he fails or neglects to obey an order while it is in effect, the commission may apply to a United States circuit court of appeals for review of the commission's order, and these proceedings may be carried by either party on certiorari to the Supreme Court of the United States for final determination.

LEGAL INVESTIGATION AND REVIEW

PRELIMINARY INQUIRIES

Investigation of applications for complaints preliminary to the correction of unfair methods of competition were made during the year in 1,380 cases.[1] Of these preliminary inquiries, 332 were docketed as regular applications for complaints. In all, 511 applications were docketed for the year ending June 30, 1931. Five hundred and twenty-three applications were disposed of during the year, leaving 754 pending.

With so many of the attorneys usually assigned to regular cases now engaged on such general business inquiries as chain stores, cottonseed and peanut prices, building materials and cement, it has been difficult to keep the regular work current. An increase was made in the staff during the year, which should be increased further if the work on general business inquiries continues.[2] In fact, the number of old cases on hand has increased slightly in recent months due to the shortage of experienced men. This is shown in the following statement:

Date	Docketed applications on hand 6 months or more at date of report	Average length of time of all docketed applications on hand at date of report		Date	Docketed applications on hand 6 months or more at date of report	Average length of time of all docketed applications on hand at date of report	
		Months	Days			Months	Days
1928--Feb. 15	97	9	16	1929--Dec. 15	44	4	23
Apr. 15	95	8	28	1930--Feb. 15	41	4	22
June 15	86	8	13	Apr. 15	42	4	21
Aug. 15	78	7	26	June 15	46	4	4
Oct. 15	70	7	21	Aug. 15	47	4	15
Dec. 15	66	6	15	Oct. 15	50	4	14
1929--Feb. 15	61	5	21	Dec. 15	72	5	5
Apr. 15	62	5	17	1931--Feb. 15	61	5	12
June 15	49	5	13	Apr. 15	75	5	10
Aug. 15	47	5	16	June 15	65	5	10
Oct. 15	52	4	25				

On the whole, the number of docketed applications on hand 6 months or more and the average length of time all docketed applications have been on hand has been decreased by almost one-half

1 For further statistics on legal cases see numerical summary, p.96.

2 These inquiries authorized by Congress now form an important part of the legal investigating work. On June 30.1931, 19 attorneys were at work on such inquiries.

during the past 3 years. On February 15, 1928, 97 applications had been on hand 6 months or more, and the average age of all applications on the calendar was 9 months and 16 days, while on June 15, 1931, there were only 65 applications of that age on hand and the average age of all applications was only 5 months and 10 days.

Another part of the legal investigating work is to conduct, by direction of the commission or upon requests of particular units of the commission, supplemental investigation of applications for complaints, of formal complaints where additional information is desired by the chief counsel, or of suspected violations of the coin-mission's orders to cease and desist. This includes the alleged violation of stipulations to cease from unfair practices entered into between respondents and the commission, the violation of resolutions subscribed to at trade-practice conferences, or investigational work which may arise in connection with cases considered by the special board of investigation (concerning false and misleading or fraudulent advertising).

The investigating work of the commission is carried on from its main office in Washington, through its four branch offices situated at 45 Broadway, New York City; 608 South Dearborn Street, Chicago; 544 Market Street, San Francisco; and 431 Lyon Building, Seattle. Business men may confer at these places with qualified representatives of the commission regarding cases and with reference to rulings made by the commission.

BOARD REVIEWS CASES FOLLOWING INQUIRIES

Following preliminary investigation by the chief examiner's staff, 93 applications for complaint were reviewed by the board of review, which consists of four attorneys. Eighty-five of these cases were for-warded during the year, leaving eight pending at the close. Of this number 31 applications were recommended for dismissal, 13 for complaint, 21 for Stipulation, while in 11 cases further investigation was recommended, and in 9 there were miscellaneous recommendations. In connection with these applications 28 hearings were held.

CONSOLIDATIONS AND MERGERS

NUMBER OF STOCK ACQUISITIONS DECLINES

The year ending June 80, 1931, indicated a further decrease in the number of acquisitions, consolidations, and mergers, such de-crease being undoubtedly due to the continued depression throughout the country. The year ending June 30, 1929, was probably the peak year in acquisition and consolidation activity. In that year the commission made inquiry with respect to nearly 200 matters as

compared with some 125 in 1930 and with less than 100 in 1931. These matters comprehended the more important acquisitions, consolidations, and mergers effected during these years.

During the year the commission instituted 67 preliminary inquiries with respect to acquisitions, consolidations, and mergers. The commission's authority does not extend to common carriers, banks, and other financial institutions, so that these preliminary inquiries as in the past years were confined to other lines of business. Nor were these preliminary inquiries extended to the field of public utilities.

Thirty-seven preliminary inquiries were pending at the beginning of the year and 22 at the close, indicating a disposition of 82 preliminary matters during the year. The fire of August 30, 1930, resulted in the destruction of all current files relating to this work, necessitating the restoration of a considerable part of the material and retarding the progress of the work.

Of the 82 preliminary matters disposed of during the year, 74 were filed without docketing and 2 were referred to the Department of Justice for further consideration under the Sherman law. Only six matters appeared to be in violation of the Clayton Act.

Of the 74 preliminary matters filed without docketing, 39 involved acquisition of assets, of which 5 also involved noncompeting products; 20 matters involved capital stocks but were filed because of lack of competition or substantial competition either because of territories Served or because products involved were not competitive; 11 matters were filed because of lack of jurisdiction or because only intrastate business was involved; 4 were filed because the reported acquisition, consolidation, or merger failed of consummation.

Nine docketed matters involving section 7 of the Clayton Act were pending at the beginning of the year; 6 were docketed during the year; 4 were dismissed or disposed of during the year; and 10 were pending at the close of the year. One complaint was issued and two complaints were pending in the courts.

STIPULATIONS

COMMISSION APPROVES 165 AGREEMENTS DURING YEAR

Stipulations in which various individuals and companies agreed to cease and desist from unlawful practices charged were approved and accepted by the commission during the fiscal year in 165 cases, digests of which may be found beginning on page 201.

During the five and one-half years in which the stipulation system had been in effect, as of June 30, 1931, a total of 837 stipulations had been approved and accepted by the commission.

These cases are in addition to 119 stipulations concerning cases of false and misleading advertising. (See p.210.)

Applications for complaint are frequently disposed of by the stipulation method, particularly in cases where the practice complained of is not so fraudulent or vicious that protection of the public demands the regular procedure of complaint. The question of whether a respondent shall be permitted to sign a stipulation is entirely within the discretion of the commission, as the disposition of a case by stipulation is not a right but a privilege extended by the commission.

The stipulation procedure provides an opportunity for the respondent to enter into a stipulation of the facts and voluntarily agree to cease and desist forever from the alleged unfair methods set forth therein. Such stipulation is subject to the final review and approval of the commission.

A potential respondent decides he would rather quit the practice of which complaint is made than go through with trial of a formal complaint. If the commission approves such course, he signs an agreement to "cease and desist forever" from the unfair practice with the understanding that should he ever resume it the facts as stipulated may be used in evidence against him in the trial of a complaint which the commission may issue.

Publicity regarding stipulations is especially valuable to the other members of an industry to which a signer of such an agreement belongs. With this in mind the commission, in releasing for publication the facts surrounding a given stipulation, emphasizes the name of the commodity or industry involved so that newspaper or tradepaper representatives, trade-association secretaries, and members of the industries concerned may make note thereof. Names of respondents are not divulged, except occasionally, when a stipulation agreement is designated for the "public record."

Commodities mentioned in stipulations are of an infinite variety. Taken at random there would be such a list as follows: Hats, shoes, suit goods, fly-catching devices, tombstones, toy airplanes, perfumes, blankets, electrotherapeutic instruments, synthetic beverages, horseshoes, radio cabinets, sea food, and tooth paste.

The commission believes that its stipulation procedure is protecting the American consumer from numerous unfair methods of competition which, in the aggregate, are an important consideration. It is apparent also that large sums of money that otherwise would be spent in litigation are being saved the public.

REPRESENTATIVE COMPLAINTS

MAJORITY INVOLVE UNFAIR METHODS OF COMPETITION

All but one of the 109 formal complaints issued during the year charged the use of unfair methods of competition violative of section 5 of the Federal Trade Commission act, including one which involved the alleged violation of the Federal Trade Commission act as extended by section 4 of the export trade act. The one remaining complaint issued charged violation of section 7 of the Clayton Act by the acquisition of the capital stock of competing concerns. No complaints were issued during the year under the three other sections of the Clayton Act administered by the commission, namely, section 2 (price discrimination), section 3 (tying contracts), and section 8 (interlocking directors).

Herewith are presented brief summaries of the charges contained in a few of the complaints issued by the commission during the fiscal year. Unless otherwise indicated, the practices charged are violative of the Federal Trade Commission act. These complaints are fairly representative.[1]

ACQUIRING COMPETITORS' CAPITAL STOCK

Clayton Act, section 7.--In this complaint it was alleged that respondent, a holding company, originally acquired all then outstanding capital stock of two corporations, one of which was engaged in the manufacture and sale in interstate commerce of clutches for motor vehicles, the other in the manufacture and Sale in interstate commerce of transmission gears for motor vehicles.

It is charged that: Subsequently the holding company acquired all the issued and outstanding capital stock of another corporation which in turn had previously acquired and then owned all the outstanding capital stock of a corporation engaged in the manufacture and sale in interstate commerce of transmission gears for motor vehicles and of other automobile parts.

That the holding company also acquired an option on all the outstanding capital stock of another corporation engaged in the manufacture and sale in interstate commerce of automobile radiators, clutches, and other automobile equipment.

[1]Attention is especially invited to the fact that most of these complaints are pending, and consequently the commission has reached no determination as to whether the law has been violated as charged therein.

That thereafter, respondent, the holding company, caused another corporation to be organized and assigned said option to the new company.

That respondent then acquired all the outstanding capital stock of said new company which in turn immediately exercised the option of purchase of capital stock above referred to.

That the new company acquired the assets of the corporation upon whose stock the option was held; and that the original company was then dissolved and the new company took its corporate title by change of name.

It is also charged that the acquisition of the capital stock of each of the two additional companies in the manner alleged was contrary to law, and its effect has been and is to substantially lessen competition in the Sale and distribution of transmissions and clutches in interstate commerce. The effect is said to be also to restrain interstate commerce in the sale of transmissions, clutches, and other automotive equipment, and to tend to create in the respondent a monopoly therein.

Answer to the complaint has not yet been filed by the respondent.

RESALE PRICE MAINTENANCE

In a typical complaint on this subject the respondent corporation, manufacturer of cosmetics and toilet preparations, is alleged to have adopted and enforced a merchandising system whereby uniform prices are fixed by it and maintained by merchants in the sale of its products to the public.

Respondent is alleged to accomplish said result and to prevent dealers from lowering prices by the following means:

Fixing uniform minimum prices and making it known to the trade that it expects and requires dealers to abide thereby.

Agreements with dealers for maintenance of resale prices as a condition. to opening of accounts.

Securing information from dealers as to failure of other dealers to maintain resale prices and also obtaining such information through its own employees, which information is used by respondent to secure assurances from the price-cutting dealers that they will maintain the uniform fixed prices.

Discontinuing business with those refusing to give such assurance and refusing to supply products to dealers who have failed to maintain resale prices until the dealers give satisfactory assurances that such prices will be maintained.

It is also alleged that the direct effect and result of such practices of respondent is to suppress competition among dealers in the distribution and sale of respondent's products; to prevent dealers from selling the same at such less prices as they may desire, and to de-

prive the purchasing public of advantages in price which they otherwise would obtain "from a natural and unobstructed flow of commerce of said products under methods of free competition." Answer to the complaint was filed by respondent.

Another complaint issued during the fiscal year involved the fixing and maintenance of uniform resale price in the sale of furniture. The alleged methods used by the manufacturer-respondent, are much the same as those given above, with similar results in the suppression of competition in violation of the Federal Trade Commission act.

RESTRAINT OF TRADE

The respondents are officers and representative members of a laundry association of approximately 100 members. Not all members of the association are made respondents, but those named are designated respondents as representative of all.

It is alleged that the members of the association purchase laundry machinery, equipment, and supplies from manufacturers situated for the most part in other States and that such members are in competition with others who are not members of the association and who likewise buy such products from dealers in other States. It is further alleged that the members of respondent association, its officers, etc., confederate and cooperate to prevent competing laundry owners from obtaining laundry machinery, equipment, and sup-plies, as well as to fix and establish uniform prices for laundry work and to prevent competing laundry owners from performing such Services at less prices.

The means used to carry out this conspiracy are alleged to be the following:

Agreed uniform schedules of prices.

Meetings for discussion and adoption of plans and measures for carrying out the agreement as to prices, etc.

Securing cooperation of manufacturers of laundry machinery in the enforcement of the agreement as to prices.

By boycott, threats of boycott, and other coercive measures, inducing manufacturers to sell only to members of the association and to refrain from selling to nonmembers.

Ascertainment of information of sales or proposed sales of laundry machinery, etc., to nonmember competitors and by threats of boycott, etc., inducing manufacturers not to make such sales, except upon unfair, discriminative and prohibitive terms.

Securing names of nonmember owners who have entered into Contracts for the purchase of laundry machinery, etc., and by threats of boycott, etc., inducing the manufacturers to cancel such contracts.

Using other cooperative and coercive means to carry out and make effective said conspiracy.

It is further alleged that the acts and things done by respondents tend to and do close and curtail the outlets of sale of such goods shipped in interstate commerce and interfere therewith by preventing nonmembers of said association from getting laundry machinery, etc.; also that they eliminate the manufacturers who formerly sold to such nonmembers but who are now prevented from making further sales by such acts. It is charged that, as a consequence, the natural flow of commerce in the channels of interstate trade is obstructed to the prejudice of the public and of the competitors as well as of manufacturers not cooperating with respondents in carrying out the conspiracy. Such acts and things are described as unfair methods of competition in interstate commerce in violation of section 5 of the Federal Trade Commission act.

Answer Was filed June 22, 1931, denying, in general, the allegations of the complaint.

AGREEMENTS IN RESTRAINT OF TRADE

In December, 1930, the commission issued a complaint against a machine-tool distributors' association and its members, consisting of 24 manufacturers of heavy machinery, as well as against its directors and executive committee.

They are charged in the complaint with the use of unfair methods of competition in interstate commerce in violation of section 5 of the Federal Trade Commission act through entering into agreements and understandings restricting, restraining, and suppressing competition in interstate commerce by the use in common of a so-called appraisal plan in the purchase and sale of used machinery offered in part payment of new machinery as well as in the purchase and sale of new machinery.

It is alleged that the purpose, object, and effect of the plan agreed upon is the elimination of independent competitive bidding by the individual members of the association and to limit the amounts allowed for used machinery.

The plan, as set forth in the complaint, is operated through a clerk at the headquarters of the association, whose duty it is to make a record of all appraisal matters. It is alleged that the plan provides for cooperative action by members of the association by means of which members are required to notify the appraisal clerk whenever old machinery is offered in trade on new machinery. If a previous appraisal has not been made, the member inquiring may file his appraisal. If a previous appraisal has been filed, such member is so informed and given the amount thereof. When the record of the appraisal is complete and a number assigned, the member is then allowed to communicate his offer to his customer. The

amount of such appraisement is required to be a cash offer. Other members may raise the original appraisal but such raised figure is also required to be a cash offer. In case of such raise, the clerk notifies all other members who have submitted bids.

If the deal is completed on the basis of the original appraisal, the successful bidder may elect whether he will take the used machinery at the appraised price. If he does not want it, he can turn it over to the member making the initial appraisal and such member must accept it and pay in cash the amount of such appraisal. If there have been increases in appraisals, then the member making the last increase is entitled to receive the machinery at such price.

It is alleged that members of said association have put said plan into effect; that they have adhered to it; that the purpose is to restrict, restrain, and suppress competition in the purchase and sale of used or old machinery and of new machinery; and that the plan results in depriving the purchasers of free, open, competitive market for their used machinery.

Answers to the complaint have been filed.

COMMERCIAL BRIBERY

Two complaints issued during the fiscal year involve the practice known as commercial bribery, alleged to be an unfair method of competition.

In one of the complaints, the respondents consist of a corporation, its secretary-treasurer and its salesman. The corporation manufactures varnish, substitute shellacs, stains, fillers, and kindred products and sells them in interstate commerce to manufacturers of furniture and others.

It is alleged that the salesman has offered and has given to finishers, foremen, and other employees of furniture manufacturers, without the knowledge and consent of the respective employers of said employees, substantial sums of money as inducements to influence said employees to purchase the products of respondent company, to recommend such purchases to said employers, to recommend to said employers the use of respondent company's products, or as promised rewards for having induced such purchases by such employers or for having recommended the use of respondent company's products to such employers." It is further alleged that such payments were made in cash only for purposes of concealment; that the practice has tended to induce and has induced the purchase of respondent company's products, and has tended to and did divert trade from competitors and thereby injured them.

In the second case the respondent company manufactures varnish, paints, shellac, wood fillers, and kindred products and sells them

in interstate commerce. The sales manager or salesman for said company is also made a respondent. The methods employed as alleged are identical with the preceding ease.

Issue has been joined by the filing of answer on the part of the respondents in both cases.

LOTTERY SCHEMES

During the fiscal year the commission issued 25 complaints charging violations of section 5 of the Federal Trade Commission act by use of lottery methods in promoting the sale of various products, including candy, chewing gum, blankets, and merchandise.

In a representative case, it is alleged that respondent, in the course of its business, sells to wholesale dealers and jobbers an assortment of candies consisting of a number of bars of candy of uniform quality, size, and shape, each piece contained within a wrapper. In each piece is a concealed slip of paper on which is printed the retail price thereof. The printed retail prices are 1, 2, 3, 4, or 5 cents, one of which is to be paid by the ultimate consumer and is determined wholly by lot Or chance, but in every case the pieces of candy received are alike.

Respondent is also alleged to furnish a display card informing prospective purchasers that they may procure said candies at from 1 to 5 cents in accordance with the sales plan above described. Said assortments are sold by wholesalers and jobbers to retail dealers who in turn sell the candy according to the plan with the assistance of the display card. It is alleged that respondent thus places in the hands of others the means of conducting a lottery to the prejudice of the public and of respondent's competitors.

In another case the respective parties respondent are engaged in the sale of various articles of merchandise, It is alleged that in selling the merchandise to retail dealers, respondents furnish various devices and plans of merchandising involving a gift enterprise or lottery scheme whereby the distribution of such articles to the ultimate consumers is determined wholly by lot or chance. Said devices consist of punch boards, push boards or fortune boards and similar devices. The punch boards are of various sizes with from 100 to 4,000 holes containing small slips of paper bearing printed numbers, which run consecutively. The slips are so placed that the numbers thereon can not be seen except when punched from the board. Indicated numbers entitle the purchasers to certain articles of merchandise. In some cases the last punch in the board carries a prize. Each punch or slip to the board sells for 5 or 10 cents. Purchasers who get numbers other than those designated as winning numbers, or who do not get the last punch, receive nothing. The articles of mer-

chandise vary in value and each is of greater value than the cost of a punch. The combined value of such articles is much less than the total cost of the punches on the board. The push boards and fortune boards involve substantially the same plan. It is alleged that in the sale of such devices respondent places in the hand of retailers the means of conducting a lottery.

In another case the prizes are blankets and the plan of sale is by punch boards, etc., as in the case last described.

A test case of the group is in course of trial. If an order is issued by the commission, it will undoubtedly reach the courts and result in a decision which will determine whether the practices described are unfair methods of competition and therefore violative of section 5 of the commission statute.

UNFAIR METHODS IN FOREIGN TRADE

Federal trade commission act, section 5, as extended by section 4, export trade act.--The complaint in this case is based on alleged misrepresentation in the sale and exporting of baled newspapers to foreign countries.

It is alleged that respondent corporation represented baled newspapers sold by it to be "clean, overissued newspapers, virtually free from colored supplements or undesirable rubbish," when in fact they were old newspapers containing a substantial percentage of colored supplements or undesirable rubbish.

It is also alleged respondent represented that all disputes or claims arising out of its export business are to be settled by arbitration by the Department of Commerce when in fact no such method of arbitration is provided for by such department. And further, it is charged that respondent's practices are contrary to law and have a tendency to bring American trade into disrepute with the buying public in foreign countries and to divert export trade to respondent from its competitors.

Answer to complaint was filed and the case is pending final hearing before the commission.

PURCHASE OF ENDORSEMENTS

An interesting question is raised by a complaint issued by the commission in April, 1931, in which it is alleged that the respondent therein paid substantial considerations to certain prominent persons for endorsements of its products. It is also alleged that by reason of the payment of such considerations the endorsements do not represent the genuine, voluntary, and unbiased opinion of the endorsers, and that when such endorsements are published the public is misled into giving undue weight to the same and to consider them as being

voluntary, genuine, and unbiased. It is further alleged that such erroneous belief induces the public to purchase respondent's product and that the practice diverts trade to respondent from its competitors in violation of section 5 of the Federal trade commission act.

Answer to the complaint was filed May 15, 1931.

RENOVATED-HAT CASES

During the fiscal year the commission issued 10 complaints involving misleading practices in the sale of renovated hats. The facts, as alleged in these complaints, are practically identical.

In general, it is alleged that the various respondents in the conduct of their respective businesses buy secondhand, old, used, and discarded men's felt hats. Such hats are first thoroughly dry-cleaned. Then they are steamed, ironed, and shaped by respondent. The higher-quality hats are then relined and fitted with new ribbon bands, sweat bands, and size labels. The new relinings and sweat bands bear various trade names and designs. The respondents then sell the hats to jobbers, who in turn sell them to retail dealers for resale to the purchasing public.

It is alleged that the hats when so made over have the appearance of new hats and that there are no markings to indicate that they are secondhand hats which have been renovated and made over; that the hats are sold by jobbers and in turn by retailers without disclosing the fact that they are not new hats. It is further alleged that the cost of renovating and making over the hats is less than the manufacture of new hats of similar quality and that respondents are able to sell them at lower prices than do manufacturers of new hats.

The practices set forth are alleged to induce both dealers and the public to buy the hats in the mistaken belief that they are new hats and to unfairly divert trade to respondent from competitors engaged in the manufacture of new hats.

In one case it is further alleged that the respondents therein sell renovated hats originally made by John B. Stetson Go. and other manufacturers of high-quality hats as and for hats manufactured by John B. Stetson Co., for which renovated hats a higher price is charged than for their regular renovated hats. It is alleged that this practice is unfair to the John B. Stetson Co., as well as to wholesale and retail dealers and to the purchasing public, who are induced to buy such hats and pay a higher price therefor because of the well-known quality of Stetson hats and the representations that said hats were originally made by John B. Stetson Go.

Answer to the complaint has been filed.

MISREPRESENTATION IN ADVERTISING MOTION PICTURES

In April, 1931, the commission issued a complaint based on alleged misrepresentation in the advertising, distribution, and exhibition of a moving-picture film entitled "Ingagi." The respondents are the corporation distributor and four individuals, three of whom are officers of the corporation and the fourth an incorporator.

It is alleged that false and misleading statements have been and are made in advertising the film involved, Which is represented as an authentic African picture taken by a famous explorer and depicting his experiences in Africa when, in fact, there was no such expedition as described and the explorer is a fictitious person.

Moreover, it is alleged that the film was made from cuttings from old films of prior expeditions in Africa supplemented by scenes and events staged and taken in or about Los Angeles.

Many other misrepresentations are alleged, including representations of a nonexistent animal, of actual scenes of gorillas, when, in fact, two were orango-outangs, one was a chimpanzee, and another was a man dressed in a gorilla skin; representation of the giving a native woman to the apes when, in fact, the scene involved was staged and the woman was a Negro woman hired for the purpose in Los Angeles and the gorilla was a man dressed in a gorilla skin. It is alleged that these representations mislead and deceive theater owners as well as the public and result in the film being leased and patronized to the injury of competitors who distribute authentic films.

Answer to the complaint has been filed.

MISREPRESENTATION OF PATENT MEDICINES

A number of complaints were based on misrepresentation in the sale of so-called patent medicines and of various appliances used for the treatment of disease.

A representative case of this kind involves a patent medicine exploited by means of testimonials of users thereof, the statements in which, and deductions therefrom, used by respondent in its advertisements, constitute representations as to therapeutic value which are alleged to be false and misleading, or greatly exaggerated and unwarranted. It is alleged that such endorsers make statements as to their various ailments and of the effects of taking respondent's medicine, when they are not qualified to properly diagnose such ailments or to judge the cause of improvement in their condition, or whether or not their diseases have been eliminated. It is further alleged that respondent makes exaggerated and unwarranted statements as to the therapeutic value of its medicine in connection with the endorsements which are likewise not warranted.

It is alleged that respondent's agents procure endorsements by suggestive questions, and that the writing and rewriting of the same is done by such agents and other representatives of respondent, with the result that it is not the voluntary, unbiased statement of the indorser in his own language, as the public is led to believe.

It is further alleged that respondent represents that its medicine is composed of various ingredients of medicinal or therapeutic value, when in fact many of such ingredients have no known therapeutic value and are not listed in the United States Pharmacopeia. Among the Specific representations of respondent alleged to be misleading and unwarranted are those stating that respondent's medicine is generally a remedy for diseases of the stomach, liver, kidneys, and bowels, and for rheumatism, neuritis, and nervousness.

Issue has been joined by the filing of answer to the complaint.

OTHER TYPES OF MISREPRESENTATION

While the case reviewed concerns a patent medicine, it is worthy of note that it is only one of a total of 73 complaints issued during the year that involve misrepresentation, ranging from misleading Statements to actual fraud. These cases include a wide range of commodities and businesses, among which are alfalfa seed, merchandise, blankets, nitrogen-fixing bacteria, jewelry, electric belts, writing paper, correspondence courses, men's furnishings, medicines, books, furniture, fabrics, roofing nails, watches, silver polish, paint, renovated hats, flavoring extracts, nuts, chinaware, hairdye, knitted fabrics, stockings, ladies' coats, lead pencils, fence wire, rupture appliances, automobile accessories, moving-picture films, piece goods, malt sirup, fertilizer, manicure sticks, watchcases, silverware, stock remedies, and a direct-by-mail System of treatment of diseases.

ORDERS TO CEASE AND DESIST

ONE HUNDRED AND EIGHT ORDERS ARE ISSUED IN FISCAL YEAR

The commission issued orders to cease and desist in 108 cases during the year. They all covered violations of section 5 of the Federal trade commission act relating to unfair methods of competition. In one of these cases the order was also based on violations of section 3 of the Clayton Act.

As in past years, respondents upon whom the commission served orders to cease and desist have, in a great many cases, accepted their terms and filed reports with the commission signifying compliance therewith.

The orders to cease and desist issued during the year are listed as follows:

Orders to cease and desist issued during the year

[For details, see p.153]

Respondent	Location	Method of competition
Algoma Lumber Co	Klamath Falls, Oreg	False and misleading advertising; passing off of goods.
Allegheny Tube & Steel Co., et al.	St. Louis	Falsely claiming to be manufacturer; using numerous trade names simulating names of well-known firms in a similar business; using fictitious names and addresses; concealing ownership of alleged independents and instituting spurious competition; selling old goods as new.
Alter & Co., et al	Chicago	False and misleading advertising; quoting regular prices as special, reduced prices.
American Business Builders (Inc.), et al.	New York City	False and misleading advertising; receiving secret commissions from employers of graduate students; publishing endorsements secured in a contest for prizes; quoting excessive sums as profits that students will realize.
American Poultry School, et al	Kansas City, Mo	False and misleading advertising; quoting regular prices as special, reduced prices.
Amusement Novelty Supply Co.	Elmira	Passing off of goods; false and misleading advertising falsely claiming indorsement of government.
Arnold Stone Co. (Inc)	Jacksonville	False and misleading advertising; passing off of goods
Artloom Rug Mills	Philadelphia	Misbranding, passing off of goods.
Ben-Burk (Inc.)	Boston	Misbranding falsely claiming to be importer.
Big Lakes Box Co	Klamath Falls, Oreg	False and m loading advertising; passing off of goods
Black & Co., Frank W., et al	Oakland, Calif	Representing process-printing as engraving.
Bradley Boston (Inc.)	Newton, Mass	False and misleading advertising; falsely claiming to be manufacturer.
Braymill White Pins Co	Braymill, Oreg	False and misleading advertising; passing off of goods
Breece Lumber Co.,George E	Albuquerque, N.Mex	Do.
Cady Lumber Corporation	do	Do.
California Door Co	Diamond Spring, Calif.	Do.
California Fruit Exchange	Sacramento, Calif	Do.
California-Oregon Box & Lumber Co.	Ashland, Oreg	Do.
California Preserving Co.(Inc.)	New York City	Falsely claiming to he manufacturer.
Canada's Pride Products Co (Inc.).	do	Misbranding; false and misleading advertising

Orders to cease and desist issued during the year--Continued

[For details, see p.1531

Respondent	Location	Method of competition
Castle Crag Lumber Co	Castella, Calif	False and misleading advertising; passing off of goods
Cheri	Chicago	Using fictitious names to represent employees; falsely claiming to be manufacturer; misrepresenting standing and capacity of establishment.
Cherokee Mills, et al	Nashville	Falsely claiming to be manufacturers; misrepresenting capacity and equipment of establishment.
Chiloquin Lumber Co	Chiloquin, Oreg	False and misleading advertising; passing off of goods
Clicquot Club Co	Millis, Mass	False and misleading advertising; misbranding.
Clover Valley Lumber Co	Reno, Nev	False and misleading advertising; passing off of goods
Collodial Chemists	New York City	Misrepresenting therapeutic value; publishing fictitious endorsements
Cooke School of Electricity, L. L.	Chicago	False and misleading advertising; quoting regular prices as special reduced prices; falsely claiming giving of gratuities; falsely representing conditions under which refunds are given.
Cooperative Book Co	Lamar, Mo	Quoting regular prices as special reduced prices; falsely claiming giving of gratuities; using fictiatious endorsements; representing old publications as being of recent compilation falsely representing that certain well-known educators are collaborators.
Coty (Inc.)	New York City	Enforcing maintenance of specified resale prices; refusing to sell.
Curtiss Candy Co	Chicago	Do.
Davies-Johnson Lumber Co	Calpine, Calif	False and misleading advertising; passing off of goods
De Bestt Chemical Co	Chicago	Passing off of name and goods; false and misleading advertising.
Diamond Match Co	Chico, Calif	False and misleading advertising; passing off of goods
Diel Watch Case Co. (Inc.)	New York City	Misbranding; false and misleading advertising.
Domino House (Inc.), et al	Philadelphia	Quoting regular prices as special, reduced prices; falsely claiming giving of gratuities.
Ernstberger & Co., H	New York City	False and misleading advertising; misbranding.
Ewauna Box Co	Klamath Falls, Oreg	False and misleading advertising; passing off of goods
Fayro Laboratories (Inc.)	Pittsburgh	Misbranding; false and misleading advertising; misrepresenting therapeutic value.
Feather River Lumber Co	Delleker, Calif	False and misleading advertising; passing off of goods
Flynn & Enrich Co	Baltimore	Threatening litigation in bad faith.
Forest Lumber Co	Kansas City, Mo	False and misleading advertising; passing off of goods
Fruit Growers Supply Co	Los Angeles	Do.
Golden Seal Fur Dyeing Co. (Inc.) et al.	Brooklyn, NY	Misbranding.
Grand Rapids Upholstering Co.	New York City	Falsely claiming to be manufacturer; quoting regular prices as wholesale prices; misrepresenting where products are manufactured.
Gropper & Sons (Inc.), M. J	do	Misbranding; false and misleading advertising.
Higgins & Co. (Inc.), William	do	Representing imported goods as domestic products; appropriating trade quality marks of competitors; misbranding; passing off of goods.
Hobart Estate Co	San Francisco	False and misleading advertising; passing off of goods
Kemper Silk Co. (Inc.)	New York City	Misbranding; false and misleading advertising.
Kesterson Lumber Co	Dorris, Calif	False and misleading advertising; passing off of goods
KIamath Lumber & Box Co	Klamath Falls, Oreg	Do.
Kromo Plate Corporation	New York City	False and misleading advertising; misbranding.
La Lasine International (Inc.)	do	False and misleading advertising; misbranding; falsely claiming to be importer; misrepresenting therapeutic value; falsely claiming indorsement of Government.
Lamm Lumber Co	Modoc Point, Oreg	False and misleading advertising; passing off of goods
Lassen Lumber & Box Co	San Francisco	Do.
Liederman, Earle E	New York City	Quoting regular prices as special, reduced prices;

falsely claiming to give individual instruction.

Orders to cease and desist issued during the year--Continued

[For details, see p.153]

Respondent	Location	Method of competition
Likely Lumber Co	Likely, Calif	False and misleading advertising; passing off of goods
Lomax Rug Mills	Philadelphia	False and misleading advertising; falsely claiming to be manufacturer.
Long-Bell Lumber Co	Kansas City, Mo.	False and misleading advertising; passing off of goods
Madison Laboratories (Inc.), Doctor Rodney, et al.	Indianapolis	False and misleading advertising; misrepresenting therapeutic value.
Manchester Shoe Co., et al	Chicago	False and misleading advertising; misrepresenting equipment of establishment; falsely claiming to be manufacturer; falsely claiming products are custom made.
McCloud River Lumber Co	Minneapolis	False and misleading advertising; passing off of goods
Mercerizes Association of America et al.	Washington, D. C	Enforcing maintenance of specified resale prices.
Milo Bar Bell Co	Philadelphia	Misrepresenting therapeutic value.
Mineral Coal Saver Co. et al	Omaha	False and misleading advertising.
Motor Snap Co. et al	Providence	Do.
Murray School of Dancing, Arthur.	New York City	Quoting regular prices as special, reduced prices; falsely claiming Government indorsement.
Nashville Roller Mills et al	Nashville	Falsely claiming to be manufacturer.
Nestle Co., C., et al	New York City	Using secretly controlled publication to exploit inventions to the disparagement of those of competitors.
Noma Electric Corporation	do	Selling below cos to suppress competition.
Norton Institute	Denver	Publishing fictitious endorsements; inserting fictitious "want ads" quoting regular prices as special, reduced prices.
NuGrape Co. of America	Atlanta	Misbranding; false and misleading advertising.
Owen-Oregon Lumber Co	Medford, Oreg	False and misleading advertising; passing off of goods
Ozment's Instruction Bureau	St. Louis	False and misleading advertising; misrepresenting eligibility for positions; falsely claiming to refund tuition if positions are not secured.
Paradise Lumber Co	Paradise, Calif	False and misleading advertising; passing off of goods
Pelican Bay Lumber Co	Klamath Falls, Oreg	False and misleading advertising; passing off of goods
Penick & Ford Sales Co. (Inc.) et al	New Orleans	Entering into exclusive dealing contracts; maintaining 100 per cent policy; refusing to sell.
Penman Peak Lumber Co	Blairaden, Calif	False and misleading advertising; passing off of goods
Perfect Voice Institute, et al	Chicago	False and misleading advertising; quoting regular prices as special reduced prices; falsely claiming giving of gratuities.
Peterson Institute of Diet	Washington, D. C	Misrepresenting therapeutic value.
Pickering Lumber Co	Kansas City, Mo	False and misleading advertising; passing off of goods
Pro-phy-lac-tic Brush Co	Florence, Mass	Enforcing maintenance of specified resale prices; refusing to sell.
Quincy Lumber Co	Quincy, Calif	False and misleading advertising; passing off of goods
Red River Lumber Co	San Francisco	False and misleading advertising; passing off of goods
Royal Baking Powder Co	New York City	Disparaging competitors' products; false and misleading advertising; falsely claiming approval of Federal Trade Commission.
Royal Mi lung Co., et al	Nashville	Falsely claiming to be manufacturer.
Rubber City Paint Co., et al.	Cleveland	False and misleading advertising; falsely claiming to be manufacturer.
Shainin & Co.,	New York City	Passing off of goods; false and misleading advertising.
Shaw Bertram Lumber Co	Klamath Falls, Oreg	False and misleading advertising; passing off of goods
Shure Co , N	Chicago	Misbranding of goods; false and misleading advertising
Singer & Bro. (Inc.), a et al.	Philip Newark	Misbranding.

Siskiyou Lumber Co	Mount Hebron, Calif.	False and misleading advertising; passing off of goods
Snell Milling Co., et al	Nashville	Falsely claiming to be manufacturer.
Spanish Peek Lumber Co	San Francisco	False and misleading advertising; passing off of goods
State Milling Co., et al	Nashville	Falsely claiming to be manufacturer.
Strauss Bros. Wholesale Tailors (Inc.), et al.	New York City	False and misleading advertising; falsely claiming to be a manufacturer; falsely claiming that clothing is made to order.

Orders to cease and desist issued during the year--Continued

[For details, see p.153]

Respondent	Location	Method of competition
Sugar Pine Lumber Co	Pinedale, Calif	False and misleading advertising; passing off of goods
Swayne Lumber Co	Oroville, Calif	Do.
Tarbell System (Inc.), et al.	Chicago	False and misleading advertising; quoting regular prices as special, reduced prices.
Tennessee Grain Co., et al	Nashville	Falsely claiming to be manufacturer.
Titus Institute (Inc.), et al	New York City	False and misleading advertising; falsely claiming giving of gratuities.
Tomlin Box Co	Medford, Oreg	False and misleading advertising; passing off of goods.
Vandeweghe, Adiel, et al	New York City	Misbranding.
Vit-O-Net Corporation	Chicago	Misrepresenting therapeutic value; publishing fictitious endorsements
Wautaga Milling Co., et al	Nashville	Falsely claiming to be manufacturer.
Western Tanning Co	Omaha	Falsely claiming to be manufacturer; false and misleading advertising.
Wetchler & Sons, L., et al	New York City	Misbranding; false and misleading advertising.
White Pine Lumber Co	Bernolillo, N. Mex	False and misleading advertising; passing off of goods.

REPRESENTATIVE CASES RESULTING IN ORDERS

A number of representative cases resulting in orders to cease and desist issued during the fiscal year are described below. Unless otherwise indicated these orders pertain to violations of the Federal Trade Commission act.

TYING AGREEMENT PLAN

Penick & Ford (*Ltd.*) (*Clayton Act, Sec. 3; Federal Trade Com mission act, sec. 5*).--One of the respondents in this proceeding manufactures sirups, molasses, and other corn products, with packing plants in Alabama, Louisiana, Iowa, and Vermont. Its entire output is Sold and distributed by another respondent, the Penick & Ford Sales Co., to Wholesale and retail grocers throughout the Southern States. The sales company is the largest "packer-seller" of cane sirup, and one of the two largest of canned Sirups in Mississippi, Louisiana, Arkansas, and Texas. It is the only "packer-seller" of a complete line of canned cane, corn, and blended sirups and molasses in the Southern States.

The facts with respect to the charges in the complaint were settled by stipulation without trial. The commission found the sales company had adopted and used throughout a period of some three years prior to its investigation a so-called "100 per cent sales policy," under which it refused to afford jobber-customers assistance in making sales to retail dealers (customary in the marketing of canned sirups and molasses) unless such jobbers discontinued dealing in competitive products. According to the findings, this policy resulted, among other things, in affording numerous competitive advantages and greater profits to wholesale grocers dealing in respondents' prod-

ucts and operating under such policy than to those who did not subscribe to it, the commission Concluding that the practices used in connection with the policy in question substantially and dangerously lessened and hindered competition in certain localities in the sale and distribution of canned sirups and molasses, to the injury and prejudice of the public; and that they were violative of both section 3 of the Clayton Act and section 5 of the Federal Trade Commission act.

The complaint against the manufacturer was dismissed on the ground that it was not engaged in interstate commerce. The order runs against the sales company only and commands it to cease and desist from the so-called 100 per cent sales policy and from declining or refusing to afford or extend its sales assistance or cooperation to any of its customers or prospective customers upon the ground that such customers have failed, refused, or neglected to deal in the canned Sirups or molasses of respondents to the exclusion of competitive products.

RESALE-PRICE MAINTENANCE

Pro-phy-lac-tic Brush Co.--Typical of the commission's orders prohibiting maintenance of fixed resale prices is the one issued against Pro-phy-lac-tic Brush Co., engaged in the manufacture and sale of toothbrushes. To the charges in the complaint, respondent filed a pleading to the effect that it Would not contest the proceeding and consented to an order to cease and desist from the violation of law alleged.

As alleged and found by the commission, respondent enforced a merchandising system adopted by it in cooperation with a selected number of jobbers and dealers, by which it fixed and required the maintenance of specified uniform prices at which its toothbrushes should be sold. To enforce adherence to the resale prices and to prevent dealers from selling the brushes to the purchasing public at lower prices, respondent employed the following means:

It entered into contracts, agreements, and understandings with jobbers and retailers to maintain and resell at the uniform prices which respondent fixed as a condition to supplying or continuing to supply such dealers with its toothbrushes;

Procured and induced groups of competing dealers in given localities to agree among themselves and with respondent to maintain the fixed resale prices specified;

Sought and secured from dealers information concerning other dealers who were not selling at such fixed prices and used the information to induce and coerce such dealers to discontinue selling the brushes at lower prices and to maintain and sell at the prices fixed by respondent; and

Cut off the supplies of toothbrushes to dealers who had cut or lowered their prices below those specified by respondent, until such dealers gave respondent satisfactory promises and assurances that they would, in the future, sell at the uniform fixed prices.

The commission found that the effect and results of the practices were to suppress competition among dealers in Pro-phy-lac-tic tooth-brushes, and to deprive the purchasing public of the advantages in price which otherwise they would obtain from a natural and unobstructed flow of commerce in such brushes under methods of free competition. An appropriate order accordingly was entered.

SELLING GOODS BELOW COST

The Noma Electric Corporation manufactures and sells Christmas-tree lighting outfits and similar products, in which business it occupies a dominant position. It was charged with selling certain outfits at prices less than the cost of manufacture, with the effect of unduly hindering, restraining, and suppressing competition.

Respondent filed a pleading waiving hearing and refraining from contesting the proceeding. Thereupon, the commission issued an order directing it to "cease and desist from selling, or offering for sale, in interstate commerce, extension or nonextension Christmas-tree lighting outfits * * * at any price which is less than the cost to said respondent of manufacturing said Christmas-tree lighting outfits, with the intent, purpose, and effect of hindering, sup-pressing, and stifling competition in the manufacture and sale of decorative Christmas-tree lighting outfits, and of injuring and destroying the business of its competitors."

PRICE FIXING COMBINATION

Mercerizes Association of America.--Respondents in this case consist of the trade association, Mercerizes Association of America, its officers and members.

As the name signifies, the industry involved is concerned with manufacturing, mercerizing, and processing plied cotton yarns and selling such yarns to manufacturers of hosiery, underwear, and other garments. Respondent companies have plants or offices in Illinois, Pennsylvania, North Carolina, and Tennessee and they occupy a dominant position in the industry.

An agreed statement of facts was entered into in lieu of testimony, upon which the commission found, among other things, that the respondents had entered into an understanding, combination, or conspiracy to suppress competition in the sale and distribution of yarns by agreeing to fix and maintain uniform prices, terms, dis-

counts, and other charges, by enforcing and maintaining such prices and other charges, and exchanging price information; and that in carrying out this program they held meetings at which such prices and other charges were agreed upon, and such matters as the cost of raw yarns, methods of stabilizing the price of mercerized cotton yarns, price cutting and guaranty against decline in prices, were discussed.

The commission further found that the practices in question had the result of substantially lessening, restricting, and suppressing competition, and tended to enhance prices above those which would have prevailed under normal and open competition, to the prejudice of the public and competitors; and ordered respondents to cease and desist from--

Agreeing among themselves or with each other in any way to fix uniform prices, terms, and discounts at which mercerized plied cotton yarns are sold, and uniform extra charges for processing by gassing, bleaching, and tinting; and from--

Cooperating with each other in the enforcement and maintenance of such fixed prices, terms, discounts, and charges.

TYPES OF MISREPRESENTATION

MISBRANDING OF RUGS

Artloom Corporation, the respondent, trading as Artloom Rug Mills, manufactures, among other products, certain rugs or floor coverings which it sells in interstate commerce under the name "Bagdad Seamless Jacquard Wilton," and to which it refers to in advertisements as Wilton rugs. It was charged that the rugs were not in fact Wilton rugs according to the true meaning of that term.

The respondent filed an answer; evidence was taken and after final hearing, the commission made detailed findings of fact. It found, among other things: That the rugs in question were not Wilton rugs; that in Wilton rugs "each yarn, which in the process of weaving becomes an element in producing the design, is dyed in the skein, one color throughout its entire length"; and that, in the respondent's rugs, this is not the case; that, while the pattern is not so clear cut in respondent's rugs as in genuine patterned Wilton rugs, yet the main differences between the rugs is not apparent to the eye except upon dissection by cutting and unraveling; that respondent's rugs sell generally for lesser prices than genuine Wilton; and that the use by respondent of the word " Wilton,"' as applied to its rugs, has the capacity and tendency to deceive and does deceive retailers and ultimate purchasers into the belief that they are purchasing genuine Wilton rugs.

Accordingly, an order was issued directing respondent to cease and desist from:

Using the word "Wilton" in describing, designating, or labeling any rug fabric on the surface of which is displayed a design or pattern in two or more colors, which is of the same weave construction as the "Bagdad Seam less Jacquard Wilton" rug fabric now manufactured by respondent, or which is of a weave construction in which the warp pile yarns, when not required at the surface for the said design or pattern, are not carried in the sub-surface structure of the fabric;

Using the word "Wilton" in describing, designating, or labeling any plain unpatterned 1-colored rug fabric of such a weave construction that the warp or pile yarns are not carried into the subsurface structure of the fabric in addition to the usual stuffer warps.

MISDESCRIPTION OF BUSINESS

Flour Milling Cases.--In seven cases, orders to cease and desist were issued against a total of 17 individuals and two corporations doing business under one or more of the following names: Royal Milling Co., Richland Milling Co., Empire Milling Co., Tennessee Grain Co. and Tennessee Milling Co., Nashville Roller Mills, Snell Milling Co., Watauga Milling Co., Modern Milling Co., F. J. McCarthy Milling Co., Southern Flour Mills, Star Mills, State Milling Co., Myracle Milling Co., and Cherokee Mills.

Each concern is engaged in purchasing flour from various mills throughout the United States and mixing such flour on its own premises, sometimes with phosphate only, and at other times with salt, soda, and phosphate--which makes the flour ready for use without the addition of baking powder and gives it the name of "self-rising" flour. The various concerns then pack the flour in bags under brands of their respective trade or corporate names and sell it to dealers throughout the various States, particularly the Southeastern States.

In the complaints by which the proceedings were instituted, it was charged that the representations inherent in respondents' trade or corporate names, and others to the effect that they are "manufacturers of flour" and are milling companies or mills engaged in the manufacture of flour and the sale thereof direct from miller or manufacturer to purchaser, are false and misleading.

Answers filed by respondent denied the charge. Trial was had and a large amount of evidence adduced. Upon the entire record, the commission found that respondents are not in fact flour millers or manufacturers of flour and do not have the equipment or other facilities for the manufacture or milling of flour; that the representations as alleged are false and misleading and result in injury to the public and competitors who actually do mill or manufacture flour as well as to those who mix or blend flour as do respondents but who do not indulge in such misrepresentations.

The commission also concluded that the practices constituted an unfair method of competition prohibited by the trade commission act. Accordingly final orders were entered commanding respondents to cease and desist in the course of interstate commerce from using the word " Milling or " Mills " or any words of like import, in their names, and from otherwise representing that they are manufacturers of flour or are selling flour direct from manufacturer to purchaser, unless and until they actually own and operate or directly and absolutely control a factory or mill wherein the flour is made by grinding or crushing the wheat berry, which is essential to the manufacture of flour.

The respective respondents to one of the orders have filed a petition for review which is now pending in the United States Circuit Court of Appeals for the Sixth Circuit. This is referred to later under the discussion relative to court cases (Royal Milling Co.). page 92.

MISDESCRIPTION OF PRODUCT

"*White Pine*" *Cases.*--This is a group of 50 cases in which complaints issued by the commission charged respondents with practicing an unfair method of competition in interstate commerce by falsely and deceptively using the phrase "White Pine" as part of such trade designations as "California White Pine," "Arizona White Pine," "New Mexico White Pine" and "Western White Pine" for a species of yellow pine known as Pinus ponderosa.

The respondents are lumber manufacturers in California, southern Oregon, Arizona, New Mexico and Nevada. Upon the charges in the complaints, issue was raised by the filing of answers. In the interest of economy and for the avoidance of a multiplicity of hearings, the cases were tried as a consolidated proceeding.

Of the 50 complaints, 11 were dismissed before trial or subsequently. Against the remaining 39, the commission, after hearing, entered orders to cease and desist. These orders are based upon findings to the effect that the lumber to which respondents apply the term "California White Pine," etc., is not, as above stated, white pine, but a species of yellow pine; that the latter is inferior for certain important uses; has a higher degree of variableness in such qualities as hardness, weight, density, and color; has a large proportion of sapwood; is less durable when exposed to the weather; has a greater tendency toward shrinking, warping, and twisting and is excelled by true white pine in softness of texture, freedom from resinous content, in paleness of color, lightness of weight, ease of working, and ability to hold nails close to the edge, and to take paint.

True white pine for generations has been the leading softwood of the country. Many ancient buildings constructed from this lumber

from 1636 to 1780 are still in use and in a high state of preservation. It has long held an excellent reputation among the consuming public, and is in great demand, having an annual production of some 1,600,000,000 board feet.

The commission further found that respondents' use of the phrase "White Pine" as part of their trade terms for ponderosa lumber was misleading and confusing to the general public, to architects and builders, to many retail dealers, and to certain of the millwork manufacturers; and that their use of this phrase was to the detriment of the public and of competitors selling genuine white pine or selling Pinus ponderosa lumber without designating it as "White Pine."

The orders forbade the use of the word "white" in connection, combination, or conjunction with the word "pine" or in connection with any other word or words used in combination or conjunction with the word "pine," e. g., "California White Pine," "Arizona White Pine," "New Mexico White Pine," "Western White Pine."

MISCELLANEOUS MISREPRESENTATIONS

In addition to the foregoing, a large number of the orders issued during the fiscal year require the respective respondents to cease and desist from various forms of misrepresentations found by the commission to constitute unfair methods of competition in interstate commerce. The practices prohibited by the orders involve misbranding or misrepresentations in relation to such things as rabbit skins or furs, electric medical devices, correspondence courses, books; shoes, bath salts, soft drinks, rugs, electric blankets, fabrics, reducing remedies, stationery, automobiles, a so-called coal saver, malt Sirup, marbles, canned food, liquid roof coating, novelties, beads, ginger ale, blankets, paint, hair-waving machines, leather, antiseptics, jewelry, pipe couplings, toilet preparations, furniture, cloth, building- material, nuts; watch cases, men's suits, and a preparation for treating gasoline.

DISMISSALS

"PHILIPPINE MAHOGANY" COMPLAINT AMONG 50 CASES ORDERED DISMISSED

Fifty complaints were disposed of during the year by dismissal of the charges therein. Among representative cases of this character was the dismissal, June 30, 1931, of the complaint against Gillespie Furniture Co., Los Angeles, involving the sale of wood labeled "Mahogany" or "Philippine Mahogany."

The Gillespie Furniture Co. was charged with selling " as and for mahogany, household and office furniture made of woods other

than mahogany but resembling mahogany in general appearance." In its advertisements, circular letters, price lists, and general trade literature, the company was said to have represented its furniture as being " Mahogany," " Philippine Mahogany," and other purported species and kinds of mahogany.

Chairman Hunt and Commissioner McCulloch dissented to the action of the commission in dismissing this complaint, Commissioner McCulloch filing a memorandum of dissent.

The commission later (November 7, 1931) dismissed complaints charging 14 companies with various misapplications of the word " mahogany." The dismissals were ordered on the basis of the signing by respondents of a stipulation, which was worded as follows:

> Respondent hereby stipulates and agrees that in its sale, description, and advertisement of the wood (if the Philippine Islands which it has heretofore designated and described as "Philippine mahogany" and articles of commerce made therewith, it will not employ the word "mahogany" in connection with the sale of said wood without the modifying term "Philippine."

The companies affected by the dismissal order are: Sea Sled Corporation, New York; Louis Bossert & Sons, (Inc.), Brooklyn; Black & Yates (Inc.), New York; Pacific Door & Sash Co., Los. Angeles; Carl Wendelstein & Co., Boston; Frank Paxton Lumber Co., Kansas City; Chicago Warehouse Lumber Co., Chicago; Western Hardwood. Lumber Co., Los Angeles; E J. Stanton & Son, Los Angeles;. Cadwallader-Gibson Co. (Inc.), San Francisco; Matthews Company (Inc.), Port Clinton, Ohio; Dart Boats (Inc.), Toledo, Ohio; Boyd-Martin Boat Co., Delphi, Ind.; and Gillespie Furniture Co., and others, Los Angeles.

Dismissal of the second Gillespie Furniture Co. matter, November 7; involved a complaint against Gillespie Furniture Co., Los Angeles, a corporation, and Furniture Corporation of America (Ltd.), Portland, Oreg., Successor to Gillespie Furniture Co. The earlier complaint (June 30, 1931) was directed against F. H. Gillespie, M. L. Gillespie, and A. F. MacDougall, copartners trading as Gillespie Furniture Co. Los Angeles. Both complaints charged alleged improper labeling of woods in employing the word "mahogany."

Commissioner Edgar A. McCulloch dissented to the action of the majority.

Digests of all cases disposed of by dismissal during the fiscal year will be found beginning on page 164.

TYPES OF UNFAIR COMPETITION

PRACTICES CONDEMNED IN ORDERS TO CEASE AND DESIST ARE LISTED

The following partial list shows unfair methods of competition condemned by the commission from time to time in its orders to cease and desist.[1]

The use of false or misleading advertising, calculated to mislead and deceive the purchasing public, to their damage and to the injury of competitors.

Misbranding of fabrics and other commodities respecting the materials or ingredients of which they are composed, their quality, purity, origin, or source, and selling them under such names and circumstances that the purchaser would be mislead in said respects.

Bribing buyers or other employees of customers and prospective customers' without the latter's knowledge or consent, to secure or hold patronage.

Procuring the business or trade secrets of competitors by espionage or by bribing their employees, or by similar means.

Inducing employees of competitors to violate their contracts or enticing away employees of competitors in such numbers or under such circumstances as to hamper or embarrass said competitors in the conduct of their business.

Making false or disparaging statements respecting competitors' products, their business, financial credit, etc.

Widespread threats to the trade of suits for patent infringement arising from the Sale of alleged infringing products of competitors, such threats not being made in good faith but for the purpose of intimidating the trade, and hindering or stifling competition.

Trade boycotts or combinations of traders to prevent certain wholesale or retail dealers or certain classes of such dealers from procuring goods at the same terms accorded to the boycotters or conspirators, or to coerce the trade policy of their competitors or of manufacturers from whom they buy.

Passing off goods or articles for well and favorably known products of competitors through appropriation or simulation of such competitors' trade names, labels, dress of goods, etc., with the capacity and tendency unfairly to divert trade from said competitors, and/or with the effect of so doing to their prejudice and injury and that of the public.

Selling rebuilt second-hand, or old products as and for new.

Paying excessive prices for supplies for the purpose of buying up same and hampering or eliminating competition.

1 Clayton Act violations under the commission's jurisdiction include, subject to the various provisions of the statute concerned, price discrimination (sec. 2. See p. 189 of this report) tying and exclusive contracts or dealings (see sec. 3 at p. 189), corporate stock acquisitions (see sec. 7 fit p.139), and interlocking directorates (see sec. S at p. 140).

Using concealed subsidiaries, ostensibly independent, to secure competitive business otherwise unavailable.

Using merchandising schemes based on lot or chance.

Cooperative schemes and prices for compelling wholesalers and retailers to maintain resale prices, fixed by the manufacturer for resale of his product.

Combinations or agreements of competitors to enhance prices, maintain prices, bring about substantial uniformity in prices, or to divide territory or business, to cut off competitors' sources of supply, or to close markets to competitors, or otherwise restrain or hinder free and fair competition.

Various schemes to create the impression in the mind of the prospective customer that he is being offered an opportunity to make a purchase under unusually favorable conditions when such is not the case, with capacity and tendency to mislead and deceive many of the purchasing public into buying products involved in such erroneous belief, and/or with effect so to do, to the injury and prejudice of the public and of competitors; such schemes including--

(1) Sales plans in which the seller's usual price is falsely represented as a special reduced price made available on some pretext for a limited time or to a limited class only.

(2) The use of the "free" goods or service device to create the false impression that something is actually being thrown in without charge, when, as a matter of fact, fully covered by the amount exacted in the transaction taken as a whole.

(3) Use of misleading trade names calculated to create the impression that a dealer is a manufacturer selling directly to the consumer with corresponding savings.

(4) Use of pretended exaggerated retail prices in connection with or upon the containers of commodities intended to be sold as bargains at lower figures.

Subsidizing public officials or employees through employing them or their relatives under such circumstances as to enlist their interests in situations in which they will be called upon by virtue of their official position to act officially, making unauthorized changes in proposed municipal bond issues, corrupting public officials or employees, and forging their signatures, and using numerous other grossly fraudulent, coercive, and oppressive practices in dealing with small municipalities.

Imitating or using standard containers customarily associated in the mind of the general purchasing public with standard weights or quantities of the product therein contained, to sell to said public such commodity in weights or quantities less than the aforementioned standards, with capacity and tendency to deceive the purchasing public into believing that they are purchasing the quantities gen-

erally associated with the standard containers involved, and/or with the effect of so doing, and with tendency to divert trade from and otherwise injure the business of competitors who do not indulge in such practices and/or with the effect of so doing, to the injury of such competitors and to the prejudice of the public.

Concealing business identity in connection with the marketing of one's product, or misrepresenting the seller's relation to others, e. g., claiming falsely to be the agent or employee of some other concern, or failing to disclose the termination of such a relationship in soliciting customers of such concerns, etc.

Misrepresenting in various ways the advantages to the prospective customer of dealing with the Seller; with the capacity and tendency to mislead and deceive many among the consuming public into dealing with the person or concern so misrepresenting, in reliance upon such supposed advantages and to induce their purchases thereby, and/or with the effect of so doing, to the injury and prejudice of the public and of competitor such as--

(1) Seller's alleged advantages of location or size.

(2) False claims: of being the authorized distributor of some concern.

(3) Alleged indorsement of the concern or product by the Government or by nationally known businesses.

(4) False claim by a dealer in domestic products of being an importer, or by a dealer of being a manufacturer, or by a manufacturer of some product, of being also the manufacturer of the raw material entering into said product.

(5) Being manufacturer's representative and outlet for surplus stock sold at a sacrifice, etc.

Use by business concerns associated as trade organizations or otherwise of methods which result or are calculated to result in the observance of uniform prices or practices for the products dealt in by them, with consequent restraint or elimination of competition, such as use of various kinds of so-called standard cost systems, price cost or guides, exchange of trade information, etc.

Securing business through undertakings not carried out and through dishonest and oppressive devices calculated to entrap and coerce the customer or prospective customer, with the result of deceiving the purchasing public and inducing purchases by many thereof, and of diverting and tending to divert trade from competitors who do not engage in such false, misleading, and fraudulent representations, all to the prejudice and injury of the public and competitors; such kind of practices; including-

(1) Securing by deceit prospective customer's' signature to a contract and promissory note represented as simply an order on approval; securing agents to distribute the seller's products through

promising to refund the money paid by them should the product prove unsatisfactory; and through other undertakings not carried out.

(2) Securing business by advertising a " free trial" offer proposition, when, as a matter of fact, only a " money back" opportunity is offered the prospective customer.

Giving products misleading names, so as to give them a value to the purchasing public or to a part thereof which they would not otherwise possess, with the capacity and tendency to mislead the public into purchasing the products concerned in the erroneous beliefs thereby induced, and with the tendency to divert and/or with the effect of diverting business from and otherwise injuring and prejudicing competitors who do not engage in such practices all to the prejudice of the public and of competitors, such as--

(1) Names implying falsely that the particular products so named were made for the Government or in accordance with its specifications and of corresponding quality, or are connected with it in some way, or in some way have been passed upon, inspected, underwritten, or indorsed by it; or

(2) That they are composed on whole or in part of ingredients of materials, respectively, contained only to a limited extent or not at all; or

(3) That they were made in or came from some locality famous for the quality of such products; or

(4) That they were made by some well and favorably known process, when, as a matter of fact, only made in imitation of and by a substitute for such process; or

(5) That they have been inspected, passed, or approved after meeting the tests of some official organization charged with the duty of making such tests expertly and disinterestedly or giving such approval; or

(6) That they were made under conditions or circumstances considered of importance by a substantial part of the general purchasing public; etc.

Selling below cost, with the intent and effect of hindering, stifling, and suppressing competition.

Dealing unfairly and dishonestly with foreign purchasers and thereby discrediting American exporters generally, with effect of bringing discredit and loss of business to all manufacturers and business concerns engaged in and/or seeking to engage in export trade, and with the capacity and tendency so to do, to the injury and prejudice of the public and of said offending concerns' export-trade competitors.

"Block booking," or the practice by dominant or key producers of offering their productions on an " all or none" basis, and thereby limiting or restricting competitors' access to market.

COURT CASES

MATTERS IN WHICH ACTION WAS TAKEN ARE PRESENTED

The number of court proceedings in which the Federal Trade Commission has been involved during the year, as well as a cumulative showing of this work throughout the commission's life, will be found in the statistical tables on pages 99 to 103 of this report.

Cases pending in the Federal courts during the year, in connection with which action was taken, are described as follows in alphabetical order:

[United States circuit courts of appeals are designated First Circuit, Second Circuit, etc.]

Arnold Stone Co.: The corporation of this name, January 24, 1931, filed with the Fifth Circuit (New Orleans) its petition to review and set aside the commission's order. The findings of the commission were to the: effect that the company advertised and sold a composition product, consisting, for the most part, of crushed stone and Portland cement, as "stone," "cast stone," "cut cast stone," "pink marble" and similar designations; and the' order directed the cessation of this practice.

The printed transcript was filed March 13; and, on April 4 the petitioner moved the court for an order directing the commission to file its trial examiner's report, as a part of the record. The commission, in line with its accepted practice of considering this report as a confidential document for office use only, opposed the motion, and the court denied it April 6.

Briefs for the petitioner, and the commission were filed April 13 and April ,25, respectively, and the case was argued on the merits, April 29.

On May 25, 1931 (49 F. (2d) 4017), the court set aside the corn-mission's order, saying:

The sum and substance of all the evidence was that the words "cast stone" were understood by petitioner's prospective customers and by its competitors to mean just such a product as petitioner manufactured and sold. None of them understood that by the use of those words it was intended to describe stone in its natural state. In the building 'trade,' in which it is exclusively used, cast stone has come to mean a genuine manufactured article composed of crushed natural stone and cement; and to qualify it by the word "imitation" or "artificial," as required by the commission's order, would convey the meaning that it was not a genuine manufactured article. But to sustain the commission's order reliance is had on its finding that a purchaser or lessee of

a completed building, in the construction of which petitioner's products had been used, might be misled or deceived. That finding or inference is not supported by any testimony, and at best is founded upon a very remote possibility for the occurrence of which it is difficult to conceive that petitioner would be responsible.

The commission decided not to apply for writ of certiorari.

Baltimore Paint & Color Works: The commission, December 27, 1929, filed with the Fourth Circuit (Richmond) an application for enforcement of its order in this case. The corporation involved was organized under the laws of Maryland, with its principal place of business in Baltimore. The findings were to the effect that, in marketing its products in containers of the recognized standard sizes of 1 gallon and one-half gallon, it was placing in such containers less than the quantities indicated, with the consequent capacity and tendency to deceive the purchasing public. The order directed cessation of this practice and also forbade wrongful use of the word "Army" or words or symbols of similar import indicating manufacture why or for the United States Government The court, June 10, 1930, decided the case in favor of the commission, saying, in the course of its opinion:

> The commission alleges in its petition that its order is being violated, and the respect due by the courts to an Independent agency of the Government forbids the presumption that this allegation of the commission is not made in good faith and based upon substantial grounds. It is inconceivable that the commission could make this application to this court without having good ground upon which to make it, and the commission is certainly to be presumed to be acting in good faith. (41 F. (2d) 474, 476.)

It is to be noted that the court affirmed the commission's order in this case without requiring prior proof of violation thereof, thus following the practice of the Second Circuit in Federal Trade Commission *v*. Paul Balme, 23 F. (2d) 615, which took the position that "it is very apparent that the question of violation of the commission's order would not be involved until a 'valid order was recognized by this court after having acquired jurisdiction. Therefore, we must first examine the proceeding before the commission and determine whether there has been a violation of the law."

The court, October 31, 1930, entered an order directing the filing of a stipulation between counsel, "that each party waive any hearing or taking of evidence as to violation by the respondent of the order of the commission prior to the decree of affirmance of this court," respondent having stated that it intended to obey this decree.

Bayuk Cigars (*Inc*.): This case was instituted by the corporation of this name, February 15, 1928, by the filing of a petition to review and set aside the order issued by the commission February 8, 1928,' directing it to cease and desist, in connection with the sale and dis-

tribution of cigars in interstate commerce, (1) from using the word "Havana," or other word or words of similar import, alone or in conjunction with the word "Ribbon," or other word or words, as or in a brand' name for or as descriptive of any such cigars which are not composed entirely of tobacco grown on the island of Cuba; (2) from using the word "Mapacuba," or other word or words of similar import as or in a brand name for or as descriptive of any such cigars which are not composed in whole or in part of tobacco grown on the island of Cuba; (3) from using the word "Mapacuba,", or other word or words of similar import, as or in a brand name for or as descriptive, of any such cigars which are composed in part only of tobacco grown on the island of Cuba, unless said word be immediately followed and accompanied by a word or words in letters equal or greater in size, visibility, and conspicuousness, clearly and unequivocally indicating or stating that such cigars are not composed wholly, but in part only, of tobacco grown on the island of Cuba; (4) from using a depiction simulating the flag, emblem, insignia, or ,coat-of-arms of the Republic of Cuba; map of Cuba, Cuban tobacco fields, city or harbor of Havana, Cuba, or depiction of similar import, in the advertising, branding, or labeling of any such cigars which are not composed in whole or in part of tobacco grown on the island of Cuba; (5) from using a depiction simulating the flag, emblem, insignia, or coat of arms of the Republic of Cuba, map of Cuba, Cuban tobacco fields, city or harbor of Havana, Cuba, or depiction of similar import, in the advertising, branding, or labeling of any such cigars which are composed in part only of tobacco grown on the island of Cuba, unless such depiction be accompanied by a word or words of equal or greater visibility and conspicuousness clearly and unequivocally indicating or stating that such cigars are not composed wholly, but in part only, of tobacco grown on the island of' Cuba; (6) from representing in any other manner whatsoever that any of said cigars contain or are composed in whole or in part of tobacco grown on the island of Cuba, when such is not true in fact.

After briefs had been filed, the case was argued before the Third Circuit (Philadelphia), May 31, 1928.

On June 14, 1930, the court entered its order (without opinion) modifying and affirming the commission's order. The court permitted the use of the name "Havana Ribbon" on the labels on the boxes of cigars of that brand if certain explanatory statements were used in connection therewith, viz, "Ripe Long Domestic Filler," "Imported Sumatra Wrapper," and "Notice--These cigars are made in the United States entirely and only of ripe Domestic Tobacco with an imported Sumatra Wrapper." It also allowed the use of the name "Mapacuba" on the labels on the boxes of cigars of that

brand when the explanatory statement " Havana and Domestic Filler-Sumatra Wrapper" was used therewith.

The commission, August 28, 1930, filed a petition for rehearing, which was granted November 5. Hearing on this petition was had November 11, and, as a result, the court, November 21, amended its decree of June 14 so as to make it applicable, not only to labels on cigar boxes in which the company's " Havana Ribbon" cigars were sold, but also to placards and advertising matter in newspapers and magazines.

The court retained jurisdiction of the case in order to meet such exigencies as might arise.

Burton Bros. & Co. (*Inc*.).--This concern, July 10, 1930, filed with the Second Circuit (New York City) its petition to review and set aside the commission's order, which, in connection with the sale or offering for sale, in interstate commerce, of shirts made of the fabric "Burton's Irish Poplin," directed it to cease and desist from:

(1) Requesting shirt manufacturers to attach to invoices of shirts, or to boxes, or other containers of shirts, respondent's "Notice to Trade" set out and referred to in the findings as to the facts in this proceeding.

(2) Publisher or making use of said notice or any notice or statement which asserts to retail dealers, directly or in effect, (a) that such shirts are sold them subject to resale price restrictions or on condition that they be not sold for less than prices fixed by respondent, or (b) that any retail dealer who sells such shirts at a price less than the resale price thereof fixed by respondent, then find there becomes legally liable to respondent.

(3) Making, publishing, or otherwise using any threat, express or implied, to bring a suit or action in any court against any retail dealer who sells such shirts, at prices less than the resale price thereof fixed by respondent.

(4) Utilizing any other equivalent methods or means of accomplishing the maintenance or control of retail dealer resale prices of shirts.

Subsequent to taking the action above described, the petitioner filed with the commission a supplemental report of compliance, which met the objections raised to its prior report, and as a result of which its petition for review was withdrawn. The stipulation providing for withdrawal was filed with the court October 7,1930.

Consolidated Book Pub Ziskers (*Inc*.): On July 10, 1980, the corporation of this name, engaged in the sale and distribution throughout the United States of a set of books at retail under the name "New World Wide Cyclopedia," and of the same set of books at wholesale under the name of "The Times Encyclopedia and

Gazetteer," filed with the Seventh Circuit (Chicago) its petition to review the commission's order, which directed it to cease and desist from--

(1) Selling or offering for sale, either at wholesale or retail, any set of books of the same text and content material under more than one name or title at the same time.

(2) Advertising or representing in any manner to purchasers or prospective purchasers that any book or set of books offered for sale and sold by it will be given free of cost to said purchaser or prospective purchaser when such is not the fact.

(3) Advertising or representing in any manner that a certain number of sets or any set of books offered for sale or sold by it has been reserved to be given away free of cost to selected persons as a means of advertising, or for any other purpose, when such is not the fact.

(4) Advertising or representing in any manner that purchasers or prospective purchasers of its encyclopedia are only buying or paying for looseleaf supplements intended to keep the set of books up to date, or that purchasers or prospective purchasers are only buying or paying for services to be rendered by a research, or other bureau, for a period of 10 years, when such is not the fact.

(5) Selling the text and content material of any set of books in such a way or manner; and with the purpose and intent, that said text and content material may be resold by any other person, firm, or corporation under any other name or title than that being used by respondent for said text and content material.

(6) Advertising or representing in any manner that it maintains a research bureau employing a staff of competent editors and experts for the purpose of answering inquiries from subscribers, when such 'is not the fact.

(7) Advertising or representing in any manner that inquiries addressed to its research bureau are referred to and answered by experts and specialists in the particular subject inquired about, unless such inquiries are actually referred to and 'answered by said experts and specialists.

(8) Advertising or representing in any manner that its set of books 'is a new and up-to-date encyclopedia, when such is not the fact.

Petitioner's brief was filed January 24, 1931, that of the commission March 9; and reply brief for petitioner March 17. 'The case was argued April 23. On July 8, the court, at the instance of the commission, entered an order granting leave to adduce additional evidence , allowing 9'0 days for this purpose. The application of the commission which resulted in this order was made as a result of 'the decision of the Supreme Court of the United States in the Raladam case, referred to subsequently in this report. The addi-

tional evidence in question was taken during August; on October 2, the commission made supplemental findings of fact, which were certified to the court; and since then both sides have filed supplemental briefs.

Electric Bond & Share Co.: The commission, December 1, 1928, filed, in the District Court of the United States for the Southern District of New York, its application for an order requiring certain officers and employees of this company to produce certain records and answer certain questions incident to the investigation being conducted by the commission pursuant to Senate Resolution 83, directing the commission to investigate and report upon the financial and business structure of the electric power and gas industry, the policies and practices of holding companies and their affiliated companies, their alleged efforts to control public opinion on account of public or municipal ownership, and whether any of the conditions disclosed constituted a violation of the antitrust laws.

The objections raised by counsel for the company to administering the oath and interrogation of the witnesses put in issue the fundamental question of the commission's power to issue subpoenas in the investigation directed by the Senate, whether the Electric Bond & Share Co. was engaged in interstate commerce, and whether the attempt to subpoena the records was a violation of the constitutional prohibition of unreasonable search and seizure.

The case was argued before Judge Knox February 16, 1929. The commission, March 9, 1929, submitted a written offer of additional proof on the issues of fact it claimed were made by the application and answer. Briefs on behalf of the commission and respondents were filed March 9 and 22, 1929, respectively, and the commission's reply brief April 2, 1929.

The court, July 18, 1929, handed down its opinion. (34 F. (2d) 323.) Briefly, the objections of the company to the commission's subpoenas duces tecum were sustained, and those that were interposed to the pertinent and competent questions propounded to the individual witnesses by counsel for the commission were overruled. The court assumed that the company, in part, at least, was engaged in interstate commerce, saying, in this connection:

> If respondents wish to contest the propriety of this assumption, the matter will have to go to a master; or, if petitioner (Federal Trade Commission) wishes an adjudication to the effect that the intrastate business of the Electric Bond & Share Co. is so intimately associated and connected with interstate commerce that all the company's activities are subject to the jurisdiction of the commission, a reference will be required to establish the fact.

Both parties, desiring to take advantage of the opportunity thus afforded by the court, agreed to the appointment of a master, who was duly appointed January 7, 1930.

the zinc and lead sulphate contained therein did not exceed approximately 20 per cent.

The respondent filed an answer consenting to the entry of a decree affirming the commission's order, and providing for the enforcement thereof; and the court, January 19, 1931, entered its decree accordingly.

The decree directed the respondent to cease and desist:

(1) From using the words " white lead," or word or words of like import, upon the containers of, or with which to brand, label, represent, advertise, or describe, any such paint material or paint pigment which contains less than 50 per cent white lead, lead carbonate, or lead sulphate; and, if and when said paint material or paint pigment is not composed wholly of white lead or of lead carbonate or lead sulphate or of the two in combination, but contains white lead, lead carbonate, or lead sulphate as its principal and predominant ingredients to the extent of not less than 50 per cent by weight of the product, from similarly using said words "white lead," or word or words of like import, unless immediately preceded in equally conspicuous form and color by a word or words clearly indicating that said paint material or paint pigment is not composed wholly of white lead.

(2) From using the words "zinc lead," or word or words of like import, upon the containers of, or with which to advertise, brand, label, represent, or describe any such paint material or paint pigment when said product is not in fact zinc lead or is not in fact wholly composed of zinc in combination with lead carbonate or lead sulphate.

Kirk, James S., & Co.--The corporation of this name, January 12, 1929, filed with the Seventh Circuit (Chicago) its petition to review and set aside the commission's order in this case, which, among other things, directed it to cease and desist from use of the word " Castile," and the words " olive oil soap," either alone or in conjunction or in association with any other word or words which are the name of, or are descriptive or suggestive of, an oil or a fat, in labeling, branding, or otherwise describing soap offered for sale or sold in commerce, the oil or fatty composition of which is not wholly derived from olives.

On October 8, 1930, the court granted the petition for intervention presented by Proctor & Gamble Co., on the showing that this company had acquired all of the soap business of James S. Kirk & Co., including the brand and trade names used by the latter to designate the soaps manufactured and sold by it as "Castile."

The printed transcript was filed October 29, 1930. On November 25 a joint brief on behalf of the original petitioner (Kirk & Co.) and the intervenor (Proctor & Gamble Co.) was filed; and on April 16, 1931, the commission filed its brief. The petitioner and intervenor filed a reply brief September 1, 1931, and, because of the illness of counsel for these parties, a stipulation has been signed postponing argument until January, 1932.

Lomax Rug Mills.--This is the trade name used by an individual (H. L. Lomax) engaged in the purchase of rugs and carpets from manufacturers, and their resale to retailers and consumers throughout the United States. A small portion of the products in question are "fabricated" by Lomax from standard carpet material purchased from the manufacturers. This "fabrication" consists in cutting up carpet material into the desired sizes, sewing it together, hemming the ends, and putting a fringe on it. Lomax advertises extensively, stressing the representation that he is a manufacturer and that those purchasing from him will effect substantial savings by the elimination of the middleman's profit.

The commission directed him to cease and desist: (1) From doing business under the trade name and style of Lomax Rug Mills, or any other trade name which includes the words "mill" or "rug mills," unless and until said respondent actually owns or operates a factory or mills in which he manufactures the rugs and carpets which he sells; (2) inserting or causing to be inserted advertisements in newspapers, magazines, or other periodicals, or distributing circulars, handbills, private mailing cards , or any other forms of advertising literature, which contain statements, slogans, words, phrases, sentences, or representations which indicate or create the impression that said respondent is the manufacturer of the articles which he sells unless and until such respondent does actually manufacture such articles. Lomax took exception to the order, and, on September 24, 1930, filed with the Third Circuit (Philadelphia) his petition to review and set it aside.

By stipulation the case has been continued until the March term, 1932.

Marietta Manufacturing Co.--This company, August 18, 1930, filed with the Seventh Circuit (Chicago) its petition to review and set aside the commission's order. It is engaged in the business of manufacturing and selling in interstate commerce a product used for interior walls, wainscoting, ceilings, table tops, counters, and other like purposes, which it advertises and describes as "Sanionyx," "Sani-Onyx," and "Sani-Onyx, a Vitreous Marble." The product is manufactured from various ingredients, the chief of which is silica. It is neither marble nor onyx, but is manufactured in slab form and is capable of being use& in place of natural or quarried onyx or marble when such onyx or marble is in slab form.

The commission concluded that the designations used by the company for its product were false and misleading, and entered its order accordingly.

On January 5, 1931, petitioner's brief was filed; and, January 14, the National Association of Marble Dealers, through its counsel,

flied its brief amicus curiae, concluding with the statement that "the order of the Federal Trade Commission was right and it should stand as entered." The commission's brief was filed January 26, and, February 5, petitioner filed a reply brief.

The case was argued April 23, and on June 16, 1931, the court handed down its opinion in favor of the commission. (50 F. (2d) 641.) Pertinent excerpts from the decision follow:

The Marietta Manufacturing Co. for 20 years has manufactured and sold a product used for interior walls, wainscoting, ceilings, table tops, counters, and other like purposes. This product has been advertised and sold as "Sani-Onyx, a Vitreous. Marble." It is not a product of nature. It is neither a marble nor onyx. Its chief ingredient is silica, and it is manufactured in slab form and may be used in place of natural or quarried onyx or marble when such onyx or marble is in slab form. It is made in a great variety of colors, and in some of its colors it resembles marble and in others a type of onyx.

* * * * * * *

Petitioners assert that the commission's finding that the designation of petitioner's product is false and misleading and has the tendency and capacity to deceive purchasers into the belief that the product is onyx or marble is not sustained by the proof. The product, it is asserted, is sold, for the most part, to jobbers, contractors, and builders, who could not possibly be misled by the designation or by anything in the advertising into the belief that they were purchasing. a kind of marble or onyx. a method of competition, inherently unfair, does not cease to be unfair because the falsity of the manufacturer's representation has become so well known to the trade that dealers, as distinguished from consumers, are no longer deceived. The honest manufacturer's business may suffer, not merely through a competitor's deceiving. his direct customer, the retailer, but also through the competitor's putting into the hands of the retailer an unlawful instrument, which enables the retailer to increase his own sales of the dishonest goods, thereby lessening the market for the honest product. (Federal Trade Commission v. Winsted Co., 258 U. S. 483, 494.) It may be that building contractors were not deceived. Petitioner, however, carried on an advertising campaign, the effect of which was to create in the minds of the public the belief that this product was a kind of marble and lead them to deal with it as such in agreeing to specifications or buying houses. The designation was adroitly selected and the advertisements cunningly framed so as to go as far as possible in giving the false impression with-out transcending the limits of literal truth, except in the use of the words "marble" and "onyx."

On July 6 the Marietta Co. filed a petition for rehearing; and the commission, July 15, flied its answer thereto. The petition was denied July 25.

Mennie, F. L.--This respondent, an individual trading under the names and styles of Mineral Coal Saver Co., Mennie Manufacturing Co., and M. & K. Manufacturing Co., with principal office and place of business in Omaha, Nebr., on February 6, 1931, filed with the Eighth Circuit (St. Louis) a petition for review of the commission's order. The findings were to the effect that Mennie was manufacturing and selling in interstate commerce a powder designated by him as " Mineral Coal Saver." which was composed, for the most

part, of common salt; that he represented that this product, when used according to directions, would make poor coal good and good coal better; that it prevented and removed soot; that it increased the heat from a given quantity of coal from 22 to 28 per cent in British thermal units; that it gave 20 per cent more heat with less coal; and other similar statements. The order directed the cessation of these practices. The next steps, in order, are the printing of the record, briefing, and argument.

Failure of the petitioner to print the record will preclude argument before March, 1932, and possibly later.

Millers' National Federation.--On February 16, 1924, the United States Senate, by resolution, directed the commission to investigate and report to the Senate, among other things, the extent and methods of price fixing, price maintenance, and price discrimination in the flour and bread industries, developments in the direction of monopoly and concentration of control, and all evidence indicating the existence of agreements, conspiracies, or combinations in these industries.

In the course of the investigation the commission made inquiry with respect to the activities of the Millers' National Federation, a voluntary, unincorporated association, whose members produced approximately 65 per cent of the flour milled in the United States, as well as the activities of other milling associations and corporations engaged in the milling industry. Permission was requested of the Millers' National Federation to inspect certain papers, documents, and correspondence files, which permission was in part granted.

As a result of the inspection of certain correspondence the commission requested the federation to supply it with copies of certain designated letters and further requested access, for the purpose of inspection, to minutes of meetings among members of the federation and other millers in various parts of the country and to letters passing between the federation and its members leading up to the adoption of a so-called code of ethics by the federation; The request was denied.

The commission thereafter called a hearing in the investigation to be held in Chicago, and served subpoenas upon the secretary of the federation requiring him to produce at the hearing certain letters specified by dates , names of the parties correspondent, and subject matter, which its representative had been permitted to inspect in the federation's offices. Subpoenas were also served upon the secretary requiring the production of minutes of the meetings among members of the federation and other millers above mentioned (inspection of which had been denied) and of the letters relating to the adoption of the code of ethics.

The Washburn-Crosby Co., a member of the federation and the largest milling corporation in the United States, having also refused to permit the commission to inspect certain letters specified by dates, names of parties correspondent, and subject matter, as well as having declined to permit a statement of its business, made up from its books by representatives of the commission, to be taken from its offices, subpoenas duces tecum were served upon officers of the corporation, requiring the production of the letters and of the statement, at a hearing to be held in Minneapolis.

On the day prior to the hearing which was to have been held in Chicago the Millers' National Federation, on behalf of its members, filed a petition in the Supreme Court of the District of Columbia praying for a temporary restraining order and a temporary injunction restraining the commission from taking any steps or instituting any proceedings to enforce the subpoenas or requiring the plaintiffs, or any of them, to produce the documents or letters required thereby. On the day of hearing set at Chicago the secretary of the federation, the officers of the Washburn-Crosby Co., and certain individuals connected with the federation, through membership therein of corporations in which they were officers, did not appear as required by subpoenas ad testificandum, and on the morning of the same day a temporary : restraining order was issued by the Supreme Court of the District of Columbia as prayed for in the petition. A motion for temporary injunction was subsequently made.

The commission answered the motion on the merits and moved to dismiss the petition on various grounds, among others, that the court was without jurisdiction to restrain the commission from proceeding with the hearing. Both motions were argued, and on September 22,1926, the court rendered its decision granting the temporary injunction.: (Decision not reported.) From this an appeal was taken on December 10, 1926, to the Court of Appeals of the District of Columbia. Before hearing on this appeal was had, the commission, March 30, 1927, petitioned the Supreme Court of the United States for certiorari, which was denied April 25, 1927 (274 U. S. 743), thus leaving the case to be heard on the appeal in the Court of Appeals of the District of Columbia.

After briefs and arguments, the court of appeals, December 5. 1927, affirmed the decree of the Supreme Court of the District (23 F. (2d) 968), and remanded the case for further proceedings. The court held that the opinion of the Supreme Court of the United States in the Claire Furnace Co. case was not controlling, that the present case must be determined upon principles not obtaining in that case, and that injunction would lie to restrain the commission, should the court find, on a final determination of the case on its merits, that the commission had exceeded its jurisdiction. In short,

its holding was that the Supreme Court of the District had jurisdiction to determine the matter.

The commission, December 12, 1927, filed a petition for rehearing, on the ground that the court had failed to decide the point of law which was the principal basis for the judgment below, and practically the sole ground assigned in the petition for special appeal on which the case was heard in the court of appeals, the court below holding that sections 6 and 9 of the Federal Trade Commission act did not confer any jurisdiction upon the commission to employ subpoenas in any investigation made under section 6 of the act, but that the statute conferred power upon the commission to employ subpoenas only in adversary proceedings conducted under authority of section 5. The petition for rehearing was denied January 21, 1928. The commission filed answer to the amended bill of complaint February 14, 1928. On March 23, 1928, the court granted the motion of the federation for leave to file supplemental bill of complaint, in which it was claimed that final decree should issue against the commission, on the ground that its investigation had been completed, final report made to the Senate, and its authority thereby exhausted. The commission's answer to this supplemental bill was filed on April 4' 1928. Subsequent negotiations resulted in the adoption of an agreed statement of the facts, in lieu of taking testimony, in the suit for permanent injunction, in the Supreme Court of the District of Columbia. This stipulation, signed by counsel, agreed that all of the letters and documents included in the subpoenas issued by the commission and directed to the secretary of the Millers' National Federation--

are pertinent, relevant, and material to some one or more of the subjects of inquiry embraced within that part of Senate Resolution No.163 which reads as follows: "The extent and methods of price fixing, price maintenance, and price discrimination; the developments in the direction of monopoly and concentration of control in the milling and baking industries, and all evidence Indicating the existence of agreements, conspiracies, or combinations in restraint of trade";

and that--

none of said documents are private or confidential in the sense that they would be privileged from production as evidence if lawfully required in a trial before a court.

The case was argued on the merits January 15, 1930, and the court, May 26, 1930, decided the case adversely to the commission. No opinion was filed, and no reason given for the action of the court. a decree, making permanent the temporary injunction hitherto issued, was entered June 11, 1930. The commission noted an appeal to the Court of Appeals of the District of Columbia, ruling its assignments of error and designation of the record, July 2, 1930.

After briefing and argument (December 1, 1930), the court of appeals, on February 2, 1931, reversed the decree of the supreme court. (47 F. (2d) 428.) As hitherto stated, the case involved the commission's power to compel the attendance of witnesses in investigations carried on by it (under sec. 6 of its Organic act) to supply information to Congress. The court below had held that this power was limited to proceedings by the commission to determine unfair methods of competition (under Sec. 5). In upholding the broader power of the commission, the court said, in part:

> The power of investigation conferred upon the commission by section 6 is different in character from the jurisdiction conferred by section 5. Section 6 contemplates an investigation for the collection of facts for the information of Congress in aid of the exercise of its legislative function, or for the President, in aid of recommending necessary legislation. The validity of this act has been upheld in many cases, and for the purposes of this inquiry will be regarded as conceded.
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> It will be observed that under section 9 the commission is empowered to issue subpoenas in many "proceeding" or "investigation" held under the general provisions of the Federal Trade Commission act. Inasmuch, therefore, as the resolution of the Senate amounts to an order upon the commission to conduct the Investigation in question for the information of Congress, it is tantamount to am delegation of the power vested in the Senate itself to make such investigation to a subordinate agency of the Government clothed with that authority.

In the case of McGrain *v*. Daugherty (273 U. S. 135) the authority of a committee of Congress conducting an investigation in air of proposed or contemplated legislation to subpoena and compel the attendance of witnesses was upheld. The decision, however, in this case went no further than to uphold the power to compel the attendance of witnesses. The court avoided any expression as to the jurisdiction of such a committee to compel the production of documentary evidence. But that question is not necessarily Involved in this case. The commission has jurisdiction to compel the attendance of the witness. In the event of his refusal to produce the documentary evidence described in the subpoena or to permit it to be used in evidence, an adequate remedy is afforded the commission by the terms of the statute. These are, therefore, not matters which are subject to investigation by a court of equity, or to restraint by injunction, as the whole matter can be determined in a proceeding where the commission invokes the aid of the proper district court to enforce its order.

On March 10, 1931, a decree was entered in the Supreme Court of the District of Columbia reversing the decree of June 11, 1930, previously referred to, vacating and setting aside the permanent injunction granted, and denying all prayers of and dismissing the bill. The Millers' National Federation subsequently delivered to the commission all the documents, including correspondence and minutes of meetings, called for in the subpoenas duces tecum issued by the commission in April, 1926.

Morrissey, Charles T.--Application for enforcement was filed by the commission April 14, 1930, in the Seventh Circuit (Chicago).

The findings were to the effect that this respondent was so labeling and advertising soft-drink powders manufactured by him as to mislead purchasers into the belief that such powders and the beverages made therefrom contained natural-fruit juices when such was not the case. Answer was filed May 3, 1930, and the commission's brief July 14, 1930. Respondent did not file a reply brief. The case was argued January 16, 1931, and the court, February 27, modified and affirmed the commission's order. (47 F. (2d) 101.)

The order which the commission sought to enforce prohibited the use by respondent in any way of the words "Cherry," "Strawberry," "Grape," "Raspberry," "Ras-o-berry," "Pineapple," Lime," " Lemon," or " Orange," in connection with the sale or distribution, in interstate commerce, of a product not composed wholly of the natural fruit or juice of the fruit in question; with the proviso that if the product was composed in substantial part of any natural fruit, or the juice of such fruit, so as to derive its color and flavor therefrom, it would permit the use of the name of the fruit if accompanied by equally conspicuous explanatory matter indicating that the product was composed in part of ingredients other than the natural fruit or juice thereof.

The order also prohibited the use of any word or words, picture or symbol, falsely representing or suggesting that a product was made from or contained natural fruit or the juice thereof.

The court added a proviso to the effect that if the product contained no ingredient of the fruits named, the use of the name of the fruit in any label or advertisement--

shall be limited to a statement in substance that the product resembles in taste or color or both, as the case may be, the named fruit, but contains no juice or coloring matter of the fruit.

In the course of its opinion the court said:

If a product is not in other respects violative of law, it is not to be banned merely because in taste and color it simulates a fruit. To deny to one making such product the right to use in any way the name of the fruit which it simulates would unduly restrict the opportunity or right to describe it. Let us say that in flavor and color it resembles the orange. This might not be fully describable unless the word '4 orange" was employed. Of course it would not be permissible falsely to represent it ns containing the juice or color of the orange, but it would be entirely proper, and might even be necessary, to say in substance, that it has nil orange flavor or color, but clearly indicating that fruit does not enter into its manufacture.

Non-Plate Engraving Co.--The commission, November 28, 1930, filed with the Second Circuit (New York City) an application for enforcement of its order against this company, which directed cessation of use of the word "engraving" or "engraved" in its corporate name, business signs, or advertising matter used in the offering for sale or sale of stationery in interstate commerce, upon which

the words, letters, figures, and designs have not been produced from metal plates, into which such words, letters, and designs have been cut. The findings were to the effect that the respondent, in producing its stationery, used ordinary type presses in making impressions on the paper, and, while the ink was still damp, sprinkled it with chemical in powdered form, afterwards applying heat, which caused the chemical to melt, fuse with the ink, become solid and present a raised letter effect closely simulating genuine engraving. The commission's brief was filed December 5, 1930.

On March 2, 1931, the court, on motion of the company, issued a rule on the commission to show cause why its application for enforcement should not be dismissed, on the ground that the company had fully complied with the order. This rule was returnable March 9, and on this date, after argument, the court denied the company's motion to dismiss (from the bench).

The respondent's brief was filed April 23, and on April 24 the case was argued on the merits. On May 4 the court handed down its decision favorable to the commission. (49 F. (2d) 766.) It said (per curiam):

> The petitioner below established before the Federal Trade Commission a violation of section 5 of the Federal Trade Commission act * * * in the use of the words "non-plate" engraving and advertising its product as "non-plate engraving," "engraved effects," and "non-plate engraved," when its products were not engraved, but were printed by a special process. The order entered directed it to "cease and desist from using the word 'engraving' or engraved' in its corporate name, business signs, or advertising matter used in the offering for sale or sale of stationery in interstate commerce, upon which the words, letters, figures, and designs have not been produced from metal plates, into which such words, letters, and designs have been cut." On this record the order is amply supported by the evidence and was lawfully granted. * * * The petitioner is entitled to and may enter an order of enforcement directing the respondent to comply with the order to cease and desist.

A decree was entered May 11, and the respondent, in compliance therewith, filed a report of compliance with the commission, which has been accepted and filed.

The NuGrape Co. of America.--On July 3, 1931, this corporation filed with the Circuit Court of Appeals for the Fifth Circuit (New Orleans) its petition to review and set aside the commission's order to cease and desist of May 19, 1931.

The order entered, which is quite similar to those approved by the Sixth and Seventh Circuits in the Good Grape and Morrissey cases, respectively (discussed supra), directed the corporation to cease and desist from using or authorizing the use of the words "NuGrape" or "Grape," alone or in conjunction or combination with any other word or words, letter or letters, in any way in connection with the

sale or distribution of a product not composed wholly of the natural fruit or juice of grapes, with the provisos: (1) That if such product is composed in such substantial part of the natural fruit or juice of grapes as to derive therefrom its color and flavor, the words "NuGrape" or "Grape" may be used if accompanied with a word or words, equally conspicuous with it in character or type, clearly indicating that such product is composed in part of material or materials other than the natural juice or fruit of grapes; and (2) that if the beverage produced from respondent's sirup is not composed in such substantial part of the natural fruit or juice of grapes as to derive therefrom its color and flavor, the words "NuGrape" or "Grape" may be used if it is made prominently to appear that the product is an imitation, artificially colored and flavored. The order also forbade the use of any word or words falsely representing or suggesting that a product is made from the natural juice or fruit of grapes or contains the natural juice or fruit of grapes in such substantial quantity as to derive therefrom its color and flavor.

The findings were to the effect that the respondent was engaged in the manufacture of a concentrate or sirup, called by it "NuGrape," and in the sale of the same to numerous bottling plants and jobbers located in the various States, for the purpose of having manufactured therefrom a beverage also known, advertised, and sold under the name "NuGrape"; that exhaustive analyses made by chemists of the United States Department of Agriculture showed that this "NuGrape" sirup was an artificially colored invert sugar sirup containing added acid, principally tartaric, and not more than 20 per cent of grape juice; that the "NuGrape" beverage, made from respondent's sirup, was an artificially colored beverage sweetened with invert sugar and acidulated with said added acid and containing not more than 4 per cent of grape juice; and that respondent's product "NuGrape" sirup did not contain the natural fruit or juice of the grape in quantity sufficient to give it its color or flavor.

Certification of the record, briefing, and argument have been held in abeyance pending possible settlement of the case out of court.

Ohio Leather Co.--Petition to review and set aside the commission's order in this case was filed with the Sixth Circuit (Cincinnati) April 2, 1929. Findings were to the effect that the company was advertising and selling, in interstate commerce, leather made from calfskins under the trade name of "Kaffor Kid." The order directed the company, in connection with the advertising and sale of leather made from calfskins, or other leather not made from kid or goat skins, to cease and desist (1) from using the word "Kid" alone or in combination with the word "Kaffor," or other word or words, as a trade or brand name for or as descriptive of any such leather; (2)

from using the word "Kid" alone or in combination with the word "Kaffor," or other word or words, on labels, letterheads, envelopes, or in the advertising or other designation or description of any such leather.

After briefing the case was argued February 11, 1930, and the court, November 12, 1930, handed down its decision. It vacated the order, without prejudice to such future orders as the commission might make, and remanded the case to the commission for taking further proofs. Its reason for doing this is indicated in the following excerpt from its opinion (45 F. (2d) 39):

> Upon this subject, what the retail shoe-buying public understands by "kid," and whether it is, in fact, misled to Its prejudice by the use of this term "Kaffor Kid," the record is very unsatisfactory; and we think no final disposition of the controversy should be based upon it. The order can not be sustained unless there is an affirmative finding, based upon substantial evidence, to the effect that the consuming public, asking for kid shoes, desires and expects to get shoes made from the skin of a kid, or of a goat, as the case may be. The present record being insufficient, it should be remanded, in order that all parties interested may take further proofs and have a finding made, if indeed, the proofs may then justify any definite conclusion.

The commission and the respondent thereafter agreed upon the terms of an amended order to cease and desist. Accordingly the parties filed in the court a joint motion to set aside the former decree and reinstate the case as a pending action; and a further motion that the court make final disposition of the case by entering a certain decree embodied in the motion, modifying the order to cease and desist, affirming such order as so modified, and enjoining disobedience thereof as so modified and affirmed. The two motions were sustained and the final decree entered April 7, 1931.

The amended order agreed upon, and made a part of the court's final decree, directed the company, in connection with the advertising, offering for sale, and sale, in interstate commerce, of leather made from calf skins, to cease and desist:

> From using the word "Kid" alone or in combination with the word "Kaffor" or other word or words as a trade name, brand, label, or as a heading for advertising matter, unless immediately in conjunction therewith there are used conspicuously apt and adequate words showing it to be made of calfskin, and otherwise using said name or names unless accompanied by descriptive language easily legible and readily discernible, clearly showing it to be a product of calfskin.

Paramount Famous-Lasky Corporation.--The commission, July 9, 1927, entered its order to cease and desist in this proceeding, which, briefly, was directed against a conspiracy in restraint of trade in the business of producing, distributing, and exhibiting motion-picture films against the practice of "block booking" of motion-picture films

and the acquisition of theater buildings for the purpose of intimidating or coercing exhibitors of motion-picture films to lease and exhibit films produced by respondents.

In due course respondents filed with the commission their report in writing, setting forth in detail the manner and form in which they were complying with the order. This was accepted as unobjectionable, with the exception of that portion relating to compliance with paragraph 2 of the order, which was concerned with the practice of "block booking." This particular portion was rejected as being insufficient to show compliance with the paragraph in question; and the next step was the filing by the commission, on August 1, 1928, with the Circuit Court of Appeals for the Second Circuit (New York City) of its application for enforcement, together with a complete transcript of the proceedings theretofore had before the commission.

This record, one of the largest ever before the commission, comprised more than 17,000 pages of testimony and extensive exhibits consisting of more than 15,000 additional pages, a total of over 32,000 pages. By the rules of the Second Circuit the burden of printing the record in Federal Trade Commission cases falls upon the petitioner-in this case, the commission. The size of the record was, of necessity, one of the considerations which led the commission to agree that the issue before the court might be confined to paragraph 2 of the order relating to "block booking,"' and as a result of this decision considerable time was devoted to negotiations looking to the elimination of such of the testimony and exhibits as was irrelevant to the point at issue. By the eliminations referred to the record was reduced to some 2,000 pages.

On March 9, 1931, the court granted the motions of the commission: (1) For leave to amend its application for enforcement so as to limit the issue to paragraph 2, relating to "block-booking"; and (2) for an order directing a revision and condensation of the transcript, the establishment of such revision and condensation as the record of the evidence, and that the commission cause to be printed only such record. Appropriate orders were entered March 17, the record has since been printed, and the case now awaits the filing of briefs and argument.

Raladam Co.--This company, May 16, 1929, filed with the Sixth Circuit (Cincinnati) its petition to review and set aside the commission's order.

The findings were to the effect that the company was selling thyroid "obesity cure" tablets (under the name "Marmola Prescription Tablets") as safe, effective, and dependable in use, when the present knowledge of thyroid as a remedial agent does not justify such representations. The order directed the cessation of such practices.

After briefing and argument, the court, June 28, 1930, handed down its decision, vacating and setting aside the commission's order. The court, in the course of its opinion (42 F. (2d) 430) said:

The thing forbidden by the statute is unfair competition. This can not exist unless there is competition, and there can not be competition unless there is something to compete with. It must be evident that the trade which was to be protected against restraint (and unfair competition is a kind of restraint) was that legitimate trade which was entitled to hold its own in the trade field without embarrassment from unfair competition. The first thought might be that the one Invoking protection should be a particular trader; but the Winsted case (258 U. S. 483) teaches that protection will also be given under this statute to the entire class of trade which is having its former customers taken away from it by false representations that the competing goods are of the same descriptive qualities as those put out by the complaining class. It is apparent from this record, as well as from other recent or pending cases in this court and other decisions of the commission and from announcements by its members shown in this record, that the commission does not take this limited view of Its Jurisdiction, but that it believes itself authorized to issue its "desist and refrain" orders in any case where it concludes that sales methods may mislead a substantial part of the purchasing public, in a way and to an extent that, in the judgment of the commission, is injurious to the purchaser. The genera! law of unfair competition uses the misleading of the ultimate retail purchaser as evidence of the primary vital fact-injury to the lawful dealer; the commission uses this ultimate, presumed injury to the final user as itself the vital fact. The result is a realization of what was suggested in the former opinion as the opened vista (289 Fed. 99993) and a pro tanto censorship by the commission of all advertising.

* * * * * * *

We have no occasion to deny, nor, indeed, reason to doubt, that this elimination would tend to the public good; but we can not think that Congress had any conception that it was creating a tribunal for that kind of action. Its failure for many sessions to pass a proposed "pure fabric" law, and others of similar character, is familiar; but if the commission's view of its jurisdiction is right, these laws are unnecessary.

The commission filed its petition for writ of certiorari September 27, 1930. Petition was granted November 3, 1930, the review to be limited to the question of jurisdiction of the commission.

The commission's brief was filed April 4, 1931,. and that of the respondent April 20. The case was argued April 24 and decided against the commission on May 25, 1931. In the course of its opinion, the court said (283 U.S. 643):

Findings, supported by evidence, warrant the conclusion that the preparation is one which can not be used generally with safety to physical health except under medical direction and advice. If the necessity of protecting the public against dangerously misleading advertisements of a remedy sold in interstate commerce were all that is necessary to give the commission jurisdiction, the order could not successfully be assailed. But this is not all.

* * * * * * *

It is obvious that the word "competition" imports the existence of present or potential competitors, and the unfair methods must be such as injuriously

affect or tend thus to affect the business of these competitors--that is to say, the trader whose methods are assailed as unfair must have present or potential rivals in trade whose business will be, or is likely to be, lessened or otherwise injured. It is that condition of affairs which the commission is given power to correct, and it is against that condition of affairs, and not some other, that the commission is authorized to protect the public.

* * * * * * *

While it is impossible from the terms of the act itself, and in the light of the foregoing circumstances leading up to its passage, reasonably to conclude that Congress intended to vest the commission with the general power to prevent all sorts of unfair trade practices in commerce apart from their actual or potential effect upon the trade of competitors, it is not necessary that the facts point to any particular trader or traders. It is enough that there be present or potential substantial competition, which is shown by proof, or appears by necessary inference, to have been injured, or to be clearly threatened with injury, to a substantial extent, by the use of the unfair methods complained of.

* * * * * * *

Findings of the commission justify the conclusion that the advertisements naturally would tend to increase the business of respondent; but there is neither finding nor evidence from which the conclusion legitimately can be drawn that these advertisements substantially injured or tended thus to injure the business of any competitor or of competitors generally, whether legitimate or not. None of the supposed competitors appeared or was called upon to show what, if any, effect the misleading advertisements had, or where likely to have, upon his business.

* * * * * * *

It is impossible to say whether, as a result of respondent's advertisements, any business was diverted, or was likely to be diverted, from others engaged in like trade, or whether competitors, Identified or unidentified, were injured in their business, or were likely to be injured, or, indeed, whether any other antiobesity remedies were sold or offered for sale in competition, or were of such a character as naturally to come Into any real competition, with respondent's, preparation in the interstate market. All this was left without proof and remains, at best, a matter of conjecture. Something more substantial than that is required as a basis for the exercise of the authority of the commission.

On June 1, on motion of the Solicitor General on behalf of the commission, the court granted leave to file, within 30 days, a motion to modify its judgment, at the same time staying its mandate until disposition of the motion in question. Such a motion, with brief in support, was filed June 30, 1931. The motion asked that the judgment of the Supreme Court be modified by adding thereto a direction to the Sixth Circuit to so modify its decree as to permit further proceedings before the commission for the taking of additional evidence as to the Raladam Co.'s competitors and as to the injury to such competitors resulting from the company's trade practices, and for the making of further findings of fact and a further order based on such additional evidence.

The court October 12 denied the motion, but without prejudice to application to the court of appeals for similar relief. Such an application has been made.

Royal Milling Co., etc.--On June 12, 1931, John McGraw and E A. Glennon, partners conducting business under the names of Royal Milling Co., Richland Milling Co., and Empire Milling Co., filed with the Sixth Circuit (Cincinnati) a petition to review and set aside the commission's order.

This case, which is one of a group of seven of a similar character in which orders to cease and desist were entered, is described more at length under the previous heading of "Representative Cases Resulting in Orders," page 62.

The commission, July 6, filed its motion to strike portions of the petition for review, petitioner filing brief in opposition July 10. The motion was granted November 6, and the next steps, in order, are the printing of the record, briefing, and argument.

Shakespeare Co.-This corporation, a manufacturer of fishing tackle, organized under the laws of Michigan, with its principal place of business in Kalamazoo, filed its petition with the Sixth Circuit (Cincinnati) , July 11, 1930, asking for the review and setting aside of the commission's order, which directed the company, its officers, agents, representatives , and employees, to cease and desist from:

(1) Entering into or procuring from its dealers, contracts , agreements, understandings, promises, or assurances that respondent's products, or any of them, are to be resold by such dealers at prices specified or fixed by respondent.

(2) Requesting its dealers to report the names of other dealers who do not maintain respondent's resale prices or who are suspected of not maintaining same.

(3) Seeking by any methods and cooperation of dealers in making effective any policy adopted by the respondent for the maintenance of prices.

Briefs for the petitioner and the commission were filed December 15, 1930, and January 15, 1931, respectively; and the case was argued April 7, 1981. On June 13, 1931, the court handed down its decision, affirming section 1 of the order, and setting aside sections 2 and 3 (50 F. (2d) 758). Pertinent excerpts from the opinion follow:

> Although the evidence fails to disclose any express or formal agreement entered into by the petitioner with any of its customers, under which the customer agreed not to sell the petitioner's products below the suggested minimum prices, it is apparent from the proofs that there has been cooperation between the petitioner and its customers which was the equivalent, for practical purposes, of such formal arrangement. The record shows several instances in which the petitioner refused to fill orders except upon assurance by the customer that he would discontinue selling below the suggested minimum prices. There are to be found, too, instances of the refusal of the petitioner to make further shipments on orders that had been accepted until such assurance

was given. Upon assurance being given, the orders were accepted or, having been accepted, the further shipments were made.

* * * * * * *

We think, therefore, that the commission's finding that petitioner enters into understandings with and procures promises and assurances from its customers to maintain minimum prices as a condition to accepting their orders or continuing to supply them with its products is not only supported by substantial evidence, but likewise is sufficient as a matter of law to support the first section of the order. It is apparent, also, under the decisions referred to, that the promises or assurances that the petitioner has required of its customers have the effect of suppressing competition and amount to unfair trade practice within the meaning of the statute.

* * * * * * *

The second part of the order complained of directs the petitioner to cease and desist from requesting its dealers to report the names of other dealers who do not maintain petitioner's resale prices or who are suspected of not maintaining them. The commission found as a fact that petitioner had requested its dealers to report the names of other dealers who did not maintain its resale prices.

* * * * * * *

Contrarily the evidence shows, we think conclusively, that petitioner never made such request from any dealer.

* * * * * * *

The third portion of the order directed the petitioner to desist from "seeking by any methods and cooperation of dealers in making effective any policy adopted by respondent for the maintenance of prices." This part of the order is too incomplete to be intelligible.

Temple Anthracite Coal Co.--This corporation, May 28, 1930, filed with the Third Circuit (Philadelphia) its petition to review and set aside the commission's order in this case, which was directed against stock acquisition in violation of section 7 of the Clayton Act. Respondent was a holding corporation and acquired the stock of two competitive corporations engaged in interstate commerce. The commission's order directed the divestiture of the stock of one of the competing corporations.

The petitioner's brief was filed October 22, 1930, and that of the commission December 1. The case was argued December 4, and decided July 9, 1931 (51 F. (2d) 656), the order of the commission being set aside (Judge Woolley dissenting) . Pertinent excerpts from the majority opinion of the court follow:

The commission reached the conclusion as an ultimate fact that the effect of the purchase, acquisition, and holding of the stock of the two corporations by the respondent has been or may be to substantially lessen competition between the corporations, as alleged in its complaint. We will, therefore, consider whether that ultimate finding of fact is sustained by the basic facts as found from the evidence before the commission.

* * * * * * *

There are no facts found and we find no evidence produced before the com mission to show the relation between the percentage of coal mined and sold by

the Temple Coal Co. and its subsidiaries and that sold by the East Bear Ridge Colliery Co. to the total output of anthracite coal of the same kind and quality in the whole anthracite region. From the facts found as to the value of the annual output of the respective mines, it is quite apparent that the percentage of these mines to the total output can not be consequential. Therefore, if com petition were lessened, its effect upon the whole interstate trade in anthracite coal would not tend to create a monopoly through substantially lessening competition. There is no fact found or evidence to show that there was, prior to the acquisition of the stock, actual direct competition between the Temple Anthracite Co. and the East Bear Ridge Coal Co. The Temple Coal Co. disposed of all of its coal either by sale or agency contract, through Thorne, Neale & Co. (Inc.). The East Bear Ridge Colliery Co. disposed of all of its coal either by sale or agency contract through Madeira, Hill & Co. However, the evidence shows and the facts found from the evidence show that these two wholesalers in coal were and are in active competition in obtaining orders for sale and in selling to customers through their offices in various cities.

* * * * * * *

It is shown that at the time of the hearings and during the period covered by the testimony these wholesalers were competing in the open market for customers not only for this coal but for coal mined by other collieries, and that they are still competing in the same markets and in exactly the same way as they were before the complaint was filed. As long as the contracts with the wholesalers continue in existence, and there is nothing in the case to show that they will not continue, they are each under the same incentive to acquire and sell the output of the respective collieries as they were prior to the complaint. There is no evidence, and no facts are found, to show that competition between Thorne, Neale & Co. (Inc.) and Madeira, Hill & Co., in selling the coal of these two companies, has been or may be reduced through the ownership of the stock of the respective companies Temple Anthracite Coal Co. The only effect which the ownership may be found to have brought about is the reduction of overhead and operating expenses.

* * * * * * *

With no evidence in the case to support the finding of fact that the effect of the acquisition of the stock "has been and is to substantially lessen competition," our conclusion is that the actual active competition which is shown by the evidence, without contradiction, to have existed and to continue to exist between Thorne, Neale & Co. (Inc.) and Madeira, Hill & Co. negatives, so long as it may exist, the very effect which the commission has found to be caused by the acquisition by the Temple Anthracite Coal Co. of the capital stocks of the mining companies

V. Vivaudou (*Inc*.).--This corporation, July 22, 1930, filed with the Second Circuit (New York City) its petition praying that the commission's order be reviewed and set aside.

The findings were to the effect that the corporation had acquired the stock of competitors in the sale of perfumes and cosmetics, in violation of section 7 of the Clayton Act. The order directed the divestiture, , in good faith, of all of the capital stock of its former competitors acquired and owned by it, such divestiture to carry with it all of the property and assets of said former competitors.

After several continuances, during which the possibility of withdrawal of the petition was discussed, the commission, April 2, 1931, filed with the court a transcript of the proceedings before it; this was subsequently printed, and filed in its printed form May 2, 1931. Brief for the petitioner was filed August 24, 1931, the commission's brief October 5, and brief of Messrs. Root, Clark & Buckner, as amici curiae, October 9. The case was argued October 15. [1]

[1] Decided adversely to the commission, Nov. 2, 1931.

TABLES SUMMARIZING WORK OF THE LEGAL DIVISION AND COURT PROCEEDINGS, 1915-1931

TABLE 1.--*Preliminary inquiries*

	1915	1916	1917	1918	1919	1920	1921	1922	1923
Pending beginning of year	0	4	12	32	19	29	61	68	147
Instituted during year	119	265	462	611	843	1,107	1,070	1,223	1,234
Total for disposition	119	269	474	643	862	1,136	1,131	1,291	1,381
Dismissed after investigation	3	123	289	292	298	351	500	731	897
Docketed as applications for complaints	112	134	153	332	535	724	563	413	382
Total disposition during year	115	257	442	624	833	1,075	1,063	1,144	1,279
Pending end of year	4	12	32	19	29	61	68	147	102

	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	102	191	176	298	328	224	260	409
Instituted during year	1,568	1,612	1,483	1,265	1,331	1,469	1,505	1,380
Total for disposition	1,670	1,803	1,659	1,563	1,659	1,693	1,765	1,789
Dismissed after investigation	1,157	1,270	1,075	942	1,153	1,649	1,060	1,150
Docketed as applications for complaints	322	357	286	293	282	384	296	332
Total disposition during year	1,479	1,627	1,361	1,235	1,435	1,433	1,356	1,482
Pending end of year	191	176	298	328	224	260	409	307

CUMULATIVE SUMMARY TO JUNE 30, 1931

Inquires instituted		18,547
Dismissed after investigation	12,296	
Docketed as applications for complaints	5,944	
Total disposition		18,240
Pending June 30, 1931		307

TABLE 2.--*Export trade investigations*

	1922	1923	1924	1925	1925	1927	1928	1929	1930	1931
Pending beginning of year	53	35	79	43	10	16	29	42	40	27
Instituted during year	10	79	16	11	52	54	68	20	11	7
Total for disposition	63	114	95	54	62	70	97	62	51	34
Disposition during year	28	35	52	44	46	41	55	22	24	17
Pending end of year	35	79	43	10	16	29	42	40	27	17

CUMULATIVE SUMMARY TO JUNE 30, 1931

Investigations instituted	381
Total disposition	364
Pending June 30, 1933	17

TABLE 3.--*Applications for complaints*

	1915	1916	1917	1918	1919	1920	1921	1922	1923
Pending beginning of year	0	104	130	188	280	389	554	467	458
Applications docketed	112	134	153	332	535	724	426	382	416
Rescinded dismissals:									
Stipulated:									
Chief trial examiner	0	0	0	0	0	0	0	0	0
Special board	0	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	5	6
Rescinded "To complaints"	0	0	0	0	0	0	0	0	0
Total for disposition	112	238	283	520	815	1,113	980	854	880
To complaints	0	3	16	80	125	220	150	104	121
Dismissals:									
Stipulated:									
Chief trial examiner	0	0	0	0	0	0	0	0	0
Special board	0	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	0	0	0	0
Others	8	105	79	160	301	339	357	292	187
Total disposition during year	8	108	95	240	426	559	513	396	308
Pending end of year	104	130	188	280	389	554	467	458	572

	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	572	565	488	420	457	530	843	753
Applications docketed	377	340	273	292	334	679	535	511
Rescinded dismissals:								
Stipulated:								
Chief trial examiner	1	1	1	0	2	2	3	5
Special board	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	1	3	2
Others	4	3	4	0	0	0	3	4
Rescinded "To complaints"	0	0	0	0	0	0	2	2
Total for disposition	954	909	786	712	793	1,212	1,389	1,277
To complaints	143	118	57	45	58	100	171	110
Dismissals:								
Stipulated:								
Chief trial examiner	3	5	102	80	68	118	244	160
Special board	0	0	0	0	0	0	31	43
Trade-practice acceptance	0	0	2	3	19	17	32	5
Others	243	298	185	127	118	134	158	205
Total disposition during year	389	421	346	255	263	369	636	523
Pending end of year	565	488	420	457	530	843	753	754

CUMULATIVE SUMMARY TO JUNE 30, 1931

Application, docketed			6,555	
Rescinded dismissals:				
Stipulated-				
Chief trial examiner	15			
Special board	0			
Trade-practice acceptance	6			
Others	29			
Total rescinded dismissals			50	
Rescinded "To complaints"			4	
Total for disposition				6,609
To complaints			1,627	
Dismissals:				
Stipulated-				

Chief trial examiner	780		
Special board	74		
Trade-practice acceptance	78		
Others	3,296		
Total dismissals		4,228	
Total disposition			5,855
Pending June 30, 1931			754

TABLE 4.--*Complaints*

	1915	1916	1917	1918	1919	1920	1921	1922	1923
Pending beginning of year	0	0	5	10	86	133	287	312	257
Complaints docketed	0	5	9	154	135	308	177	111	144
Rescinded orders to cease and desist:									
Contest	0	0	0	0	0	0	0	0	0
Do	0	0	0	0	0	0	0	0	0
Default	0	0	0	0	0	0	0	0	0
Rescinded dismissals:									
Stipulated	0	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	1	0
Total for disposition	0	5	14	164	221	441	465	423	402
Complaints rescinded	0	0	0	0	0	0	0	0	0
Orders to cease and desist:									
Contest	0	0	3	71	75	110	116	74	28
Do	0	0	0	0	0	0	0	17	54
Default	0	0	0	0	0	0	0	0	0
Dismissals:									
Stipulated	0	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	0	0	0	0
Others	0	0	1	7	13	44	37	75	88
Total disposition during year	0	0	4	78	88	154	153	166	170
Pending end of year	0	5	10	86	133	287	312	257	232

	1924	1925	1928	1927	1928	1929	1930	1931
Pending beginning of year	232	264	220	152	147	136	198	275
Complaints docketed	154	132	62	76	64	149	172	110
Rescinded orders to cease and desist:								
Contest	4	0	0	0	1	0	0	0
Do	1	0	0	0	0	0	0	0
Default	0	0	0	0	0	0	0	0
Rescinded dismissals:								
Stipulated	0	0	0	0	0	0	0	0
Trade-practice acceptance	0	0	0	0	0	0	0	0
Others	1	0	0	1	0	0	0	0
Total for disposition	392	396	282	229	212	285	370	385
Complaints rescinded	0	0	0	0	0	0	3	2
Orders to cease and desist:								
Contest	45	30	28	34	38	56	36	87
Do	47	43	16	18	8	7	11	14
Default	0	0	0	0	2	4	1	7
Dismissals:								
Stipulated	0	6	3	1	3	3	3	4
Trade-practice acceptance	0	0	0	5	5	1	0	1
Others	38	97	83	24	20	16	41	45
Total disposition during year	128	176	130	82	76	87	95	160
Pending end of year	264	220	152	147	136	198	275	225

CUMULATIVE SUMMARY TO JUNE 30, 1931

Complaints				1,962
Rescinded orders to cease and desist:				
Contest			5	
Do			1	
Default			0	
Total rescinded orders to cease and desist				6
Rescinded dismissals:				
Stipulated			0	
Trade-practice acceptance			0	
Others			4	
Total rescinded dismissals				4
Total for disposition				1,072
Complaints rescinded				5
Orders to case and desist:				
Contest			831	

Do	285
Default	14
Total orders to cease and desist	1,080

CUMULATIVE SUMMARY TO JUNE 30, 1931--*Continued*

Dismissals:			
Stipulated	23		
Trade-practice acceptance	12		
Others	627		
Total dismissals		662	
Total disposition			1,747
Pending June 30, 1931			225

COURT PROCEEDINGS--ORDERS TO CEASE AND DESIST

TABLE 5.--*Petitions for review--Lower courts*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	2	8	13	9	4	14	9	8	3	3	35	3
Appealed	4	9	18	5	5	15	6	5	4	4	34	1	10
Total for disposition	4	11	26	18	14	19	20	14	12	7	37	36	13
Decisions for Commission	1	0	1	4	5	1	6	5	4	3	1	4	3
Decisions for others	1	3	11	5	4	4	3	1	2	1	1	26	1
Petitions withdrawn	0	0	1	0	1	0	2	0	3	0	0	3	1
Total disposition during year	2	3	13	9	10	5	11	6	9	4	2	33	5
Pending end of year	2	8	13	9	4	14	9	8	3	3	35	3	8

CUMULATIVE SUMMARY, TO JUNE 30, 1931

Appealed			121
Decisions for commission	39		
Decisions against commission	63		
Petitions withdrawn	11		
Total disposition			113
Pending June 30, 1931			8

Table 5 (p.99) states that 63 cases have been decided adversely to the commission in the circuit courts of appeals. However, the Grand Rapids furniture (veneer) group (with 25 different docket numbers) is in reality 1 case, with 25 different subdivisions. It was tried, briefed, and argued as 1 case, and was so decided by the court of appeals. The same holds true of the curb-pump group (with 12 different subdivisions). In reality, therefore, these 37 docket numbers mean but 2 cases, and if cases and not docket numbers are counted, the total of adverse decisions would be 28.

TABLE 6.--*Petitions for review--Supreme Court of the United States*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	1	3	3	1	0	4	6	1	0	1	0
Appealed by Commission	0	2	2	4	5	0	5	2	1	0	0	1	1
Appealed by others	0	0	0	0	2	1	1	3	1	0	2	0	0
Total for disposition	0	2	3	7	10	2	6	9	8	1	2	2	1
Decisions for Commission	0	0	0	2	0	0	0	0	3	0	0	0	0
Decisions for others	0	1	0	0	5	1	0	0	2	0	0	1	1
Petitions withdrawn by Commission	0	0	0	0	1	0	0	0	0	0	0	1	0
Certiorari denied Commission	0	0	0	2	1	0	1	2	1	0	0	0	0
Certiorari denied others	0	0	0	0	2	1	1	1	1	1	1	0	0
Total disposition during year	0	1	0	4	9	2	2	3	7	1	1	2	1
Pending end of year	0	1	3	3	1	0	4	6	1	0	1	0	0

CUMULATIVE SUMMARY TO JUNE 30, 1931

Appealed by commission	23		
Appealed by others	11		
Total appealed		34	
Decisions for commission	5		
Decisions against commission	11		
Petitions withdrawn by commission	2		
Writ denied commission	7		
Writ denied others	9		

Total disposition	34
Pending June 30, 1931	0

TABLE 7.--*Petitions for enforcement--Lower courts*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	0	1	0	2	3	2	5	3
Appealed	0	0	0	0	1	1	1	3	2	3	9	4	3
Total for disposition	0	0	0	0	1	1	2	3	4	6	11	9	6
Decisions for Commission	0	0	0	0	1	0	2	0	0	1	5	4	4
Decisions for others	0	0	0	0	0	0	0	1	0	1	0	1	0
Petitions withdrawn	0	0	0	0	0	0	0	0	1	2	1	1	0
Total disposition during year	0	0	0	0	1	0	2	1	1	4	6	6	4
Pending end of year	0	0	0	0	0	1	0	2	3	2	5	3	2

CUMULATIVE SUMMARY, TO JUNE 30, 1931

Appealed		27
Decisions for commission	15	
Decisions against commission	1	
Petitions by commission denied	3	
Petitions withdrawn	5	
Total disposition		24
Pending June 30,1931		3

TABLE 8.--*Petitions for enforcement--Supreme Court of the United States*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	0	0	0	1	0	0	1	0
Appealed by Commission	0	0	0	0	0	0	0	0	0	0	1	0	0
Appealed by others	0	0	0	0	0	0	0	1	0	1	0	1	0
Total for disposition	0	0	0	0	0	0	0	1	1	1	1	2	0
Decisions for Commission	0	0	0	0	0	0	0	0	0	0	0	0	0
Decisions for others	0	0	0	0	0	0	0	0	1	0	0	1	0
Certiorari denied others	0	0	0	0	0	0	0	0	0	1	0	1	0
Total disposition during year	0	0	0	0	0	0	0	0	1	1	0	2	0
Pending end of year	0	0	0	0	0	0	0	1	0	0	1	0	0

CUMULATIVE SUMMARY TO JUNE 30, 1981

Appealed		5
Decisions for commission	1	
Decisions against commission	2	
Petitions by others denied	2	
Total disposition		5
Pending June 30, 1931		0

TABLE 9.--*Petitions for rehearing, modification, etc.--Lower courts*

	1919	1920	1921	1922	1923	1924	1926	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	1	0	1	0	0	2	1	1	0	0	0
Appealed	0	1	0	2	0	2	8	3	0	1	1	2	1
Total for disposition	0	1	1	2	1	2	8	5	1	2	1	2	1
Decisions for commission	0	0	0	1	0	0	1	0	0	0	1	0	1
Decisions against commission	0	0	0	0	0	0	1	0	0	1	0	0	0
Petitions by commission denied	0	0	1	0	0	2	1	2	0	1	0	1	0
Petitions by others denied	0	0	0	0	1	0	3	2	0	0	0	1	0
Total disposition during year	0	0	1	1	1	2	6	4	0	2	1	2	1
Pending end of year	0	1	0	1	0	0	2	1	1	0	0	0	0

CUMULATIVE SUMMARY TO JUNE 30, 1931

Appealed		21
Decisions for commission	4	
Decisions against commission	2	
Petitions by commission denied	8	
Petitions by others denied	7	
Total disposition		21
Pending June 30, 1930		0

TABLE 10.--*Petitions for rehearing, modification, etc.--Supreme Court of the United States*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	0	0	0	0	0	0	0	1
Appealed	0	0	0	1	0	0	0	1	4	0	0	1	0
Total for disposition	0	0	0	1	0	0	0	1	4	0	0	1	1
Petitions by commission denied	0	0	0	0	0	0	0	0	2	0	0	0	0
Petitions by others denied	0	0	0	1	0	0	0	1	2	0	0	0	1
Total disposition during year	0	0	0	1	0	0	0	1	4	0	0	0	1
Pending end of year	0	0	0	0	0	0	0	0	0	0	0	1	0

CUMULATIVE SUMMARY TO JUNE 30, 1931

Appealed		7
Petitions by commission denied	2	
Petitions by others denied	5	
Total disposition		7
Pending June 30, 1930		0

COURT PROCEEDING MISCELLANEOUS

TABLE 11.--*Interlocutory, mandamus, etc.--Lower courts*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	1	4	5	6	4	4	4	4	5	3	2	0
Appealed	2	4	2	6	5	0	1	1	2	2	2	2	1
Total for disposition	2	5	6	11	11	4	5	5	6	7	5	4	1
Decisions for Commission	1	0	1	3	0	0	0	0	1	1	3	1	1
Decisions against commission	0	1	0	1	7	0	0	0	0	1	0	2	0
Petitions withdrawn by Commission	0	0	0	0	0	0	1	1	0	2	0	0	0
Petitions withdrawn by others	0	0	0	1	0	0	0	0	0	0	0	1	0
Total disposition during year	1	1	1	5	7	0	1	1	1	4	3	4	1
Pending end of year	1	4	5	6	4	4	4	4	5	3	2	0	0

CUMULATIVE SUMMARY TO JUNE 30, 1931

Appealed		30
Decisions for commission	12	
Decisions against commission	12	
Petitions withdrawn by commission	4	
Petitions withdrawn by others	2	
Total disposition		30
Pending June 30, 1930		0

TABLE 12.--*Interlocutory, mandamus, etc.--Supreme Court of the United States*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	6	4	1	1	0	0	0	0
Appealed	0	0	0	0	6	0	0	0	1	0	0	1	0
Total for disposition	0	0	0	0	6	6	4	1	2	0	0	1	0
Decisions for Commission	0	0	0	0	0	0	0	0	1	0	0	0	0
Decisions against commission	0	0	0	0	0	2	3	0	0	0	0	0	0
Certiorari denied Commission	0	0	0	0	0	0	0	0	1	0	0	0	0
Certiorari denied others	0	0	0	0	0	0	0	0	0	0	0	1	0
Total disposition during	0	0	0	0	0	2	3	0	2	0	0	1	0
Pending end of year	0	0	0	0	6	4	1	1	0	0	0	0	0

CUMULATIVE SUMMARY TO JUNE 30, 1931

Appealed		8
Decisions for commission	1	
Decisions against commission	5	
Petitions by commission denied	1	
Petitions by others denied	1	
Total disposition		8
Pending June 30, 1930		0

TABLE 13.--*Interlocutory, mandamus, etc.--Rehearing, modification, etc.--Lower courts*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	0	0	0	0	0	0	0	0
Appealed	0	0	0	0	0	0	0	0	0	2	0	0	0
Total for disposition	0	0	0	0	0	0	0	0	0	2	0	0	0
Decisions for commission	0	0	0	0	0	0	0	0	1	0	0	0	0
Petitions by commission denied	0	0	0	0	0	0	0	0	0	1	0	0	0
Total disposition during year	0	0	0	0	0	0	0	0	2	0	0	0	0
Pending end of year	0	0	0	0	0	0	0	0	0	0	0	0	0

CUMULATIVE SUMMARY--TO JUNE 30, 1931

Appealed		2
Decisions for commission	1	
Petitions by commission denied	1	
Total disposition		2
Pending June 30, 1929		0

TABLE 14.--*Interlocutory, mandamus, etc.--Rehearing, modification, etc.--Supreme Court of the United States*

	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931
Pending beginning of year	0	0	0	0	0	0	0	0	0	0	0	0	0
Appealed	0	0	0	0	0	2	0	0	0	0	0	1	0
Total for disposition	0	0	0	0	0	2	0	0	0	0	0	1	0
Petitions by commission denied	0	0	0	0	0	2	0	0	0	0	0	0	0
Petitions by others denied	0	0	0	0	0	0	0	0	0	0	0	1	0
Total disposition during year	0	0	0	2	0	0	0	0	0	0	0	1	0
Pending end of year	0	0	0	0	0	0	0	0	0	0	0	0	0

CUMULATIVE SUMMARY--TO JUNE 30, 1931

Appealed		3
Petitions by commission denied	2	
Petitions by others denied	1	
Total disposition		3
Pending June 30, 1980		0

PART IV. TRADE-PRACTICE CONFERENCES

PART IV. TRADE-PRACTICE CONFERENCES

COMMISSION ACTS ON RULES OF ALMOST 100 TRADE GROUPS

During the fiscal year the commission approved and accepted trade-practice conference rules for 34 industries and revised previously promulgated rules for 62.

Of 34 industries for which rules were approved and accepted for the first time, conferences were held for 9 during the fiscal year, while 25 were held previously thereto. The total number of conferences held during the fiscal year was 13, 4 of which have not yet been acted on.

Of the 62 industries for which rules were revised, 50 were considered by the commission during the first months of the fiscal year; of these 8 were at that time re affirmed without change, while changes were made by the commission in the rules of the remaining 42. These changes were submitted to the respective industries and consideration of the replies from all of. the industries was not completed at the time this report went to press.

Results to the public from trade-practice conferences have proven incalculable in the form of voluntary elimination of methods of unfair competition which probably would otherwise remain undiscovered and in use; in the speedier benefits derived from such elimination as compared with the time required in accomplishing the same objective by other methods of procedure; and in the economies effected through the saving of expense to the public by obviating the necessity for investigations and trials of complaints.

Results to industries, while incidental to the main purpose of the commission in holding trade-practice conferences, are shown by a generally recognized and clearly marked trend toward the use of higher standards of business conduct, superinduced largely through the cooperative nature of the trade-practice conference, bringing into closer relationship industries and the commission. The educational value of trade-practice conferences is attested by the fact that many engaged in business and industry were not aware, until a trade-practice conference was held, that competitive methods commonly used by them constituted actual violations of law; or that the unnecessary cost of indulging in unfair competition and wasteful practices, if abandoned at one and the same time by voluntary agreement of

all in the industry, may be transformed from an item of expense to an increase in profit without adding to the price paid by the ultimate purchasers of their products.

REQUISITES OF A TRADE-PRACTICE CONFERENCE

A trade-practice conference is a voluntary proceeding duly authorized by the Federal Trade Commission whereby an industry may assemble for the purpose of discussing any existing competitive conditions and unfair methods of competition with a view to improving such conditions and eliminating such methods of competition.

The first requisite of a trade-practice conference is a desire on the part of a sufficiently large number in that industry to eliminate such practices and to improve such conditions.

TRADE-PRACTICE CONFERENCE PROCEDURE

Trade-practice conferences are usually authorized on applications from industries. At times they are initiated by the commission.

Before the commission authorizes a conference it must be satisfied that it has jurisdiction and that the holding of the conference is desirable and feasible. This determination is aided by the application, which may be made in letter form and should contain information along the following general lines:

(1) A brief description of the business for which the conference is-intended should be given. The products manufactured or the commodities distributed should be named. The annual volume, production, capitalization, and like items should be approximated in order to give an idea of, the size and importance of the industry. It is at times difficult to judge the specific character of a business by the term. ordinarily used. therein to describe it.

(2) The application should state whether the proposed conference is, to be national or sectional in scope. While conferences in practically all cases are held for an entire, industry, they have in some instances; been held for all in, the industry situated within certain geographical limits. This is usually due to the fact that the practices, problems, and competitive conditions in one section differ from those in ,another; but in no, instance, whether national or sectional,. is a conference held, solely for an association or group but for the whole industry. For this reason the application, if made for those situated within geographical. limits, should- specifically describe such limits and give plainly the reasons for the. limitations.

(3) The application should state whether the conference, is intended for all branches of, the industry or whether limited to-branches such as manufacturers or manufacturers and distributors. Whether a conference should be limited to a specific branch depends.

upon the particular practices dealt with. If the resolutions adopted by manufacturers, for example, should be confined to practices which do not materially affect distributors, there would be no particular reason for including distributors. On the contrary, if the proposed actions involve distribution, distributors should be included.

(4) The application should state jurisdictional facts which should show (a) whether the applicants are engaged in interstate commerce and (b) whether the practices, or some of them, are unfair methods of competition,[1] and whether these practices are in use in the industry at the time the application is made.

(5) The practices proposed for discussion should be named, and where necessary described. This does not limit the discussion at the conference to the particular subjects thus named, since the conference itself constitutes an open forum wherein discussion of any practice used in the industry is desired and encouraged.

(6) Authority of the person making the application should also be shown. If made by an association executive, a resolution showing the action of the association, together with the percentage of the industry represented by the membership, should be submitted. If made by a small group, it should be signed by each member thereof.

(7) The application should be accompanied by a complete list of members of the industry, or such list should be furnished shortly after submission of the application. It should be divided, keyed, or symbolized to indicate association members, nonmembers, and as to types of concerns, such as manufacturers, distributors, etc.

When this information is received by the trade-practice conference division the director makes a report and recommendation to the commission with reference thereto. If the commission determines on a trade-practice conference, the industry is assembled at a place and time specified by it.

A commissioner of the Federal Trade Commission presides, but in order to give the widest possible range to the discussion of practices which may be proposed and to preserve the voluntary character of the conference, those present are encouraged to organize by electing their own secretary for the conference.

After the industry has examined and freely discussed practices or methods elimination of which would be beneficial and fair to all in the industry and to the public, resolutions are framed which, in the judgment of its representatives, are workable, and they are separately voted on.

1 Rules approved and accepted by the commission relate to practices violative of the law and are designated Group I. Other rules accepted as expressions of the trade are classed as Group II.

Following the conference the proceedings are reported to the full commission through its division of trade-practice conferences.

This procedure deals with the industry as a unit. It is concerned solely with practice's and methods, not at that time with individual offenders. It tends to wipe out on a given date all unfair methods condemned at the conference and thus place all competitors on an equally fair; competitive basis in so far as. such methods or practices are concerned. Mere attendance at a conference or actual participation in the deliberations thereat should not be taken as indication that any firm or individual thus participating has indulged in the practices condemned at such conference.

The commission charges its division of trade-practice conferences with the duty of coordinating and facilitating work incident to the holding of trade -practice conferences, of extending the scope of such work within its proper sphere, of observing and studying the work of such, and of encouraging closer cooperation. between business as a whole and the commission in serving the public.

PART V. SPECIAL PROCEDURE IN CERTAIN TYPES OF ADVERTISING CASES

PART V. SPECIAL PROCEDURE IN CERTAIN TYPES OF ADVERTISING CASES

Prior to the creation in 1929 of a special board of investigation for false and misleading and fraudulent advertising, a large number of applications for complaint had been filed with the commission charging advertiser-vendors of various articles of commerce with making and publishing false and misleading statements and representations to induce the public to buy their products.

These false statements and representations were published and circulated in numerous magazines, newspapers, and other periodicals, and in booklets, folders, circulars, form letters and other advertising literature.

The largest number of such offenders were and are to-day purveyors of so-called patent medicines, cosmetics, fat reducers, hair restorers, and hair dyes.

There are 2,268 daily newspapers published in the United States with a circulation of 42,500,000; also 544 Sunday newspapers with a circulation of 26,500,000 copies; 13,156 weekly, semiweekly and tri-weekly newspapers, and 4,175 fortnightly, semimonthly, monthly, bimonthly and quarterly magazines.

SURVEY SHOWS EXPENDITURES FOR ADVERTISING

A survey including leading monthly and weekly magazines, representative farm magazines and advertising by radio, discloses that during 1929 there was expended for national advertising, $231,629,-270, of which total $64,260,218, or 27.7 per cent, was to advertise products which directly affect the health of the consumer; namely, drugs and toilet articles, $35,987,386; and foods and food beverages, $28,272,832.

These are minimum figures as the survey embraced only a number of leading periodicals. The amount listed for broadcasting covered only two leading chains. All local advertising and advertisements of less than 14 agate lines were excluded.

Upon creating the special board of investigation the Federal Trade Commission transferred to it all cases referring to false and mis-leading advertising in newspapers and magazines then pending be-fore its board of review.

FUNCTIONS OF SPECIAL BOARD ARE OUTLINED

The Special board of investigation is composed of three members, all attorneys, and is authorized, by various orders of the commission:

To make investigations with reference to false and misleading advertising in newspapers and magazines;

To extend to advertisers, publishers, and advertising agents the privilege of informal hearings bef ore the board prior to actual issuance of complaint and institution of formal proceedings;

To hold such hearings or conferences in all cases where, in the opinion of the board, it appears the matter might be adjusted by stipulation or agreement;

To make from time to time reports to the commission of its action in any case or cases;

To prepare and submit to the commission for, its consideration recommendations or suggested forms or plans for further proceedings in any case or cases or for the final disposition thereof; and

To perform such other duties as the commission from time to time directs.

In actual practice the special board considers all cases of false and misleading advertising in newspapers, magazines, and over the radio that are brought to its attention by reference, complaint, or otherwise, and recommends to the commission such action as it deems proper.

When the commission directs that a complaint be docketed against an advertiser and refers the matter to the special board, the board notifies the publishers and advertising agents and gives them an opportunity to avoid being joined with the advertisers as respondents by agreeing to abide by the results of proceedings against the advertisers.

The advertiser is also notified that he may come before the board informally “and with or without counsel submit whatever he desires in justification or explanation of published claims and representations that are alleged to be false or misleading.

In more than 95 per cent of all cases so far handled by the board the advertisers have either agreed to go out of business, discontinue advertising, or revise their advertising copy and literature to eliminate statements or representations that are found by the special board to be untrue, misleading, or to have the capacity and tendency to deceive and mislead the reader.

ADVERTISERS AGREE TO REVISE THEIR COPY

Th all cases where the advertisers agree to revise their advertising representations the board negotiates, prepares,, and submits for execution the necessary stipulations to effectuate the agreements to adjudicate the matter, and as these stipulations are executed and

returned to the board it reports the same to the commission with recommendation that they be accepted and approved by the commission and thereby become effective.[3]

In a few cases where it appears impossible or impractical to negotiate stipulations, if the charges appear to be justified and jurisdiction of the commission obtains, the board recommends the prosecution of proceedings against the offenders and specifies the parties to be joined as defendants.

Four hundred and forty-five cases were pending before the special board of investigation July 1, 1930, and 89 new cases were referred to the board by the commission during the last fiscal year. One case was dismissed on recommendation of the commission's trade-practice conference division; 125 cases were completed and reported to the commission by the board, leaving 408 cases pending June 30, 1931. Of these pending cases many have been heard and some action taken, but they have not been completed and made ready for report to the commission.

There are some advertising agents who constantly seek catchy words and phrases that attract attention and "have a pull" without regard for the truth, and there are some publishers who seek revenue from advertising space without consideration for their readers, but, to the credit of both professions, it should be said that the majority of both advertising agents and publishers have effectively cooperated with the board and the commission to eliminate false and misleading advertising, restore and maintain reader confidence, and made the going hard for the faker and the dishonest, and easier for the honest business men.

The work of the special board of investigation has relieved the Federal Trade Commission of a great amount of detail; expedited the disposition of cases involving false and misleading advertising; and materially reduced the cost of investigating, hearing, handling, and disposing of this class of cases.

The effectiveness of the work being done by the special board of investigation thoroughly justifies its creation and existence. Many purveyors of questionable products and many writers of false, exaggerated, and misleading representations, published in advertisements, have either discontinued their advertising or revised their claims and statements to bring them within truthful limits. A fair estimate discloses that over 10,000 false and misleading advertisements have been discontinued, directly due to the work of the special board of investigation.

3 Digests of these stipulations appear on p 210

PART VI. EXPORT TRADE WORK

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Foreign trade work of the commission includes administration of the export trade act, commonly known as the Webb-Pomerene law, and inquiries made under section 6 (h) of the Federal Trade Commission act. This work is handled by the export trade section of the commission's legal division.

PROVISIONS OF THE WEBB LAW

The Webb law, passed by Congress on April 10, 1918, grants exemption from the antitrust laws to a combine or "association" organized for the sole purpose of and solely engaged in export trade from the 'United" States to foreign countries.

Section 1 of the act defines export trade as "solely trade or commerce in goods, wares, or merchandise exported, or in the course of being exported from the United States or any Territory thereof to any foreign nation," and specifically excludes production, manufacture, or selling for consumption Or resale within the United States.

Section 2 includes the clause granting exemption from the Sherman Act, with the proviso that a Webb law association or an agreement made or act done by such association--

> is not in restraint of trade within the United States, and is not In restraint of the export' trade of any domestic competitor of such association: And provided further, That such association does not, either in the United States or elsewhere, enter into any agreement, understanding, or conspiracy, or do any act which artificially or intentionally enhances or depresses prices within the United States of commodities of the class exported by such association, or which substantially lessens competition within the United States or otherwise restrains trade therein.

Section 3 grants exemption from section 7 of the Clayton Act as to acquisition or ownership of stock or other capital, in export trade, "unless the effect of such acquisition or ownership may be to restrain trade or substantially lessen competition within the United States."

Section 4 extends the jurisdiction of the commission under the Federal Trade Commission act to "unfair methods of competition used in export trade against competitors engaged in export trade, even though the acts constituting such unfair methods are done without the territorial jurisdiction of the United States."

Section 5 provides for certain reports tot be filed with the commission by a Webb law association, upon organization and on January 1 of each year, as well as "Such information as the commission may require as to its organization, business, conduct, practices, management, and relation to other associations, corporations, partnerships, and individuals." Also under this section the commission may conduct an investigation if it has reason to believe that an association is ope rating in violation of the law, and may make recommendations for the readjustment of its business. Should the association fail to comply with the commission's recommendations, the matter may be referred to the Attorney General for further action.

Blanks for the filing of reports, and other information concerning administration of the law, may be obtained from the commission's export-trade section.

EXPORTS BY ASSOCIATIONS TOTAL $661,000,000 IN 1930

Reports for 1930 reflect the business depression in foreign countries, especially during the last three months of the year. Prices were lower on almost all commodities, and the total value of Webb law exports for the year amounted to $661,000,000, somewhat less than exports in 1929, which totaled $724,100,000.

Item	1929	1930
Metals and metal products, including copper, iron and steel, metal lath, [1] zinc, machinery, railway equipment, pipes, valves, and screws	$271,000,000	$208,000,000
Products of mines and wells, crude sulphur, phosphate rock, petroleum products, carbon black [1]	270,000,000	315,000,000
Lumber and wood products, pine, fir redwood, walnut, hardwood, naval stores, plywood, doors,[1] wooden tool handles	28,000,000	22,500,000
Foodstuffs such as milk, meat, sugar, flour, rice, sardines, salmon,[1] dried and fresh fruit	87,100,000	40,500,000
Other manufactured products such as rubber, paper, abrasives, cotton goods and linters, buttons, chemicals	90,000,000	75,000,000
Total	724,100,000	661,000,000

[1] Doors and salmon in 1929 only; metal lath and carbon black in 1930 only.

Unsettled business conditions in this country and abroad served to bring some of our exporters more closely together in an effort to find markets for goods not disposed of in the domestic market. Webb law associations increased their membership, and a very strong effort was made to keep the members currently informed as to changes in foreign markets, credit conditions, competition of foreign firms, preferential duties, shipping requirements, and other conditions affecting exports.

There was a very noticeable demand on the part of foreign buyers for cheaper goods and substitute products, and for more lenient credit terms. Even on those products that were sold to foreign governments payment was slow and longer terms demanded. It

was especially difficult to sell in agricultural areas because the low prices obtained for farm products have reduced the purchasing power of our foreign customers. The growing competition of Russia and the low prices quoted by European competitors were hard to meet. Webb law associations that usually ship in large quantities to Australia found themselves handicapped by adverse conditions in that market, which were met by an attempt to increase sales to New Zealand and other Pacific islands. In some industries producers and manufacturers that do not normally export and have not joined Webb law groups made an attempt this year to dispose of their products in export trade; and generally these firms sold at very low prices, a situation which helped to bring down the export price level. Some members of the Webb law associations declined to sell in export at the low prices prevailing abroad during the past year.

The necessity for readjustment of export business seemed to create a renewal of interest in the Webb law, shown by individual firms and trade organizations throughout the country. The chambers of commerce, the National Foreign Trade Council, and other business groups urged the formation of export associations; and a number of industries are working on organization plans.

NEW ASSOCIATIONS FORMED DURING THE YEAR

New associations formed during the fiscal year ending June 30, 1931, included:

American Hardwood Exporters (Inc.), New Orleans, formed by George McSweyn, W. A. Ransom, B. C. Tully, and Arthur Gohn, for exporting hardwood lumber.

Electrical Apparatus Export Association, New York City, formed by the Westinghouse Electric International Co. and International General Electric Co. (Inc.), for exporting electrical and other apparatus, materials, and goods.

Grapefruit Distributors (Inc.), Davenport, Fla., formed by Harry E. DiCristina, E. H. Dewson, and F. S. Bates for exporting citrus fruits, citrus-fruit products and by-products.

The Textile Export Association of the United States, New York City, formed by Amory, Browne & Co.; William L. Barrell Co. of New York (Inc.); Edwin E. Berliner & Co.; Bliss Fabyan & Co. (Inc.); M. C. D. Borden & Sons (Inc.); Brune Pottberg & Co.; Garner & Co. (Inc.); Iselin-Jefferson Co.; M. Lowenstein & Sons (Inc.); Minot, Hooper & Co.; Neuss, Hesslein & Co.; Pacific Mills; Pepperell Manufacturing Co.; Prince, Lauten Corporation; J. P. Stevens & Co. (Inc.); Turner, Halsey Co.; Wellington, Sears & Co.; and Woodward, Baldwin & Co., for exporting textiles.

FIFTY-SEVEN ASSOCIATIONS NOW FILING PAPERS UNDER THE ACT

Export associations filing papers with the commission during the first six months of 1931 were as follows:

Alabama-Florida Pitch Pine Export Association, 601 Blount Building, Pensacola, Fla.
American Hardwood Exporters (Inc.), 302 Marine Building, New Orleans.
American Locomotive Sales Corporation, 30 Church Street, New York City.
American Paper Exports (Inc.), 75 West Street, New York City.
American Pitch Pine Export Co., 1600 Pore Marquette Building, New Orleans.
American Provisions Export Co., 140 West Van Buren Street, Chicago.
American Rice Export Corporation, Crowley, La.
American Soda Pulp Export Association, 280 Park Avenue, New York City.
American Soft Wheat Millers Export Corporation, 3261 K Street NW., Washington, D. C.
American Spring Manufacturers' Export Association, 30 Church Street, New York City.
American Textile Trading Co., 1421 Chestnut Street, Philadelphia.
American Tire Manufacturers' Export Association, 30 Church Street, New York City.
American Webbing Manufacturers' Export Association, 895 Broadway, New York City.
Associated Button Exporters of America (Inc.), 820 Broadway, New York City.
California Dried Fruit Export Asso-elation, 1 Drumm Street, San Francisco.
California Sardine Export Association, 1603 Alexander Building, San Francisco.
Carbon Black Export Association (Inc.), 60 East Forty-second Street, New York City.
Cement Export Co., The, Pennsylva-
Chalmers (Harvey) & Son Export Corporation, rear 31 East Main Street, Amsterdam, N. Y.
Copper Export Association (Inc.), 25 Broadway, New York City.
Copper Exporters (Inc.), 25 Broadway, New York City.
Davenport Pearl Button Export Co., 1231 West Fifth Street, Davenport, Iowa.
Douglas Fir Exploitation & Export Co., 1125 Henry Building, Seattle.
Durex Abrasives Corporation, 82 Beaver Street, New York City.
Electrical Apparatus Export Association, 31 Nassau Street, New York City.
Export Petroleum Association (Inc.). 67 Wall Street, New York City.
Export Screw Association of the United States, 101 Park Avenue, New York City.
Florida Hard Rock Phosphate Export Association, Savannah Bank & Trust Building, Savannah, Ga.
Florida Pebble Phosphate Export Association, 420 Lexington Avenue, New York City.
Florida Pine Export Association, Bisbee Building, Jacksonville.
General Milk Co. (Inc.), 71 Hudson Street, New York City
Goodyear Tire & Rubber Export Co., The, 1144 East Market Street, Akron.
Grapefruit Distributors (Inc.), Davenport, Fla.
Gulf Pitch Pine Export Association, 824 Whitney Bank Building, New Orleans.
Hawkeye Pearl Button Export Co., 601 East Second Street, Muscatine, Iowa.
Metal Lath Export Association, The, 10 East Fortieth Street, New York City.
Naval Stores Export Corporation Savannah Bank & Trust Building,

nia Building, Philadelphia.

Savannah, Ga.

Northwest Dried Fruit Export Association, 400 Security Building, Portland, Oreg.
Pacific Flour Export Co., care of Fisher Flouring Mills Co., Seattle.
Phosphate Export Association, 420 Lexington Avenue, New York City
Pipe Fittings & Valve Export Asso-elation,; Branford, Conn.
Producers Linter Export Co., 822 Perdido Street, New Orleans.
Redwood Export Co., 405 Montgomery Street, San Francisco.
Rice Export Corporation, Lake Charles, La.
Rubber Export Association, The, 801 Akron Savings & Loan Building, Akron.
South American Fruit Exporters (Inc.), 44 Water Street, New York City.
Standard Oil Export Corporation, 26 Broadway, New York City.
Steel Export Association of America, The, 40 Rector Street, New York City.
Sugar Export Corporation, 120 Wall Street, New York City.
Sulphur Export Corporation, 420 Lexington Avenue, New York City.
Textile Export Association of the United States, 40 Worth Street, New York City.
United States Alkali Export Association (Inc.), 11 Broadway, New York City.
United States Handle Export Co., The, Piqua, Ohio.
Walnut Export Sales Co. (Inc.), Packers Station, Kansas City, Kans.
Walworth International Co., 11 Broadway, New York City.
Western Plywood Export Co., 1549 Dock Street, Tacoma, Wash.
Zinc Export Association, 60 East Forty-second Street, New York City.

INFORMAL FOREIGN TRADE COMPLAINTS UNDER SECTION 6 (H)

Inquiries made under section 6 (h) of the Federal Trade Corn-mission act included 34 foreign trade complaints handled by this office during the fiscal year ending June 30, 1931.

These cases involve practices of American exporters and importers (not Webb law associations) in their trade with foreign countries. They are usually reported in the first instance by the foreign complainant to the American consul abroad. If it is found that inquiry in the States is necessary the matter may be reported to the Federal Trade Commission and facts obtained to substantiate or refute the allegations of the complainant. These facts, with inspection reports of the consul, frequently lead to an amicable adjustment by the parties, either in the form of settlement or arbitration proceedings. The commission's inquiries are made without publicity.

Cases handled during the past year involved shipments of neck-ties, pianos, and electrical apparatus to Australia; calculating machines and pigeons to New Zealand; batteries to India; phonographs to the Philippines; textiles to Mexico; pipe to Cuba; furniture to Venezuela; novelties to Brazil; weighing scales to South Africa; leather goods and automobile accessories to Syria; hosiery to Greece; apples and typewriters to Sweden; rice to Denmark; bags to Holland; 'radios and machinery to Belgium; dried

apples to Germany;

lumber to Italy and to Spain; tire gauges, motors, waste cloth, fruit, and lumber to England. Two inquiries regarding imports were handled involving shipment of seed from Holland and stamps from Syria. Complaints involved claims of misrepresentation of goods, quality below sample or order, short shipment, delay or failure to ship, spoilage or breakage en route, overcharge, failure to reply to complaints or inquiries, and other factors resulting in strained relations between the parties, as well as the creation of anti-American sentiment in foreign markets.

Consuls report that this work has done much toward establishing good will for American products abroad, especially in out-of-the-way markets where American exporters have not a firmly established trade and a complaint against an American trader reflects unfavorably against all Americans trading in the community.

TRUST LAWS AND UNFAIR COMPETITION IN FOREIGN COUNTRIES

The extreme business depression throughout the world during the past year has resulted in renewed interest and activity along the lines of trust legislation and unfair competition. Some of the recent measures in foreign countries and in international trade, noted by this office under section 6 (h) of the Federal Trade Commission act, will be of especial interest at this time because the United States is confronted with some of the same problems of industry and trade.

GERMAN DECREE FOR PREVENTION OF UNECONOMIC PRICE AGREEMENTS

The German Government issued a emergency decree on July 27, 1930, "for the prevention of uneconomic price agreements" which empowers the Government to dissolve any cartel or to annul any agreement' that is found to be "antisocial," without right of appeal to the cartel court provided in the cartel law of 1923, and without the necessity of proving a monopoly. The decree also empowers the Government to remove customs duties on products the prices of which are maintained by agreements contravening the provisions of the decree, and provides that the Federal Economic Council make recommendations as to the use to be made of powers conferred by the decree.

The council has reported that it would approve annulment of ineffective price agreements if it were found that as a result of economic pressure the members of a cartel were unable to maintain the prices fixed.

On January 19, 1931, a decree was issued declaring all resale price agreements on trade-marked goods invalid if the prices fixed therein are not at least 10 per cent below prices prevailing on July 1, 1930.

DANISH LAW RELATING TO PRICE AGREEMENTS

Under a Danish. law, No. 139, enacted April 28, 1931, to be effective from January 1, 1932, to December 31, 1936, a committee shall be appointed to consider whether price agreements made by trusts or similar combines of a monopolistic character are intended to or have resulted in the fixing or maintenance, by improper measures, of unreasonable prices for goods of general consumption. If the committee shall find against a combine, the matter shall be presented to the courts, which have power to declare such a price agreement invalid and nonbinding, and fines may be imposed upon the parties thereto.

PRICE MAINTENANCE CASE IN ITALIAN COURT

Contracts between manufacturers and vendors for the maintenance of resale prices are upheld as valid in the Italian courts. But in an appellate decision rendered by the Tribunal of Milan on October 30, 1930, Dr. Constantino Santi, charged in a criminal' suit with having sold a medicinal specialty at a price lower than that marked on the package by the manufacturer, was found not guilty of a crime or misdemeanor, since he had not agreed to maintain the price so fixed. This decision overruled a contention by the Syndicate of Pharmacists that the act charged was one of unfair competition.

CANADIAN COMBINES INVESTIGATION ACT HELD CONSTITUTIONAL BY THE BRITISH PRIVY COUNCIL

Constitutionality of the Canadian combines investigation act and section 498 of the Criminal Code, was finally established by the 'Privy Council in London in a judgment rendered January 29, 1931, on appeal from the Supreme Court in Canada, No.118 of 1929, Proprietary Articles Trade Association et al., appellants, V. The Attorney General of Canada et al.

The Privy Council upheld the legislation under the criminal law, overruling' the contention that the two acts violate the exclusive right of the Provinces under sections 91 and 92 of the British North American act, to make laws as to property and civil rights and the administration of justice in the Provinces. The council called attention to the fact that, although investigations may be conducted and reports issued under the combines investigation act:

> It is noteworthy that no penal consequences follow directly from a report of either commissioner or registrar that a combine exists. It is not even made evidence. The offender, if he is to be punished, must be tried on indictment, and the offense proved in due course of law.

Court cases that had been delayed pending decision of the Privy Council, were resumed, and decisions rendered by the Supreme Court

of Ontario in Rex v. Singer et al. (March 23, 1931), Rex v. White et al. (April 1, 1931), and Rex *v*. Belyea and Weinraub (June 26, 1931), held plumbing and heating contractors, members of the Amalgamated Builders Council, guilty of illegal combination.

A report issued by a commissioner under the combines investigation act on October 4, 1930, charged the Electrical Estimators' Association with combination and control of contracts for installation of electrical equipment in the Toronto area:

> Competition was Interfered with, both In respect of the article or commodity with which the members of the association dealt, and In respect of the labor for the Installation of these articles or commodities * * * and that the prices of the articles or commodity which the members of the association dealt with which were unreasonably enhanced. * * *.

Report of the registrar of the combines investigation act, on an inquiry into an alleged combine in the bread-baking industry of Canada, was made public by the Minister of Labor on February 17, 1931; but illegal combination was not found to be the cause of high prices in this industry:

> Distinction should be made * * * between two different types of competition; the one, competition In price, the other competition in quality, service, and sales promotion. The one tends to keep costs and prices down to a minimum; the other, where it is not kept within control by price competition or some other means of regulation, has usually the opposite effect of increasing costs and prices. * * *
> What the present inquiry has disclosed is that higher prices have been due not so much to combination as to this costly form of competition in quality, service, and salesmanship.

An interim report on an investigation into an alleged combine in the motion-picture industry of Canada was issued on April 30, 1931. The commissioner found that agreements between exhibitors, producers, and distributors have operated to the detriment or against the interest of the public through pooling arrangements, block booking, and blind booking, protection systems, acquisition of theaters, priority selective contracts, exhibition contracts containing "onerous terms," concerted action on credit, arbitration, censorship, propaganda to affect legislation, and other means and methods. A more extensive inquiry will be made and further report issued.

UNITED STATES BECOMES A PARTY TO THE INTERNATIONAL CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY, REVISED AT THE HAGUE IN 1925

The International Convention for the Protection of Industrial Property, revised at The Hague in 1925, was ratified by the United States in December, 1930, and became effective as far as this country is concerned on March 6, 1931. The scope of industrial property in

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cludes patents, utility models, industrial designs and models, trade-marks, commercial names, and indications of origin, or appellations of origin, as well as the repression of unfair competition.

LEAGUE OF NATIONS REPORTS ON INDUSTRIAL AGREEMENTS

Two reports on industrial agreements, national and international, were published by the league in 1930. The first reviews laws governing industrial and commercial combinations and legal aspects of agreements in European countries, Great Britain, and the United States, pointing out conflicting points of view as to regulation of combines. The second, presented by economists, reviews operation of some of the more important international combines and concludes that under existing conditions it would seem impossible to arrive at uniform regulation.

The Commission of Enquiry for European Union has under consideration the Briand plan for a European Federal Union. At a meeting at Geneva in May, 1931, the question of a European Customs Union was discussed. The French delegate suggested a system of international cartels to regulate production and organize the European market for cartellized products. This plan, it was pointed out, would involve creation of some system of international control. The German delegate urged agreements between two States or regional groups, which might be followed by multilateral agreements. The British delegate considered reduction of tariffs of first importance. The Italian delegate urged application of the commercial convention drafted at the First Tariff Conference in 1930, but as yet ineffective due to lack of a sufficient number of ratifications. The Convention for the Abolition of Import and Export Restrictions, signed in 1927, is ineffective for the same reason.

In April, 1931, the league announced a draft convention under which an International Agricultural Mortgage Credit Co. may be created under governmental regulation:

> To make long or medium term loans with amortization to mortgage credit companies which lend the sums so received upon first mortgages on immovable property exploited agriculturally in the territory of a contracting party.

WHEAT CONFERENCES AND FOREIGN LAWS FOR PROTECTION OP GRAIN TRADES

Problems of wheat growers and importers were discussed at a number of international conferences during the year. European growers have proposed preferential tariffs and negotiation of an international agreement providing for a central bureau to fix prices and conditions under which all shall sell, with a selling agency in each country to control grain exports and guarantee maintenance of prices so fixed. But this plan does not meet with favor in import-

ing countries, nor is it acceptable to growers in other parts of the world. A wheat export quota plan, formation of a world wheat pool, and proposals for restriction of production, have also been discussed.

New legislation for the protection of grain trades include:

Netherlands wheat act, effective in July, 1931, under which a central wheat organization will supervise culture, storage, shipment, and delivery of wheat,-and sales will be made at fixed prices.

Estonian law, effective July 19, 1930, providing for purchase by the State from farmers or cooperatives, of all grain representing surplus over their own requirements, at prices fixed by the State, and importation only under permits issued by the State.

Hungarian law, effective July 16, 1930, whereby purchasers of grain, domestic or Imported, must buy grain tickets at prices fixed by the State. Dealing in grain for future delivery is prohibited except by special permit; grain mortgages and credits on crops sold before the harvest are under State regulation.

Latvian regulations, in force on August 8, 1930, whereby locally grown grain hitherto stored at or pledged to Latvijas Bank is to be received in State granaries and advances made to farmers upon it at rates fixed by the State. Grain and grain products may be imported only under State certificates, in approved proportion to local grain in the State-controlled granaries.

Yugoslav decree, effective July 5, 1931, providing for State control of import and export trade of grain and flour; internal trade not included, but a minimum price will be guaranteed to domestic producers for average quality wheat.

Italian regulations (similar to those in France, Germany, Hungary, and Netherlands) whereby the State may determine the percentage of domestic wheat that must be used in all flour ground in domestic mills.

INTERNATIONAL NITRATE AGREEMENT

In August, 1930, an agreement was entered into by producers of nitrate in Chile and European producers of synthetic nitrogen, representing 80 per cent of the world's output and 98 per cent of the European production. Participation by Chilean members was facilitated by a Chilean law dated July 21, 1930, consolidating the nitrate industry of that country into one unit under Government regulation.

The plan, effective for one year, included regulation of production, exports, and prices. The continental producers accepted a division of markets on a quota basis, but no limits were placed on imports from Chile so long as fixed prices were adhered to. Producers in each country reserved the - right to satisfy domestic demands as far as possible. A general fund of £3,000,000 was subscribed for the purpose of purchasing stocks of nitrogen offered by parties outside the agreement, which were considered to be unduly depressing the market, and to compensate producer members who restricted their production in accordance with the quota terms.

Negotiations in July, 1931, resulted in refusal of the Chilean group to renew the pact. It is claimed that the agreement was not successful because its terms did not anticipate the extreme depression of the

past year, the reduced consumption of nitrates, and the resulting restriction of production.

INTERNATIONAL SUGAR STABILIZATION AGREEMENT

About 80 per cent of the world's sugar production is represented in an international plan agreed upon in April, 1931, by cane-sugar producers in Cuba and Java, and beet-sugar producers in Germany, Czechoslovakia, Hungary, Poland, and Belgium. Participation of the Cuban producers was facilitated by the Cuban law for the stabilization of the sugar industry, published in the Cuban Official Gazette on November 15, 1930.

The international plan includes liquidation of 2,500,000 tons of excess sugar over a period of five years, and curtailment of production on a quota basis. Control will be in the hands of an international sugar council representing 90 votes, of which Cuban producers have 35, Javan 30, and European 25. When the world price of sugar reaches 2 cents per pound, a 5 per cent increase in the quotas will be applied; when the price reaches 2 1/4 cents the council may release 2Y2 per cent of the reserve stocks. Upon further increases in price, changes will be made in the quotas or further releases made of reserves. A system of Government export licenses will be arranged by the producing countries, in order to insure compliance with the quotas.

INTERNATIONAL TIN AGREEMENT AND PLANS FOR RESTRICTION OF RUBBER PRODUCTION

At meetings held in London in February, 1931, and at The Hague in May, an agreement was entered into by tin producers in Bolivia, Malaya, the Putch East Indies, and Nigeria, later acceded to by Siamese producers, representing about 90 per cent of the world's production of tin. The plan, effective for the next two years, will be administered by an international committee representing the governments of the producing countries. Each government agrees to allot its national quota among the individual producers and to control production and exportation in accordance with the terms of the plan.

Meetings were held during the year for discussion of plans for international restriction of the production of crude rubber. British growers in Malaya, represented by the Rubber Growers Association in London, have made a strong effort to bring about an accord with Dutch growers in the Netherland East Indies. One plan approved by a majority present at a meeting in Amsterdam in 1930 would involve compulsory restriction ,of exportation from the producing areas so long as the price of rubber in London remains for three consecutive months below 9 pence a pound, and as to those districts where

restriction is not effective an additional export duty of 10 per cent. Such a scheme can be effected only through legislative action, and the Government of Dutch East Indies is said to be opposed to compulsory restriction on the ground that control of the native production would be difficult if not impossible. In May, 1931, a committee was appointed by the Dutch Government to study the situation and report on measures likely to improve the position of producers in the Dutch East Indies.

PROPOSED INTERNATIONAL COFFEE AGREEMENT

At the Second Pan American Coffee Conference at Sao Paulo, Brazil, in May, 1931, Brazilian delegates presented a proposal for an international agreement between producers in Brazil, Colombia, Venezuela, Guatemala, and other Latin American countries. The plans under consideration include: (1) That each producing country be allowed to contribute a definitely stated percentage of the world's consumption, based upon an average of the last five years' production; (2) that prices be fixed for each type of coffee; (3) that a uniform tax of one-half cent per pound be levied for the purpose of creating an international advertising fund; and (4) that an international commission make an annual survey of coffee prices and be empowered to make changes in the production quotas. It has also been suggested that the planting of new trees be prohibited for a fixed period, possibly 20 years.

BRITISH COAL MINES ACT, 1930, AND NEGOTIATIONS FOR AN INTERNATIONAL COAL CARTEL

The British coal mines act passed on August 1, 1930, replaces the voluntary coal-marketing plan that has been in operation since 1929 with a compulsory system, under which the production of coal will be limited by a quota plan, minimum prices will be fixed for the various grades and localities, companies will be required to reorganize and combine in order to operate the more profitable workings, and hours will be regulated. National production for the first quarter of 1931 was fixed at 10 per cent less than the output for the corresponding period in 1930. The law provides for a coal mines reorganization commission for the purpose of effecting reorganization and consolidation plans and a coal mines national industrial board, which will record agreements between operators and workmen regarding wages or mining conditions and handle disputes as to those agreements.

Negotiations for international agreements between coal producers in the United Kingdom, Germany, and Poland were continued during the year, but no definite agreement reached.

PART VII DOCUMENTS AND SUMMARIES

FISCAL AFFAIRS

APPROPRIATIONS AND EXPENDITURES

Appropriations available to the commission for the fiscal year 1931, under the executive and independent office act approved April 19, 1930, were $1,580,000; under the second deficiency act approved March 4, 1931, $202,356.47; under the act approved February 20, 1929, $30,501.84; under the act approved February 23, 1931 ,$150,000; under the first deficiency act approved March 26, 1930, $24,944.47; in all, $1,987,802.28. This sum was made up of three separate items: (1) $50,000 for salaries of the commissioners; (2) $1,882,867.81 for general work of the commission; and (3) $54,944.47 for printing and binding.

Expenditures and liabilities for the year amounted to $1,863,-347.82, which leaves a balance of $124,454.40, all of which is available for expenditures during the fiscal year 1932.

Appropriations, expenditures, liabilities, and balances

Item	Amount available	Amount expended	Liabilities	Expenditures and liabilities	Balances
Federal Trade Commission, 1931:					
Salaries, commissioners	$50,000.00	$50,000.00		$50,000.00	
Printing and binding	54,944.47	32,419.03	$22,525.44	54,944.47	
All other authorized expenses	1,882,857.81	1,718,243.16	40,160.19	1,758,403.35	[1] $124, 454.46
Total, fiscal year 1931	1,987,802.28	1,800,662.19	62,685.63	1,863,347.82	124,454.46
Unexpended balances:					
1930	8,864.11	8,840.05			224.06
1929-1930	7,020.10	3,960.67			3,059.43
1929	3,823.28	10.21			3,813.07
Total	2,007,509.77	1,813,273.12			131,551.02

1 This entire balance for the fiscal year 1931 is available for expenditure in the fiscal year 1932.

Appropriations available to the commission since its organization, and expenditures for the same period, together with the unexpended balances, are shown in the following table:

Year	Appropria-tions	Expendi tures	Balance	Year	Appropria-tions	Expendi-tures	Balance
1915	$184,016.23	$90,442.05	$93,574.18	1924	$1,010,000.00	$977,018.28	$32,981.72
1916	430,964.08	379,927.41	51,036.67	1925	1,010,000.00	1,008,998.80	1,001.20
1917	567,025.92	472,501.20	94,524.72	1926	1,008,000.00	996,745.58	11,254.42
1918	1,608,865.92	1,462,187.32	156,678.60	1927	997,000.00	960,654.71	36,345.29
1919	1,753, 530.75	1,522,331.95	231,198.50	1928	984,350.00	972,966.64	11,383.96
1920	1,305,708.82	1,120,301.32	186,407.80	1929	1,163,192.62	1,169,459.76	3,732.77
1921	1,032,005.67	938,659.69	93,345.98	1930	1,495,821.69	1,494,619.69	1,202.00
1922	1,026,150.54	956,116.50	70,034.04	1931	1,863,348.42	1,861,971.72	1,376.70
1923	974,480.32	970, 119.66	4,360.66				

Statement or costs for the fiscal year ended June 30, 1931

	Office	Field	Total
Administrative	$487,617.48	$68.71	$487,686.19
Economic	555,297.08	130,384.98	685,682.00
Chief counsel	159,528.97	18,664.07	178,193.04
Chief examiner	251,149.90	48,004.29	299,154.19
Board of review	26,533.58		26,533,58
Special board of investigation	16,406.82		16,406.82
Trial examiner	61,814.42	9,446.67	71,261.09
Trade practice conference	40,776.25	2,756.89	43,533.14
Grandtotal	1,590,124.50	209,325.61	1,808,450.11

Detailed statement of costs for the fiscal year ended June 30, 1931

Items	Office	Field	Items	Office	Field
Annual leave	$117,043.50		Panhandle petroleum	$14.81	
Application for com,-plaints	54,821.16	$10,448.48	Peanut Investigation (S. Res. 139)	13,803.23	$5,278.72
Board of review	21,927.45		Personnel section	12,264.09	
Bread inquiry (S. Res. 163)	1,244.66	21.05	Power and gas inquiry (S. Res. 83)	247,517.62	85,335.89
Building materials (S. Res. 493)	1,199.87	158.68	Preliminary inquiries, legal cases	51,891.54	11,768.01
Cement industry (S. Res.448)	4,017.22	848.11	Price bases	30,019.94	8.25
Chain stores inquiry (S. Res. 224)	191,529.59	46,633.80	Printing and binding	27,851.27	
Communications	5,617.90		Publications section	23,707.77	
Complaints, formal	104,156.53	27,114.85	Purchases and supplies section	9,065.66	
Cottonseed inquiry (S. Res.136 and 147)	53,488.85	18,295.80	Rents	10,449.80	
Court leave	1.19		Repairs	1,816.63	
Docket section	24,005.70		Resale price maintenance	9,259.63	
Economic supervision	22,969.63		Sick leave	29,179.21	
Equipment	108,923.08		Special board of investi-gation	17,250.54	
Export trade	5,765.62	148.97	Stenographic section	90,072.16	
Fiscal affairs	13,425.35		Stipulations	12,570.53	
General administration, commissions, etc	88,153.86	68.71	Study of procedure	935.85	
Heat and light	93.33		Supplies	29,328.14	
Interstate power (S. Res. 151)	3,905.55	26.29	Time excused by the executive or commis-sions order	13,275.20	
Labor	9,634.47		Trade practice confer-ence	32,040.77	2,755.89
Legal editorial work	1,146.53		Transportation of things	801.24	
legal supervision	70,176.81	424.24	Witness fees	2,478.00	
section	8,366.24		Witness subsistence	1,256.50	
Mail and file section	14,825.23				
Medical attendant	1,511.11			1,599,124.50	209,325.61
Messengers	17,097.33		Total office ex-penses		1,599,124.50
Military leave	1,576.11		Total cost		1,808,450.11
Miscellaneous	754.27				
Miscellaneous economic	1,758.20				
Miscellaneous legal	3,313.57				
News print paper (SR. Res. 337	276.66	3.50			

Adjustments

The following adjustments are made to account for the difference between costs and expenditures:

Total coat for the year ended June 30, 1931	$1,808,450.11
Less transportation issued	44,643.06
New total	1,783,807.05
Plus transportation paid	49,486.07
Expenditures for the year ended June 30, 1931	1,813,273.12

SHERMAN ANTITRUST ACT

AN ACT To protect trade and commerce against unlawful restraints and monopolies

Be it enacted by the Senate and House of representatives of the United States of America in Congress assembles:

SECTION 1. Every contract, combination the form of trust or otherwise, conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

SEC. 2. Every person who shall monopolize, or attempt to monopolize, or com-bine or conspire with any other person or persons, to monopolize any part of the. trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

SEC. 3. Every contract, combination in form of trust or otherwise, or conspiracy, in restraint of trade or commerce in any Territory of the United States or of the District of Columbia, or restraint of trade or commerce between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or with foreign nations, or between the District of Columbia and any State or States or foreign nations, is hereby declared illegal. Every person who shall make any such contract or engage in any such combination or conspiracy shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

SEC. 4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act; and it shall be the duty of the several district attorneys of the United States; in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just the premises.

SEC. 5. Whenever it shall appear to the court before which any proceeding under section four of this act may be pending, that the ends of justice require that other parties should be brought before the court; the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

SEC. 6. Any property owned under any contract Or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned section one of this act, and being in the course of transportation from one State to another, or to a foreign. country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

SEC. 7 Any person who shall be injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful by this act, may sue therefor in any circuit court of the United States in the district in which the defendant resides or is found, without respect to the

amount in controversy, and shall recover threefold the damages by him sustained, and the costs of suit, including a reasonable attorney's fee.

SEC. 8. That the word "person", or "persons", wherever used in this act shall be deemed to include corporations and associations existing under or authorized by the laws of either the United States, the laws of any of the Territories, the laws of any State, or the laws of any foreign country.

Approved, July 2, 1890.

FEDERAL TRADE COMMISSION ACT

AN ACT To create a Federal Trade Commission, to define its powers and duties, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a commission is hereby created and established, to be known as the Federal Trade Commission (hereinafter referred to as the Commission) , which shall be composed of five commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than three of the commissioners shall be members of the same political party. The first commissioners appointed shall continue in office for terms of three, four, five, six, and seven years, respectively, from the date of the taking effect of this Act, the term of each to be designated by the President, but their successors shall be appointed for terms of seven years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he shall succeed : *Provided, however,* That upon the expiration of his term of office a commissioner shall continue to serve until his successor shall have been appointed and shall have qualified. The Commission shall choose a chairman from Its own membership. No commissioner shall engage in any other business, vocation, or employment. Any commissioner may be removed by the President for Inefficiency, neglect of duty, or malfeasance in office. A vacancy in the Commission shall not impair the right of the remaining commissioners to exercise all the powers of the Commission.

The Commission shall have an official seal, which shall be judicially noticed.

SEC. 2. That each commissioner shall receive a salary of $10,000 a year, payable in the same manner as the salaries of the judges of the courts of the United States. The commission shall appoint secretary who shall receive a salary of $5,000 a year, payable in like manner, and it shall have authority to employ and fix the compensation of such attorneys, special experts, examiners, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties and as may be from time to time appropriated for by Congress.

With the exception of the secretary, a clerk to each commissioner, the attorneys, and such special experts and examiners as the Commission may from time to time find necessary for the conduct of its work, all employees of the commission shall be a part of the classified civil service, and shall enter the service under such rules and regulations as may be prescribed by the Commission and by the Civil Service Commission.

All of the expenses of the Commission, including all necessary expenses for transportation incurred by the commissioners or by their employees under their orders, in making *any* investigation, or upon official business in any other places than in the city of Washington, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Commission.

Until otherwise provided by law, the commission may rent suitable offices for its use.

The Auditor for the State and Other Departments shall receive and examine all accounts of expenditures of the Commission. 2

SEC. 3. That upon the organization of the Commission and election of its chairman, the Bureau of Corporations and the offices of Commissioner and Deputy Commissioner of Corporations shall cease to exist; and all pending investigations and proceedings of the Bureau of Corporations shall be continued by the Commission.

All clerks and employees of the said bureau shall be transferred to and become clerks and employees of the Commission at their present grades and salaries. All records, papers, and property of the said bureau shall become records, papers, and property of the Commission, and all unexpended funds and appropriations for the use and maintenance of the said bureau, including any allotment already made to it by the Secretary of Commerce from the contingent appropriation for the Department of Commerce for the fiscal year nineteen hundred

and fifteen, or from the departmental printing fund for the fiscal year nineteen hundred and fifteen, shall become funds and appropriations available to be expended by the Commission in the exercise of the powers, authority, and duties conferred on it by this Act.

The principal office of the Commission shall be in the city of Washington, but it may meet and exercise all Its powers at any other place. The Commission may, by one or more of its members, or by such examiners as it may designate, prose-cute any inquiry necessary to its duties in *any* part of the United States.

SEC. 4. That the words defined in this section shall have the following meaning when found in this Act, to wit :

"Commerce" means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

"Corporation" means any company, or association incorporated or unincorporated, which is organized to carry on business for its own profit and has shares of capital or capital stock, and any company, or association, incorporated or unincorporated, without shares of capital or capital stock or certificates of interest, except partnerships, which is organized to carry on business for its own profit or that of its members.

"Documentary evidence" means all documents, papers, and correspondence, in existence at and after the passage of this act.

"Acts to regulate commerce" means the Act entitled "An Act to regulate commerce," approved February fourteenth, eighteen hundred and eighty-seven, and all Acts amendatory thereof and supplementary thereto and the Communications Act of 1934 and all Acts amendatory thereof and supplementary thereto.

"Antitrust Acts" means the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," approved July second, eighteen hundred and ninety; also sections 73 to 77, inclusive, of an Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August twenty-seven, eighteen hundred and nintey-four; also the Act entitled "An Act to amend sections 73 and 76 of the Act of August twenty-seven, eighteen hundred and ninteyfour, entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes,'" approved February twelveth, nineteen hundred and thirteen; and also the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October fifteenth, nineteen hundred and fourteen.

Sec. 5. That unfair methods of competition in commerce are hereby declared unlawful.

The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers, subject to the acts to regulate commerce, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce.

Whenever the commission shall have reason to believe that any such person, partnership, or corporation has been or is using any unfair method of competition in commerce, and if it shall appear to the commission that a proceeding by it in respect thereof would be to the interest of the public, it shall issue and serve upon such person, partnership, or corporation a complaint stating its charges in that respect, and containing a notice of a hearing upon a day and at a place therein fixed at least thirty days after the service of said complaint. The person, partnership, or corporation so complained of shall have the right to appear at the place and time so fixed and show cause why an order should not be entered by the commission requiring such person, partnership, or corporation to cease and desist from the violation of the law so charged in said complaint. Any person, partnership, or corporation may make application, and upon good cause shown may be allowed by the commission to intervene and appear in said proceeding by counsel or in person. The testimony in any such proceeding shall be reduced to writing and filed in the office of the commission. upon such hearing the commission shall be of the opinion that the method of competition in question is prohibited by this Act, it shall make a report in writing in which it shall state its findings as to the facts, and shall issue and cause to be served on such person, partnership, or corporation an order requiring such person, partnership, or corporation to cease and desist from using such method of competition. Until a transcript of the record in such hearing shall have been filed in a circuit court of appeals of the United States, as hereinafter provided, the commission may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by it under this section.

If such person, partnership, or corporation fails or neglects to obey such order of the commission while the same is in effect, the commission may apply to the circuit court of appeals of the United States, within any circuit where the method of competition in question was used or where such person, partnership, or corporation resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the commission. Upon such filing of the application and transcript the court shall cause notice thereof to be served upon such person, partnership, or corporation and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the commission. The findings of the commission as to the facts, if supported by testimony, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the commission, the court may order such additional evidence to be taken before the commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which if supported by testimony, shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section two hundred and forty of the Judicial Code.

Any party required by such order of the commission to cease and desist from using such method of competition may obtain a review of such order in said circuit court of appeals by filing in the court a written petition praying that the order of the commission be set aside. A copy of such petition shall be forth-with served upon the commission, and thereupon the commission forthwith shall certify and file in the court a transcript of the record as hereinbefore provided. Upon the filing of the transcript the court shall have the same jurisdiction to affirm, set aside, or modify the order of the commission as in the case of an application by the commission for the enforcement of its order, and the findings of the commission as to the facts, if supported by testimony, shall in like manner be conclusive.

The jurisdiction of the circuit court of appeals of the United States to enforce, set aside, or modify orders of the commission shall be exclusive.

Such proceedings in the circuit court of appeals shall be given precedence over other cases pending therein, end shall be in every way expedited. No order of the commission or judgment of the court to enforce the same shall in any wise relieve or absolve any person, partnership, or corporation from any liability under the antitrust acts.

Complaints, orders, and other processes of the commission under this section may be served by anyone duly authorized by the commission, either (a) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer or a director of the corporation to be served; or *(b)* by leaving a copy thereof at the principal office of place of business of such person, partnership, or corporation; or *(c)* by registering and mailing a copy thereof addressed to such person, partner-ship, or corporation at his or its principal office or place of business. The verified return by the person so serving said complaint, order, or other process setting forth the manner of said service shall be proof of the same, and the return post-office receipt for said complaint, order, or other process registered and mailed as aforesaid shall be proof of the service of the same.

SEC. 6. That the commission shall also have power--

(a) To gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any corporation engaged in commerce, excepting banks, and common carriers subject to the act to regulate commerce, and its relation to other corporations and to individuals, associations, and partnerships.

(b) To require, by general or special orders, corporations engaged in commerce, excepting banks and common carriers subject to the act to regulate

commerce, or any class of them, or any of them, respectively, to file with the commission in such form as the commission may prescribe annual or special, or both annual and special, reports or answers in writing to specific questions, furnishing to the commission such information as it may require as to the organization, business, conduct, practices, management, and relation to other corporations, partnerships, and individuals of the respective corporations filing such reports or answers in writing. Such reports and answers shall be made under oath, or otherwise, as the commission may prescribe, and shall be filed with the commission within such reasonable period as the commission may prescribe, unless additional time be granted in any case by the commission.

(c) Whenever a final decree has been entered against any defendant corporation in any suit brought by the United States to prevent and restrain any violation of the antitrust acts, to make investigation, upon its own initiative, of the manner in which the decree has been or is being carried out, and upon the application of the Attorney General, it shall be its duty to make such investigation. It shall transmit to the Attorney General a, report embodying its findings and recommendations as a result of any such investigation, and the report shall be made public in the discretion of the commission.

(d) Upon the direction of the President or either House of Congress to investigate and report the facts relating to any alleged violations of the antitrust acts y any corporation.

(e) Upon the application of the Attorney General to investigate and make recommendations for the readjustment of the business of any corporation alleged to be violating the antitrust acts in order that the corporation may thereafter maintain its organization, management, and conduct of business in accordance with law.

(f) To make public from time to time such portions of the information obtained publicly it hereunder, except trade secrets and names of customers, as it shall deem expedient in the public interest; and to make annual and special reports to the Congress and to submit therewith recommendations for additional legislation and to provide for the publication of its reports and decisions in such form and manner as may be best adapted for public information and use.

(g) From time to time to classify corporations and to make rules and regulations for the purpose of carrying out the provisions of this act.

(h) To investigate, from time to time, trade conditions in and with foreign countries where associations, combinations, or practices of manufacturers, merchants, or traders, or other conditions, may affect the foreign trade of the United States, and to report to Congress thereon, with such recommendations as it deems advisable.

SEC. 7. That in any suit in equity brought by or under the direction of the Attorney General as provided in the antitrust acts, the court may, upon the conclusion of the testimony therein, if it shall be then of opinion that the complainant is entitled to relief, refer said suit to the commission, as a master in chancery, to ascertain and report an appropriate form of decree therein. The commission shall proceed upon such notice to the parties and under such rules of procedure as the court may prescribe, and upon the. coming in of such report such exceptions may. be filed and such proceedings had in relation thereto as upon the report of a matter in other equity causes, but the court may adopt or reject such report, in' whole or in part, and enter such decree as the nature of the ca se may in its judgment require.

SEC. 8. That the several departments and bureaus of the Government when directed by the President shall furnish the commission, upon its request, all records, papers, and information in their possession relating to any corporation subject to any of. the provisions of this act, and shall detail from time to time such officials and employees to the commission as he may direct.

SEC. 9. That for the purposes of this act the commission, or its duly authorized agent or agents, shall at all reasonable times have access to, for the purpose of examination, and the right to copy any documentary evidence of any corporation being investigated or proceeded against; and the commission shall have power to require by subpoena the attendance and testimony of witnesses and the production of all such documentary evidence relating to any matter under investigation. Any member of the commission may sign subpoenas, and members and examiners of the commission may administer oaths and affirmations, examine witnesses, and receive evidence.

Such attendance of witnesses, and the production of such documentary evidence, may be required from any place in the United States, at any designated place of hearing. And in case of disobedience to a subpoena the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence.

Any of the district courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation or other person, issue an order requiring such corporation or other person to appear before the commission, or to produce documentary evidence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Upon the application of the Attorney General of the United States, at the request of the commission, the district courts of the United States shall have jurisdiction to issue writs of mandamus commanding any person or corporation to comply with the provisions of this Act or any order of the commission made in pursuance thereof.

The commission may order testimony to be taken by deposition ' in any proceeding or investigation pending under this Act at any stage of such proceeding or investigation. Such deposition may be taken before an y person designated by the commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be' subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commission as hereinbefore provided.

Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

No person shall be excused from attending and testifying or from producing documentary evidence before the commission or in obedience to the subpoena of the commission on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to criminate him or subject him to a penalty or forfeiture. But no natural person shall be prosecuted or subjected to any penalty or forfeiture 'for or on account of any transaction, matter, or thing concerning which he may testify, or produce evidence, documentary or otherwise, before the commission in obedience to a subpoena issued by it: *Provided,* That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

SEC. 10. That any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce documentary evidence, if in his power to do so, in obedience to the subpoena or lawful requirement of the commission, shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of not less than $1,000 nor more than $5,000, or by imprisonment for not more than one year, or by both such fine and imprisonment.

Any person who shall willfully make, or cause to be made, any false entry or statement of fact in any report required to be made under this Act, or who shall willfully make, or cause to be made, any false entry in any account, record, or memorandum kept by any corporation subject to this Act, or who shall will-fully neglect or fail to make, or cause to be made, full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the business of such corporation, or who shall willfully remove out of the jurisdiction of the United States, or willfully mutilate, alter, or by any other means falsify any documentary evidence of such corporation, or who shall willfully refuse to submit to the commission or to an y of its authorized agents, for the purpose of inspection and taking copies, any documentary evidence, of such corporation in his possession or within his control, shall be deemed guilty of an offense against the United States, and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not less than $1,000 nor more than $5,000, or to imprisonment for a term of not more than three years, or to both such fine and imprisonment.

If any corporation required by this act to file any annual or special report shall fail so to do within the time fixed by the commission for filing the same, and such failure shall continue for thirty days after notice of such default, the corporation shall forfeit to the United States the sum of $100 for

each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States brought in the district where the corporation has its principal office or in any district in which it shall do business. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of forfeitures. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States.

Any officer or employee of the commission who shall make public any information obtained by the commission without its authority, unless directed by a court, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punishable by a fine not exceeding $5,000, or by imprisonment not exceeding one year, or by fine and imprisonment, in the discretion of the court.

SEC. 11. Nothing contained in this act shall be construed to prevent or interfere with the enforcement of the provisions of the antitrust act or the acts to regulate commerce, nor shall anything contained in the act be construed to alter, modify, or repeal the said antitrust acts or the acts to regulate commerce or any part or parts thereof.

Approved, September 26, 1914.

SECTIONS OF THE CLAYTON ACT ADMINISTERED BY THE FEDERAL TRADE COMMISSION

"Commerce," as used herein, means trade or commerce among the several States and with foreign nations, or between the District of Columbia or any Territory of the United States and any State, Territory, or foreign nation, or between any insular possessions or other places under the Jurisdiction of the United States, or between any such possession or place and any State or Territory of the United States or the District of Columbia or any foreign nation, or within the District of Columbia or any Territory or any insular possession or other place under the Jurisdiction of the United States: *Provided*, That nothing In this Act contained shall apply to the Philippine Islands.

The word "person" or "persons" wherever used in this Act shall be deemed to include corporations and associations existing under or authorized by the laws of either the United States the laws of any of the Territories, the laws of any State; or the laws of any foreign country.

SEC. 2. That it shall he unlawful for any person engaged In commerce, in the course of such commerce, either directly or indirectly to discriminate in price between different purchasers of commodities, which commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce: *Provided*, That nothing herein contained shall prevent discrimination in price between purchasers, of commodities, on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for difference in the cost of Selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from .selecting their own customers in bona fide transactions and not in restraint of trade.

SEC. 3. That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to lease or make a sale or contract for sale of goods, wares, merchandise, machinery, supplies or other commodities, whether patented or unpatented, for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, or fix a price charged therefor, or discount from, or rebate upon, such price, on the condition, agreement, or understanding that the lessee or purchaser thereof shall not use or deal in the goods, wares, merchandise, machinery, supplies or other commodities of a competitor or competitors of the lessor or seller, where the effect of such lease, sale, or contract for sale or such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

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SEC. 7. That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

No corporation shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of two or more corporations engaged in commerce where the effect of such acquisition, or the use of such stock by the voting or granting of proxies or otherwise, may be to substantially lessen competition between such corporations, or any of them, whose stock or other

share capital is so acquired, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

This section shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition. Nor shall anything contained in this section prevent a corporation engaged in commerce from causing the formation of subsidiary corporations for the actual carrying on of their immediate lawful business, or the natural and legitimate branches or extensions thereof, or from owning and holding all or a part of the stock of such subsidiary corporations, when the effect of such formation is not to substantially lessen competition.

Nor shall anything herein contained be construed to prohibit any common carrier subject to the laws to regulate commerce from aiding in the construction of branches or short lines so located as to become feeders to the main line of the company so aiding in such construction or from acquiring or owning all or any part of the stock of such branch lines, nor to prevent any such common carrier from acquiring and owning all or any part of the stock of a branch or short line constructed by an independent company where there is no substantial competition between the company owning the branch line so constructed and the company owning the main line acquiring the property or an interest therein, nor to prevent such common carrier from extending any of its lines through the medium of the acquisition of stock or otherwise of any other such common carrier where there is no substantial competition between the company extending its lines and the company whose stock, property, or an interest therein is so acquired.

Nothing contained in this section shall be held to affect or impair any right heretofore legally acquired: *Provided.* That nothing in this section shall be held or construed to authorize or make lawful anything heretofore prohibited or made illegal by the antitrust laws, nor to exempt any person from the penal provisions thereof or the civil remedies therein provided.

SEC. 8. * * * That from and after two years from the date of the approval of this Act no person at the same time shall be a director in any two or more corporations, any one of which has capital, surplus, and undivided profits aggregating more than $1,000,000 engaged in whole or in part in commerce other than banks, banking associations, trust companies, and common carriers subject to the Act to regulate commerce, approved February fourth, eighteen hundred and eighty-seven, If such corporations are or shall have been theretofore, by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws. The eligibility of a director under the foregoing provision shall be determined by the aggregate amount of the capital, surplus, and undivided profits, exclusive of dividends declared but not paid to stockholders, at the end of the fiscal year of said corporation next preceding the election of directors, and when a director has been elected in accordance with the provisions of this Act it shall be lawful for him to continue as such for one year thereafter.

When any person elected or chosen as a director or officer or selected as an employee of any bank or other corporation subject to the provisions of this Act is eligible at the time of his election or selection to act for such bank or other corporation in such capacity his eligibility to act in such capacity shall not be affected and he shall not become or be deemed amenable to any of the provisions hereof by reason of any change in the affairs of such bank or other corporation from whatsoever cause, whether specifically excepted by any of the provisions hereof or not, until the expiration of one year from the date of his election or employment.

* * * * *

SEC. 11. That authority to enforce compliance with sections two, three, seven, and eight of this Act by the persons respectively subject thereto is hereby vested: in the Interstate Commerce Commission where applicable to common carriers subject to the Interstate Commerce Act, as amended; in the Federal Communications Commission where applicable to common carriers engaged in wire or radio communication or radio transmission of energy; in the Federal Reserve Board where applicable to banks, banking associations, and trust companies; and in the Federal Trade Commission where applicable to all other character of commerce, to be exercised as follows:

Whenever the commission, authority, or board vested with jurisdiction thereof shall have reason to believe that any person is violating or has violated any of the provisions of sections two, three, seven, and eight of this Act, it shall issue and serve upon such person a complaint stating its charges in that respect, and

containing a notice of a hearing upon a day and at a place therein fixed at least thirty days after the service of said complaint. The person so complained of shall have the right to appear at the place and time so fixed and show cause why an order should not be entered by the commission, authority, or board requiring such person to cease and desist from the violation of the law so charged in said complaint. Any person may make application, and upon good cause shown, may be allowed by the commission, authority, or board, to intervene and appear in said proceeding by counsel or in person. The testimony in any such proceeding shall be reduced to writing and filed in the office of the commission, authority, or board. If upon such bearing the commission, authority, or board, as the case may be, shall be of the opinion that any of the provisions of said sections have been or are being violated, it shall make a report In writing in which it shall state its findings as to the facts, and shall issue and cause to be served on such person an order requiring such person to cease and desist from such violations, and divest itself of the stock held or rid itself of the directors chosen contrary to the provisions of sections seven and eight of this Act, if any there be, in the manner and within the time fixed by said order. Until a transcript of the record in such hearing shall have been filed in a circuit court of appeals of the United States, as hereinafter provided, the commission, authority, or board may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside in whole or in part, any report. or any order made or issued by it under this section.

If such person fails or neglects to obey such order of the commission, authority, or board while the same is in effect, the commission, authority, or board may apply to the circuit court of appeals of the United States, within any circuit where the violation complained of was or is being committed or where such person resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the commission, authority, or board. Upon such filing of the application and transcript the court shall cause notice thereof to be served upon such person, and thereupon shall have Jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the commission, authority, or board. The findings of the commission, authority, or board as to the facts, if supported by testimony, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the commission, authority, or board, the court may order such additional evidence to be taken before the commission, authority, or board and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The commission, authority, or board may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by testimony, shall be conclusive, and its recommendations, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The Judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in section two hundred and forty of the Judicial Code.

Any party required by such order of the commission, authority, or board to cease and desist from a violation charged may obtain a review of such order in said circuit court of appeals by filing in the court a written petition praying that the order of the commission, authority, or board be set aside. A copy of such petition shall be forthwith served upon the commission, authority, or board, and thereupon the commission, authority, or board forthwith shall certify and file in the court a transcript of the record as hereinbefore provided. Upon the filing of the transcript the court shall have the same jurisdiction to affirm, set aside, or modify the order of the commission, authority, or board as in the case of an application by the commission, authority, or board for the enforcement of its order, and the findings of the commission, authority, or board as to the facts, if supported by testimony, shall in like manner be conclusive.

The Jurisdiction of the circuit court of appeals of the United States to enforce, set aside, or modify orders of the commission, authority, or board shall be exclusive.

Such proceedings in the circuit court of appeals shall be given precedence over other cases pending therein, and shall be in every way expedited. No

order of the commission, authority, or board or the judgment of the court to enforce the same shall in any wise relieve or absolve any person from any liability under the antitrust acts.

Complaints, orders, and other processes of the commission, authority, or board under this section may be served by anyone duly authorized by the commission or board, either (*a*) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer or a director of the corporation to be served; or (*b*) by leaving a copy thereof at the principal office or place of business of such person; or (*c*) by registering and mailing a copy thereof addressed to such person at his principal office or place of business. The verified return by the person so serving said complaint, order, or other process setting forth the manner of said service shall be proof of the same, and the return post-office receipt for said complaint, order, or other process registered and mailed as aforesaid shall be proof of the service of the same.

Approved October 15, 1914.

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EXPORT TRADE ACT

An Act to promote export trade, and for other purposes

Be it enacted by the Senate and *House of Representatives of the United States of America in Congress assembled*, That the words "export trade" where-ever used in this act mean solely trade or commerce in goods, wares, or merchandise exported, or in the course of being exported from the United States or any Territory thereof to any foreign nation; but the words "export trade" shall not be deemed to include the production, manufacture, or selling for consumption or for resale, within the United States or any Territory thereof, of such goods, wares, or merchandise, or any act in the course of such production, manufacture, or selling for consumption or for resale.

That the words "trade within the United States" wherever used in this act mean trade or commerce among the several States or in any Territory of the United States, or in the District of Columbia, or between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or between the District of Columbia and any State or States.

That the word "Association" wherever used in this act means any corporation or combination, by contract or otherwise, of two or more persons, partnerships, or corporations.

SEC. 2. That nothing contained in the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies," approved July second, eighteen hundred and ninety, shall be construed as declaring to be illegal an association entered into for the sole purpose of engaging in export trade and actually engaged solely in such export trade, or an agreement made or act done in the course of export trade by such association, provided such association, agreement, or act is not in restraint of trade within the United States, and is not in restraint of the export trade of any domestic competitor of such association: *And provided further*, That such association does not, either in the United States or elsewhere, enter info any agreement, understanding, or conspiracy, or do any act which artificially or intentionally enhances or depresses prices within the United States of commodities of the class exported by such association, or which substantially lessens competition within the United States or otherwise restrains trade therein.

SEC. 3. That nothing contained in section seven of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October fifteenth, nineteen hundred and fourteen, shall be construed to forbid the acquisition or ownership by any corporation of the whole or any part of the stock or other capital of any corporation organized solely for the purpose of engaging in export trade, and actually engaged solely in such export trade, unless the effect of such acquisition or ownership may be to restrain trade or substantially lessen competition within the United States.

SEC. 4. That the prohibition against "unfair methods of competition" and the remedies provided for enforcing said prohibition contained in the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September twenty-sixth, nineteen hundred and fourteen, shall be construed as extending to unfair methods of competition used in export trade against competitors engaged in export trade, even though the acts constituting such unfair methods are done without the territorial jurisdiction of the United States.

SEC. 5. That every association now engaged solely" in export trade, within sixty days after the passage of this act, and every association entered into hereafter which engages solely In export trade, within thirty days after its creation, shall file with the Federal Trade Commission a verified written statement setting forth the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members, and if

a corporation, a copy of its certificate or articles of incorporation and by-laws, and if unincorporated, a copy of its articles or contract of association, and on the first day of January of each year thereafter it shall make a like statement of the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members and of all amendments to and changes in its articles or certificate of incorporation or in its articles or contract of association. It shall also furnish to the commission such information as the commission may require as to its organization, business, conduct, practices, management, and relation to other associations, corporations, partnerships, and individuals. Any association which shall fail so to do shall not have the benefit of the provisions of section two and section three of this act, and it shall also forfeit to the United States the sum of $100 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States brought in the district where the association has its principal office, or in any district in which it shall do business. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of the forfeiture. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States.

Whenever the Federal Trade Commission shall have reason to believe that an association or any agreement made or act done by such association is in restraint of trade within the United States or in restraint of the export trade of any domestic competitor of such association, or that an association either in the United States or elsewhere has entered into any agreement, understanding, or conspiracy, or done any act which artificially or intentionally enhances or depresses prices within the United States of commodities of the class exported by such association, or which substantially lessens competition within the United States or otherwise restrains trade therein, it shall summon such association, its officers, and agents to appear before it, and thereafter conduct an. investigation into the alleged violations of law. Upon investigation, if it shall conclude that the law has been violated, it may make to such association recommendations for the readjustment of its business, in order that it may thereafter maintain its organization and management and conduct its business in accordance with law. If such association fails to comply with the recommendations of the Federal Trade Commission, said commission shall refer its findings and recommendations to the Attorney General of the United States for such action thereon as he may deem proper.

For the purpose of enforcing these provisions the Federal Trade Commission shall have all the powers, so far as applicable, given it in "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

Approved, April 10, 1918.

PROCEDURE AND POLICY

POLICY IN PURELY PRIVATE CONTROVERSIES

It shall be the policy of the commission not to entertain proceedings of alleged unfair practices where the alleged violation of law is a purely private controversy redressable in the Courts except where said practices substantially tend to affect the public. In cases where the alleged injury is one to a competitor only and is redressible in the courts by an action by the aggrieved competitor and the interest of the public is not substantially involved, the proceeding will not be entertained.

SETTLEMENT OF CASES BY STIPULATION

The end and object of all proceedings of the Federal Trade Commission is to end all unfair methods of competition or other violations of the law of which it is given jurisdiction. The law provides for the issuance of a complaint and a trial as procedure for the accomplishment of this end. But it is also provided that this procedure shall be had only when it shall be deemed to be in the public interest, plainly giving the commission a judicial discretion to be exercised in the particular case.

It has been contended that the language of the statute using the word "shall" is mandatory, but in view of the public-interest clause no member of the commission as now constituted holds or has ever held that the statute is mandatory. Hence, the proposed rule for settlement of applications for complaint by stipulation may be considered on its merits.

If it were not for the public-interest clause it might appear that the statute would be mandatory. It remains to determine what effect the public-interest clause has. Jn the interest of economy and of dispatch of business as well as the desirability of accomplishing the ends of the commission with as little harm to respondents as possible, therefore all cases should be so settled where they can be except where the public interest demands otherwise.

But when the very business itself of the proposed respondent is fraudulent, it may well be considered by the commission that the protection of the public demands that the regular procedure by complaint and order shall prevail. Indeed, there are some cases where that is the only course which would be of any value at all. As for instance the so-called "blue-sky cases" and all such where the business itself is inherently fraudulent or where a business of a legitimate nature is conducted in such a fraudulent manner that the commission is warranted in the belief that no agreement made with the proposed respondent will be kept by him.

The rule shall be that all cases shall be settled by stipulation except when the public interest demands otherwise for the reasons set forth above.

ON AFFORDING PROSPECTIVE RESPONDENTS OPPORTUNITY TO SHOW CAUSE WHY COMPLAINT SHOULD NOT ISSUE

Except as hereinafter provided, the board of review, before it shall recommend to the commission that a complaint issue in any case, shall afford the proposed respondent a hearing to show cause why a complaint should not issue. Such hearing shall be informal in character and shall not involve the taking of testimony. The proposed respondent shall be permitted to make or submit such statements of fact or law as he shall desire. The extent and control of such hearing shall rest with a majority of the board. The respondent shall have three weeks' notice of the time and place of hearing, to be served on the respondent by the secretary of the commission.

Provided, That if in any case the majority of the board shall be of opinion that a hearing is not required because (a) the respondent has been fully interviewed and has given to the examiner every fact or argument that could be

offered as a defense, or (b) the practice has been fully established and is of such character that in the nature of the case nothing could be adduced in mitigation, or (c) to delay the issuance of a complaint to afford a hearing might result in a loss of Jurisdiction, or (d) otherwise unnecessary or incompatible with the public interest, the board may transmit the case to the commission, via the docket section, with its conclusions and recommendations, without a hearing, as in this rule provided.

ON PUBLICITY IN THE SETTLEMENT OF CASES

In the settlement of any matter by stipulation before complaint is issued, no statement in reference thereto shall be made by the commission for publication. [1] After a complaint is issued, no statement in regard to the case shall be made by the commission for publication until after the final determination of the case.

After a complaint has been issued and served the papers in the case shall be open to the public for inspection, under such rules and regulations as the secretary may prescribe.

It has been the rule, which is now abolished, to issue a statement upon the filing of a complaint, stating the charges against a respondent.

Concerning the withholding of publicity where cases are settled by stipulation without complaint, the custom has always been not to issue any statement The so-called applicant or complaining party has never been regarded as a party in the strict sense. The commission is not supposed to act for any applicant, but wholly in the public interest. It has always been and now is the rule not to publish or divulge the name of an applicant or complaining party, and such party has no legal status before the commission except where allowed to intervene as provided by the statute.

ON DEALING WITH UNFAIR COMPETITION THROUGH TRADE-PRACTICE CONFERENCES

The trade-practice conference affords, broadly stated, a means through which representatives of an industry voluntarily assemble, either at their own instance or that of the commission, but under the auspices of the latter, for the purpose of considering any unfair practices in their industry, and collectively agreeing upon and providing for their abandonment in cooperation with and with the support of the commission.

This procedure deals with an industry as a unit. It is concerned solely with practices and methods, not with individual offenders. It regards the industry as occupying a position comparable to that of friend of the court" and not as that of the accused. It wipes out on a given date all unfair methods condemned at the conference and thus places all competitors on an equally fair competitive basis. It performs the same function as a formal complaint with out bringing charges, prosecuting trials, or employing any compulsory process, but multiplies results by as many times as there are members in the industry who formerly practiced the methods condemned and voluntarily abandoned.

The beneficial results of this form of procedure are now well established, and the commission is always glad to receive and Consider requests for the holding of trade-practice conferences. [2]

1 The commission does. however, after omitting the names of the proposed respondents, make public digests of cases in which it accepts stipulations of the facts an agreements to cease and desist.

2 The commission has prepared and published for public distribution a pamphlet entitled " Trade Practice Conferences," in which the history, theory, and working of this procedure and the various trade-practice conferences theretofore held by the commission are described.

RULES OF PRACTICE

I. SESSIONS

The principal office of the commission at Washington, D. C., is open each business day from 9 a. m. to 4.30 p. m. The commission may meet and exercise all its powers at any other place, and may, by one or more of its members, or by such examiners as it may designate, prosecute any inquiry necessary to its duties in any part of the United States.

Sessions of the commission for hearing contested proceedings will be held as ordered by the commission.

Sessions of the commission for the purpose of making orders and for the transaction of other business, unless otherwise ordered, will be held at the office of the commission at Washington, D. C., on each business day at 10.30 a. m. Three members of the commission shall constitute a quorum for the transaction of business.

All orders of the commission shall be signed by the secretary.

II. COMPLAINTS

Any person, partnership, corporation, or association may apply to the commission to institute a proceeding in respect to any violation of law over which the commission has jurisdiction.

Such application shall be in writing, signed by or in behalf of the applicant, and shall contain a short and simple statement of the facts constituting the alleged violation of law and the name and address of the applicant and of the party complained of.

The commission shall investigate the matters complained of in such application, and if upon investigation the commission shall have reason to believe that there is a violation of law over which the commission has jurisdiction, and if it shall appear to the commission that a proceeding by it in respect thereof would be to the interest of the public, the commission shall issue and serve upon the party complained of a complaint stating its charges and containing a notice of a hearing upon a day and at a place therein fixed, at least 40 days after the service of said complaint.

III. ANSWERS

(1) In case of desire to contest the proceeding the respondent shall, within such time as the commission shall allow (not less than 30 days from the service of the complaint), file with the commission an answer to the complaint. Such answer shall contain a short and simple statement of the facts which constitute the ground of defense. Respondent shall specifically admit or deny or explain each of the facts alleged in the complaint, unless respondent is without knowledge, in which case respondent shall so state, such statement operating as a denial. Any allegation of the complaint not specifically denied in the answer, unless respondent shall state in the answer that respondent is without knowledge, shall be deemed to be admitted to be true and may be so found by the commission.

(2) In case respondent desires to waive hearing on the charges set forth in the complaint and not to contest the proceeding, the answer may consist of a statement that respondent refrains from contesting the proceeding or that respondent consents that the commission may make, enter, and serve upon respondent an order to cease and desist from the violations of the law alleged in the complaint, or that respondent admits all the allegations of the complaint to be true. Any such answer shall be deemed to be an admission of all the allegations of the complaint, to waive a hearing thereon, and to authorize the commission, without a trial, without evidence, and without findings as to the facts or other intervening procedure, to make, enter, issue and serve upon

respondent an order to cease and desist from the method or methods of competition charged in the complaint.

(3) Failure of the respondent to appear or to file answer within the time as above provided for shall be deemed to be an admission of all allegations of the complaint and to authorize the commission to find them to be true and to waive hearing on the charges set forth in the complaint.

(4) Three copies of answers must be furnished. All answers must be signed in ink by the respondent or by his duly authorized attorney and must show the office and post-office address of the signer. All answers must be typewritten or printed. If typewritten, they must be on paper not more than 8 ½ inches wide and not more than 11 inches long. If printed, they must be on paper 8 inches wide by 10 ½ inches long.

IV. SERVICE

Complaints, orders, and other processes of the commission may be served by anyone duly authorized by the commission, either (a) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer, or a director, of the corporation or association to be served; or (b) by leaving a copy thereof at the principal office or place of business of such person, partnership, corporation, or association; or (c) by registering and mailing a copy thereof addressed to such person, partnership, corporation, or association at his or its principal office or place of business. The verified return by the person so serving said complaint, order, or other process, setting forth the manner of said service, shall be proof of the same, and the return post-office receipt for said complaint, order, or other process, registered and mailed, as aforesaid, shall be proof of the service of the same.

V. INTERVENTION

Any person, partnership, corporation, or association desiring to intervene in a contested proceeding shall make application in writing, setting out the grounds on which he or It claims to be Interested. The commission may, by order, permit intervention by counsel or in person to such extent and upon such terms as it shall deem just.

Applications to intervene must be on one side of the paper only, on paper not more than 8 ½ inches wide and not more than 11 inches long, and weighing not less than 16 pounds to the ream, folio base, 17 by 22 inches, with left-hand margin not less than 1 ½ inches wide, or they may be printed in 10 or 12 point type on good unglazed paper, 8 inches wide by 10 ½ inches long, with inside margins not less than 1 inch wide.

VI. CONTINUANCES AND EXTENSIONS OF TIME

Continuances and extensions of time will be granted at the discretion of commission.

VII. WITNESSES AND SUBPOENAS

Witnesses shall be examined orally, except that for good and exceptional cause for departing from the general rule the commission may permit their testimony to be taken by deposition.

Subpoenas requiring the attendance of witnesses from any place in the United States at any designated place of hearing may be issued by any member of the commission.

Subpoenas for the production of documentary evidence (unless directed to issue by a commissioner upon his own motion) will issue only upon application in writing, which must be verified and must specify, as near as may be, the documents desired and the facts to be proved by them.

Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States. Witness fees and mileage shall be paid by the party at whose instance the witnesses appear.

VIII. TIME FOR TAKING TESTIMONY

Upon the joining of issue in a proceeding by the commission the examination of witnesses therein shall proceed with all reasonable diligence and with the least practicable delay. Not less than five days' notice shall be given by the commission to counsel or parties of the time and place of examination of witnesses before the commission, a commissioner, or an examiner.

IX. OBJECTIONS TO EVIDENCE

Objections to the evidence before the commission, a commissioner, or an examiner shall, in any proceeding, be in short form, stating the grounds of objections relied upon, and 110 transcript filed shall include argument or debate.

X. MOTIONS

A motion in a proceeding by the commission small briefly state the nature of the order applied for, and all affidavits, records, and other papers upon which the same is founded, except such as have been previously filed or served in the same proceeding, shall be filed with such motion and plainly referred to therein.

XI. HEARINGS ON INVESTIGATION

When a matter for investigation is referred to a single commissioner for examination or report, such commissioner may conduct or hold conferences or hearings thereon, either alone or with other commissioners who may sit with him, and reasonable notice of the time and place of such hearings shall be given to parties in interest and posted.

The general counsel or one of his assistants, or such other attorney as shall be designated by the commission, shall attend and conduct such hearings, and such hearings may, in the discretion of the commissioner holding same, be public.

XII. HEARINGS BEFORE EXAMINERS

When issue in the case is set for trial it shall be referred to an examiner for the taking of testimony. It shall be the duty of the examiner to complete the taking of testimony with all due dispatch, and he shall set the day and hour to which the taking of testimony may from time to time be adjourned. The taking of the testimony both for the commission and the respondent shall be completed within 30 days after the beginning of the same unless, for good cause shown, the commission shall extend the time. The examiner shall, within 10 days after the receipt of the stenographic report of the testimony, make his report on the facts, and shall forthwith, serve copy of the same on the parties or their attorneys, who, within 10 days after the receipt of same, shall file in writing their exceptions, if any, and said except ions shall specify the particular part or parts of the report to which exception is made, and said exceptions shall include any additional facts which either party may think proper. Seven copies of exceptions shall be filed for the use of the commission. Citations to the record shall be made In support of such exceptions Where briefs are filed the same shall contain a copy of such exceptions. Argument on the exceptions, if exceptions be filed, shall be had at the final argument on the merits.

When, in the opinion of the trial examiner engaged in taking testimony in any formal proceeding, the size of the transcript or complication or importance of the issues Involved warrants it, he may of his own motion or at the request of counsel at the close of the taking of testimony announce to the attorneys for the respondent and for the commission that the examiner will receive at any time before he has completed the drawing of the "trial examiner's report upon the facts" a statement in writing (one for either side) in terse outline setting forth the contentions of each as to the facts proved in the proceeding.

These statements are not to be exchanged between counsel amid are not to be argued before the trial examiner.

Any tentative draft of findings or findings submitted by either side shall be Submitted within 10 days after the closing of the taking of testimony and not later, which time shall not be extended.

XIII. DEPOSITIONS IN CONTESTED PROCEEDINGS

The commission may order testimony to be taken by deposition in a contested proceeding.

Depositions may be taken before any person designated by the commission and having power to administer oaths.

Any party desiring to take the deposition of a witness shall make application in writing, setting out the reasons why such deposition should be taken, and stating the time when, the place where; and the name and post-office address of the person before whom it is desired the deposition be taken, the name and post-office address of the witness, and the subject matter or matters concerning which the witness is expected to testify. If good cause be shown, the commission will make and serve upon the parties, or their attorneys, an order wherein the commission shall name the witness whose deposition is to be taken and specify the time when, the place where, and the person before whom the witness is to testify, but such time and place, and the person before whom the deposition is to be taken, so specified in the commission's order, may or may not be the same as those named in said application to the commission.

The testimony of the witness shall be reduced to writing by the officer before whom the deposition is taken, or under his direction, after which the deposition shall be subscribed by the witness and certified in usual form by the officer. After the deposition has been so certified it small, together with a copy thereof made by such officer or under his direction, he forwarded by such officer under seal in an envelope addressed to the commission at its office in Washington, D. C. Upon receipt of the deposition and copy the commission shall file In the record in said proceeding such deposition and forward the copy to the defendant or the defendant's attorney.

Such depositions shall be typewritten on one side only of the paper, which shall be not more than 8 ½ inches wide and not more than 11 inches long and weighing not less than 16 pounds to the ream, folio base, 17 by 22 inches, with left-hand margin not less than 1 ½ inches wide.

No deposition shall be taken except after at least 6 days' notice to the parties, and where the deposition is taken in a foreign country such notice shall be at least 15 days.

No deposition shall be taken either before the proceeding is at issue, or, unless under special circumstances and for good cause shown, within 10 days prior to the date of the hearing thereof assigned by the commission, and where the deposition is taken in a foreign country it shall not be taken after 30 days prior to such date of hearing.

XIV. DOCUMENTARY EVIDENCE

Where relevant and material matter offered in evidence is embraced In a document containing other matter not material or relevant and not intended to be put in evidence, such document will not be filed, but a copy only of such relevant and material matter shall be filed.

XV. BRIEFS

All briefs must be filed with the secretary of the commission and briefs on behalf of the commission must be accompanied by proof of the service of the same as hereinafter provided, or the mailing of same by registered mail to the respondent or its attorney at the proper address. Twenty copies of each brief shall be furnished for the use of the commission unless otherwise ordered. The exceptions, If any, to the trial examiner's report must be incorporated in the brief. Every brief, except the reply brief on behalf of the commission, hereinafter mentioned, shall contain in the order here stated:

(1) A concise abstract or statement of the case.

(2) A brief of the argument, exhibiting a clear statement of the points of fact or law to be discussed, with the reference to the pages of the record and the authorities relied upon in support of each point.

Every brief of more than 10 pages shall contain on Its top flyleaves a subject index with page references, the subject index to be supplemented by a list of all cases referred to, alphabetically arranged, together with references to pages where the cases are cited.

Briefs must be printed in 10 or 12 point type on good unglazed paper 8 inches by 10 ½ inches, with inside margins not less than 1 inch wide, and with double leaded text and single leaded citations.

The reply brief on the part of the commission shall be strictly in answer to respondent's brief.

The time within which briefs sh all be filed is fixed as follows: For the opening brief on behalf of the commission, 30 days from the day of the service upon the chief counsel or trial attorney of the commission of the trial examiner's report; for brief on behalf of respondent 30 days after the date of service upon the respondent or his attorney of the brief on behalf of the commission for reply brief on behalf of the commission, 10 days after the filing of the respondent's brief. Reply brief on behalf of respondent will not be permitted to be filed. Applications for extension of time in which to file briefs shall be by petition in writing, stating the facts on which the application rests, which must be filed with the commission at least five days before the time fixed for filing such briefs. Briefs not filed with the commission on or before the dates fixed therefor will not be received except by special permission of the commission. Appearance of additional counsel in a case shall not, of itself, constitute sufficient grounds for extension of time for filing brief or for postponement of final hearing.

Briefs on behalf of the commission may be served by delivering a copy thereof to the respondent's attorney or to the respondent in case respondent be not represented by attorney; or by registering and mailing a copy thereof addressed to the respondent's attorney or to the respondent in case respondent be not represented by attorney, at the proper post-office address. Written acknowledgment of service, or the verified return of the party making the service, shall constitute proof of personal service as hereinbefore provided, amid the return post-office receipt aforesaid for said brief, when registered and mailed, shall constitute proof of the service of the same.

Oral arguments may be bad only as ordered by the commission on written application of the chief counsel or of respondent filed not later than five days after expiration of the time allowed for filing of reply brief of counsel for the commission.

XVI. REPORTS SHOWING COMPLIANCE WITH ORDERS

In every case where an order is issued by the commission for the purpose of preventing violations of law the respondent or respondents therein named shall file with the commission, within the time specified in said order, a report in writing setting forth in detail the manner and form in which the said order of the commission has been complied with.

XVII. REOPENING PROCEEDINGS

In any case where an order to cease and desist, an order dismissing a complaint, or other order disposing of a proceeding is issued, the commission may, at any time within 90 days after the entry of such order, for good cause shown in writing and on notice to the parties, reopen the case for such further proceedings as to the commission may seem proper.

XVIII. ADDRESS OF THE COMMISSION

All communications to the commission must be addressed to Federal Trade Commission, Washington, D. C., unless otherwise specifically directed.

PROCEEDINGS DISPOSED OF IN FISCAL YEAR

[The cases listed here are those in which, during the fiscal year reported the commission issued order to cease and desist from unfair methods of competition found to have been practiced by respondents in violation of the Federal Trade Commission act, except in several instances where the violations were of the Clayton act. Orders of dismissal are included.]

ORDERS TO CEASE AND DESIST

Algoma Lumber Co. (Docket 1654.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Allegheny Tube & Steel Co., et al. (Docket 1848.) Order entered October 81, 1980, requiring respondents, engaged In the sale of pipe and pipe fittings, to cease and desist from selling old articles or commodities as new goods; from employing firm names Which simulate the names of competitive companies, and representing that any of the firm names used represent separate companies distinct and apart from respondents, enjoying free competition among them-selves; from representing that respondents manufacture the articles sold, thereby eliminating the middleman's profit, unless and until respondents operate a plant in which -are manufactured the articles distributed; and from representing that any person, real or fictitious, is a representative of any of the companies when such is not the fact, or that the address of any company is at a place other than where the company is located.

Alter & Co., et al. (Docket 1860.) Order entered October 20, 1980, requiring respondent, engaged In the sale of jewelry, to cease and desist from using and from having others agree to use the word "diamond," together with statements such as "stands the tests of fire and the acid bath," in designating and advertising imitation diamonds; from quoting fictitious prices in excess of the reasonable value of the articles as their usual and reasonable value or price and from quoting charges for posting and packing that are in excess of the actual cost.

American Business Builders (Inc.), et al. (Docket 1680.) Order entered February 24, 1981, requiring respondents, engaged in conducting a correspondence course for instruction in real-estate salesmanship, to cease and desist from representing that the "Ostrander system for becoming a real-estate specialist," is time-tested and is the most complete and successful money-making real-estate system ever prepared; that the earnings of respondent Ostrander result from the use of the "Ostrander system" of selling real estate and that students completing the course will be enabled to make earnings equal in amount or that a student will be able to earn from $5,000 to $25,000 per year, this approximation including sums obtained from speculation in real estate, which are classed as earnings; that the statements in the testimonial letters published by them are true statements furnished voluntarily, when such are submitted in response to offers for prizes; that there is a great demand in established real-estate firms for "Ostrander-trained specialists"; that students will be placed with real-estate development companies in preferential positions without disclosing that respondents receive commissions on all sales by students employed by such companies; that letters which are published without date are current letters and represent a demand for trained students at the time of the publication of the letters; and that the agreements of respondents are under bond, unless and until a bond is executed in sufficient amount to indemnify against any default in such obligations.

Amusement Novelty Supply Co. (Docket 1763.) Order entered April 16, 1931, requiring respondent, engaged in the distribution of novelty goods, to cease and desist from using the words "amber," "pearl on amber," "gold on amber," "grained ivory," "cameo," "stag," "engraved," "silk," "genuine pin seal," "genuine Hudson seal," "sapphire," "diamond," and "platinoid finish"

to designate articles simulating those indicated, and from using the words "Army and Navy" in describing field glasses that were neither manufactured for the United States Government nor in accordance with the specifications thereof.

American Poultry School, et al (Docket 1508.) Order entered February 17, 1931, requiring respondents, engaged in conducting a correspondence school giving instruction In the raising of poultry, to cease and desist from quoting fictitious prices which are in excess of those usually charged, as the regular price of the course of instruction and representing that any prices lower than those quoted are special reduced prices for a limited time only; and from representing that certain articles of merchandise are furnished free of charge, when the cost of the alleged gratuity is included in the price paid for the course.

Arnold Stone Co. (Inc.). (Docket 1732.) Order entered December 8, 1980, Commissioner Humphrey dissenting, requiring respondent, engaged in the manufacture of a stone substitute composed of crushed stone, cement, or other ingredients, to cease and desist from the use of the words "stone," "cast stone," "cut cast stone," "marble," "pink marble," or "Cre-tex cast stone," to designate products manufactured by respondent, without the use of the word "imitation" or "artificial" or other explanatory words in connection therewith and in type equally conspicuous.

Order entered May 25, 1931, in United States Circuit Court of Appeals for the Fifth Circuit, reversing commission's order to cease and desist, and remanding cause for further proceedings not Inconsistent with opinion of court.

Artloom Rug Mills. (Docket 1675.) Order entered February 9, 1931, requiring respondent, engaged in the manufacture of rugs and carpets, to cease and desist from using the word "Wilton" in designating and labeling any rug fabric in which the warp or pile yarns are not carried into the subsurface structure of the fabric.

Ben-Burk (Inc.). (Docket 1775.) Order entered May 4, 1931, requiring respondent, engaged in the sale of malt sirup products, to cease and desist from the use of the words "Gott mit uns," "imported hop flavor," "one hundred per cent hop flavored," "imported," and " imp," and the depiction of the German iron cross in connection with any of the above words, on labels or in advertising matter, to designate products unless they are in fact imported or flavored With 100 per cent imported hops; and to cease and desist from the use of the words "German maid," "Dutch maid," "Dron Prinz" and "Meirerhof," and Illustrations of German or other foreign scenes, on labels or in advertising matter to designate domestic products containing no imported ingredients, unless the phrase "made in the United States of domestic ingredients" appears conspicuously in immediate conjunction therewith.

Black, Frank W., and Co., et al. (Docket 1697.) Order entered February 10, 1931, requiring respondents, engaged in the printing of cards, announcements, etc., to cease and desist from using the word "engraved" in firm name, unless and until the company does an engraving business and from using the words engraved" or "engraving" to designate effects produced other than from metal plates into which the letters, etc., have been cat.

Charges dismissed as to respondent Frank W. Black.

Bradley-Boston (Inc.). (Docket 1847.) Order entered April 13, 1931, requiring respondent, engaged in the sale of sundry merchandise by mail, to cease and desist from the use of the words "carved," "engraved," "ring watches," "silverware," "art leather," "pearls" and the names of other Jewels, to designate articles simulating those indicated; and to cease and desist from representing that the products sold are manufactured by respondent when such is not the fact.

Braymill White Pine Co. (Docket 1657.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Breece, George E., Lumber Co. (Docket 1668.) Order entered June 8, 1931, requiring respondent, engaged in the production and marketing of lumber products, to cease and desist from the use of the word "white" in combination with the word "pine" to designate plans ponderosa products, which have been designated by respondent as "New Mexico white pine," "white pine," and "ponderosa pine."

Big Lakes Box Co. (Docket 1647.) Order entered June 8, 1931. (See order. Docket 1620, Long-Bell Lumber Co.)

Cady Lumber Corporation. (Docket 1062.) Order entered June 8, 1931, requiring respondent, engaged In the production and marketing of lumber products, to cease and desist from the use of the word "white" in combination with the word "pine" to designate pinus ponderosa products, which have been designated by respondent as "Arizona white pine," "New Mexico White pine," "Western white pine," and "ponderosa pine."

California Door Co. (Docket 1630.) Order entered June 8, 1931. (See order, Docket 1020, Long-Bell Lumber' Co.)

California Fruit Exchange. (Docket 1626.) Order entered June 8, 1931. (See order, Docket 1020, Lorig-Behl Lumber Co.)

California-Oregon Box & Lumber Co. (Docket 1658.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

California Preserving Co. (Inc.). (Docket 1726.) Order entered January 27, 1931, requiring respondent, engaged in the sale of preserves, canned fruits, etc., to cease and desist from the use of the word "preserving" in firm name, on labels, and in advertising matter descriptive of products sold by respondent, unless and until respondent owns or operates a plant in which said products are packed, preserved or otherwise prepared.

Canada's Pride Products Co. (Inc.). (Docket 1843.) Order entered May 5, 1931, requiring respondent, engaged In the sale of malt sirup products, to cease and desist from the use of the word "Canada" in trade or firm name or in advertising matter, or the use of a map or outline of Canada in advertising matter, to designate domestic products containing no imported ingredients unless explanatory words to the effect that the products are not made in Canada or of ingredients Imported therefrom, appear in type equally conspicuous and In immediate conjunction therewith.

Castle Crag Lumber Co. (Docket 1623.) Order entered June 5, 1931. (See order, Docket 1620, Long-Bell Lumber Co.

Cheri. (Docket 1850.) Order entered February 10, 1931, requiring respondent, engaged in the compounding and sale of a toilet preparation, to cease and desist from claiming to be manufacturers, unless and until operating a plant in which a substantial part of the product offered for sale is manufactured; from representing a body of chemists is employed, unless and until persons with such qualifications are in some way connected with firm; from representing that the business is an old established one and that orders are shipped direct from foreign countries, unless and until the firm has been in existence sufficiently long to warrant such representation and orders are in fact shipped from foreign countries.

Cherokee Mills, et al. (Docket 1604.) Order entered April 16, 1931, requiring respondents, engaged in the blending of flour, to cease and desist from the use of the word "mills" in trade or firm name and In advertising matter, and from representing that the flour purchased from respondents goes direct from factory to purchaser, unless and until respondents own or operate mills wherein the flour is made.

Chiloquin Lumber Co. (Docket 1655.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Clicquot Club Co. (Docket 1819.) Order entered December 9, 1930, requiring respondent, engaged in the manufacture of ginger ale, to cease and desist from representing that said product has been or is aged six months or aged six months in the making, unless and until said product has been or is aged six months before its sale.

Clover Valley Lumber Co. (Docket 1621.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Colloidal Chemists. (Docket 1691.) Order entered April 6, 1931, with consent of respondents, requiring respondents, engaged in the compounding of a product designated "Viaderman," to cease and desist from describing "Via derma" as "an infiltrating cream which will liberate oxygen when absorbed through the skin," and from advertising and representing that the use of "Viaderman" will reduce weight.

Cooke, L. L., School of Electricity. (Docket 1603.) Order entered October 22, 1930, requiring respondent, engaged In conducting a correspondence school giving instruction In practical electricity, to cease and, desist from representing that students completing respondent's course are generally able and do earn

salaries ranging from $60 to $200 a week; from representing that the I)rices quoted are special reduced prices and that any article of merchandise is furnished free of charge when the cost of the alleged gratuity is Included in the price paid for the course; and from representing that students are given personal instruction and attention by L. L. Cooke; that any person with just the ability to read and write can within a few months qualify as an expert electrician; and that promises, agreements, and obligations are under bond unless and until a bond is posted.

Cooperative Book Co. (Docket 1551.) Order entered June 15, 1931, requiring respondent, engaged in the sale of "the American Reference Library," now known as "The Source Book," purchased from the Perpetual Encyclopedia Corporation, to cease and desist from quoting the regular price of the hooks as a special introductory offer and from quoting a rate of $5.95 a year for the loose leaf supplement, subscriber being free to cancel the subscription at will, when such is not the fact; from representing that certain well-known educators have reviewed or contributed to the book and that county superintendents of education have indorsed them, unless and until such educators have reviewed, contributed, or indorsed, and have given respondents permission to use their names; from representing that the books are of recent publication and that sets are given free to a limited number as an Introductory offer unless and until the books shall have been revised and brought up to date and such introductory offers are made; and from representing that purchasers might be materially aided In securing positions as teachers through the connection of respondent's agents with educational systems.

Coly (Inc.). (Docket 1688.) Order entered April 27, 1931, requiring respondent, engaged In the sale of toilet preparations imported from France, to cease and desist from entering into contracts or agreements with wholesale and retail dealers to secure their cooperation In the maintenance of resale prices set by respondent

Curtiss Candy Co. (Docket 1699.) Order entered February 10, 1931, requiring respondent, engaged in the manufacture of candy, to cease and desist from employing a policy requiring dealers to maintain certain specified resale prices in connection with the sale of respondent's product.

Davies-Johnson Lumber Co. (Docket 1624.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

DeBestt chemical Co. (Docket 1876.) Order entered April 27, 1931, requiring respondent, engaged In the sale of a so-called antiseptic, to cease and desist from using the designation "Mercurochrome H. W. D. 2 per cent solution" to designate a product that does not consist of a 2 per cent solution of the disodium salt of dibrom-oxymercurifluorescein, which salt has been produced in the pharmaceutical laboratories of Hynson, Weseott & Dunning.

Diamond Match Co. (Docket 1625.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Diel Watch Case Co. (Docket 1944.) Order entered June 15, 1931, with consent of respondent, requiring respondent, engaged in the manufacture of watch-cases, to cease and desist from the use of the words "rolled gold plate," or words of like import, to designate watchcases, unless they contain gold not less than three one-thousandths of an inch in thickness on the outside of the case and not less than one one-thousandth of an inch in thickness on the inside of the case.

Domino House (Inc.), et al. (Docket 1718.) Order entered February 17, 1931, requiring respondents, engaged in conducting a correspondence course for instruction in beauty culture, to cease and desist from quoting fictitious prices which are In excess of those usually charged as the regular price of the course and quoting the regular price as a special reduced price for a limited time only, unless and until such price is limited as to time of acceptance; from representing that the permanent-waving iron, or any other article of merchandise, is furnished free of charge when the cost of the alleged gratuity is included in the price paid for the course; and from representing that the purchaser of a course of instruction in marcel waving thereby becomes a member of a national society of hair-waving experts.

Ernstberger, H., & Co. (Docket 1888.) Order entered February 16, 1931, requiring respondents, engaged in the distribution of a cotton and wool fabric designated "Squrlpelt" to makers of wearing apparel, to cease and desist

from the use of the trade name "Squrlpelt" in advertising matter or on labels furnished purchasers to be attached to garments made therefrom.

Ewauna Box Co. (Docket 164&) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Fayro Laboratories (Inc.). (Docket 1564.) Order entered April 16, 1931, requiring respondent, engaged in the manufacture of bath salts, designated "Fayro," which consist principally of Epsom salt, the other ingredients being common salt and glauber salt with oil of pine needles for fragrance, to cease and desist from using the word "laboratory "on containers or wrappers; from representing that respondent maintains or has access to a laboratory in Which the product is prepared, and that the formula is the result of scientific research; and from giving out what purports to be a comparative analysis of Fayro bath salts and of the famous hot springs of the world, alleged to have been made by chemists at the instigation of respondent.

Feather River Lumber Co. (Docket 1629.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Flynn & Emrich Co. (Docket 1584.) Order entered December 20, 1930½ requiring respondent, engaged in the manufacture of stokers, to cease and desist from threatening any person, firm, or corporation with patent Infringement or damage suits for the purpose of interfering with competitors' trade and without intent of instituting suit.

This case is now pending in the United States Circuit Court of Appeals for the Fourth Circuit on respondent's petition for review of commission's order to cease and desist.

Forest Lumber Co. (Docket 1649.) Order entered June 8, 1931. (See order, Docket 1020, Long-Bell Lumber Co.)

Fruit Growers Supply Co. (Docket 1683.) Order entered June 8, 1981. (See order, Docket 1620, Long-Bell Lumber Co.)

Golden Fur Dyeing Co. (Inc.) et al. (Docket 1381.) Order entered January 29, 1931, requiring respondent Golden Fur Dyeing Co. (Inc.) to cease and desist from using the words "golden seal," "sealine," or "seal" to stamp or label rabbit skins dyed by said respondent for use in the manufacture of garments, without adequate words in type equally conspicuous and in immediate conjunction therewith, clearly showing that the garments made therefrom are made from rabbit skins; and requiring respondents Samuel Jacobs and Isadore Sachs to cease and desist from using the words "golden seal" or "seal" to designate garments made by said respondent from rabbit skins, without the use of adequate words in type equally conspicuous and in immediate conjunction there-with, showing clearly that the garments so designated are made from rabbit skins.

Grand Rapids Upholstering Co. (Docket 1887.) Order entered April 27, 1931, requiring respondent, engaged in the sale of furniture, a part of which he upholsters, to cease and desist from using the words "factory," "manufacturers," and "manufacturers selling direct to the public-save the retailers' profit," unless and until owning or operating factories in which the furniture is made; and to cease and desist from the use of the words "Grand Rapids " as a trade name or in advertising matter unless and until the furniture so designated is manufactured in Grand Rapids.

Gropper, M. J., & Sons (Inc.). (Docket 1722.) Order entered November 17, 1930, requiring respondent, engaged in the sale of marbles, to cease and desist from the use of the word "onyx " to designate glass marbles, without the use of other words clearly showing that such marbles are not made of onyx.

Higgins, William A., & Co. (Inc.). (Docket 1910.) Order entered March 25, 1931, and modified May 25, 1931, requiring respondent, engaged in the importation of almonds from Italy and France, to cease and desist from the use of the words "nonpareil," "ne plus," "I. X. L.," "peerless," and "drake " on the containers in which nuts are packed, unless and until such nuts are grown in the State of California and the Words are used to designate the true varieties of such nuts.

Hobart Estate Co. (Docket 1632.) Order entered June 8.1931. (See order Docket 1620, Long-Bell Lumber Co.)

Kemper Silk Co. (Inc.) (Docket 1685.) Order entered January 5, 1931, requiring respondent, engaged in the sale of fabrics, to cease and desist from

representing that the company manufactures the merchandise it sells, unless and until it operates a factory In which the merchandise is made; from using the words "sparkal satin" to designate a fabric not made entirely of silk; from using the words "taffet " and "taffet-ray " to designate a cotton and rayon fabric, unless in connection therewith there also appear words indicating that the fabric is not silk.

Kesterson Lumber Co. (Docket 1631.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Kiamath Lumber & Box co. (Docket 1650.) Order entered June 8, 1931, (See order, Docket 1620, Long-Bell Lumber Co.)

Kromo Plate Corporation. (Docket 1891.) Order entered April 6, 1981, requiring respondent, engaged in the manufacture of a fluid silver polish, to cease and desist from using and from authorizing the use of the words "chromium," "chrome," or "chromo" or any phonetic spelling thereof on labels, in advertising matter, or in sales talks by agents, unless and until chromium metal is a substantial constituent of the product so designated.

La Lasine International (Inc.). (Docket 1845.) Order entered January 13, 1981, requiring respondent, engaged in the manufacture of a preparation designated "La Lasine," to cease and desist from using the words "the famous French formula," "C'est Francais!" and other French words on labels and in advertising matter without the use of words in type equally conspicuous to indicate the product is manufactured in the United States of America, unless and until said product is manufactured in some country other than the United States; and to cease and desist from representing that La Lasine has received the indorsement of the Government of the United States and that its antiseptic or therapeutic properties are such as to instantly kill all poisonous germs of the mouth, giving protection to membranes of the throat for hours after use, and serving as a preventative or cure for asthma, diphtheria, Influenza, leprosy, and approximately 80 other listed diseases

Lamm Lumber Co. (Docket 1651.) Order entered June 8, 1931. (See order, Docket 1020, Long-Bell Lumber Co.)

Lasaen Lumber & Box Co. (Docket 1643.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Liederman, Earle E (Docket 1771.) Order catered February 101 1931, requiring respondent, engaged in conducting a correspondence school for instruction in physical culture, to cease and desist from falsely representing that prices quoted are a special, reduced price for a limited time only and that the course of instruction, which is prepared for general and uniform use, is adapted to the individual needs and requirements of the student.

Likely Lumber Co. (Docket 1627.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Lomax Rug Mills. (Docket 1715.) Order entered July 26, 1930, requiring respondent, engaged in the sale of rugs and carpets, to cease and desist from representing by the use of the words "mill" or "rug mills " in trade name and by the use of statements and slogans in advertising matter, that respondent manufactures the product he sells unless and until the mills in which such products are manufactured are actually owned or operated by respondent.

This ease is now pending in the United States Circuit Court of Appeals for the Third Circuit, on respondent's petition for review of commission's order to cease and desist.

Long-Bell Lumber Co. (Docket 1620.) Order entered June 8, 1931, requiring respondent, engaged in the production and marketing of lumber products, to cease and desist from the use of the word "white" in combination with the word "pine" to designate pinus ponderosa products, which have been designated by respondent as "California white pine."

Madison, Doctor Rodney, Laboratories (Inc.), et al. (Docket 1507.) Order entered February 24, 1931; requiring respondents, engaged in the manufacture of a device designated "Vitroma," to cease and desist from representing that Dr. Rodney Madison is a descendent of James Madison, the fourth President of the United States, and a graduate of a college of medicine and surgery; and that "Vitroma" makes practical application of a scientific discovery whereby electric currents are set up in the body by means of which ailments of the human body are cured or prevented.

Manchester Shoe Co., et al. (Docket 1561.) Order entered July 29, 1930, requiring respondents, engaged in the sale of shoes, to cease and desist from representing that they are manufacturers of shoes or sell specially made shoes.

McCloud River Lumber Co. (Docket 1635.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Mercerizes Association of America, et al. (Docket 1755.) Order entered March 24, 1931, requiring respondents, engaged in the manufacturing, mercerizing, and processing of plied cotton yarns, to cease and desist from combining or cooperating in any way to fix or maintain uniform prices, terms, discounts, or charges in connection with the sale of such yarns.

Milo Bar Bell Co. (Docket 1714.) Order entered February 10, 1931, requiring respondent engaged in conducting a correspondence course for instruction in physical culture, to cease and desist from representing by pictures or statements that the physical development reasonably attributable to natural growth has been brought about by respondent's appliances or instruction.

Mineral Coal Saver Co., et al. (Docket 1770.) Order entered January 13, 1931, requiring respondent, engaged in compounding a dry powder composed in predominant part of salt, designated "Mennie Coal Saver," to cease and desist from representing that said compound removes soot and gives "20 per cent more heat with less coal"; and from representing that said product is of proven worth or scientific merit, being carefully compounded under the super-vision of chemists, unless and until its worth shall have been demonstrated scientifically and it shall have been prepared as represented.

This case is now pending in the United States Circuit Court of Appeals for the Eighth Circuit, on respondents' petition for review of commission's order to cease and desist.

Motor Snap Co. et al (Docket 1759.) Order entered July 8, 1930, requiring respondent, engaged in the sale of a small tablet designated "motor snap gas-Garets " and "motor snap," to be placed in the gasoline tanks of motor vehicles, to cease and desist from representing that said tablets will cause gasoline to which they have been added to produce more power and to give more mileage per gallon, remove carbon, and remove the knock caused by gasoline combustion in engine cylinders.

Murray, Arthur, School of Dancing. (Docket 1723.) Order entered July 30, 1930, requiring respondent, engaged in operating a studio of dancing and conducting a correspondence school for instruction In dancing, to cease and desist from quoting a fictitious price as the regular price of the course, representing that same would cost $500 if given by personal instruction at respondent's studio, and quoting the regular price as a special, reduced price for a limited time only, unless and until such price is limited as to time of acceptance; and from representing that many thousands of persons have subscribed to and learned to dance by said course and that respondent has taught dancing to ex-Presidents of the United States and other officials of the United States and of the various States, and to the members of the royal families of Europe, and was selected by the United States Naval Academy to instruct the dancing teachers at the academy.

Nashville Roller Mills et al. (Docket 1599.) Order entered April 16, 1931, requiring respondents, engaged in the blending of flour, to cease and desist from the use of the word "mills" or "milling company" in trade or firm name and in advertising matter, and from representing that flour purchased from respondents goes direct from manufacturer to purchaser unless and until respondents own or operate mills wherein the flour is made.

Nestle, C., Co. et al (Docket 1833.) Order entered June 5, 1931, requiring respondent Charles Nessler, inventor of machines for waving the human hair and of appliances for use therewith, to cease and desist from representing or causing to be represented by the Society for Advancement of Hair and Beauty Science that the machine designated "Tex-o-meter," or any other apparatus offered for sale by said respondents, has been accepted or recommended by said "society " unless accompanied by a statement of the fact that said "society" is an organization formed, financed, controlled, and directed by respondent, Charles Nessler. Complaint dismissed as to respondent Nestle-LeMur Go.

Noma Electric Corporation. (Docket 1894.) Order entered April 27, 1931, requiring respondent, engaged in the manufacture of electric lighting units for Christmas trees, to cease and desist from selling such products at a price less

than the cost of manufacture with the intent and effect of suppressing competition.

Norton Institute. (Docket 1581.) Order entered December 9, 1930, requiring respondent, engaged in conducting a correspondence school for instruction In civil-service subjects, to cease and desist from representing that "C. H. Norton " has any connection With respondent's business; that prices quoted are special reduced prices; that respondent does or can furnish the position of forest ranger; that the course of instruction in forestry is adequate to prepare persons to take the civil-service examination for the position of forest ranger, unless and until such course is adequate; and that letters of recommendation publishes are genuine letters actually received by respondent.

NuGrape Co. of America. (Docket 1576.) Order entered May 19, 1931, requiring respondent, engaged in the manufacture of a concentrate designated "NuGrape," to cease and desist from using or authorizing the use of the words "nugrape " or "grape " to designate a product not consisting entirely of the juice or fruit of the grape without the use of words in type equally conspicuous setting forth the fact that the product contains other ingredients in the event that it consists of the juice or the fruit of the grape in sufficiently substantial part to supply the color and flavor, and without the use of words setting forth conspicuously that the product is an imitation, artificially colored and flavored, in the event the product does not consist of the fruit or the juice of the grape in sufficient quantity to furnish the color and flavor.

Owen-Oregon Lumber Co. (Docket 1645.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Ozment's Instruction Bureau. (Docket 1872.) Order entered May 11, 1931, requiring respondent, engaged in conducting a correspondence school for instruction in civil-service subjects, to cease and desist from representing and advertising that tuition fee will be refunded without specifying the time in which it will be repaid; that quoted salaries, in excess of those actually paid, are the established salaries for certain Government positions, that Government positions are open to persons over 50 years of age, and that civil-service examinations are held at almost all towns and cities of 8,000 population upward, and those for stenographers and typists are held every 60 days; that railway mall clerks immediately upon appointment are allowed to travel and given travel allowances, and that they are off duty half the time with full-time pay; that examinations for all positions are to be held within a short time when no such examinations are scheduled; that appointments to the position of forest ranger are available and may be made to one not a resident of the State when no such appointments are scheduled and the positions are open only to residents of the State in which the position is open.

Paradise Lumber Co. (Docket 1638.) Order entered June 8, 1931. (See order, Docket 1020, Long-Bell Lumber Co.)

Pelican Bay Lumber Co. (Docket 1652.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Penick & Ford (Ltd.) et al. (Docket 1580.) Order entered November 17, 1930, requiring respondent, engaged in the sale of corn sirups, molasses, and other corn products, packed by Penick & Ford (Ltd.), to cease and desist its so-called "100 per cent policy," being the policy of refusing to cooperate with customers or prospective customers unless they promise not to deal in any products competing with those sold by respondent.

Charges dismissed as to respondent Penick & Ford (Ltd.).

Penman Peak Lumber Co. (Docket 1628.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Perfect Voice Institute et al. (Docket 1503.) Order entered December 23, 1930, requiring respondent, engaged in conducting a correspondence school giving instruction in voice culture, to cease and desist from representing that any student can have a perfect singing or speaking voice after he trains his voice by "physical voice culture " requiring only a few minutes a day for a few simple, silent exercises which develop the hyo-glossus muscle, which a post-mortem examination showed to be highly developed in the throat of Caruso which otherwise was constructed as is the throat of every student; and to cease and desist from representing that the prices quoted are special, reduced prices for a limited time only, and that certain apparatus is furnished free of charge when the cost of the alleged gratuity is included in the price paid for the course.

Peterson Institute of Diet. (Docket 1671.) Order entered April 14, 1931, requiring respondent, engaged in conducting a dietary course in person and by 'nail, to cease and desist from using in advertising matter statements to the effect that cancer and deafness are caused by imperfect nutrition and that any disease can be cured by proper nourishment of the body, which will be effected through the treatment given; and to cease and desist from receiving remuneration for treatments given upon the basis of such advertising matter and such representations.

Pickering Lumber Co. Docket 1841.) Ordered entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Pro-Phy-Lac-Tic Brush Co. (Docket 1825.) Order entered July 7, 1930, requiring respondent, engaged in the manufacture of toothbrushes, to cease and desist from employing a policy requiring dealers to maintain certain specified resale prices In connection with the sale of respondent's product.

Quincy Lumber Co. (Docket 1640.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Red River Lumber Co. (Docket 1644.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Royal Baking Powder Co. (Docket 1499.) Order entered December 2, 1930, with consent of respondent, requiring respondent, engaged in the manufacture of baking powder, to cease and desist from publishing, directly or indirectly, derogative interviews or adverse comment regarding competitors' baking powder, and causing such publications to seem to be anonymous, mere news items, or contributions of disinterested and technically qualified authorities acting in the public interest, and to cease and desist from representing that the Federal Trade Commission has approved the report of the examiner in Docket 540, In the matter of Royal Baking Powder Co., has in any way decided whether or not any ingredient of baking powder is injurious to the health of the users, or has approved any methods or sales policy of respondent.

Royal Milling Co. et al. (Docket 1597.) Order entered April 16, 1931, requiring respondents, engaged in the blending of flour, to cease and desist from the use of the words "milling company" in trade and firm name and in advertising matter, and from representing that flour purchased from respondents goes direct from manufacturer to purchaser, unless and until respondents own or operate mills wherein the flour is made.

Rubber City Paint Co. et al. (Docket 1757.) Order entered January 5. 1931, requiring respondent, engaged in the sale of a product containing approximately 5.7 per cent asbestos, designated as "Rubber City Liquid Asbestos. Roofing" and "Bell's Liquid Asbestos Roofing," to cease and desist from the use of the word "asbestos" in trade name; and from representing that respondents are manufacturers, the product containing the "finest indestructible rock asbestos," and that product is fully guaranteed to wear for 10 years or for any period, unless and until such product is fully guaranteed to wear for the stated period and will wear for such period under normal conditions.

Shainin, I., & Co. (Docket 1780.) Order entered March 10, 1931, requiring respondent, engaged in the sale of Chinese art goods, to cease and desist from representing or advertising as "rose quartz beads," beads that have been dyed, unless such designation is qualified by an equally conspicuous statement to the effect that such have been artificially tinted.

Shaw-Bertram Lumber Co. (Docket 1656.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Shure, N., Co. (Docket 1827.) Order entered July 7, 1930, requiring respondent, engaged in the sale of machine-made blankets and shawls, to cease and desist from using the words "beacon casco Indian blankets," "casco Indian shawls," and "oneida Indian blankets "to designate products, unless and until said blankets and shawls are hand loomed by American Indians.

Singer, Philip A., & Bro. (Inc.) et al. (Docket 1384.) Order entered January 27, 1931, requiring respondent Philip A. Singer & Bro. (Inc.) to cease and desist from using the words "Baltic seal," "Baltic beaver," "seal " or "beaver" to stamp or label rabbit skins dyed by said respondent for use in the manufacture of garments, without adequate words in type equally conspicuous and in immediate conjunction therewith, clearly showing that the garments made therefrom are made from rabbit skins; and requiring respondents Herman Gelberg and Benjamin Schwartz, to cease and desist from using the words

"Baltic seal," "Baltic beaver," "seal," or "beaver" to designate garments made by. said respondent from rabbit skins, without the use of adequate words in type equally conspicuous and in immediate conjunction therewith, showing clearly that the garments so designated are made from rabbit skins.

Siskiyou Lumber Co. (Docket 1636.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Snell Milling Co. et al. (Docket 1600.) Order entered April 16, 1931, requiring respondents, engaged in the blending of flour, to cease and desist from the use of the words "mills" and "milling company" in trade or firm name and in advertising matter, and from representing that the flour purchased from respondents goes direct from factory to purchaser, unless and until respondents own or operate mills wherein the flour is made.

Charges dismissed as to respondent Percey Myatt.

Spanish Peak Lumber Co. (Docket 1642.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

State Milling Co. et al. (Docket 1602.) Order entered April 16, 1931, requiring respondents, engaged in the blending of flour, to cease and desist from the use of the words "milling company" in trade or firm name and in advertising matter, and from representing that the flour purchased from respondents goes direct from factory to purchaser, unless and until respondents own or operate mills wherein the flour is made.

Strauss Bros., Wholesale Tailors (lnc.), et al. (Docket 1941.) Order entered June 26, 1931, with consent of respondent, requiring respondents, engaged in the sale of men's clothing, to cease and desist from using the words "tailors" and "tailoring" in firm names and in advertising matter unless accompanied by a statement in type equally conspicuous setting forth the fact that garments are not cut exclusively to the individual measurements, being in part made in accordance with conventional measurements; and to cease and desist from using the words "wool" and "silk" in designating clothing made of cloth not consisting entirely of wool or silk, without statements clearly setting forth the fact that such cloth is not entirely wool or silk.

Sugar-Pine Lumber Co. (Docket 1639.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Swayne Lumber Co. (Docket 1637.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Tarbell System (lnc.), et al. (Docket 1721.) Order entered February 17, 1931, requiring respondent, engaged in conducting a correspondence course for Instruction in magic, to cease and desist from quoting a fictitious price which is in excess of that usually charged, as the regular price of the course and quoting the regular price as a special, reduced price for a limited time only, unless and until such price is limited as to time of acceptance; from representing that a student will become a proficient magician almost immediately after beginning the study of the course and that a diploma from respondent will enable him to obtain engagements to give exhibitions of magic through which he will earn from $250 to $1,000 a month.

Tennessee Grain Co., et al (Docket 1598.) Order entered April 16, 1931, requiring respondent, engaged in the blending of flour, to cease and desist from the use of the words "milling company," in trade or firm name and in advertising matter, and from representing that flour purchased from respondents goes direct from manufacturer to purchaser unless and until respondent own or operates mills wherein the flour is made.

Titus Institute (lnc.), et al. (Docket 1681.) Order entered June 30, 1931, requiring respondents Titus Institute (Inc.), and W. Harry Titus, engaged in conducting a correspondence school of instruction in physical culture, and respondent Ralph H. Sinclair, handling as an advertising agency, the advertising matter therefor, to cease and desist from implying that Henry W. Titus is living and is connected with the conduct of the school, and that monetary prizes are being awarded to pupils making the greatest improvement, unless and until such prizes are being awarded; and from representing by statements or by means of photographs taken at times and under circumstances other than those stated, that pupils have developed physically in excess of the development actually experienced, and during a shorter period of time.

Tomlin Box Co. (Docket 1646.) Order entered June 8, 1931. (See order, Docket 1620, Long-Bell Lumber Co.)

Vandeweghe, Adiel, et al. (Docket 1383.) Order entered January 27, 1931, requiring respondent Adiel Vandeweghe to cease and desist from using the words "superior seal" or "seal" to stamp or label rabbit skins dyed by said respondent for use in the manufacture of garments, without the use of adequate words in type equally conspicuous and In Immediate conjunction therewith, clearly showing that garments made therefrom are made from rabbit skins and requiring respondent David Feshback to cease and desist from the use of the words "superior seal" or "seal" to designate garments made by said respondent from rabbit skins, without the use of adequate words in type equally conspicuous and in immediate conjunction therewith, showing clearly that the garments so designated are made from rabbit Skins.

Vit-O-Net Corporation. (Docket 1679.) Order entered July 7, 1930, requiring respondent, engaged in the manufacture of an electric blanket designated " Vit-O-Net," to cease and desist from representing that such blanket is endorsed or recommended by prominent physicians, scientists, etc., and that it has any therapeutic value except as a heating pad.

Watauga Milling Co. et al. (Docket 1001.) Ordered entered April 16, 1931, requiring respondent, engaged In the blending of flour, to cease and desist from the use of the words "mills" and "milling company" in trade or firm name and In advertising matter, and from representing that the flour purchased from respondents goes direct from factory to purchaser, unless and until respondents own or operate mills wherein the flour is made.

Western Tanning Co. (Docket 1835.) Order entered July 7, 1930, requiring respondent, engaged in the distribution of leather, shoe findings, etc., to cease and desist from using the word " tanning " in firm name and in advertising matter and from using statements to the effect that respondent's prices eliminate the middleman's profit unless and until respondent operates a plant where the leather distributed is tanned.

Wetchler, L., & Sons, et al. (Docket 1829.) Order entered June 17, 1931, requiring respondent, engaged in the manufacture of paints, to cease and desist from using the words " zinc lead " on labels or in advertising matter unless the pigment consists of zinc and lead; and from using a firm name or mark on labels or in advertising matter in such position, form, or color that the words "lead," "white lead," or "combination white lead," appear to describe the product, unless the pigment is composed entirely of white lead when the words "lead" or "white lead" are used, and composed of not less than 50 per cent by weight of white lead when the words " combination white lead " are used.

White Pine Lumber Co. (Docket 1664.) Order entered June 8, 1931, requiring respondent, engaged in the production and marketing of lumber products, to cease and desist from the use of the word " white " in combination with the word " pine " to designate pinus ponderosa products, which have been designated by respondent as "Arizona white pine," "New Mexico white pine," " Western white pine," " white pine," and "ponderosa pine."

NUMERICAL LIST-ORDERS TO CEASE AND DESIST

Docket No.	Respondent
1381	Golden Fur Dyeing Co. (Inc.) et al.
1883	Vandeweghe, Adiel, et al.
1384	Singer, Philip A., & Bro. (Inc.) et al.
1499	Royal Baking Powder Co.
1503	Perfect Voice Institute et al.
1507	Madison, Doctor Rodney, Laboratories (Inc.) et al.
1508	American Poultry School et al.
1551	Cooperative Book Co.
1561	Manchester Shoe Co. et al.
1564	Fayro Laboratories (Inc.)
1576	NuGrape Co. of America.
1580	Peimick & Ford (Ltd.) et al.
1581	Norton Institute.
1584	Flynn & Emrich Co.
1597	Royal Milling Co. et al.
1598	Tennessee Grain Co. et al.
1599	Nashville Roller Mills et al.
1600	Snell Milling Co. et al.
1601	Watauga Milling Co. et al.
1602	State Milling Co. et al.
1603	Cooke, L. L., School of Electricity.
1604	Cherokee Mills et al.
1620	Long-Bell Lumber Co.
1621	Clover Valley Lumber Co.
1623	Castle Crag Lumber Co.
1624	Davies-Johnson Lumber Co.
1625	Diamond Match Co.
1626	California Fruit Exchange.
1627	Likely Lumber Co.
1628	Penman Peak Lumber Co.
1629	Feather River Lumber Co.
1630	California Door Co.

Docket No.	Respondent
1631	Kesterson Lumber Co.
1632	Hobart Estate Co.
1633	Fruit Growers Supply Co.
1 635	McCloud River Lumber Co.
1636	Siskyou Lumber Co.
1637	Swayne Lumber Co.
1638	Paradise Lumber Co.
1639	Sugar-Pine Lumber Co.
1640	Quincy Lumber Co.
1641	Pickering Lumber Co.
1642	Spanish Peak Lumber Co.
1643	Lassen Lumber & Box Co.
1644	Red River Lumber Co.
1645	Owen.-Oregon Lumber Co.
1646	Tomlin Box Co.
1647	Big Lakes Box Co.
1648	Ewauna Box Co.
1649	Forest Lumber Co.
1650	Klamath Lumber & Box Co.
1651	Lamm Lumber Co.
1652	Pelican Bay Lumber Co.
1654	Algoma Lumber Co.
1655	Chiloquin Lumber Co.
1656	Shaw-Bertram Lumber Co.
1657	Braymill White Pine Co.
1658	California-Oregon Box & Lumber Co.
1662	Cady Lumber Corporation.
1663	Breece, George E., Lumber Co. et al.
1864	White Pine Lumber Co.
1671	Peterson Institute of Diet.
1675	Artloom Rug Mills.
1679	Vit-O-Net Corporation.
1680	American Business Builders (Inc.) et al.
1681	Titus Institute (Inc.) et al.
1685	Kemper Silk Co. (Inc.).
1688	Cofy (Inc.).
1691	Colloidal Chemists.
1697	Black, Frank W., & Co., et al.
1699	Curtiss Candy Co.
1714	Milo Bar Bell Co.
1715	Lomax Rug Mills.
1718	Domno House (Inc.) et al.
1721	Tarbell System (Inc.) et al.
1722	Gropper, M. J., & Sons (Inc.).
1723	Murray, Arthur, School of Dancing.
1726	California Preserving Co. (Inc)
1732	Arnold Stone Co. (Inc.);
1755	Mercerizes Association of America et al.
1757	Rubber City Paint Co. et al.
1759	Motor Snap Co. et al.
1763	Amusement Novelty Supply Co.
1770	Mineral Coal Saver Co. et al.
1771	Liederman, Earle E.
1775	Ben-Burk (Inc.).
1780	Shainin, I., & Co.
1819	Clicquot Club Co.
1825	Pro-Phy-Lac-Tic Brush Co.
1827	Shure, N., Co.
1829	Wetchler, L., & Sons, et al.
1833	Nestle, C., Co. et al.
1835	Western Tanning Co.
1843	Canada's Pride Products Co. (Inc.).
1845	La Lasine International (Inc.).
1847	Bradley-Boston (Inc.).
1848	Allegheny Tube & Steel Co.
1850	Cheri.
1860	Alter & Co. et al.
1872	Ozment's Instruction Bureau.
1876	DeBestt Chemical Co.
1887	Grand Rapids Upholstering Co.
1888	H. Ernstberger & Co.
1891	Kromo Plate Corporation.
1894	Noma Electric Corporation.
1910	Higgins, William A., & Co. (Inc.)
1941	Strauss Brothers Wholesale Tailors (Inc.) et al.
1944	Diel Watch Case Co. (Inc.).

ORDERS OF DISMISSAL

Asbestos Shingle, Slate & Sheathing Co. (Docket 1683.) Alleged use of the words "slate," "absolutely indestructible," "absolutely fireproof," and "Ambler asbestos building lumber" to designate roofing material manufactured by respondent, that is not made of slate and is neither indestructible nor fire proof; dismissed, practices having been discontinued.

Benedict Stone (Inc.). (Docket 1692.) Alleged use of the word "stone" in trade name and in advertising matter to designate composition blocks manufactured by respondent; dismissed in view of court decision in Docket 1732, in the matter of Arnold Stone Co.

Berliner, Edwin E., & Co. (Docket 1731.) Alleged passing off of goods, misbranding, and false and misleading advertising in the sale of cotton fabrics; dismissed after trial.

Blair Bro. Lumber Co. (Docket 1665.) Alleged sale of pinus ponderosa under the designations "white pine," "California white pine," "Arizona white pine," "western white pine," and "New Mexico white pine"; dismissed, respondents not being engaged in interstate commerce.

Blanton Co. (Docket 1558.) Alleged misbranding and false and misleading advertising in the sale of oleomargarine; dismissed.

Central Fixation Publishing Co. (Docket 1673.) Alleged misrepresentation of the curative value of a method of eye training set forth In a publication entitled "Perfect Sight Without Glasses"; dismissed.

Colgate-Palmolive-Peet Co. (Docket 1836.) Alleged misbranding and false and misleading advertising In the sale of naphtha soap; dismissed.

Crosse & Blackwell. (Docket 18212.) Alleged representation of domestic made marmalade, jellies, etc., as imported products; dismissed, practices having been discontinued prior to issuance of complaint.

Empire Manufacturing Co. (Docket 1515.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Geiger Candy Co. (Docket 1823.) Alleged lottery in the sale of candy manufactured by respondent; dismissed, respondent having discontinued business.

Gillespie Furniture Co. (Docket 1739.) Alleged use of the words "mahogany" and "Philippine mahogany" to designate furniture made of woods other than those derived from the trees of the mahogany family; dismissed, Commissioner Hunt dissenting, and Commissioner McCulloch filing a dissenting memorandum.

Globe Scientific Co. (Docket 1711) Alleged passing off of name and goods and quoting fictitious prices and premiums in the sale of watches, fountain pens, and pencils; dismissed, efforts to locate respondent having failed.

Great Northern Fur Dyeing & Dressing Corporation. (Docket 1379.) Alleged misbranding in the sale of furs; dismissed after trial, respondent having discontinued business.

Health Laboratories (Inc.). (Docket 1844.) Alleged misrepresentations as to curative properties of "Acidine"; dismissed without prejudice.

Idaho Coal Dealers Association, et al. (Docket 1840.) Alleged combination in restraint of trade In the sale of coal; dismissed.

Kalb Bros. (Docket 1891.) Alleged lottery In the sale of confectionery; dismissed, respondents having discontinued business.

Kansas Seed Co. (Docket 1854.) Alleged misrepresentation in the sale of alfalfa seed; dismissed for luck of interstate commerce.

Kotex Co. (Docket 1782.) Alleged false and misleading advertising in the sale of sanitary supplies; dismissed.

Leadite Co. (Inc.). (Docket 1730.) Alleged misbranding and false and misleading advertising In the sale of plumbing supplies ; dismissed.

Mechanics Furniture Co. (Docket 1516.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Mohawk Asbestos Slate Co. (Inc.). (Docket 1767.) Alleged passing off of goods and false and misleading advertising In the sale of roofing materials; dismissed.

Monroe Candy Co. (Docket 1774.) Alleged lottery in the sale of confectionery; dismissed, respondent having discontinued business.

Motor Snap Co., et al. (Docket 1747.) Alleged false and misleading advertising in the sale of motor fuel; dismissed without prejudice.

Mulhens & Kropff (Inc.). (Docket 1531.) Alleged simulation of trade-mark and trade dress of competitor in the sale of toilet preparations; dismissed.

National Silver Co., et al. (Docket 1704.) Alleged misbranding and false and misleading advertising in the sale of tableware; dismissed after trial, Commissioner McCulloch filing dissenting memorandum.

Natural Health Association (Inc.), et al. (Docket 1577.) Alleged misrepresentation as to the compilers of a book written by respondents designated "Real Health," and as to an advisory board and an association, the privileges of which are purported to be extended to purchasers; dismissed without prejudice.

No Ring Corporation, et al. (Docket 1815.) Alleged false and misleading advertising and misbranding in the sale of cleansing compounds; dismissed, Commissioner Humphrey filing dissenting memorandum.

Oak Valley Lumber Co. (Docket 1666.) Alleged passing off of goods and false and misleading advertising in the sale of lumber; dismissed without prejudice to the bringing of a subsequent proceeding in the event that practices are resumed.

Paul, B. (Docket 1913.) Alleged use of the words "B. Paul's henna compound" to designate a product containing only a small percentage of henna; dismissed.

Pilzner Importing Co., et al. (Docket 1842.) Alleged misbranding, representation of domestic products as imported, and false and misleading advertising, in the sale of malt sirups; dismissed for lack of interstate commerce.

Purity Bakeries Corporation. (Docket 1588.) Alleged acquisition of stock tending to lessen competition In interstate commerce and create a monopoly; dismissed.

Radio Corporation of America. (Docket 1529.) Alleged combination In restraint of trade and exclusive dealing contracts In the sale of radio apparatus; dismissed.

Rex Co. (Docket 1693.) Alleged resale price maintenance and discriminative discounts In the sale of Insecticides and fungicides; dismissed, respondent having discontinued practices prior to issuance of complaint.

Rockford Cabinet Co. (Docket 1520.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Rockford Chair & Furniture Co. (Docket 1521.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Bockford National Furniture Co. (Docket 1522.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Rockford Palace Furniture Co. (Docket 1523.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Rockford Republic Furniture Co. (Docket 1524.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Rockford Standard Furniture Co. (Docket 1525.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Rockford Superior Furniture Co. (Docket 1526.) Alleged false and misleading advertising in the sale of furniture; dismissed

Royal Baking Powder Co. (Docket 540.) Alleged disparagement of competitors' goods and false and misleading advertising in the sale of baking powder; dismissed without prejudice, respondent having discontinued practices.

Sexton Manufacturing Co. (Docket 1769.) Alleged use of the trade-mark "Palm Beach" and the words "Beg. U. S. Pat. Off.", which trade-mark has been registered by Goodall Worsted Co., In labeling athletic underwear manufactured by respondent; dismissed without prejudice.

Spalding, A. G., & Bros. (Docket 1583.) Alleged giving of secret commissions and subsidizing dealersiIn the sale of sporting goods; dismissed, respondent having subscribed to the Trade Practice Conferences rules for the athletic goods industry, which cover the allegations of the complaint.

Tailor-Made Shoe System et al. (Docket 1509.) Alleged false and misleading advertising in the sale of shoes; dismissed, respondent having discontinue business.

Union Furniture Co. (Docket 1517.) Alleged false and misleading advertising in the sale of furniture; dismissed.

United American Metals Corporation. (Docket 1745.) Alleged misbranding and false and misleading advertising in the sale of nonferrous metals; dismissed.

West End Furniture Co. (Docket 1518.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Wheeling Steel Corporation et al. (Docket 1461.) Alleged combination in restraint of trade, sale of goods below cost to lessen competition, establishment of a fixed basing point from which to figure transportation charges, and price discrimination in the sale of range boilers; dismissed.

Winnebago Manufacturing Co. (Docket 1519.) Alleged false and misleading advertising in the sale of furniture; dismissed.

Zapon Leather Cloth Co. (Docket 1586.) Alleged use of words indicating a leather product to designate a coated fabric; dismissed, respondent having gone out of business prior to the issuance of complaint.

NUMERICAL LIST-ORDERS OF DISMISSAL

Docket No.	Respondent
540	Royal Baking Powder Co.
1379	Great Northern Fur Dyeing & Dressing Corporation.
1461	Wheeling Steel Corporation, et al.
1509	Tailor-Made Shoe System, et al.
1515	Empire Manufacturing Co.
1516	Mechanics Furniture Co.
1517	Union Furniture Co.
1518	West End Furniture Co.
1519	Winnebago Manufacturing Co.
1520	Rockford Cabinet Co.
1521	Rockford Chair & Furniture Co.
1522	Rockford National Furniture Co.
1523	Rockford Palace Furniture Co.
1524	Rockford Republic Furniture Co.
1525	Rockford Standard Furniture Co.
1526	Rockford Superior Furniture Co.
1529	Radio Corporation of America.
1531	Mulhens & Kropff (Inc.)
1558	Blanton Co.
1577	Natural Health Association (Inc.), et al.
1583	Spalding, A. G., & Bros.
1586	Zapon Leather Cloth Co.
1588	Purity Bakeries Corporation.
1665	Blair Bros. Lumber Co.
1666	Oak Valley Lumber Co.
1673	Central Fixation Publishing Co.
1683	Asbestos Shingle, Slate & Sheathing Co.
1692	Benedict Stone (Inc.)
1693	Rex Co.
1704	National Silver Co., et al.
1711	Globe Scientific Co.
1730	Leadite Co. (Inc.)
1731	Berliner, Edwin E., & Co.
1739	Gillespie Furniture Co.
1745	United American Metals Corporation.
1747	Motor Snap Co., et al.
1767	Mohawk Asbestos Slate Co. (Inc.).
1769	Sexton Manufacturing Co.
1774	Monroe Candy Co.
1782	Kotex Co.
1801	Kalb Bros.
1815	No Ring Corporation, et al.
1821	Crosse & Blackwell.
1823	Geiger Candy Co.
1836	Colgate-Palmolive-Peet Co.
1840	Idaho Coal Dealers Association, et al.
1842	Pilzner Importing Co., et al.
1844	Health Laboratories (Inc.).
1854	Kansas Seed Co.
1913	Paul, B.

COMPLAINTS PENDING JULY 1, 1931

[Except where otherwise designated, the charges in each of the following cases concern unfair methods of competition In alleged violation of section 5. Federal Trade Commission act.]

Adams, Charles F. (Inc.). (Docket 1812.) Charge (see charge in Docket 1789, Loden's (Inc.).

Status: At issue.

Adams Paint Co. (Docket 1961.) Charge: That respondent, engaged in sale of paints and a roof coating designated "Griptite," claims to be a manufacturer organized since 1902, carrying on a million-dollar business, maintaining a force of chemists for constant research work and manufacturing a superior paint costing from $1 to $2 less per gallon than other paint of similar quality, consisting of white lead, zinc oxide, pure linseed oil, and a secret ingredient that makes his product superior to that of other manufacturers, and uses in advertising matter the picture of a large building representing a factory, bearing a sign with name Adams Paint Co. thereon; thereby deceiving the purchasing public into the erroneous belief that respondent is a manufacturer occupying the building depicted and manufacturing paint of a superior quality, and that the prices quoted are exclusive of the middleman's profit.

Status: Awaiting answer.

Advance Candy Co. (Inc.). (Docket 1792.) Charge: That respondent, en gaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped pieces of candy to be sold at 1 cent each, and larger pieces of candy to be given as prizes to the purchaser of last piece of candy in assortment and to purchaser who by chance selects a piece having concealed within wrapper a printed slip of paper stating that purchaser thereof is entitled to a 5-cent package of candy as a prize; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Aetna Fire Brick Co. et al. (Docket 1527.) Charge: That respondents, engaged or interested in manufacture and sale of refractories or fire-brick shapes made of fire clay and/or silica, entered into a combination to establish sizes of base brick. uniform methods of compiling sizes of refractories and base-brick equivalents, uniform prices, terms, and methods of sale; thereby tending to hinder and suppress free competition, to the prejudice of the public and of respondent's competitors.

Status: At issue.

Agmel Corporation. (Docket 1766.) Charge: That respondent, engaged In importation and sale of preparation designated "Agmel," manufactured by its subsidiary, the Agave Co., in Mexico, from the sap of the maquey plant, circulates false and misleading statements to the effect that "Amgel" is a tonic and is effective in the treatment of many diseases, thereby deceiving the purchasing public into the erroneous belief that respondent's product possesses therapeutic properties.

Status: Awaiting answer

Alexander-Martin Co. et al. (Docket 1926.) Charge: That respondents, engaged in sale of ready-made clothing containing a substantial amount of mate-rial other than wool, principally cotton, circulate false and misleading statements relative to the quality, manufacture, and conditions of sale of said garments; thereby deceiving the purchasing public into the erroneous belief that the garments ordered are made of all-wool fabrics to the measure

ments taken by agent or furnished by purchaser; that a special reduced price is being quoted when two suits are offered at what is alleged to be the price of one; that purchasers will be afforded an opportunity to inspect the garments upon delivery before remainder of purchase price is paid; and that purchase price in full will be refunded in case of dissatisfaction.

Status: At issue.

American Candy Co. (Docket 1807.) Charge (see charge in Docket 1789, Luden's Inc.).

Status: At issue.

American Caramel Co. (Inc.). (Docket 1806.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped candles to be sold at 5 cents each and articles of merchandise to be given as prizes to purchasers of last piece of candy in assortment and to purchasers who by chance select a piece containing a slip concealed within wrapper, stating that a prize is to be given with that piece of candy, thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

American Radium Products Co. (Docket 1752.) Charge: That respondents, engaged in manufacture and sale of earthenware water jars purported to be lined with radium ore, circulate false and misleading statements to the effect that water remaining in the jug 24 hours will possess a degree of radio activity sufficient to make it of a quality equal to that of the famous "Well of Beauty," at Donje Bodne, Turkey, causing it to possess curative value in approximately 40 diseases, thereby deceiving the purchasing public into the erroneous belief that jars possess therapeutic properties.

Status: At issue.

Arm and Co. (Inc.) et al. (Docket 1329.) Charge: That respondent Armand Co., engaged in manufacture of toilet articles and cosmetics, adopted and employs, together with respondent wholesalers and dealers, a system for maintenance of uniform resale prices, refusing to sell to dealers who do not maintain such prices, thereby tending to hinder and suppress free competition, to the prejudice of the public and of respondent's competitors.

Status: Awaiting commission's brief.

Armour & Co. et al. (Docket 1423.) Charge: That respondents, engaged in manufacture of soaps, use the words "imported," "Dona Castile," "Stork Castile," "Carrara Sapon Catiglia," and "Broadway Bath Olive Castile" in labeling and advertising soap consisting in substantial part of vegetable oils and animal fats, in some instances to the practical exclusion of olive oil, thereby deceiving the purchasing public into the erroneous belief that certain of respondents' products are imported and that all of the soap label "Castile" consists in preponderant part of olive oil.

Status: On suspense calendar to await decision of court of last resort in Docket 1110, in the matter of James S. Kirk & Co.

Armco Mills. (Docket 1920.) Charge: That respondent, engaged in manufacture of blankets having a wool content ranging from 1 to 40 per cent by weight, and sale thereof to jobbers and retailers, uses labels bearing the words "part wool" on blankets whose wool content does not exceed 5 per cent by weight, and labels bearing the words "guaranteed 100 per cent virgin stock-white wool and China cotton" on blankets whose wool content does not exceed 50 per cent by weight; thereby deceiving the purchasing public into the erroneous belief that the products contain a substantial proportion of wool.

Status: At issue.

Arnould, D., Co. (Docket 1907.) Charge: That respondent, engaged in manufacture of candy and sale thereof to wholesale dealers and jobbers, distributes an assortment consisting of pieces of candy to be sold at 1 cent each and larger pieces and boxes of candy to be given as prizes to the purchasers who by chance select a piece having a center of a specified color; thereby sup plying and placing in the hands of others the means of conducting a lottery and tending to Injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall

have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Arrow-Hart & Hegeman (Inc.), et al. (Docket 1498.) Charge: Unlawful restraint and monopoly in that respondent Arrow-Hart & Hegeman (Inc.), engaged in manufacture of electric wiring devices, acquired share capital of Hart & Hegeman Manufacturing Co., and Arrow Electric Co., thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.

Status: In course of trial.

Associated Knitting Mills Outlet Co. (Inc.). (Docket 1783.) Charge: That respondent, engaged in sale of hosiery, lingerie, sweaters, blankets, etc., uses words "knitting mills" in firm name, and on display signs in front of retail establishment, and advertises "buy direct from the mill and save"; thereby deceiving the purchasing public into the erroneous belief that respondent is a manufacturer and that prices quoted are exclusive of the middleman's profit.

Status: At issue.

Atlas, Charles. (Docket 1952.) Charge: That respondent, engaged in furnishing correspondence courses of instruction in physical culture, designated "dynamic-tension" method, circulates false and misleading statements relative to results to be obtained through use of such method, prices of courses and articles accessory thereto alleged to be given free of charge; thereby deceiving the purchasing public into the erroneous belief that respondent's method will banish certain specified ailments and build strong muscular bodies, that special reduced prices are being quoted, and that the cost of the alleged gratuities is not included in the price paid for the course.

Status: At issue.

Aviation Institute of U. S. A. (Inc.). (Docket 1834.) Charge: That respondent, engaged In furnishing a correspondence course of instruction in aviation. uses the letters "U. S. A." in corporate and trade names in conjunction with a depiction of wings and shields in simulation of insignia in use by United States, makes frequent use of word "lieutenant" and frequent references to officials in Army and Navy Air Service, and indorsement of Army and Navy officials; thereby deceiving the purchasing public into the erroneous belief that respondent is officially connected with United States Government and that the course furnished has the indorsement of the Federal Government.

Status: Before commission for final determination.

Badger Candy Co. (Docket 1841.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale and retail dealers and jobbers, with pieces of candy and other merchandise to be given as prizes to purchaser of last piece of candy in assortment and to purchasers who by chance select a piece with the word "Winner" stamped thereon, thereby supplying and placing In the bands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for disposal of their products by such means.

Status: At issue.

Bagedonow, I. M., (Inc.). (Docket 1923.) Charge: That respondent en gaged in sale of women's coats having a weave similar to Imported Scotch tweed, designates his products as "Scot-Tex" and "Scottex" on labels and in advertising ma after; thereby deceiving the purchasing public into the erroneous belief that the products are made in Scotland or are of cloth manufactured and imported therefrom.

Status: At issue.

Bailey Radium Laboratories (Inc.), et al. (Docket 1750.) Charge: That respondents, engaged in manufacture and sale of a medical preparation com posed of water and radium ore, and/or mesothorium salt, designated "Radithor," made by diluting a concentrated radioactive fluid purchased from United States Radio Corporation with distilled water, use the word "laboratories" in firm name, and circulate false and misleading statements to the effect that the product is the result of 30 years of scientific research and has been effective in treatment of approximately 100 diseases, that the alpha radium ray which is present in large quantities in "Radithor" is not destructive, and that numerous books and pamphlets citing successful use of "Radithor" have been published; thereby deceiving the purchasing public into the erroneous belief that product is made according to a special scientific formula, that it is not danger-

ous to use, that the booklets and pamphlets are published by persons other than respondent, William J. A. Bailey, and that it possesses therapeutic value.

Status: In course of trial.

Beacon Manufacturing Co. (Docket 1873.) Charge: That respondent, en-gaged in manufacture of machine-made blankets, shawls, and bath robes, uses In advertising matter and on labels trade names containing the words "Indian," "ombre Indian," " wigwam," "sachem," " agawam," " mingo," and " casco," together with depictions of Indian scenes; thereby deceiving the purchasing public into the erroneous belief that respondent's products are hand-loomed by Indians.

Status: In course of trial.

Belmont Candy Co. (Docket 1861.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes one assortment of candles to be sold at 1 cent each, and larger pieces of candy and merchandise to be given as prizes to purchaser of last piece of candy and to purchasers who by chance select a piece having a center of a specified color; two assortments consisting of wrapped candies to be sold at prices ranging from 1 to 3 cents and from 1 to 5 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed in wrapper; and a fourth assortment consisting of wrapped packages containing candy and a balloon, to be sold at 5 cents each, certain of which have concealed within wrapper a slip of paper stating that such package is given free of charge to purchaser who by chance makes this section; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Bethlehem Steel Corporation et al. (Docket 962.) Charge: That respondent Bethlehem Steel Corporation acquired properties, assets, and business of respondents Bethlehem Steel Corporation, Bethlehem Steel Co., Bethlehem Steel Bridge Corporation, Lackawanna Steel Co., Lackawanna Bridge Works Corporation, Midvale Steel & Ordnance Co., and Cambria Steel Co., and their subsidiaries; thereby tending to substantially lessen competition, contrary to public policy expressed in section 7 of Clayton Act, and to restrain trade contrary to public policy expressed in sections 1 and 3 of Sherman Act.

Status: In course of trial.

Billings-Chapin Co. (Docket 1733.) Charge: That respondent, engaged in manufacture and sale of paints and varnishes, uses labels bearing the words "U. S. N. varnish" and "U. S. N. deck paint," etc., together with a depiction of a United States battleship, the Navy colors, and marine scenes; thereby deceiving the purchasing public into the erroneous belief that respondent's products are manufactured in accordance with Government specifications.

Status: At issue.

Black & Yates (Inc.). (Docket 1736.) Charge: That respondent, engaged in sale of lumber to lumber dealers and furniture manufacturers, designates this lumber as mahogany and/or Philippine mahogany; thereby deceiving the purchasing public into the erroneous belief that respondent's product and articles made therefrom consist of wood derived from trees of the mahogany family.

Status: In course of trial.

Blackhawk Candy Co. (Docket 1791.) Charge (see charge in Docket 1785, Minter Bros.).

Status: At Issue.

Bleadon-Dun Co. (Docket 1708.) Charge: That respondent, sometimes trading as "The Vi-Tex Co.", engaged in manufacture and sale of electric generators designated "Violetta" for use in the treatment of diseases, circulates false and misleading statements regarding regular price of appliance, free goods given therewith, and its efficacy as a curative for some 86 ailments; thereby deceiving the purchasing public into the erroneous belief that respondent's product possesses curative properties in common with those possessed by the true violet-ray machine, and that a special, reduced price is being quoted.

Status: At issue.

Block Candy Co. (Docket 1956.) Charge (see charge in Docket 1894, Green field's Sons, E (Inc.).

Status: Awaiting answer.

Blue Hill Candy Co. (Docket 1917.) Charge (see charge in Docket 1724, Voneiff-Drayer Co.).
Status: At issue.

Bohon Co., D. T. (Inc.). (Docket 1893.) Charge: That respondent, engaged in sale by mail orders of a low-grade paint designated "Bohon's Ready Mixed Paint," circulates false and misleading statements relative to the price and quality of the paint; thereby deceiving the purchasing public into the erroneous belief that respondent's product is made from pure lead, zinc, and linseed oil mixed with such color pigments and other ingredients as to give the best service, that it is sold at factory prices, and that it is made from the same formula as that from which paint retailing at from $3.50 to $4 per gallon is made.
Status: At issue.

Bond Bros. & Co. (Inc.). (Docket 1878.) Charge: That respondent, engaged in purchase and exportation, principally to the Far East, of baled newspapers to be used for wrapping purposes, advertises and designates the bales containing papers that have been circulated among the reading public and contain a large percentage of colored supplements and rubbish, as bales of clean, overissued papers virtually free from colored supplements and rubbish, which command a higher price than the used papers, thereby tending to bring into disrepute exporters of United States products who furnish foreign customers with goods of the kind and quality specified in the contracts of sale, in alleged violation of section 4 of the export trade act.
Status Testimony closed; awaiting report of trial examiner.

Borg-Warner Corporation. (Docket 1915.) Charge: Unlawful restraint and monopoly In that respondent, engaged in manufacture and sale of auto-mobile equipment, acquired the stock of Norge Corporation, thereby acquiring the stock of the Detroit Gear & Machine Co., and through a company organized by respondent designated Short Manufacturing Co., acquired the stock in Long Manufacturing Co., and dissolved the company, afterwards changing the name of the Short Manufacturing Co. to that of Long Manufacturing Co.; thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.
Status: Awaiting answer.

Bossert, & Sons, Louis (Inc.). (Docket 1785.) Charge (see Docket 1734, Sea Sled Corporation).
Status: In course of trial.

Boyd-Martin Boat Co. (Docket 1906.) Charge: That respondent, engaged -in manufacture and sale of motor boats, the decks, planking, bottoms, and other parts consisting of wood other than mahogany, advertises and represents such parts as mahogany, Philippine mahogany, and other purported species of mahogany; thereby deceiving the purchasing public into the erroneous belief that all wooden parts of the boats are made of wood derived from trees of the mahogany family.
Status: At issue.

Brandler, Joseph P. (Docket 1921.) Charge: That respondent, engaged in manufacture of a knitted fabric with a wool pile, and sale thereof to garment manufacturers, designates product "Persian pelt," and uses these words on labels furnished the purchasers thereof to be affixed to the garments made therefrom, thereby deceiving the purchasing public into the erroneous belief that respondent's product and the garments made therefrom are made from pelts of the Persian lamb.
Status: In course of trial.

Breitbart Institute of Physical Culture (Inc.). (Docket 1609.) Charge: That respondent, engaged in furnishing correspondence courses of instruction in physical culture, circulates false and misleading statements relative to the regular price of the course, its supervision by Seigmund Breitbart and a council of athletes, and depictions purporting to show development; thereby deceiving the purchasing public into the erroneous belief that the founder, Seigmund Breitbart, is still alive and directing the instruction with the aid of a council consisting of seven prominent athletes, that the pictures are in fact Illustrative of development, and that special reduced prices are being quoted.
Status: Before commission for final determination.

Brooks, T. E., & Co. (Docket 1442.) Charge: That respondent, a manufacturer of cigars, uses the words "Havana sweets" on cigar bands and con-

tainers of cigars containing no Cuban tobacco; thereby deceiving the purchasing public into the erroneous belief that respondent's product is made of tobacco grown on the island of Cuba.

Status: At issue.

Brooks Rupture Appliance Co. et al. (Docket 1930.) Charge: That respondents, engaged in manufacture and sale through mail orders, of an appliance for use in the healing of hernia, circulate false and misleading statements relative to the curative properties of the product; thereby deceiving the purchasing public into the erroneous belief that respondents' product is a new discovery differing materially from the ordinary truss, and that it will heal rupture without the aid of physician or surgeon.

Status: At issue.

Brooten, H. H. & Sons (Inc.). (Docket 1927.) Charge: That respondent, engaged in mining and bottling a mineral designated "Brooten's Kelp Ore," which acts as an antiseptic, astringent mineral water, circulates false and misleading statements relative to the curative properties of the product; thereby deceiving the purchasing public Into the erroneous belief that respondent's product is an "unexcelled" antiseptic; that it will cure diabetes, pernicious anemia, tubercular formation of the bone, cancer, asthma, and arthritis, and that it possesses magnetic vibratory healing properties.

Status: At issue.

Brown Fence & Wire Co. (Docket 1929.) Charge: That respondent, engaged in sale of paint, roofing materials, etc., and in manufacture of steel posts, barb wire and gates through subsidiary company, Peerless Wire & Fence Co. circulates false and misleading statements in catalogues and advertising matter to the effect that respondent manufactures the products sold and that the fence wire, the copper content of which runs from 1 to 7 per cent, is a steel wire having a copper content of from 15 to 30 per cent; thereby deceiving the purchasing public Into the erroneous belief that the prices quotes are exclusive of the middleman's profit, and that the durability of the wire sold by respondent is that of a wire containing a substantial proportion of copper.

Status: At Issue.

Brux Candy Co. et al. (Docket 1892.) Charge (see charge in Docket 1772, Heidelberger Confectionery Co.).

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Bunte Bros. (Inc.). (Docket 1811.) Charge (see charge in Docket 1789, Luden's, Inc.).

Status: At issue.

Cadwallader-Gibson Co. (Inc.) (Docket 1744.) Charge (see charge in Docket 1736, Black & Yates (Inc.).

Status: In course of trial.

Central Paint & Varnish Co. et al. (Docket 1698.) Charge: That respondents, engaged in manufacture and sale of paint, use the words "lead," "zinc," " linseed oil," "purest paint," and "100 per cent pure," in labeling and advertising products containing inferior substitutes, thereby deceiving the purchasing public into the erroneous belief that respondents' products consist in substantial part of the ingredients designated.

Status: At issue.

Charms Co., (Docket 1800.) Charge (see charge in Docket 1785, Minter Bros).

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Chatham Manufacturing Co. (Docket 1777.) Charge: That respondent, engaged in manufacture of blankets consisting of from 5 per cent to 70 per cent wool, with less than 50 per cent for the most part, and sale thereof to jobbers and wholesale dealers, uses picture of three sheep in an oval as a trade-mark, and advertises and labels products as "part wool," "wool and cotton," and "wool mixed," thereby deceiving the purchasing public into the erroneous belief that respondent's products consist in substantial part of wool.

Status Awaiting briefs.

Chicago Machine Tool Distributors et al. (Docket 1882.) Charge: That respondents, engaged in manufacture of heavy machinery, have adopted and employ a system known as the Chicago appraisal plan, whereby an appraisal made by any member on the used machinery to be turned in by a prospective customer must be communicated confidentially to a special clerk of the association, who enters description, amount, etc., assigns registration number, and calls member back, so that amount of the appraisal may be communicated to prospective purchaser, or in the event that a prior appraisal has been made by another member, clerk notifies member of the amount of such previous appraisal, so that a higher appraisal may be entered if desired, any such higher appraisal not to be communicated to prospective purchaser until 11 o'clock in the morning of the second working day after the raised appraisal price has been registered, during which time all members who have entered prior appraisals are notified by clerk, in each case the member making the sale on the basis of the first appraisal filed, to have the option of accepting and paying for the machinery or of allowing the original appraiser to accept it, but if an increased appraisal has been filed, the member filing the last increase is the only one privileged to accept any pay for the machinery regardless of what member made the sale, thereby tending to hinder and suppress free competition to the prejudice of the public and of respondents' competitors.

Status: At issue.

Chicago Warehouse Lumber Co. (Docket 1742.) Charge (see Docket 1736, Black & Yates (Inc.).

Status: In course of trial.

Cincinnati Soap Co. (Docket 1425.) Charge: That respondent, a manufacturer of soaps, uses the words "Purity Castile," "Crown Castile," "Olive Castile," and "Fontaine Castile," in labeling and advertising soap consisting in substantial part of vegetable oils and animal fats, in some instances to the exclusion of olive oil, thereby deceiving the purchasing public into the erroneous belief that respondent's products consist in preponderant part of olive oil.

Status: At issue.

Citrus Products Co. (Docket 1709.) Charge: That respondent, engaged in manufacture and sale of concentrates, uses the trade names "Blue Bird," and "Orangekist," together with descriptive material containing the words "grape and "orange," on labels and in advertising matter descriptive of products simulating the fruit indicated in odor, flavor, and appearance, but not consisting of the fruit in substantial quantity; thereby deceiving the purchasing public into the erroneous belief that respondent's product is a fruit drink.

Status: Before commission for final determination.

Clark, D. L., Co. (Docket 1797.) Charge (see charge in Docket 1785, Minter Bros.).

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Cohen, Goldman & Co. (Inc.). (Docket 1754.) Charge: That respondent, engaged in manufacture of men's clothing and sale thereof to wholesale and retail dealers, has adopted and employs a system for maintenance of uniform resale prices, refuses to sell to dealers who do not maintain same, anti to wholesalers supplying retailers who do not maintain same; thereby tending to hinder and suppress free competition to the prejudice of the public and of respondent's competitors.

Status: At issue.

Collins, J. N., Co. (Docket 1875.) Charge: That respondent, engaged In manufacture of candy and sale thereof, together with explanatory display cards, to wholesale and retail dealers, distributes an assortment consisting of pieces of candy to be sold at the rate of two for 1 cent, and larger pieces of candy to be given as prizes to purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece of a specified color: thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Congo Pictures (Ltd.) et al. (Docket 1938.) Charge: That respondents. en gaged in distribution of a motion picture designated "Ingagi." assembled from old authentic films of African travel and from motion pictures of negroes living

in Los Angeles, animals from the Los Angeles Zoo, trained animals used in many motion pictures, and one fictitious animal designated "tortadlilo * * * decidedly scarce and when found too venomous even to handle * * * which will be carefully examined by experts in London, for they succeeded in bringing one of the animals home alive," which was made by affixing artificial wings and a tail to a turtle, which is shown with a sound lecture alleged to be given by Sir Hubert Winstead, circulate false and misleading statements relative to the authenticity of the picture; thereby deceiving the purchasing public into the erroneous belief that the pictures were taken in the heart of Africa by Sir Hubert Winstead, F. A. S. and F. R. G. S., eminent anthropologist, hunter, and explorer of London, England, who is in fact a fictitious person, and Capt. Daniel Swayne, an American hunter and museum collector, that the negro women are wild women, the children pygmies or half-breeds, and the animals half ape and half human believed by the alleged explorer to be the "missing link."

Status: At issue.

Continental Steel Corporation. (Docket 1589.) Charge: Unlawful restraint and monopoly In that respondent, engaged in rolling and fabricating steel sheets, acquired stock of Superior Sheet Steel Co. and Chapman Price Steel Co.; thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.

Status: At issue.

Cook Paint & Varnish Co. et al. (Docket 1959.) Charge: That respondents, engaged in manufacture of varnish, shellac, paints, and wood fillers, offer and give through respondent salesman, Mark L. Jones, substantial sums of money to the employees of furniture manufacturers, without the knowledge and consent of the employers of said employees, ns inducements to order or to recommended respondents' products; thereby diverting trade from competitors of respondents.

Status: Awaiting answer.

Cosmopolitan Candy Co. (Docket 1858.) Charge: That respondent, engaged in manufacture of candy, distributes an assortment of candy eggs to wholesale dealers and jobbers, together with a punch board having an explanatory legend for use in connection with the sale thereof, the candy to be given as prizes to the customers who upon punching board, following the payment of 5 cents for the privilege of so doing, punch the last remaining hole in any one of the four sections, or any of the concealed numbers designated in the legend as prize numbers; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Coumbe, S. C., Co. et al. (Docket 1928.) Charge: That respondent, engaged in manufacture of candy, and sale thereof to wholesale dealers and jobbers, distributes an assortment consisting of sandy, together with a punch hoard having an explanatory legend, to be used in connection with the sale thereof, the candy to given as prizes to the customers who, upon punching board following the payment of 5 or 10 cents for the privilege of so doing, punch the last remaining hole in any section of the board or any of the concealed numbers designated in the legend as prize numbers; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Crown Overall Manufacturing Co. (Docket 1676.) Charge: Unlawful restraint and monopoly in that respondent, engaged in manufacture and sale of working garments, acquired stock of Larned Carter & Co. (Inc.); thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.

Status: At issue.

Curtiss Candy Co. et al. (Docket 1858.) Charge: The at respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale and retail dealers and jobbers, distributes one assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 3 cents, purchaser to pay whatever sum is set forth on a slip of paper concealed within wrapper; and another assortment consisting of wrapped pieces of candy to be sold at 5 cents each, certain of which have concealed within wrapper a slip of paper stating that such piece is given free of charge to pur-

chasers who by chance make this selection; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Dart Boats (Inc.). (Docket 1768.) Charge: That respondent, engaged in manufacture and sale of motor boats constructed of wood other than mahogany, makes false and misleading statements relative to construction of such boats; thereby deceiving the purchasing public into the erroneous belief that respondent's products are constructed of wood derived from trees of the mahogany family.

Status: Awaiting answer.

Deniston Co. (Docket 1889.) Charge: That respondent, engaged in manufacture of roofing nails, uses the trade name "Led-Hed" and sets forth In advertising matter statements to the effect that respondent's product counts over 33 per cent more nails to the pound than that of any of the other more commonly known lead-headed nails; thereby deceiving the purchasing public into the erroneous belief that respondent's product is lead coated as understood by the words "lead headed," and that the quantity per pound is in excess of that sold by competitors.

Status: Awaiting final argument.

Dilling & Co. (Docket 1867.) Charge (see charge in Docket 1724, Voneiff Drayer Co.).

Status: At issue.

Doernbecher Manufacturing Co. (Docket 1957.) Charge: That respondent, engaged in manufacture of furniture and sale thereof to retail dealers, adopted and employs a system for maintenance of uniform resale prices, refusing to sell to dealers who do not maintain same; thereby tending to hinder and suppress free competition, to the prejudice of the public and respondent's competitors.

Status: Awaiting answer.

Dorman Mills. (Docket 1877.) Charge: That respondent, engaged in manufacture of blankets and sale thereof to jobbers and retailers, uses the words part wool," without any indication as to the percentage of wool, on labels and in advertising matter descriptive of blankets that are composed of wool varying from 6 per cent by weight to 50 per cent by weight; thereby deceiving the purchasing public into the erroneous belief that the product contains a substantial proportion of wool.

Status: At issue.

Douglas, A. S., & Co., et al. (Docket 1862.) Charge (see charge in Docket 1855, Hecht, Cohen & Co.).

Status: In course of trial.

Drollinger, Howard B. (Docket 1868.) Charge: That respondent, engaged in manufacture of an electrical device, circulates false and misleading statements relative to the scientific nature of the device, its effectiveness in the treatment of over 30 listed diseases, and the success with which it was used by Dr. S. G. Drollinger as recently as July, 1929; thereby deceiving the purchasing public into the erroneous belief that Doctor Drollinger was alive and using the device as late as 1929, that it is a new, scientific invention, and that it has therapeutic value.

Status: At issue.

Ebroclo Shirt Co. (Inc.). (Docket 1883.) Charge: That respondent, engaged in distribution of shirts, underwear, hosiery, neckties, and other wearing apparel uses the words "from factory to wearer," and "direct to wearer only," "silk," "new silk," "ebroclo-nusilk, and English broadcloth shirts " on labels and in advertising matter descriptive thereof thereby deceiving the purchasing public Into the erroneous belief that respondent is a manufacturer, that the prices quoted are exclusive of the middleman's profit, that the garments designated "silk," etc., are composed either in whole or in substantial part of silk. and that the garments designated "English broadcloth" are manufactured in. England or are made of English broadcloth.

Status: Testimony closed; awaiting report of trial examiner.

Elbee Chocolate Co. (Inc.). (Docket 1804.) Charge: That respondent, engaged In manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes two assortments of candies to be sold at 1 cent each with packages of candy to be given as prizes to purchaser of last piece of candy in assortment and to purchasers who by chance select a piece of candy having a center of a specified color or having a center consisting of two pea-shaped green candles thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Elby Extract Co. (Docket 1940.) Charge: That respondent, engaged In manufacture of flavoring extract designated "Bouquet 3 M. E.," consisting in substantial part of domestic ingredients, uses labels bearing the words "Eugene et Joseph Freres," with a pictorial representation of a typical European building, and the words "Grasse, France " and "New York, U.S. A.," and stencils on containers of such products the words "from the wood"; thereby deceiving the purchasing public into the erroneous belief that respondent's products are imported from Grasse, France, that respondent is an authorized distributor of the products of Eugene et Joseph Freres, and that respondent's products are aged in the wood.

Status: At issue.

Elmer Candy Co. (Docket 1788.) Charge (see charge in Docket 1772, Heidelberger Confectionery Co.).

Status : At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Emile Meyer & Co. et al. (Docket 1934.) Charge: That respondents Emile Meyer and Henry C. Goldman trading as Emile Meyer & Co., engaged In converting cotton piece goods, use the word "mills " in trade name, the statement "manufacturers of cotton fabrics " in advertising matter, and the words "pongeen " and "Carhton charmeuse " in labeling and advertising cotton materials; and that respondent D. J. Gross, trading as Belimore Dress Co., engaged In manufacture of ladies' dresses, uses the words "made of pongeen " on labels and in advertising matter; thereby deceiving the purchasing public into the erroneous belief that the first-named respondents own or operate mills, and that the prices they quote are exclusive of the middleman's profits. and that the products sold by all respondents are made of silk.

Status : At Issue.

Euclid Candy Co. (Docket 1794.) Charge (see charge In Docket 1785, Minter Bros.).

Status : Awaiting answer.

Fidelity Hop & Malt Corporation et al. (Docket 1936.) Charge : That respondent, Wander Co., engaged in manufacture of malt sirups, affixes to the containers thereof labeled lids and separate labels, both furnished by respondent Fidelity Hop & Malt Corporation, bearing the words "Saazer Bohemian style malt sirup," "genuine Saazer malt," or statements similar thereto, together with pictorial representations of foreign rural scenes, such statements being also used In advertising matter by respondent Fidelity Hop & Malt Corporation; thereby deceiving the purchasing public into the erroneous belief that the products sold by Fidelity Hop & Malt Corporation are either made in the Saazer district of Bohemia, in Czechoslovakia, or are made of ingredients imported therefrom.

Status : At issue.

Fishback Candies (Inc.). (Docket 1962.) Charge (see charge in Docket 1724, Voneiff-Drayer Co.).

Status : Awaiting answer.

Fleck Cigar Co. (Docket 1453.) Charge : That respondent, a manufacturer of cigars, uses the words "Rose-O-Cuba " and "Habana " on bands and labels; thereby deceiving the purchasing public Into the erroneous belief that respondent's products are made of tobacco grown on the island of Cuba.

Status : At Issue.

Frank H. Fleer Corporation. (Docket 1832.) Charge : That respondent, engage(l in manufacture of chewing gum and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes four different assortments consisting of wrapped pieces of gum to be sold at 1 cent each, and other packages of gum to be given as prizes to purchasers who by chance select a piece of a specified color, and, in case of one assortment, to be given as a prize to purchaser of last piece of gum in assortment; also a fifth assortment consisting of wrapped pieces of gum to be sold at 1 cent each and pieces of gum to be given as prizes to purchasers who by chance select a piece o a specified color, a piece of merchandise to be given as a prize to purchaser who by chance selects pieces having concealed within wrappers pictures of such parts of a piece of merchandise pictured on outside of cover, as will enable him to form a completed picture of the article, which is sent to him as a prize upon receipt by respondent of such pieces pasted In completed form; and a sixth assortment consisting of pieces of gum to be sold at 5 cents each, a prize to be mailed to purchaser who by chance selects pieces by means of which he can complete a picture, as In fifth assortment; thereby supplying and placing In the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue

Franklin Paint Co. (Docket 1567.) Charge : That respondent, engaged in sale of paints, uses in advertising matter the words "white lead," "zinc oxide," etc., together with picture of a large factory bearing a sign with name "Frank lin Paint Co.," thereon; thereby deceiving the purchasing public into the erroneous belief that respondent's products consist in substantial part of ingredients named, that respondent operates such a factory or occupies such a building as the one pictured, and that the prices quoted are exclusive of the middleman's profit.

Status : In course of trial.

Gellman Bros. (Docket 1880.) Charge : That respondent, engaged in sale of general merchandise, distributes to retail dealers various pieces of merchandise, together with punch boards having explanatory legends to be used in connection with the sale thereof the merchandise to be given as prizes to the customers who, upon punching boards following payment of 5 or 10 cents for they privilege of so doing, punch the last remaining hole in the board or any of the concealed numbers designated in the legend as prize numbers, some of the boards giving a certain number of free punches, some charging the amount of the number punched in each case from 1 to 22, all above that cost 22 cents, and some paying winners single on a 5-cent punch and double on a 10 cent punch; thereby supplying and placing in the hands of others the means o conducting a lottery and tending to injure competitors who do not make provisions of the disposal of their products by such means.

Status : At issue.

General Cigar Co. (Inc.). (Docket 1879.) Charge : That respondent, engaged in manufacture of cigars and sale thereof to wholesale and retail dealers, has adopted and employs a merchandising system whereby sales territories have been established with definite geographical limits wherein branch houses have been established by respondent, or so-called exclusive wholesalers contracted with for the purpose of handling the wholesale trade within the definite limits set, this system being maintained by means of espionage, including the marking of containers in a manner that allows of their tracing, and by refusal to sell to retail or wholesale dealers who have sold respondent's products in territory other than that in which they were purchased; thereby tending to suppress free competition to the prejudice of the public and of respondent's competitors.

Status : At issue.

Gilbert Spruance Co. el al. (Docket 1951.) Charge : That respondents, engaged in manufacture of varnish, shellac, enamels, pigment stains, wood fillers, and other products for use in the manufacture of furniture, offer and give through respondent salesman, James Dillard, substantial sums of money to the employees of furniture manufacturers, without the knowledge and consent of the employers of said employees, as inducements to order or to recommend respondents' products; thereby diverting trade from competitors of respondents.

Status: At issue.

Gillespie Furniture Co. et al. (Docket 1910.) Charge : That respondents, engaged in manufacture of household and office furniture, and sale thereof to wholesale and retail dealers, represent certain of their products as "mahogany," "Philippine mahogany," and "Bataan mahogany"; thereby deceiving the purchasing public into the erroneous belief that such products are made of wood derived from trees of the mahogany family.

Status : At issue.

Gilman Hat Co. (Docket 1895.) Charge : That respondent, engaged in purchase of used felt hats for men, sells same after renovation, to wholesale dealers and jobbers without indicating in any way that such are second-hand or used hats; thereby deceiving retailers and the purchasing public into the erroneous belief that such hats have never been worn.

Status : At issue.

Globe Hat Works. (Docket 1896.) Charge (see charge In Docket 1895, Gil-man Hat Co.).

Status : At issue.

Globe Soap Co. (Docket 1424.) Charge : That respondent, a manufacturer of soaps, uses the words "Castile" and "Lion Castile" in labeling and advertising soap consisting in substantial part of vegetable oils and animal fats, In some instances to the exclusion of olive oil; thereby deceiving the purchasing public Into the erroneous belief that respondent's products consist in preponderant part of olive oil.

Status : On suspense calendar to await decision of court of last resort in Docket 1110, In the matter of James S. Kirk & Co.

Goldenberg, D. (Inc.). (Docket 1810.) Charge: That respondent, engaged In manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes one assortment of candies to be sold at 1 cent each and larger pieces of candy and other articles of merchandise to be given as prizes to purchaser of last piece of candy in assortment and to purchasers who by chance select a piece of candy having a center of a specified color; and another assortment consisting of wrapped candies to be sold at prices ranging from 1 to 3 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Goodyear Manufacturing Co. (Docket 1678.) Charge : That respondent, engaged in sale of dress coats and raincoats, uses the words "Goodyear" and manufacturing "in firm name and the slogan "for less money direct to wearer," gives Goodyear Building, 2615-2617-2619 Walnut Street, Kansas City, Mo., as his address, when there is no building in that city bearing that name and respondent occupies a portion of the Service Building, 2615 Walnut Street, signs a fictitious name purporting to be that of a director of sales, to letters and circulars, and sends prospective purchasers a voucher represented to be worth a certain amount when presented In part payment, thus securing purchaser a reduced price; thereby deceiving the purchasing public in to the erroneous belief that respondent is a manufacturer occupying a building bearing the firm name, the special, reduced prices exclusive of the middle-man's profits are being quoted, and that respondent's products are those of the well-known Goodyear Tire & Rubber Co.

Status : In course of trial.

Grand Rat Co. (Docket 1901.) Charge : That respondent, engaged in purchase of used felt hats for men, sells same after renovation to wholesale dealers and jobbers without indicating in any way that such are second-hand or used hats, and designates. certain of the hats, for which a higher price is quoted, as hats made by John B. Stetson Co., or by other manufacturers of high-grade hats; thereby deceiving retailers and the purchasing public into the erroneous belief that such bats have never been worn and have been manufactured by the companies designated.

Status : At Issue.

Greenfield's Sons, E (Inc.). (Docket 1804.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers, distribute one assortment consisting of candies to be sold at 1 cent each, and larger pieces of candy and/or other pieces of

merchandise to be given as prizes to the purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece having a center of a specified color; and another assortment consisting of wrapped candies to be sold at prices ranging from 1 to 5 cents, purchasers to pay whatever sum is set forth on printed slip of paper concealed within wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Gutman Bros. et al. (Docket 1871.) Charge : Thai t respondents, engaged in sale of chewing gum, together with explanatory display cards, to wholesale dealers and jobbers, distribute an assortment consisting of wrapped pieces of gum to sold at 1 cent each and larger pieces of gum and/or other merchandise to be given as prizes to the purchaser of the last piece of gum in the assortment, and to purchasers who by chance select a piece of gum of a specified color; thereby supplying and placing In the hands of others the means of conducting a lottery and tending to Injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

H. & H. Hat Manufacturing Co. (Docket 1903.) Charge (see charge in Docket 1895 Gilman Hat Co.).

Status : At Issue.

Hardie Bros. Co. (Docket 1786.) Charge (see charge in Docket 1772, Heidelberger Confectionery Co.)

Status : At issue.

Havatampa Cigar Co. (Docket 1465.) Charge : That respondent, a manufacturer of cigars, uses the words "Hoye de Cuba " on cigar bands and containers and the words "Havana," "Habana," "mild Havana," and "mild Habana " on containers of cigars, some of which are made In part of Cuban tobacco; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made entirely of tobacco grown on the island of Cuba.

Status : At issue.

Headley Chocolate Co. (Docket 1803.) Charge (see charge in Docket 1789, Luden's (Inc.).

Status : At issue.

Hecht, Cohen & Co. (Docket 1855.) Charge : That respondent, engaged in sale of general merchandise, distributes to retail dealers various pieces of merchandise, together with punch boards having explanatory legends to be used In connection with the sale thereof, the merchandise to be given as prizes to the customers who, upon punching board following payment of 5 or 10 cents for the privilege of so doing, punch the last remaining hole in the board or any of the concealed numbers designated in the legend as prize numbers, the merchandise in each case exceeding In value the price paid for the privilege of using the board; thereby supplying and placing In hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Heidelberger Confectionery Co. (Docket 1772.) Charge : That respondent, engaged in manufacture of candy, and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of pieces of candy to be sold at 1 cent each, together with larger pieces of candy and/or other merchandise to be given as prizes to purchasers who by chance select a piece having a center of a specified color; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to Injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Henry, DeWitt P., Co. (Docket 1818.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes one assortment of candles to be sold at 1 cent each, and larger pieces of candy and other articles of merchandise to be given as prizes to purchaser of last piece of candy and to purchasers who by chance select a piece having a center of a specified' color; another assortment consisting of wrapped candies to be sold at prices ranging from 1 to 3 cents, purchasers to pay whatever sum is set forth on a slip of

paper concealed within wrapper; and a third assortment consisting of wrapped candies to be sold at 5 cents each, with larger pieces or boxes of candy to be given to purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece having a printed slip of paper concealed within wrapper designating a certain prize; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to Injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Herman, John C., & Co. (Docket 1443.) Charge : That respondent, engaged in manufacture of cigars, uses the words "Havana Darts " on cigar bands and on containers of cigars containing no Cuban tobacco; thereby deceiving the purchasing public into the erroneous belief that respondents' product is made of tobacco grown on the island of Cuba.

Status : At issue.

Herman Hat Co. (Docket 1904.) Charge (see charge in Docket 1895, Gilman Hat Co.)

Status : At issue.

Hoover Suction Sweeper Co. (Docket 238.) Charge : That respondent, engaged in manufacture and sale of vacuum sweepers, offers gratuities to employees of its competitors and employees of dealers handling products of competitors, as an inducement to influence them to favor sale of respondent's products over those of its competitors; thereby tending of injure competitors who do not offer such gratuities.

Status: Order to cease and desist, entered May 27, 1919, was vacated by commission order dated May 12, 1928, and case is now before commission for consideration looking forward to issuance of modified order to cease and desist.

Hoyt Bros. (Inc.) (Docket 1510.) Charge : That respondent, manufacturing a general line of pharmaceuticals, cosmetics, toilet preparations, and soaps, uses the word "Castile" in labeling soap consisting In substantial part of vegetable oils and animal fats, in some instances to the practical exclusion of olive oil; thereby deceiving the purchasing public into the erroneous belief that soap so labeled consists In preponderant part of olive oil.

Status : On suspense calendar awaiting decision in Docket 1110, In matter of James S. Kirk & Co.

Hurty-Peck & Co. (Docket 1826.) Charge : That respondent, engaged in manufacture of fruit extracts and concentrates, and sale thereof to bottlers, together with electrotype cuts to be used in advertising drinks prepared therefrom, uses the words "Concord grape," "orange," "cherry," "lemon," "peach," "strawberry," and "raspberry," together with a picture representing the fruit, to designate products that do not contain in substantial quantity the juices of fruits indicated, advertising being accompanied in some instances by the word "Imitation " or "imit " in small print, and in others by a statement to the effect that extracts and concentrates are made of real fruit juices: thereby deceiving the purchasing public into the erroneous belief that beverages made from respondent's products contain a substantial amount of the fruit juices indicated.

Status : Awaiting briefs.

Inecto (Inc.). (Docket 1452.) Charge : That respondent, engaged in manufacture and sale of hair dye designated "Inecto Rapid NoTox," uses fictitious testimonials and circulates false and misleading statements relative to nature and characteristics of product; thereby deceiving the purchasing public into the erroneous belief that coloring content of dye penetrates the hair, thereby insuring a permanent coloration, and that dye is harmless, never having caused any deleterious effect to the scalp.

Status : In. course of trial.

International Gum Corporation. (Docket 1799.) Charge : That respondent, engaged in manufacture of chewing gum and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped pieces of chewing gum to be sold at 1 cent each, and larger pieces of chewing gum and other pieces of merchandise to be given as prizes to purchaser of last piece of gum in assortment, and to purchasers who by chance select a piece of a specified color; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Johnson, Walter H., Candy Co. (Docket 1817.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes one assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 5 cents, and a similar assortment to be sold at prices ranging from 1 to 3 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; and a third assortment consisting of wrapped candies to be sold at 5 cents each, certain of which have concealed within wrapper a slip of paper stating that such piece is given free of charge to purchaser who by chance makes this selection; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Johnson-Fluker Co. (Docket 1831.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment of candies to be sold at 1 cent each, and larger pieces of candy and other articles of merchandise to be given as prizes to purchaser of last piece of candy in assortment and to purchasers who by chance select a piece having a center of a specified color; a second assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 5 cents, purchasers to pay whatever sum is set forth. on a slip of paper concealed within wrapper; and a third assortment of wrapped pieces of candy to be sold at prices ranging from 1 to 8 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

K. & S. Sales Co. (Docket 1857.) Charge (see charge in docket 1855, Hecht, Cohen & Co.).

Status : At issue.

Karcher, A., Candy Co. (Docket 1849.) Charge (see charge In Docket 1772, Heidelberger Confectionery Co.).

Status : At issue.

Keppel, R. F., & Bro. (Inc.). (Docket 1816.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment of wrapped pieces of candy to be sold at 1 cent each, with larger pieces of candy and other articles of merchandise to be given as prizes to purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece having a center of a specified color; another assortment consisting of wrapped candies to be sold at prices ranging from 1 to 5 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; and a third assortment consisting of wrapped candies to be sold at 1 cent each, purchasers who by chance select a piece containing money concealed within wrapper to receive that money as a prize; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : Before commission for final determination.

Knapik & Erickson. (Docket 1750.) Charge : That respondent, engaged in sale of leather goods to wholesale dealers, uses the trade name "Muleide" to designate a cotton fabric finished so as to simulate leather, and furnishes to the purchaser for use in labeling gloves and mittens manufactured therefrom, tags and labels bearing the words "Muleide-nonslip-patents pending"; thereby deceiving the purchasing public into the erroneous belief that respondents' products and the articles made therefrom are made from the skins of animals.

Status : Awaiting final argument.

Knickerbocker Watch Co. (Docket 1960.) Charge : That respondent, engaged in sale of watchcases and watch movements purchased In Europe and the United States, to Jewelry wholesalers and Jobbers, uses the words "War-wick Watch Co.--Goldcraft" to label and brand said watchcases; thereby deceiving the purchasing public into the erroneous belief that respondent's products contain gold or are plated with gold.

Status : Awaiting answer.

Lazier, J. F., Manufacturing Co. (Inc.). (Docket 1758.). Charge : That respondent, engaged in manufacture of artificially flavored extracts and concentrates, and sale thereof to bottlers, together with caps and labels for use therewith, uses the trade names "Little Boy Blue Grape," "Cinderella Orange," and "Peter Pan Cherry," and uses other advertising matter featuring names of these fruits; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made from the fruits or Juices indicated.

Status : Awaiting respondent's brief.

Lewis, Edgar P., & Sons (Inc.). (Docket 1818.) Charge (see charge in Docket 1789, Luden's (Inc.).

Status : At issue.

Lewis Bros. (Inc.). (Docket 1761.) Charge (see charge in Docket 1724, Voneiff-Drayer Co.).

Status: At issue.

Libbey (W. S.) Co. (Docket 1824.) Charge : That respondent, engaged in manufacture of blankets and sale thereof to jobbers and retail dealers through a sales agency in New York, uses the trade name "Golden Fleece," and labels and advertises blankets not containing over 5 per cent of wool as woolen blankets, sometimes using the words "part wool," together with a picture representing Jason setting forth on his quest of the "Golden Fleece"; thereby deceiving the purchasing public into the erroneous belief that respondent's products consist in substantial part of wool.

Status : At issue.

Limoges China Co. et al. (Docket 1570.) Charge : That respondents, engaged in manufacture of earthenware, chinaware, porcelainware, and pottery, advise competitors by letter that respondents have pending an application for a patent covering transparent yellow glazeware and that the manufacture of such ware is an Infringement of their rights and that they intend to prosecute all infringers; and insert in trade magazines advertisements headed "Warning, " stating in effect that respondents have a patent pending upon transparent yellow glazeware, and advising purchasers to insist upon manufacturers furnishing bond sufficient to cover any liability purchasers might incur; thereby deceiving the purchasing public into the erroneous belief that respondents have patents on such ware or have applications pending.

Status : In course of trial.

Limoges China Co. (Docket 1912.) Charge : That respondent, engaged in manufacture of earthenware and porcelain and sale thereof to wholesale and retail dealers, uses the word "Limoges,' in corporate name and in advertising matter : thereby deceiving the purchasing public into the erroneous belief that respondent's products are manufactured In Limoges, France.

Status : In course of trial.

Lion Manufacturing Co. (Docket 1856.) Charge : That respondent, engaged in sale of general merchandise, uses the words "Indian blankets," "Cherokee," and "part-wool Indian blankets " to designate factory-made blankets, and distributes to retail dealers various pieces of merchandise, together with punch boards having explanatory legends, to be used in connection with the sale thereof, the merchandise to be given as prizes to the customers who, upon punching board following the payment of 5 or 10 cents for the privilege of so doing, punch any of the concealed numbers designated in the legend as prize numbers, the merchandise In each case exceeding in value the price paid for the privilege of using the board; thereby deceiving the purchasing public into the erroneous belief that the blankets are hand loomed by Indians, and supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At Issue.

Luden's (Inc.). (Docket 1789.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of pieces of candy to be sold at 1 cent each, and larger pieces of candy and other pieces of merchandise to be given as prizes to purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece having a center of a specified color; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

McKesson & Robbins (Inc.). (Docket 1689.) Charge: Unlawful restraint and monopoly in that respondent, engaged in manufacture and sale of drugs and proprietary medicines, acquired capital stock of Bedsole-Colvin Drug Co., Churchill Co., Eastern Drug Co., Farrand, William & Clark, Faxon & Gallgher Drug Co., Fuller-Mornson Co., Gibson-Snow Co. (Inc.), Croover-Stewart Drug Co., Hall-Van Gorder Co., Kirk-Geary & Co. (Inc.), Langley & Mechaels Co., Minneapolis Drug Co., Murray Drug Co., Roeber-Kuebler Co., Southern Drug Co., Western Wholesale Drug Co. (Inc.), Alfred Vogeler Drug Co., J. W. Crodus Drug Co., Hornick, More & Porterfield, Huntington Drug Co., C. J. Lincoln Co., Ogden Wholesale Drug Co., Parker, Blake Co. (Ltd.), Peter-Neat-Richardson Co., J. B. Riley Drug Co., Roanoke Drug Co., and Spurlock-Neal Co., thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.

Status: At issue.

McLaren Consolidated Cone Corporation. (Docket 1830.) Charge: That respondent, engaged in leasing or licensing of machinery for manufacture of ice-cream cones and cup pastries, leases same on condition that licensee shall not use like machinery handled by any competitor of respondent; thereby tending to substantially lessen competition and create a monopoly, in alleged violation of section 3 of Clayton Act.

Status: In course of trial.

Macfadden Publications (Inc.). (Docket 1549.) Charge: That respondent, engaged in controlling and directing other corporations publishing magazines of various kinds, in the process of circularization quotes a fictitious price, in excess of that at which the magazine subscriptions are usually sold, as the regular price, quoting the regular price as a special offer to recipient of circular; thereby deceiving the purchasing public into the erroneous belief that special, reduced prices are being quoted.

In the course of the trial of this case, respondent appealed to Supreme Court of District of Columbia and Court of Appeals of District of Columbia for a writ of mandamus requiring commission to issue certain subpoenas duces tecum in behalf of respondent. Petition was denied in both courts.

Status: Before commission for final determination.

Madison Mills (Inc.). (Docket 1776.) Charge: That respondent, engaged in manufacture and sale of men's shirts, substitutes other designs or patterns when those ordered by purchaser are not in stock, without tendering purchaser a refund or giving him an opportunity to make other selections, and refuses to refund purchase price upon return of the goods, while guaranteeing in advertising matter that purchaser's money will be refunded without question if products are not in fabric, in fit, and in price the best value ever seen by purchaser; thereby deceiving the purchasing public into the erroneous belief that orders will be satisfactorily filled as given, or that appropriate adjustment will be made.

Status: Awaiting briefs.

Madison Paint Co. (Docket 1573.) Charge: That respondent, engaged in sale of paint, falsely claims to be a manufacturer, and advertises and represents that his product is made in whole or in part of specified ingredients that go to make the best quality of paint; thereby deceiving the purchasing public into the erroneous belief that the prices quoted are exclusive of the middleman's profits and that respondent is selling a high-grade paint, consisting In whole or in part of those Ingredients that are used in best-quality paints.

Status: In course of trial.

Maf Hat Works (Inc.). (Docket 1897.) Charge (see charge in Docket 1895, Gilman Hat Co.).

Status: At issue.

Magnecoil Co. (Inc.). (Docket 1846.) Charge: That respondent, engaged in manufacture and sale of electric blankets, circulates false and misleading statements regarding cures effected by their use as a cover for the human body, their Indorsement by institutions of medical and scientific research, and the laboratories and consulting board of medical experts maintained by respondent; thereby deceiving the purchasing public into the erroneous belief that respondent operates a large factory with a laboratory and a consulting staff of medical experts, and that respondent's products have therapeutic value in addition to their value by reason of the heat generated.

Status: At issue.

Manchester Cigar Co. (Docket 1459.) Charge: That respondent, a manufacturer of cigars, uses the words "Havana cadet" on cigar bands and containers; thereby deceiving the purchasing public Into the erroneous belief that respondent's product is made of tobacco grown on the island of Cuba.

Status: At issue.

Manhattan Hat Co. (Inc.). (Docket 1898.) Charge (see charge in Docket 1895, Gilman Hat Co.).

Status: At issue.

Matthews Co. (Inc.). (Docket 1751.) Charge (see charge in Docket 1734, Sea Sled Corporation).

Status: At issue.

Mechanical Manufacturing Co. (Docket 1727.) Charge: That respondent Mechanical Manufacturing Co., manufacturer of meat packing-house machinery and railway equipment, endeavors to induce railway companies to place orders for equipment j)y promising through respondents R. O'Hara and W. A. Mayfield, managers of the traffic department of Swift & Co., certain volumes of freight traffic from that company In return for patronage, such traffic to be withdrawn if patronage is withheld; thereby tending to lessen the free flow of competition in the sale of railway equipment, and tending to injure competitors who do not tender reciprocal patronage.

Status: Awaiting final argument.

Mells Manufacturing Co. (Docket 1870.) Charge: That respondent, engaged in manufacture of candy and sale thereof to wholesale dealers and jobbers, distributes an assortment consisting of wrapped pieces of candy to be sold at l cent each, together with a certain number of slips of paper bearing the word "lucky" to be concealed within the wrapper of some of the pieces of candy before sale to the ultimate consumer, and other pieces of candy to be given as prizes to the purchasers of the pieces having concealed within the wrapper the "lucky" slip; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Metal The Construction Co. (Inc.). (Docket 1955.) Charge: That respondent, engaged in sale of blocks of enameled zinc to be used as a substitute for the, which are imported from Belgium, to jobbers, contractors, and builders, uses the words "Belgian the" as a trade name and in advertising matter; thereby deceiving the purchasing public into the erroneous belief that respondent's product is the prepared and shaped out of clay and baked in kilns.

Status: At issue.

Metro Chocolate Co. (Inc.). (Docket 1808.) Charge (see charge in Docket 1789, Luden's (Inc.).

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Minter Bros. (Docket 1785.) Charge: That respondents, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped candies to be sold at prices raging from 1 to 5 cents and a similar assortment with prices ranging from 1 to 3 cents, the purchasers to pay whatever sum is set forth on a printed slip of paper concealed within the wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At Issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Mixer Medicine Co. et al. (Docket 1914.) Charge: That respondents, en gaged In manufacture of medicines designated "Mixer's Cancer and Scrofula Sirup," "Mixer's Cancer and Tumor Absorber," etc., circulate false and mis leading statements relative to the curative properties of the products, the testimonials received from the users thereof, and the standing of respondent Charles w. Mixer as a doctor of medicine; thereby deceiving the purchasing public into the erroneous belief that respondents' products will cure some 28 listed diseases, including cancer and goiter, that the testimonials are the statements of persons cured of various diseases through the agency of these remedies, and that Charles W. Mixer is a physician capable of accurately diagnosing and of prescribing for diseases, the symptoms of which are developed by means of questionnaires.

Status: At issue.

Morris, Philip, Consolidated (Inc.). (Docket 1705.) Charge: Unlawful restraint and monopoly in that respondent, engaged in the sale of cigarettes, acquired stock of Continental Tobacco Co. (Inc.), and Philip Morris & Co. (Ltd., Inc.) ; thereby tending to substantially lessen competition, restrain commerce, and create a monopoly in alleged violation of section 7 of the Clayton Act.

Status: In course of trial

Mosby Medicine Co. (Docket 1911.) Charge: That respondent, engaged in manufacture of a proprietary medicine designated "Konjola" and sale thereof to wholesale and retail dealers, circulates false and misleading statements relative to the medicinal ingredients and properties of "Konjola" and testimonials purporting to be the statements of users thereof; thereby deceiving the purchasing public into the erroneous belief that each of the 35 ingredients listed has distinctive medicinal value, and that the compound is a scientifically blended product having tonic properties and possessing therapeutic value.

Status: At issue.

Mutual Publishing Co. et al. (Docket 1571.) Charge: That respondents, publishers of encyclopedias, circulate false and misleading statements relative to educators compiling such publications, regular price and quality of books and cost of extension service; thereby deceiving the purchasing public into the erroneous belief that books are printed on good paper in leather bindings, were recently compiled by well-known educators, that prices quoted are special, reduced prices, and that certain sets are given free of charge with a subscription to extension service.

Status: Awaiting respondents' brief.

National Candy Co. (Inc.). (Docket 1802.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale and retail dealers, distributes an assortment consisting of pieces of candy to be sold at the rate of two for 1 cent, and pieces of merchandise to be given as prizes to purchaser of last piece of candy in assortment, and to purchasers who by chance select a piece having a center of a specified color; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

National Leather & Shoe Finders' Association et al. (Docket 1263.) Charge:
That respondents, engaged in manufacture and sale of leather to retail dealers, have adopted and employ a system for maintenance of uniform resale prices, refusing to sell except to so-called "legitimate" dealers--that is, those dealers. selling their findings and repair service at prices respondents deem sufficiently high to insure a satisfactory profit; thereby tending to hinder and suppress. free competition to the prejudice of the public and of respondents' competitors..

Status: At issue.

National Pastry Products Corporation. (Docket 1760.) Charge: Unlawful restraint and monopoly in that respondent, engaged in production of pastry products, confections, and ice-cream cones, acquired capital stock of United Products Co. (Inc.), Old South Cone Co. (Inc.), Modern Baking Co. (Inc.),

Preferred Baking Co. (Inc.), and Atlantic Cone Co. (Inc.); thereby tending to substantially lessen competition, restrain commerce, and create a monopoly, in alleged violation of section 7 of Clayton Act.

Status: In course of trial.

Natural Eyesight Institute (Inc.). (Docket 1838.) Charge: That respondent, engaged in sale and distribution of a systematic training for improving eyesight, uses the word "institute" in corporate name and advertises that the system, largely by virtue of an instrument called an "eye normalizer," will remove cause of defective vision and initiate progressive improvement which will enable user to discard glasses; thereby deceiving the purchasing public into the erroneous belief that respondent is an institute having facilities for instructing, diagnosing, treating, and conducting scientific investigations, and that benefits claims are possible of accomplishment through respondent's training.

Status: At issue.

New England Electrical Fixture Co. (Inc.) et al. (Docket 1749.) Charge: That respondents, engaged in sale of electric-lamp fixtures and parts thereof, falsely represent that a lighting unit (sold by other dealers for approximately $6), sold on the installment plan by respondents for approximately $16.50, will consume less electricity than that used by prospective purchaser, and secure signatures to contracts of sale on the pretense of securing signatures to a receipt for a unit to be left on trial, placing attachments on the property of alleged purchaser upon failure of payment; thereby perpetrating a fraud and deceiving the purchasing public into the erroneous belief that respondent's product is a superior unit, sold at a reasonable price.

Status: In course of trial.

New Science Institute. (Docket 1677.) Charge: That respondent, engaged in manufacture and sale of a surgical appliance designated "Magic Dot," circulates false and misleading statements relative to curative value of the product; thereby deceiving the purchasing; public into the erroneous belief that respondent's product is a recent scientific discovery that will cure hernia by means of a so-called "sealing" process.

Status: Before the commission for final determination.

Newton Remedy Co. et al. (Docket 1948.) Charge: That respondents, engaged in manufacture of livestock remedies designated "Newton's Veterinary Compound,'' "Newton's Heave, Cough, Distemper and Indigestion Compound," and "Newton's Compound," circulate false and misleading statements relative to the curative properties of the products; thereby deceiving the purchasing public into the erroneous belief that respondents' products will cure coughs, cold, influenza, and heaves, and that the latter is a digestive disease, rather than a lung trouble.

Status: At issue.

Nitragin Co. (Inc.). (Docket 1859.) Charge: That respondent, engaged in development of cultures of nitrogen-fixing bacteria, designated "Nitragin," for use in promoting the growth of leguminous crops, guarantees that a specified number of legume germs will be contained in a can of "Nitragin" at time of sale and represents that the Kansas State Board of Agriculture has made a bacteria count of innoculators similar to respondent's and has published a comparative table showing respondent's product to be the richest in legume bacterial and the lowest priced of such innoculators; thereby deceiving the purchasing public into the erroneous belief that it is possible to specify what the germ count will be at time of sale, and that the Kansas count, which is a table showing the number of bacterial necessary for the average number of innoculators to accomplish the desired result, is a comparative count of competing innoculators, during the preparation of which a count was made of the bacterial in respondent's product.

Status: In course of trial.

Northam Warren Corporation. (Docket 1937.) Charge: That respondent, engaged in manufacture of toilet articles and toilet preparations designated "Cutex," uses paid testimonials and endorsements by socially or theatrically prominent individuals thereby deceiving the purchasing public into the erroneous belief that such testimonials are voluntary expressions of opinion as to the value of respondent's products.

Status: Testimony closed; awaiting report by trial examiner.

Old Colony Candy Co. (Docket 1814.) Charge (see charge in Docket 1725, R. E. Rodda Candy Co.).
Status: At issue.

Old Hickory Mills et al (Docket 1607.) Charge: That respondents, engaged in sale to retail grocers, of flour purchased from the Mero Mills, use the words "mills" and "milling" In trade names and letterheads, and use in advertising matter statements to the effect that respondents are manufacturers; thereby deceiving the purchasing public into the erroneous belief that respondents manufacture the products they sell, and that the prices quoted are exclusive of the middleman's profit.

Status: At issue on amended complaint.

Overland Candy Co. (Docket 1822.) Charge (see charge in Docket 1785, Minter Bros.).
Status: At issue.

Pacific Door & Sash Co. (Docket 1737.) Charge: That respondent, engaged in sale of sashes, doors, and other millwork to lumber dealers, represents certain of the products as mahogany, and/or Philippine mahogany; thereby deceiving the purchasing public into the erroneous belief that such products are derived from wood of trees of the mahogany family.

Status: In course of trial.

Para Paint & Varnish Co. (Docket 1932.) Charge: That respondent, engaged in manufacture of paints and varnishes, and sale thereof to retail dealers, uses on the containers, labels bearing a formula which does not correctly set forth the nature or proportion of the contents; thereby deceiving the purchasing public Into the erroneous belief that respondent's products are composed of the ingredients set forth in the formula, in the proportions indicated thereon.

Status: Awaiting answer.

Parisian Manicure Mfg. Co. (Docket 1948.) Charge: That respondent, engaged in manufacture of manicure sticks made from wood other than that of the orange tree, and sale thereof to jobbers and retail dealers, stamps upon each stick the words "real orange," and uses labels bearing the words "made from genuine imported orange wood"; thereby deceiving the purchasing public into the erroneous belief that such manicure sticks are made of genuine Imported orange wood.

Status: At issue.

Pasquale Margarella. (Docket 1790.) Charge (see charge In Docket 1789, Luden's (Inc.).

Status: At Issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case Involving methods of competition similar to those used by respondent.

Patterson School. (Docket 1946.) Charge: That respondent, engaged in furnishing correspondence courses of instruction to prepare students for civil-service examinations, circulates false and misleading statements relative to examinations and positions open for appointments; thereby deceiving the purchasing public into the erroneous belief that Government positions are open to anyone between the ages of 18 and 50, regardless of training and qualifications, that examinations have been scheduled, and that appointments may be procured by respondent for any student.

Status: At issue.

Patuxent Guano Co. (Docket 1939.) Charge: That respondent, engaged in distribution of a commercial fertilizer manufactured in accordance with respondent's formula by certain chemical manufacturing companies, uses in advertising matter the statements "manufactured by Patuxent Guano Co." find "Factories: Baltimore and Norfolk"; thereby deceiving the purchasing public into the erroneous belief that respondent is a manufacturer, that the prices quoted are exclusive of the middleman's profit, and that respondent's product is genuine guano.

Status: At issue

Paxton, Frank, Lumber Co. (Docket 173&) Charge (see Docket 1736, Black & Yates (Inc.).
Status: In course of trial.

Pecheur Lozenge Co. (Docket 1798.) Charge (see charge in Docket 1792, Advance Candy Co. (Inc.).

Status: At issue.

Peet Bros. Co. (Docket 1426.) Charge: That respondent, a manufacturer of soap, uses the words "crystal cocoa," "hardwater Castile," "cocoa Castile," "defender Castile," and "rainbo Castile" in labeling and advertising soap consisting in substantial part of vegetable oils and animal fats, in some instances to the exclusion of olive oil, thereby deceiving the purchasing public into the erroneous belief that respondent's products consist in predominant part of olive oil.

Status: On suspense calendar to await decision of court of last resort in Docket 1110, in matter of James S. Kirk & Co.

Perpetual Encyclopedia Corporation et al. (Docket 1371.) Charge: That respondents, engaged in sale of publications, republished without substantial change the Home and School Reference Work (originally copyrighted in 1912 or 1915) under different names and as new and up-to-date (1924) edition, employing without right the names of attorneys, fictitious corporate organizations, and collection agencies to further sale of said publication and to assist in coercing and blackmailing purchasers into payment of money on orders or con-tracts, substituting late copyright registration dates for actual date of such registration, falsely stating that well-known educators, scientists, and public officials are members of editorial staff and contributors, misrepresenting and grossly exaggerating sales prices, obtaining signed orders by subterfuge, mis-representing quality of paper and binding, and offering additional books or extension service "free" when price of this purported gratuity is included in price paid for the books; thereby deceiving the purchasing public into the erroneous belief that respondents' product is an up-to-date superior publication, edited by well-known educators, and that reduced prices are being quoted and gratuities given.

Status: Awaiting further testimony.

Philadelphia Hosiery Mills. (Docket 1922.) Charge: That respondent, en-gaged in manufacture of children's stockings having a 5 per cent wool content and a 25 per cent rayon content, and sale thereof to retail dealers, uses labels designating same as "70 per cent wool and rayon"; thereby deceiving the purchasing public into the erroneous belief that the products contain a substantial proportion of wool

Status: In course of trial.

Prime Hat Co. (Docket 1899.) Charge (see charge in Docket 1895, Gilman Hat Co.).

Status: At issue.

Progress Paint Co. (Docket 1575.) Charge: That respondent, engaged in sale of roofing materials, falsely claims to be a manufacturer operating a million-dollar factor the purported equipment of which is depicted on this trade literature, and to be manufacturing a roof coating designated "Asbestos-Ruf" which will keep roofs waterproof for 10 years; thereby deceiving the purchasing public into the erroneous belief that respondent is an old-established firm, that prices quoted are exclusive of the middleman's profit, and that "Asbestos-Ruf" sold by respondent is made of the ingredients specified and will continue to be water-proof for a period of 10 years.

Status: In course of trial.

Prospect Hat Co. (Inc.). (Docket 1902.) Charge (see charge in Docket 1895, Gilman Hat Co.).

Status: At issue.

Quaker City Chocolate & Confectionery Co. (Docket 1778.) Charge (see charge in Docket 1772, Heidelberger Confectionery Co.).

Status: At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Radiant Specialty Co. et al. (Docket 1728.) Charge: That respondents, engaged in sale of electric lamp fixtures, falsely represent that a lighting unit (sold by other dealers for approximately $4) sold on the installment plan by respondents for approximately $15.50 will consume less electricity than that in use by prospective purchaser and secure signatures to contracts of sale on pretense of securing signatures to receipts for unit to be left on trial, placing

attachments on property of alleged purchaser upon failure of payment; thereby perpetrating a fraud and deceiving the purchasing public into the erroneous belief that respondents' product is a superior unit sold at reasonable price.

Status: Testimony closed; awaiting report of trial examiner.

Radium-Active Remedies Co. (Docket 1885) Charge: That respondent, engaged in manufacture and sale of alleged radium-active remedies, which contain only an infinitesimal amount of radium, polonium, or actinium, if any, sells same at exorbitant prices, and circulates false and misleading statements relative to their curative properties; thereby deceiving purchasing public into the erroneous belief that the so-called remedies discharge radio-active emanations, thereby possessing therapeutic value in the treatment of 28 listed diseases.

Status: At issue.

Radium Ore Revigator Co. (Docket 1753.) Charge: That respondent, engaged in manufacture and sale of earthenware water jars designated as "Radium Ore Revigator," circulates false and misleading statements to the effect that water remaining in the jug 24 hours will materially benefit, and in some cases cure, some 27 diseases, and that the United States Government approves the use of these jars; thereby deceiving the purchasing public into the erroneous belief that the jars possess therapeutic properties and have been indorsed by the United States Government.

Status: At issue.

Ralston University Press. (Docket 1615.) Charge: That respondent, engaged in sale of books, circulates false and misleading statements relative to what may be accomplished by anyone having knowledge of the information, secrets, methods, and suggestions contained therein; thereby deceiving the purchasing public into the erroneous belief that a study of respondent's products will enable anyone to enjoy perfect health, be immune from incurable diseases and cured of those already contracted, and develop physical and mental powers by which others may be dominated and controlled.

Status: Before commission for final determination.

Reliance Pencil Corporation. (Docket 1924.) Charge: That respondent, engaged in distribution to jobbers and retail dealers of pencils purchased from the manufacturer in the rough, and painted, imprinted, and furnished with erasers by respondent, uses the word "manufacturers" in advertising matter and in catalogues, together with a description of a lead pencil factory and the statements "this plant is the home of Reliance pencils. Here under continuous laboratory supervision, the entire process is carried on under one roof, under one control," and "this lead is blended by our exclusive process"; thereby deceiving the purchasing public into the erroneous belief that respondent is a manufacturer and that the prices quoted are exclusive of the middleman's profit.

Status: In course of trial.

Richards & Co. (Inc.) et al. (Docket 1953.) Charge: That respondent Richards & Co. (Inc.), engaged in manufacture of imitation leather and respondent Zapon Co., engaged in sale of said imitation leather to manufacture of trunks, suit cases, upholstered articles, and similar products, use the trade names "Leather Cloth," "Muleskin," "Pinto," "Mustang," and "Broncho," on tags and labels and in advertising matter to designate a coated fabric finished to simulate leather; thereby deceiving the purchasing public into the erroneous belief that respondent's products and the articles made therefrom are genuine leather products.

Status: At issue.

Rochester Nurseries (Inc.). (Docket 1949.) Charge: That respondent, engaged in purchase and sale of nursery stock, uses the word "nurseries" in firm name and advertises "growers of fruits and ornamental trees and plants," "We ship all orders direct to the customers from nursery to planters," etc.; thereby deceiving the purchasing public into the erroneous belief that respondent grows the products sold, and that the prices quoted are exclusive of the middleman's profit.

Status: At issue.

Rodda, R. E., Candy Co. (Docket 1725.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers, distributes one assortment consisting of candles to be sold at 1 cent each, and a similar assortment consisting of candies to be sold at 5 cents each, with larger pieces of candy to be given as prizes to purchaser

of the last piece of candy in each assortment and to purchasers who by chance select a piece having a center of a specified color; and a third assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 5 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within the wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At issue.

Rogers Silverware Redemption Bureau (Inc.). (Docket 1945.) Charge: That respondent, engaged in sale to retail dealers of coupons, together with advertising matter and posters, which are redeemed by respondent, upon the receipt of a sum for postage and handling, with plated silverware purchased from William A. Rogers (Ltd.), circulates false and misleading statements relative to the quality of the silverware, the cost of which is fully covered by the price paid by the merchant and the postage charges, and the terms of redemption; thereby deceiving the purchasing public into the erroneous belief that respondent was organized by William A. Rogers (Ltd.), and that both are subsidiaries of International Silver Co., the controlling company for William Rogers Manufacturing Co., manufacturing a favorably known brand of silver ware, that the redemption of the coupons is handled at a loss by the company as an advertising medium, and that the coupons are redeemed free of charge.

Status: Awaiting answer.

Rosemary Candy Co. (Docket 1881.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment of wrapped pieces of candy to be sold at prices ranging from nothing to 5 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At Issue.

Rubay Candy Co. (Docket 1863.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 3 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At Issue.

Rubinstein, Helena (Inc.). (Docket 1884.) Charge: That respondent, engaged in manufacture of toilet preparations, has adopted and employs a system for maintenance of uniform resale prices, refusing to sell to dealers who do not maintain such prices; thereby tending to hinder and suppress free competition, to the prejudice of the public and of respondent's competitors.

Status: Testimony closed; awaiting report of trial examiner.

Rudy Chewing Gum Co. (Docket 1809.) Charge (see charge in Docket 1799, International Gum Corporation).

Status: Awaiting answer.

Ruth, George H., Candy Co. (Inc.). (Docket 1869.) Charge: That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped pieces of candy to be sold at prices ranging from 1 to 5 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status: At Issue.

San Martin & Leon Co. (Inc.). (Docket 1458.) Charge: That respondent, engaged in manufacture of cigars consisting in part of Cuban tobacco, uses words "Hoyo de Cuba," "Flor de San Martin y Leon," and "El Briche" on cigar bands and containers and the words "Havana," "mild Havana," and "guaranteed genuine Havana cigars from tobacco from our own plantation in Cuba" on containers; thereby deceiving the purchasing public into the errone-

ous belief that respondent's products are made entirely of tobacco grown on the island of Cuba and principally on respondent's plantation.

Status : At issue.

Sanford Mills et al. (Docket 1587.) Charge: That respondent Sanford Mills, engaged In manufacture of Imitation leather, and respondent L. C. Chase & Co. engaged In sale thereof, use the trade names "Leatherwove" and "Buckskin"; thereby deceiving the purchasing public into the erroneous belief that products so designated are made from the hides of animals.

Status : Before commission for final determination.

Sculler, Joseph. (Docket 1890.) Charge : That respondent, engaged in sale of jewelry purchased from factories in the United States, uses the words "manufacturing" and "importer" in advertising matter; thereby deceiving the purchasing public into the erroneous belief that respondent either owns or operates a factory or imports the product he sells.

Status : Testimony closed; awaiting report of trial examiner.

Schuler Chocolate Factory. (Docket 1874.) Charge : That respondent, engaged in manufacture of candy and sale thereof to wholesale dealers and jobbers, distributes one assortment of candies, together with explanatory display cards, to be sold at 5 cents each, certain of which have concealed within wrapper a slip of paper stating that such piece is given free of charge to purchasers who by chance make this selection; a second assortment of can-dies to be sold at 10 cents each, together with explanatory display cards and packages of candy to be given as prizes to purchasers who by chance select a piece having a printed slip of paper concealed within wrapper designating a certain prize; a third assortment consisting of a punch board and wrapped pieces of candy, one of which is to be given with each punch, 5 cents being charged for the privilege of using the board, and the others to be given as prizes to the customers who by chance punch a concealed ticket that states that one or more pieces of candy are to be given free of charge; and a fourth assortment consisting of a punch hoard divided as to cost of punches into 5, 10, and 15 cent sections, together with packages of candy and other merchandise to be given as prizes to the customers who punch the last remaining hole in either of two of the sections or any of the concealed numbers designated in the legend as prize numbers; thereby supplying and placing in hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Schutter-Johnson Candy Co. (Docket 1805.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of wrapped candies to be sold at 5 cents each, certain of which have, concealed within the wrapper, a slip of paper stating that such bar is given free of charge to purchasers who by chance make this selection; thereby supplying and placing in the bands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Schwarz & Son (Inc.). (Docket 1793.) Charge (see charge in Docket 1785, Minter Bros.).

Status : At issue; respondent signed stipulation to obey order to cease and desist that may be entered by commission after a United States court shall have affirmed an order entered by the commission in a case involving methods of competition similar to those used by respondent.

Sea Sled Corporation. (Docket 1734.) Charge : That respondent, engaged in manufacture and sale of motor boats, the decks, planking, bottoms, and other parts consisting of wood other than mahogany, advertises and represents products as mahogany motor boats; thereby deceiving the purchasing public into the erroneous belief that all wooden parts of the boats are made of wood derived from trees of the mahogany family.

Status : In course of trial.

A. Victor Segno et al. (Docket 1851.) Charge : That respondents, engaged in sale and distribution of various books and pamphlets prepared by one Albert J. Hall, organizer of American Institute of Mentalism, and certain charms or talismans designated as "lucky sheckles," which are manufactured in United States, organized a "success club," the ostensible purpose

of which is to enlist a number of members upon payment of a fee of $1 to extend their mental influences to each other to create conditions necessary to promote success, and use combination offers of memberships with opportunity to purchase literature and procure a talisman, which is purported to be a rare piece used in Palestine in the year 1891 B.C., and to cost ordinarily from $5 to $15, many of which are in possession of lucky stars in the motion-picture world; thereby deceiving the purchasing public into the erroneous belief that these talismans are rare pieces with a capacity for bringing good luck, that pictures depicting motion-picture stars as possessors of said lucky sheckles are used by and with their consent, and that membership in the "success club" will promote the well-being of the members.

Status : At issue.

Shapiro Candy Manufacturing Co. (Docket 1918.) Charge : That respondent, engaged in manufacture of candy and sale thereof to wholesale dealers and jobbers, distributes an assortment consisting of pieces of candy to be sold at 1 cent each and larger pieces of candy and other merchandise to be given as prizes to the purchaser of the last piece of candy in the assortment and to purchasers who by chance select a piece having a center of a specified color, certain other pieces having a center of another specified color to be given free of charge to the purchasers who by chance make that selection; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Sheinker, W., & Son. (Docket 1909.) Charge : That respondent, engaged in manufacture of flavoring extracts from his own formula, uses labels and containers purchased from Wilhelm Schneider & Co., of Leipzig, Germany, adding the words "New York" and "New York, U. S. A." to the bottles and labels, and uses on labels and/or in advertising matter the words "German Culinary Boquet No.22," "German Culinary Boquet No.42," and "distributors of Wilhelm Schneider and Co., Leipzig, Germany, New York, U. S. A."; thereby deceiving the purchasing public into the erroneous belief that respondent's products are imported from Leipzig, Germany, and that respondent is an authorized distributor of the products of Wilhelm Schneider & Co.

Status : At issue.

Sheldon Co., Albert K. (Docket 1828.) Charge : That respondent, engaged in manufacture and sale of a product containing no shellac gum, uses the trade name "Shelco-Lac," in advertising and labeling same; thereby deceiving the purchasing public into the erroneous belief that respondent's product contains shellac gum.

Status : At issue.

Sherman Von Walden. (Docket 1942.) Charge : That respondent, engaged in sale of a method designated the "Walden method," for treatment of some 87 listed diseases, including angina pectoris and hardening of the arteries, by diet and exercise, sends questionnaires to customers setting forth such questions as "have you heart disease and what kind?", "high blood pressure", making a diagnosis from the answers without examination, publishes as voluntary testimonials statements that are misleading and fictitious and statements for which a sum of money has been paid, uses the abbreviation "Dr." in conjunction with name, and circulates false and misleading statements relative to respondent's qualifications for diagnosing and prescribing and relative to the efficacy of the treatment; thereby deceiving the purchasing public into the erroneous belief that respondent is a scientific man and a doctor of medicine, who examines his patients, and is qualified to properly diagnose, that the Walden method allows of the proper treatment for all diseases, and cures through scientific methods, and that respondent maintains an Institute of dietetics in connection with his business.

Status : At issue.

Shotwell Manufacturing Co. (Docket 1796.) Charge (see charge in Docket 1785, Minter Bros.).

Status : At Issue.

Smith, Herbert L. (Docket 1467.) Charge : That respondent, manufacturer of cigars, some of which consist in part of Cuban tobacco, uses the words "Havana" and "Havana brown" on cigar bands and containers; thereby

deceiving the purchasing public into the erroneous belief that respondent's products are made entirely of tobacco grown on the island of Cuba.

Status : At issue.

Snyder, W. H., & Sons. (Docket 1441.) Charge : That respondents, engaged in manufacture of cigars, use the words "Havana fruit" and "Havana velvet" on cigar bands and containers; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made of tobacco grown on the island of Cuba.

Status : At issue.

Southern California Laundry Owners Association et al. (Docket 1954.) Charge : That respondents, engaged in operation of laundries, have adopted and employ a system for maintenance of certain uniform prices for services, designed to prevent competing laundry owners from performing such services. at lower prices, and have induced manufacturers of laundry equipment, by means of coercion and boycott, to cancel any existing contracts with operators of laundries who are not members of the association and to refuse to sell to such operators except on discriminatory, prohibitive terms set out by respondents; thereby tending to hinder and suppress free competition, to the prejudice of the public and of respondents' competitors.

Status: At Issue.

Southern Milling Co. (Docket 1617.) Charge : That respondent, engaged in sale of flour, uses trade name "Southern Milling Co." and circulates statements implying operation of a mill wherein flour sold is ground and manufactured; thereby deceiving the purchasing public into the erroneous belief that respondent manufactures the product he sells, and that the price quoted is exclusive of the middleman's profit.

Status : At issue.

Standard Education Society et al. (Docket 1571) Charge : That respondents, publishers of an encyclopedia, circulate false and misleading statements relative to regular price of book; thereby deceiving the purchasing public into the erroneous belief that special, reduced prices are being quoted, and that a limited number of books are given free of charge upon subscription to extension service.

Status : Before commission for final determination.

Standard Historical Society (Inc.) et al. (Docket 1886.) Charge : That respondents, engaged in sale of a publication entitled "Standard History of the World," together with a looseleaf extension service published semiannually, sold at the rate of $59.50, $69.50, or $79 for 10 years, uses the word "society" in corporate name, and circulates through sales agents and advertising matter, false and misleading statements relative to the price and the authors thereof, and membership in the alleged "society"; thereby deceiving the purchasing public into the erroneous belief that respondent is a society of persons interested in the subject of history, each purchaser of a set of books becoming a member automatically, that the list published of the authors who wrote introductions to the various volumes are special contributors or revisers of the books, that $220 is the regular price, and that the prices quoted (which in reality afford respondent a profit on the books and the service) are special prices covering the cost of the extension service only, which, it is alleged, are being used as a part of an introductory offer.

Status : At issue.

Stanton, E. J., & Son. (Docket 1740.) Charge (see Docket 1786, Black & Yates (Inc.).

Status : In course of trial.

Tennessee Woolen Mill Co. (Docket 1919.) Charge.: That respondent, engaged in manufacture of blankets having a wool content ranging from 1 to 5 per cent by weight, and sale thereof to jobbers and retailers, uses labels designating same as "fine part-wool blankets"; thereby deceiving the purchasing public into the erroneous belief that the product contains a substantial proportion of wool.

Status : At issue.

Textile Bag Manufacturers' Association et al. (Docket 1765.) Charge: That respondent, a voluntary, unincorporated association of members engaged in manufacture of cotton and burlap bags, and sale thereof to jobbers and wholesale dealers, has adopted and employs a system for maintenance of

uniform resale prices, terms, discounts, and freight allowances; thereby tending to suppress free competition, to the prejudice of the public and of respondent's competitors.

Status : In course of trial.

Textileather Co. (Docket 1585.) Charge : That respondent, manufacturing a coated fabric resembling leather, uses the word "textileather" as a part of firm name and uses trade names "Royaleather," "Modeleather," and "Kraft-hyde"; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made from hides of animals.

Status : In course of trial.

Theronoid (Inc.) et al. (Docket 1865.) Charge : That respondent, engaged In sale of a solenoid designated "Theronoid," circulates false and misleading statements to the effect that the device is a curative agent whereby approximately 21 designated diseases may be cured by reason of the simulation of the normal functions brought about through the electromagnetism Induced; thereby deceiving the purchasing public into the erroneous belief that respondent's product has therapeutic value.

Status : In course of trial on amended complaint.

Thinshell Candies (Inc.). (Docket 1852.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with punch boards baying explanatory legends, to wholesale dealers and jobbers, distributes jars of candy to be given as prizes to customers who, upon punching the board following payment of 5 cents for privilege of so doing, punch last remaining hole in any one of four sections, the last remaining hole in the board, or any of the concealed numbers designated in the legend as prize numbers; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At Issue.

Ucanco Candy Co. (Inc.). (Docket 1795.) Charge (see charge in Docket 1785, Minter Bros.).

Status : At issue.

United States Gypsum Co. (Docket 1958.) Charge : That respondent, engaged In manufacture and sale of building materials, uses in advertising matter the terms "Sheetrock Wall Board," "Sheetrock The Board," "Gyplap," and "Rocklath" to designate sheets of building material composed of outer sheets of paper or fibrous material with a core of fibrous material and "calcined gypsum," generally known as stucco or plaster of Paris, manufactured by respondent from gypsum rock, which core, although itself incombustible, crumbles and loses Its fire-retarding properties when subjected to heat, and labels said products "fireproof," advertising that they are pure gypsum rock that can not burn; thereby deceiving the purchasing public into the erroneous belief that extensive research and laboratory tests have demonstrated that respondent's products are natural rock at least in part, and that products will make fireproof any part of a building in which they are used by preventing the flames from penetrating through them to the wood joists and studding.

Status : Awaiting answer.

United States Pencil Co. (Inc.). (Docket 1905.) Charge : That respondent, engaged in sale of pencils, 50 per cent of which are purchased from manufacturers completely finished, the remainder being painted and imprinted by respondent, uses the abbreviation "Mfrs." and the slogans "makers of finest quality lead pencils" and "you save the jobber's profit by buying direct from us" in advertising matter; thereby deceiving the purchasing public into the erroneous belief that respondent is a manufacturer and that the prices quoted are exclusive of the middleman's profit.

Status : Awaiting briefs on supplemental testimony.

United Tailoring Co. (Inc.) et al. (Docket 1947.) Charge : That respondents, engaged in sale of men's ready made clothing, use the word "tailoring" in firm names and circulate false and misleading statements relative to manufacture, conditions of sale, and alterations of such garments; thereby deceiving the purchasing public into the erroneous belief that the garments ordered are made to the measurements taken by agents, that a special reduced price is being quoted when two suits are offered at what is alleged to be the price of one, and that new local stores are to be opened where purchasers may have any necessary alterations made.

Status: At issue.

Universal Theater Concession Co. (Docket 1950.) Charge : That respondent, engaged in manufacture of candy and sale thereof to wholesale dealers and jobbers, distributes one assortment of packages to be sold at 10 cents each and another assortment to he sold at 25 cents each, each package containing a piece of candy and a prize or a coupon entitling purchaser to a prize in the event that the same is too large to be conveniently contained within the package; thereby supplying and placing in the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Veliguth, Walter A., Co. (Docket 1925.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes one assortment consisting of pieces of candy to be sold at 1 cent each and larger pieces of candy to be given as prizes to purchasers who by chance select a piece having a center of a specified color; a second and third assortment consisting of pieces of candy to be sold at prices ranging from nothing to 5 cents and from 1 to 3 cents, purchasers to pay whatever sum is set forth on a slip of paper concealed within wrapper : thereby supplying and placing In the hands of others the means of conducting a lottery and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Voneiff-Drayer Co. (Docket 1724.) Charge : That respondent, engaged In manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers, distributes assortments of candies to be sold at 1 cent each, with larger pieces or packages of candy, to be given as prizes to purchaser of the last piece of candy in the assortment, and to purchasers who by chance select a piece of candy haying a center of a specified color; thereby supplying and placing in the bands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

Warner-Jenkinson Co. (Docket 1839.) Charge : That respondent, engaged in manufacture of extracts and concentrates and sale thereof to wholesale dealers under trade name of "Red Seal," uses labels bearing the words "grape," " cherry," "orange," "peach," and "strawberry"; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made of juices of the fruits indicated.

Status : Awaiting respondent's brief.

Waugh Equipment Co. et al. (Docket 1779.) Charge : That respondent, Waugh Equipment Co., engaged in manufacture of railway equipment, endeavors to induce railway companies to place orders for equipment by promising through respondents Arthur Meeker, Frederick W. Ellis, and J. B. Scott, officers or stockholders of Armour & Co., certain volumes of freight traffic from that company in return for patronage, such traffic to be withdrawn if patronage is withheld; thereby tending to lessen the free flow of competition in the sale of railway equipment and to injure competitors who do not tender reciprocal patronage.

Status : Before commission for final determination.

Wendeistein, Carl, Co. (Docket 1741.) Charge (see Docket 1736, Black & Yates (Inc.).

Status : In course of trial.

Western Hardwood Lumber Co. (Docket 1743.) Charge (see charge in Docket 1736, Black & Yates (Inc.).

Status : In course of trial.

Western Leather Clothing Co. (Docket 1820.) Charge : That respondent, engaged in manufacture and sale of leather cloth, uses labels bearing the words "genuine horse hide" and represents that product is made from hides of horses; thereby deceiving the purchasing public into the erroneous belief that respondent's product thus labeled is a genuine leather product.

Status : Awaiting further testimony.

Wheelwright, George W., Paper Co. (Docket 1866.) Charge : That respondent, engaged in production of domestic-made, machine-manufactured paper, uses the words "Italiano hand-made vellum" to designate same; thereby deceiving

the purchasing public into the erroneous belief that respondent's product is genuine vellum and is a hand-made Italian product.

Status : At issue.

Whirlwind Manufacturing Co. et al (Docket 1931.) Charge : That respondents, engaged in manufacture of a device designated "Whirlwind Vaporizer," use in advertising matter such statements as "over the mountains from Los Angeles 559 miles on 11 gallons of gas," "has been found by actual tests to increase gasoline mileage from 25 to 50 per cent," "salesmen and distributors wanted to make up to $100 weekly"; thereby deceiving the purchasing public into the erroneous belief that the use of respondents' device makes an appreciable difference in the efficiency and operating cost of a motor, and that agents regularly earn high salaries when engaged in the sale thereof.

Status : In course of trial.

Williams, Ichabod T., & Sons. (Docket 1746.) Charge : That respondent, engaged in sale of lumber and other wood products to lumber dealers and manufacturers of furniture, represents certain products as mahogany, and/or African mahogany, genuine mahogany, etc.; thereby deceiving the purchasing public into the erroneous belief that such products consist of wood derived from trees of the mahogany family.

Status : At issue.

Winthrop Mills Co. (Docket 1908.) Charge : That respondent, engaged in manufacture of blankets having a wool content varying from 3 to 50 per cent by weight, and sale thereof to jobbers and retailers, uses labels and advertising matter designating same as "part wool," without any indication as to the percentage of wool; thereby deceiving the purchasing public into the erroneous belief that the product contains a substantial proportion of wool.

Status : At issue.

Yokum Bros. (Docket 1488.) Charge : That respondent, a manufacturer of cigars, uses the words "Spana-Cuba" on cigar bands and containers; thereby deceiving the purchasing public into the erroneous belief that respondent's products are made of tobacco grown on the island of Cuba.

Status : At issue.

Ziegler, George, Co. (Docket 1787.) Charge : That respondent, engaged in manufacture of candy and sale thereof, together with explanatory display cards, to wholesale dealers and jobbers, distributes an assortment consisting of pieces of candy to be sold at 1 cent each, and larger pieces of candy and pieces of merchandise to be given as prizes to purchaser of last piece of candy in the assortment and to purchasers who by chance select a piece having a center of a specified color; thereby supplying and placing in the hands of others the means of conducting a lottery, and tending to injure competitors who do not make provision for the disposal of their products by such means.

Status : At issue.

NUMERICAL LIST-COMPLAINTS PENDING

Docket No.	Respondent
238	Hoover Suction Sweeper Co.
962	Bethlehem Steel Corporation et al.
1263	National Leather & Shoe Finders' Association et al.
1829	Armand Co. (Inc.) et al.
1871	Perpetual Encyclopedia Corporation et al.
1423	Armour & Co. et al.
1424	Globe Soap Co.
1425	Cincinnati Soap Co.
1426	Peet Bros. Co.
1438	Yokum Bros.
1441	W. H. Snyder & Sons.
1442	T. E Brooks & Co.
1443	John C. Herman & Co.
1452	Inecto (Inc.).
1453	Fleck Cigar Co.
1458	San Martin & Leon Co. (Inc.).
1459	Manchester Cigar Co.
1465	Havatampa Cigar Co.
1467	Herbert L. Smith.
1498	Arrow-Hart & Hegeman (Inc.) et al.
1510	Hoyt Bros. (Inc.).
1527	Aetna Fire Brick Co. et al.
1549	Macfadden Publications (Inc.).
1567	Franklin Paint Co.
1570	Limoges China Co. et al.
1571	Mutual Publishing Co. et al.
1578	Madison Paint Co.
1574	Standard Education Society et al.
1575	Progress Paint Co.
1585	Textileather Co.
1587	Sanford Mills et al.
1589	Continental Steel Corporation.
1607	Old Hickory Mills et al.
1609	Breithart Institute of Physical Culture (Inc.).

Docket No.	Respondent
1615	Ralston University Press.
1617	Southern Milling Co.
1676	Crown Overall Manufacturing Co.
1677	New Science Institute.
1678	Goodyear Manufacturing Co.
1689	McKesson & Robbins (Inc.).
1698	Central Paint and Varnish Co. et al.
1700	Citrus Products Co.
1703	Bleadon-Dun Co.
1705	Philip Morris Consolidated (Inc.)
1724	Voneiff-Drayer Co.
1725	R. E Rodda Candy Co.
1727	Mechanical Manufacturing Co.
1728	Radiant Specialty Co. et al.
1733	Billings-Chapin Co.
1784	Sea Sled Corporation.
1785	Louis Bossert & Sons (Inc.).
1786	Black & Yates (Inc.).
1737	Pacific Door & Sash Co.
1738	Frank Paxton Lumber Co.
1740	E. J. Stanton & Son.
1741	Carl Wendeistein & Co.
1742	Chicago Warehouse Lumber Co.
1743	Western Hardwood Lumber Co.
1744	Cadwallnder-Gibson Co. (Inc.).
1746	Ichabod T. Williams & Sons.
1749	New England Electrical Fixture Co. (Inc.) et al.
1750	Knapik & Erickson.
1751	Matthews Co. (Inc.).
1752	American Radium Products Co.
1753	Radium Ore Revigator Co.
1754	Cohen, Goldman & Co. (Inc.).
1756	Bailey Radium Laboratories (Inc.) et al.
1758	J. F. Lazier Manufacturing Co. (Inc.).
1760	National Pastry Products Corporation.
1761	Lewis Bros. (Inc.).
1765	Textile Bag Manufacturers' Association et al.
1766	Agmel Corporation.
1768	Dart Boats (Inc.).
1772	Heidelberger Confectionery Co.
1773	Quaker City Chocolate & Confectionery Co.
1776	Madison Mills (Inc.).
1777	Chatham Manufacturing Co.
1779	Waugh Equipment Co. et al.
1783	Associated Knitting Mills Outlet Co. (Inc)
1785	Minter Bros
1786	Hardie Bros. Co.
1787	George Ziegler Co.
1788	Elmer Candy Co.
1789	Luden's (Inc.).
1790	Pasquale Margarella.
1791	Blackhawk Candy Co.
1792	Advance Candy Co. (Inc.).
1793	Schwarz & Son (Inc.).
1794	Euclid Candy Co.
1796	Shotwell Manufacturing Co.
1797	D. L. Clark Co.
1798	Pecheur Lozenge Co.
1799	International Gum Corporation.
1800	Charms Co.
1802	National Candy Co. (Inc.).
1803	Headley Chocolate Co.
1804	Greenfield's Sons, E (Inc.).
1805	Schutter-Johnson Candy Co.
1806	American Caramel Co. (Inc.).
1807	American Candy Co.
1808	Metro Chocolate Co. (Inc.).
1809	Rudy Chewing Gum Co.
1810	D. Goldenberg (Inc.).
1811	Bunte Bros. (Inc.).
1812	Charles F. Adams (Inc.).
1813	Edgar P. Lewis & Sons (Inc.).
1814	Old Colony Candy Co.
1816	R. F. Keppel & Bro. (Inc.).
1817	Walter H. Johnson Candy Co.
1818	DeWitt P. Henry Co.
1820	Western Leather Clothing Co.
1822	Overland Candy Co.
1824	W. S. Libbey Co.
1826	Hurty-Peck & Co.
1828	Albert K. Sheldon Co.
1830	McLaren Consolidated Cone Corporation.
1831	Johnson-Fluker Co.
1832	Frank H. Fleer Corporation.
1834	Aviation Institute of U. S. A. (Inc.).
1838	Natural Eyesight Institute (Inc.).
1839	Warner-Jenkinson Co.
1841	Badger Candy Co.
1846	Magnecoll Co. (Inc.).
1849	A. Karcher Candy Co.
1851	A. Victor Segno et al. (Inc.).
1852	Thinshell Candies
1853	Curtlss Candy Co. et al.
1855	Hecht, Cohen & Co.
1856	Lion Manufacturing Co.
1857	K. & S. Sales Co.
1858	Cosmopolitan Candy Co.
1859	Nitragin Co. (Inc.).
1861	Belmont Candy Co.
1862	A. S. Douglis & Co. et al.
1863	Rubay Candy Co.
1864	Elbee Chocolate Co. (Inc.).
1865	Theronold (Inc.) et al.
1866	George W. Wheelwright Paper Co.
1867	Dilling & Co.
1868	Howard B. Drollinger.
1869	George H. Ruth Candy Co. (Inc.).
1870	Mells Manufacturing Co.
1871	Gutman Bros. et al.
1873	Beacon Manufacturing Co.
1874	Schuler Chocolate Factory.
1875	J. N. Collins Co.
1877	Dorman Mills.
1878	Bond Bros. & Co. (Inc.).
1879	General Cigar Co. (Inc.).

1795 Ucanco Candy Co. (Inc.).

1880 Gellman Bros.

Docket No.	Respondent
1881	Rosemary Candy Co.
1882	Chicago Machine Tool Distributors et al.
1883	Ebroclo Shirt Co. (Inc.).
1884	Helena Rubinstein (Inc.).
1885	Radium-Active Remedies Co.
1886	Standard Historical Society (Inc.) et al.
1889	Deniston Co.
1890	Joseph Sculler.
1892	Brux Candy Co. et al.
1893	D. T. Bohon Co. (Inc.).
1895	Gilman Hat Co.
1896	Globe Hat Works.
1897	Maf Hat Works (Inc.).
1898	Manhattan Hat Co. (Inc.).
1899	Prime Hat Co.
1901	Grand Hat Co.
1902	Prospect Hat Co. (Inc.).
1903	H. & H. Hat Manufacturing Co.
1904	Herman Hat Co.
1905	United States Pencil Co. (Inc.)
1906	Boyd-Martin Boat Co.
1907	Arnonld, D., Co.
1908	Winthrop Mills Co.
1909	Sheinker, W., & Son.
1911	Mosby Medicine Co.
1912	Limoges China Co.
1914	Mixer Medicine Co. et al.
1915	Borg-Warner Corporation.
1916	Glilespie Furniture Co. et al.
1917	Blue Hill Candy Co.
1918	Shapiro Candy Manufacturing Co.
1919	Tennessee Woolen Mill Co.
1920	Arnco Mills.
1921	Joseph P. Brandler.
1922	Philadelphia Hosiery Mills.
1928	L M. Bagedonow (Inc.).
1924	Reliance Pencil Corporation.
1925	Vellguth, Walter A., Co.
1926	Alexander-Martin Co. et al.
1927	Brooten, H. H., & Sons (Inc.).
1928	Coumbe, S. C., Co. et al.
1929	Brown Fence & Wire Co.
1930	Brooks Rupture Appliance Co. et al.
1931	Whirlwind Manufacturing Co. et al.
1932	Para Paint & Varnish Co.
1934	Emile Meyer & Co. et al.
1936	Fidelity Hop & Malt Corporation et al.
1937	Northam Warren Corporation.
1938	Congo Pictures (Ltd.) et al.
1939	Patuxent Guano Co.
1940	Elby Extract Co.
1942	Sherman Von Walden.
1943	Parisian Manicure Manufactur ing Co.
1945	Rogers Silverware Redemption Bureau (Inc.).
1946	Patterson School.
1947	United Tailoring Co. (Inc.). et al.
1948	Newton Remedy Co. et al.
1949	Rochester Nurseries (Inc.) -
1950	Universal Theater Concession Co.
1951	Gilbert Spruance Co. et al.
1952	Charles Atlas.
1953	Richards & Co. (Inc.) et al.
1954	Southern California Laundry Owners Association et al.
1955	Metal The Construction Co. (Inc.).
1956	Block Candy Co.
1957	Doernbecher Manufacturing Co.
1958	United States Gypsum Co.
1959	Cook Paint & Varnish Co. et al.
1960	Knickerbocker Watch Co.
1961	Adams Paint Co.
1962	Fishback Candies (Inc.).

STIPULATIONS APPROVED AND ACCEPTED

[Copies of statements covering these stipulations may be bad upon request to the commission.]

Stipulations approved and accepted by the commission during the fiscal year 1930-31 are digested in the following pages. In each instance the respondent agreed to cease and desist from the unfair methods of competition charged. In most instances his name is not mentioned although the commodity involved and the story of each case are made known. The stipulations are divided into (1) general and (2) special false-advertising cases.

GENERAL

673. **Soap.**--Using words "Patented Faucet Process" on labels designating soap made by an unpatented process.

674. **Hosiery.**--Using word "Silk" on labels designating hosiery that is not made of silk.

675. Citrus Fruits.--Using words "Indian River" to designate fruit that is not grown in the Indian River region of Florida.

676. **Clothing (Women's)**--Using words "Linen" and "Lawn" to design ate clothing that is not made of the material indicated.

677. **Paint.**--A corporation operating a broadcasting station, an individual distributing paints, who advertises largely on the air, and the manufacturer of the paint so advertised, use words "White Lead," "Zinc," and "Pure Lin-seed Oil" to designate products not made of the ingredients specified nor in accordance with the formula alleged to be used, and advertise that products are put up in full weight and measure and are sold directly from manufacturer to consumer, when there is less than one-half gallon of liquid in a half-gallon can and products are sold through a lobber.

678. **Citrus Fruits.**--Using words "Indian River" to designate fruit that is not grown in the Indian River region of Florida.

679. **Spring Water.**--Circulating false and misleading statements relative to the therapeutic value of water from a certain natural spring, which water possesses no medicinal properties other than a slightly laxative quality.

680. **Clothing and Jewelry.**--Using words "Silk" and "Satin" to designate clothing not made of silk and to designate clothing made in substantial part of silk without explanatory words in type equally conspicuous to indicate that article does not consist entirely of silk; using word "Flannel" to designate products not made of wool; using names of fur-bearing animals to designate products not made from the pelts of such animals; using word "Pearls" to designate imitation pearls; using word "Engraved" to designate products that are not hand engraved.

681. **Merchandise; Mail Order.**--Using words "Free" and "Without charge" to designate purported gratuities, the cost of which are included in the price paid by the purchaser for the article with which they are alleged to be given free of charge.

682. **Clothing; Knit Caps.**--Using word "Wool" to designate products that are not made entirely of wool without explanatory words to that effect.

683. **Soap.**--Using words "Olive" and "Olive Oil" to designate products not consisting in substantial part of olive oil.

684. **Citrus Fruits.**--Using words "Indian River" to designate fruit that is not grown in the Indian River region of Florida.

685. **Metallic Powder.**--Using word "Pure" and/or "Aluminum" to designate a metallic powder in which aluminum is the predominant element without using "Compound" or a like word, In type equally conspicuous, to indicate that the product does not consist entirely of aluminum.

686. **Tobacco Pouches.**--Using patent number and date or other marking designed to imply that the products are patented devices, when such is not the fact.

687. **Typewriter Ribbons.**--Using word "Silk," sometimes in conjunction with the word "Fiber," or with other words, to designate a product that is not made of silk.

688. **Insulated Metal Staples.**--Simulating containers of Emerson Apparatus Co., a well-known firm manufacturing a similar product.

689. **Accordians.**--Using word "Manufacturing" in firm name and picture of a factory in advertising matter, when neither owning nor operating factories; advertising that orders are filled and shipped immediately, even though the order be accompanied only by a partial payment, when such is not the fact.

690. **Paper Products, Cordage, etc.**--Using word "Mills" in trade name when neither owning nor operating mills.

691. **Correspondence School; Institutional Management.**--Quoting as "Special" and "Limited" offers, prices that are the customary terms made in the usual course of business; advertising as "Free" certain purported gratuities the cost of which are included in the price paid by the purchaser for the course with which they are alleged to be given free of charge; quoting earnings that may be expected by the average student that are far in excess of his probable earnings.

692. **Vibraphones.**--Representing that a certain device will restore hearing to deaf persons when such is not the fact.

693. **Soap.**--Using word "Imported" to designate a soap of domestic manufacture; using words "Buttermilk," "Peroxide," and "Witch-hazel" to designate soaps not consisting in substantial part of the commodities indicated.

694. **Jewelry.**--Using words "Amber," "Amberlite," or other derivatives of the word "Amber" to designate imitation amber jewelry.

695. **Citrus Fruits.**--Using words "Indian River" to designate fruit that is not grown in the Indian River district of Florida.

696. **Read Lettuce.**--Combining in maintaining arbitrary billings in excess of the customary cost billings of products delivered to purchasers.

697. **Metallic Powders.**--Using word "Manufacturer" on labels and in advertising matter when neither owning nor operating factories.

698. **Clothing; Sweaters.**--Using words "Hand Fashioned" on labels and in advertising matter to designate garments that are not "fashioned" as that term is generally understood.

699. **Sirup.**--Using word "Maple" to designate a product consisting in substantial part of maple Sirup without the use of another word in type equally conspicuous to Indicate product is not composed wholly of maple Sirup.

700. **Bronze Powders.**--Using word "Manufacturer" in advertising matter when neither owning nor operating factories; using word "Aluminum Bronze" to designate a product consisting in predominant part of aluminum, without the use of the word "Compound" or like word in type equally conspicuous to indicate product is not composed wholly of aluminum.

701. **Batteries.**--Using labels and markings that overstate size and capacity of product.

702. **Dog Remedies.**--Misrepresenting therapeutic value of product.

703. **Jewelry.**--Using words "Crystal" and "Pearl" to designate imitation jewels.

704. **Rat Exterminator.**--Representing that cats and dogs will not touch the products and that its action on rats is such as to mummify the body, thus Insuring against disagreeable odors, when such are not thp facts.

706. **Novelties.**--Using word "Silver" to designate articles that are not made of silver.

707. **Hog and Poultry Remedy.**--Misrepresenting therapeutic value of product.

708. **Shirts.**--Using words "English Broadcloth" and figures "144-76" to designate garments that are neither made from cloth imported from England nor made from cloth constructed with threads running 144 in the warp and 76 in the filling.

709. **Radios.--**Using sales promotion schemes that involve material misrepresentation relative to the construction and equipment of the product.

710. **Confectionery.--**Using words "Free," "Gift," and "Given" to designate alleged gratuities, the cost of which are included in the price paid for the articles with which they are purported to be given free of charge.

711. **Correspondence School; Dressmaking, Millinery, and Cooking.--**Using word "Free" to designate alleged gratuities, the cost of which are included in the price paid for the articles with which they are purported to he given free of charge.

712. **Typewriters.--**Advertising sale of portable or other typewriters at half price, when such are not sold at half price.

713. **Novelties; Sewing Needles.--**Using words "Queen Victoria" and pictorial representations of the British Royal Coat of Arms to designate products that are not of English manufacture.

714. **Clothing; Raincoats and Leather Coats.--**Using word "Manufacturers" in advertising matter when neither owning nor operating factories.

715. **Clothing.--**Using words "Two-thirds wool" or "About two-thirds wool" in advertising matter to designate products that do not contain the percentage of wool indicated.

716. **Clothing; Shoes.--**Using word "Manufacturers" in advertising matter when neither owning nor operating a factory.

717. **Perfumes and Chemicals.--**Using lottery schemes to promote the sale of merchandise.

718. **Cedar Shingles.--**Representing that shingles are hand-immersed so that the coloring matter used in staining or painting penetrates every fiber of the shingle, when products have not been so immersed.

719. **Educational Course; Business Administration.--**Representing that, as a special introductory offer, a limited number of persons in a given community will be sold scholarships at a price much lower than the customary price, when such is not the fact.

720. **Near Beer.--**Using word "Bohemian" to designate the hop content of product without use of other words in type equally conspicuous to indicate that the hops are not wholly obtained from Bohemia.

721. **Jewelry.--**Using word "Diamond" to designate imitation stones; using word "Pearl" to designate imitation jewels without the use of words immediately preceding and in type equally conspicuous with the word "Pearl" to indicate that product is an imitation; using price markings that are in excess of the price at which it is contemplated product shall be sold; using word "Free" to designate alleged gratuities, the cost of which are included in the price paid for the article with which they are purported to be given free of charge.

722. **Manicure Sticks.--**Using word " Orange" to designate products made of wood other than that of the orange tree.

723. **Flavoring Extracts and Sirups.--**Using words "Munchen, Germany" in trade name, on labels, and in advertising matter, with pictorial representations suggestive of foreign countries, to designate products that are not of German manufacture.

724. **Roofing Materials.--**Representing that product, an asphalt, fibrous roof coating composed in varying proportions of asphalt, naphtha, and asbestos; is manufactured of long-fibered asbestos; that rubber gums, vegetable, or other oils are used in its manufacture; that it requires no heating or thinning; that it will seal small holes or cracks without preparation; that it will give a coat ten times as thick as the ordinary coat of paint; that it has a durability of ten years, that extensive assistance is given dealers; that its cost is less than that of comparable roof coatings; that it is a " Roofing", and that no upkeep expense is required, when such are not the facts.

725. **Flueless Boiler.--**Using word "Kisco" to designate a product which is not the "Kisco" boiler known to the trade.

726. **Twine Cordage.--**Using word "Java" to designate a product that is not composed wholly of Java sisal.

727. **Cotton Goods.--**Using word "Mills" in trade name and in advertising matter when neither owning nor operating mills.

728. **Clothing; Shoe Laces.**--Using figure "88" when product is not composed of 88 strands or threads.

729. **Correspondence School; Voice Culture.**--Quoting as "Special" and ' Limited" offers, prices that are the customary terms made in the usual course of business; circulating letters of recommendation from former pupils without disclosing that such pupils have since acquired an interest In the school.

730. **Watches.**--Using words "American" and "All American" to designate products not manufactured wholly in America; advertising that a certain group of famous football players use these watches without disclosing the fact that such were given them gratuitously by the manufacturer thereof.

731. **Dog Remedies.**--Representing that product was used by Byrd South Pole Expedition, when such is not the fact.

732. **Collapsible Cardboard Boxes.**--Using word "Cedarized" to designate products treated with a preparation that does not contain oil of cedar wood in any substantial quantity.

733. **Books.**--Quoting. as "Special" and "Limited" offers, prices that are the customary terms made in the usual course of business.

734. **Flavoring Extracts and Sirups.**--Using name of a German city and certain German words to designate a product that is not of German manufacture; using words "A Real Rye Culinary Extract" and "A Perfect Rye or Bourbon Extract," etc., to designate products that are not rye or Bourbon ex tracts; using words "Grape," "Orange," "Lemon," "Strawberry," and "Raspberry" to designate products not consisting entirely of the ingredients designated without using explanatory words to that effect in type equally conspicuous, and using these fruit names to designate the flavor of the product without using the word "Imitation"in type equally conspicuous.

735. **Books.**--Representing that products, which consist of "Blue Books," and "Question and Answer Books," offer the equivalent of a 4-year high-school course which can be completed by students in from one to two years; that the completion of its course prepares students to pass the examination of the New York State Board of Regents, of the New York State College Entrance Examination Board, or any college entrance or State examination; and that the certificate issued is proof of the satisfactory completion of a high-school course, when such are not the facts.

736. **Leather Oil**--Using word "Neatsfoot" to designate a product not consisting entirely of neatafoot oil, without using explanatory words to that effect in type equally conspicuous.

737. **Coating Fabrics.**--Using words "Camel" and "Camelite," and pictorial representation of a camel, on labels and in advertising matter to designate a fabric not composed in whole or in part of camel's hair.

738. **Cotton Goods.**--Using word "Mills" in advertising matter when neither owning nor operating mills.

739. **Water Softener**.--Using word "Soap" in firm name and trade name to designate a product that is not in fact a soap.

740. **Reducing Tablets.**--Misrepresenting nature of product and results to be obtained by its use; using word "Takeoff" as trade name; quoting as "special" and "limited" offers prices that are the customary terms made in the usual course of business.

741. **Greeting Cards.**--Circulating letters and advertisements under a name which purports to be that of an association, but which in fact exists only in name or is controlled by respondent; circulating false and misleading statements in criticism of the merchandise and business methods of competitors, with the effect of restraining and embarrassing their business.

742. **Clothing; Furs.**--Using word "Seal" in advertising matter to designate products not made from the fur of the seal.

743. **Motor Appliances.**--Using statements and pictures in advertising matter exaggerating the increased motor efficiency, gasoline mileage, and power resulting from the use of an electrical device in conjunction with the distributor of motor engines using electrical ignition, and representing that the device will keep spark plugs and cylinders clean, prevent or lessen carbon,. and effect quicker starting, when such are not the facts.

744. **Clothes Line.--Using** words "Rust Proof" on labels and In advertising matter to designate a wire clothes line that is not proof against rust.

745. **Soap.**--Branding and labeling products with prices In excess of those at which it is intended they shall be, and usually are, sold; using the phrase "U. S. Government" in branding and labeling products that were not manufactured for the use of the Government or in accordance with Government specifications.

746. **Clothing (Boys').**--Using word "Manufacturers" in advertising matter when neither owning nor operating factories; using the words "All Wool" to designate garments not composed wholly of wool.

747. **Oil Products.**--Using word "Neatsfoot" to designate a product coin-posed in substantial part of neatsfoot oil without explanatory words in type equally conspicuous to the effect that product does not consist entirely of neatsfoot oil.

748. **Volt-amp Condenser.**--Quoting prices in excess of those at which product is intended to be, and usually is, sold at retail, on labels and in advertising matter, and supplying articles and containers so branded and labeled to purchasers.

749. **Drugs.**--Using firm name "United Drug Co.," thus implying association with a well-known Massachusetts corporation so named.

750. **Confectionery.**--Using word "Vegetable" in advertising matter as descriptive of products that are not finished with vegetable colors.

751. Correspondence School; Poultry Farming-U-sing statements and pictorial representations implying a larger faculty and more extensive space than that possessed and in use.

752. **Clothing (Men's).**--Using phrases, "Makers of" and "Direct from mill to wearer," together with pictorial representation of a factory, when neither owning nor operating mills; using words "English" and "China" to designate articles that are not manufactured In the countries named; using words "Silk," "Silctex," "Crepe," "Flannel," and "Suede" to designate articles that are not made of the materials indicated.

753. **Paint.**--Using word "Mills" in firm name when neither owning nor operating mills.

754. **Books; Reference Works.**--Representing that certain well-known scientists and educators are associate editors when such is not the fact; making charge for wrapping and mailing the revision service when the contract makes no provision therefor; representing that the reference work is a consolidation of two or more previously published works when such is not the fact.

755. **Paint.**--Using words "Manufacturers" and "Manufactured" on stationery and in advertising matter when neither owning nor operating mills.

756. **Paint.**--Using words "Combination Zinc-Lead" to designate products containing less than 50 per cent by weight of the combined products; using words "Lead" or "Strictly Pure White" on labels or in trade names to designate products that do not contain carbonate of lead in substantial quantities.

757. **Woolen Piece Goods.**--Using words "Persian" and "Pelt" to designate products not fabricated from either the pelt or the fur of the Persian lamb.

758. **Roofing Material.**--Using words "Roof," "Roofing," and "Compound Roofing" to designate a plastic and semiplastic material composed of coal tar, asbestos, and other products; representing that no upkeep expense is required, and when repair work proves to be necessary, requiring owner or dealer to bear the cost of the necessary labor; making exaggerated and unwarranted claims relative to the durability of the product and its cheapness as compared with other roof coatings; representing that collections of past-due notes and other accounts are made through an independent collection agency when such is not the fact.

759. **Cotton Goods.**--Using word "Mills" in firm name and in advertising matter when neither owning nor operating mills.

760. **Hosiery.**--Using portraits of actresses together with statements to the effect that they indorse or wear the hosiery advertised when such statements are not the authorized opinions of the actresses in many cases, and in other cases the use of the testimonial and portrait has been given for a monetary considera-

tion, and that fact has not been set forth in a conspicuous manner in connection therewith.

761. **Clothing (Women's) .--**Using words "Persian" and "Pelt" to designate products not made from the pelt of the Persian lamb or from the pelt of any other animal.

762. **Pen Knives.--**Using marks that set forth the fineness of the outer gold covering of the product which has a concealed filling of base metal in such a manner as to Indicate that the entire shell and filling are made of the same kind and grade of metal as the outer covering.

763. **Battery Solution.--**Representing that product will not freeze and will Instantly charge a battery when such are not the facts.

764. **Window Shades.--**Using word "Special" in advertising and labeling products that are being offered for sale at the prices customarily quoted in the usual course of business.

765. **Beverages; Malt Products.--**Using word "Canadien" and "Du Canadien" to designate products that are not of Canadian origin.

766. **Thread.--**Using word "Satin" to designate embroidery thread that is not made of silk.

767. **Paint.--**Using words "The best" and "High Grade" to designate products that are not of superior quality; Using labels on containers that bear an analysis that does not accurately represent the contents thereof.

768. **Building Material.--**Using words "Marble" and "Newmarble" to designate an asbestos product without the use of explanatory words in type equally conspicuous, clearly indicating that the product is not composed of marble either in whole or in part; representing that product is fireproof, water-proof, or weather-proof when such is not the fact.

769. **Stock Certificate; Mining.--**Representing that a certain individual connected with the Mining company is an executive of a certain oil company, when such is not the fact; Using the word "Tangible" alone and in connection with "Assets" to designate ore not yet proven.

770. **Thread.--**Using word "Silk" to designate cotton thread; representing the seams and the thread Itself are invisible when mercerized thread is used for seaming, when such is not the fact.

771. **Jams and Jellies.--**Representing that a certain synthetic powder for making Jams and jellies contains all of the Jelly-making properties of fruit when such is not the fact; Using the word "Grape" on the labels and in advertising matter without explanatory words in type equally conspicuous to the effect that neither the product nor the flavor is derived from the fruit itself.

772. **Cosmetics.--**Representing that products are compounded to order, to meet the requirements of each individual customer, when such is not the fact.

773. **Soft Drinks.--**Using words "Strawberry," "Orange," "Grape, "Cherry," and " Raspberry" on labels and in advertising matter descriptive of a synthetic product; Using the phrase "Fully guaranteed under all pure food laws" when neither government examination nor approval have been accorded.

774. **Watches.--**Using words "West Point" and the phrase "Westpointer Watches Guarding the Nation's Time" in advertising matter, together with pictorial representations of a military cadet or soldier in uniform, to designate watches that have not been made in accordance with Government specifications and have not been adopted by the War Department for use at the United States Military Academy at West Point.

775. **Metal Specialties.--**Using words "Registered in the U. S. Patent Office," or abbreviations suggesting such words, when the trade name of the article so marked has not been registered.

776. **Cosmetics.--**Publishing testimonials and pictorial endorsements without setting forth In a conspicuous manner the fact that such indorsements are not the authorized, unbiased opinions of the authors or of the persons whose pictures are used, and in many instances are given for a monetary consideration.

777. **Cameras and Flash Lights.--**Using word "Free" when the cost of the alleged gratuity is included in the price paid for the merchandise with which it is purported to be given free of charge; quoting the price which is customarily charged for certain roll films, as a special offer made by the manufacturer as an introductory offer.

778. **Insulating Board.--**Representing that product has the indorsement of a bureau of the United States Government, when neither Government examination nor approval has been accorded.

779. **Aluminum Powder.--**Using words "Aluminum," "Superior Quality," "Chemically Pure," and the letters "C. P." to designate products composed in substantial part of aluminum without explanatory words to the effect that the product is composed in part of other ingredients than aluminum, and using such words to designate a product composed entirely of Ingredients other than aluminum.

780. **Hosiery.--**Using word " Wool" to designate products not composed in substantial part of wool.

781. **Hardware; Coordinative Purchase Plan.--**Representing that 31 cents out of every dollar spent is put back into the community through the purchaser's own pocketbook as a result of the consumer's purchase plan, when such is not the fact.

782. **Phonograph and "Talking Picture" Sound Needles.--**Using word "Manufacturing" in firm name, on labels, and in advertising matter when neither owning nor operating factories; representing that a certain brand of needles has been tested and approved by an electrical research company, when such is not the fact.

783. **Jellies.--**Using phrase "Contains all the Jelly making properties of the fruit" to designate a preparation which makes a non fruit Jelly spread when prepared with sugar and water.

784. **Cotton Goods.--**Using words "West Point," on labels and in advertising matter, together with a pictorial representation of a military cadet or soldier in uniform, to designate products that have not been made in accordance with Government specifications and have not been adopted by the War Department for use at the United States Military Academy at West Point.

785. **Clothing--Underwear.--**Publishing testimonials and indorsements by French couturiers which do not represent the authorized, unbiased opinions of such couturiers; representing that these garments, by reason of their superior quality and style, are used by French couturiers as a foundation over which to model their garments, when such is not the fact.

780. **Clothing (Men's).--**Using words "Manufacturers," "Shirt makers," "Direct from Mill," etc., in advertising matter, when neither owning nor operating factories; using words "Flannel," "Silk," and "Slictone" to designate products that do not consist in substantial part of the materials named, without the use of explanatory words clearly indicating that such articles contain materials other than those designated.

787. **Burial Vaults.--**Offering rewards for the disinterment of burial vaults of competitors; acquiring and exhibiting products of competitors and calling attention to their alleged bad condition; circulating pictures and letters disparaging competitors' products and the value of their guarantees; securing the cooperation of cemetery associations and the superintendents of cemeteries, in conducting a campaign against competitors' products.

788. **Process Printing.--**Using word "Engraving" to designate a raised lettering effect that is produced by a form of process printing rather than by engraving.

789. **Corn Meal and Mixed Feeds.--**Packing a lesser quantity in containers purporting to contain the standard quantity by weight.

790. **Electric Transformers.--**Using statements In advertising matter to the effect that the "Hot Spark Transformer" will eliminate carbon, fire any spark-plug regardless of condition, eliminate the necessity for new piston rings and reboring cylinders, and save from 15 to 40 per cent of gasoline, when such are not the facts; using the word "Manufacturing" or "Mfg." in firm name when neither owning nor operating factories; using the phrase "Owners of Patent No.1323405, patented December 2, 1919," in connection with the device, when such device is not patented.

791. **Therapeutic Devices.--**Representing that a so-called "Water Revitalizer" will impart to water, by immersion therein, a special therapeutic value, when such is Dot the fact; publishing purported observations by eminent authorities implying that such authorities indorse the use of water to which has been imparted such radioactive strength as would be imparted by the device and

the use of products whose radium content is about that of the devices designated "Health Applicators" and "Beauty Aids."

792. **Livestock Remedies.**--Representing that products have been approved by the Department of Agriculture when such is not the fact; using the words "Worms," "Wormer," and "Worming" to designate remedies that are effective in the treatment of only one kind of worms without indicating that limitation; representing that certain remedies are effective in the treatment of sore mouth, black tongue, running fits, and barking fits when such are not the facts.

793. **Clothing (Men's).**--Representing that orders filled from ready-made clothing have been tailored to purchaser's measurements; quoting the price customarily charged as special offers at reduced prices; claiming to be manufacturer, when neither owning nor operating mills.

794. **Automobile Accessories--Burglar Alarm.**--Advertising and representing by means of pictures that a certain burglar alarm for use on an automobile is a vocal device that issues words of warning, when such is not the fact; quoting the regular price as a special price for a limited time only.

795. **Therapeutic Device.**--Representing the immersion of a certain device in water will impart radioactivity and health-giving properties thereto, when such is not the fact; publishing purported quotations from observations of doctors and other authorities implying that they indorse the use of radioactive water of the strength of that produced by the use of said device, when such is not the fact.

796. **Electric Appliances.**--Adopting and enforcing a system of price fixing whereby dealers are required to sell products of Thor Pacific Co. at prices fixed by said company.

797. **Water Softeners.**--Using words "Mineral Soap" to designate trisodium phosphate used as a water softener.

798. **Yarn-dyeing Machines.**--Tending to lessen competition by leasing machinery on the condition that the lessee shall not use the goods of competitors.

799. **Clothing; Hosiery.**--Using words "Silk" or "Silk Rayon" to designate products containing silk in substantial quantity without the use of words in type equally conspicuous clearly indicating that the product is not composed wholly of silk.

800. **Beads.**--Using word "Amber" to designate beads that are not made of amber.

801. **Silverware (Coupons).**--Representing that the silverware with which the coupon sold to retailers are redeemed is of good quality or that it is the silverware of William A. Rogers (Ltd.), when such are not the facts; representing that coupons are redeemed without charge to the purchaser, when such is not the fact.

802. **Oils (Edible).**--Using word "Refining" in trade name when neither owning nor operating a refinery; using word "Castor" to designate a product that does not contain castor oil in substantial quantity; representing that "Aero-Castor" is a scientific blend of castor and mineral oil when such is not the fact; exaggerating and misrepresenting results to be obtained by the use of certain products.

803. **Beads.**--Using word "Amber" to designate beads that are not made of amber.

804. **Clothing; Overalls.**--Using words "Shrunk" and "Shrunken" to designate products that are not made from cloth free from further shrinkage.

805. **Radios.**--Quoting prices for radio sets without stating or setting forth in conspicuous type the fact that the set as quoted does not include tubes.

806. **Castors.**--Representing that the "Indian Glide" castor is in stock and that orders will be filled therefor, when such is not the fact.

807. **Correspondence School; Secret Service Intelligence.**--Using letters "U. S." as part of firm name, thereby implying association with the United States Government, when no connection exists and no examination or supervision has been accorded.

808. **Clothing; Furs.**--Using words "Hudson" and "Seal" in trade name to designate products not consisting of the pelts of seals; using phrases "From ranch to wearer," "We raise the animals to lower the price," when engaged in sale of furs that are not pelted on ranches owned by the company.

809. **Barber and Beauty Parlor Supplies.**--Using words "Tempered," "Special steel," and " Forged steel" in branding, labeling, and advertising supplies that are not made of forged steel and are not tempered or especially hardened in any way.

810. **Master Clocks.**--Advertising that respondents' master clocks are the only clocks used by power companies to furnish regulated time and that these clocks control generator speeds, when such are not the facts.

811. **Drawing Instruments.**--Using word " Manufacturers" in advertising matter when neither owning nor operating factories; representing that products are made of cold rolled German silver and tool steel, when such is not the fact.

812. **Headache Powders.**--Misrepresenting therapeutic value of product; using words " Safe" and " It does not depress the heart" in advertising matter descriptive of headache tablets that act as a heart depressant.

813. **Tea.**--Establishment and employment by Salada Tea Co. (inc.) of a system for the maintenance of uniform resale prices.

814. **Lamp.**--Representing that patents owned on a combination of elements, which combination Includes a lens, serve as patents on the lenses when used apart from the combination, when such is not the fact.

815. **Process Printing; Stationery.**--Using words " Engraved" and " Engraving" to designate an effect produced by a form of process printing, rather than by engraving.

816. **Typewriter Ribbons.**--Using word "Silk" to designate ribbons that are not made of silk.

817. **Dental Supplies.**--Using word "Heatless" as a trade name and in advertising matter to designate a wheel used for grinding teeth, that is not the product of Mizzy (Inc.).

818. **Ginger Ale Extract.**--Establishment and employment by James Vernor Co., of a system for the maintenance of uniform resale prices.

819. **Tools.**--Using words "Crucible Steel" and "Hardened Steel" to designate axes and hatches that are not made of crucible or hardened steel.

820 and 821. **Manicure Sticks.**--Using words "Genuine Orange" to brand, label, and advertise manicure sticks not made from the wood of the orange tree.

822. **Hospital Enameled Ware.**--Claiming to be manufacturer and using words " Stamping" and "Enameling" in firm name, when neither owning nor operating factories.

823. **Proprietary Medicine.**--Using word "Laboratories" in firm name and in advertising matter when neither owning nor operating laboratories.

824 and 825. **Gasoline.**--Using labels in connection with the use of standard Size 5-gallon containers, that indicate cans contain 5 gallons, when such is not the fact; selling less than 5 gallons of gasoline in the standard 5-gallon container without labels or marks clearly stating the exact amount of gasoline In the container.

826. **Fish.**--Using words "Cat," "Catfish," and "Trout" In advertising matter descriptive of fish that are not of the species known as "Catfish" or as "Trout."

827. **Toilet Preparations.**--Using phrases " Regenerator of the natural color of the hair"--"Not a dye --"Absolutely harmless," and "A positive corrective for dandruff and itching scalp" to designate a hair dye called " Royal Lotus" that will not correct dandruff and will prove harmful if frequently applied to the scalp; using phrases " Rejuvenates the skin," and "Revitalizes the complexion" in advertising matter descriptive of a lotion called "Creme Royale" or "Creme Helies," the sole therapeutic value of which is that of a lubricant.

828. **Bronze Powders.**--Using word "Manufacturers" in advertising matter, when neither owning nor operating factories.

829. **Manicure Sticks.**--Using word " Orange" In branding and labeling manicure sticks not made from the wood of the orange tree.

830. **Bronze Powders.**--Using word " Manufacturers" in advertising matter when neither owning nor operating mills.

831. **Proprietary Medicine.**--Publishing testimonials some of which are signed by names of persons who have never used the product, others have been changed until they present a misquotation of the writer, others have been applied to a product other than the one for which written, and yet others have been given for a monetary consideration and no statement to that effect has been published In connection therewith; misrepresenting composition and therapeutic value of product.

832. **Soap.**--Branding and labeling soap with prices in excess of those at which it is expected to be, and usually is, sold; using a fictitious name purporting to be that of a physician on labs and in advertising matter in such a manner as to imply his connection with the preparation of the formula or the manufacture of the soap; using word "Antiseptic" to designate a brand of soap that has no antiseptic properties other than those possessed by any coconut-oil soap; representing that a certain brand of soap contains olive oil and contains no acids, when such are not the facts.

833. **Mineral Water.**--Misrepresenting therapeutic value of product

884. **Automobile Parts.**--Claiming to be manufacturers, when neither owning nor operating factories; representing that the "Brinnel test" is used, when such is not the fact; representing that products are manufactured from special alloy or nickel-chromium steel when only a portion thereof are so manufactured.

835. **Lead Pencils.**--Using word "Factory" and the phrase "You save all middlemen's expense and profits," when neither owning nor operating factories; describing a diploma of honorable mention for a display of advertising pencils as the "Highest possible award for advertising pencils Medal of Honor."

836. **Cigars.**--Using words "Anti Nicotine" to designate products from which all of the nicotine content has not yet been extracted; advertising that the cure and preparation of tobacco from which product is made requires from one to four years or more, that almost the entire nicotine content is extracted, and that product can be used, regardless of quantity, without biting tongue, throat irritations, headaches, etc., when such are not the facts.

837. **Proprietary Medicine.**--Using word "Laboratory" in firm name and in advertising matter, when neither owning nor operating laboratories.

SPECIAL FALSE ADVERTISING CASES

01. **Charms and " Pep" Tablets.**--Publishing advertising matter of vendors of charms alleged to bring good luck or success in love affairs, games of chance and business, and to control the affairs of others, and of so-called "Pep" tablets, alleged to restore vigor. or vitality.

02. **Women's Diseases, Alleged Cure.**--Handling as an advertising agency advertising matter of a corporation, the name not being disclosed over the name of an Individual who represented she had nothing to sell and that the method of treatment would be sent free on request.

03. **Success Formula.**--The conductor of a course of instruction in applied psychology uses statements to the effect that through the "Success Formula," a development based upon a combination of certain principles of chemistry, physics, and psychology one's life and career can be controlled.

04. **Asthma, Alleged Cure.**--A manufacturer advertises that a certain remedy is a specific cure for asthma, when in fact it only alleviates the inconveniences occasioned by the disease.

05. **Pyorrhea, Alleged Cure.**--Soliciting and handling as an advertising agency advertising matter of manufacturer of an alleged cure for pyorrhea.-

06. **Asthma, Alleged Cure.**--Handling as an advertising agency advertising matter of vendor of an alleged cure for asthma.

07. **Asthma, Pyorrhea, Etc., Alleged Cure.**--Publishing advertising matter of vendors alleged cure for pyorrhea, asthma, stomach trouble, women's diseases, nervous debility, catarrh, and dropsy.

08. **Hair Tonic.**--Publishing advertising matter of two companies engaged in the sale of alleged hair tonics.

09. **Instrument for Locating Minerals and a Book.**--Handling as an advertising agency advertising matter of vendor of an instrument alleged to detect minerals in the earth and of vendor of a book entitled "What Happens Upon Death."

010. **Books and Alleged Cures for the Tobacco Habit and for Eczema.**--Handling as an advertising agency advertising matter of vendor of an alleged cure for the tobacco habit and for eczema, and a " Personality Book."

011. **Trouble Light and Shirts.**--Handling"as an advertising agency advertising matter of vendors of trouble lights and shirts, who promise large and excessive earnings for salesmen.

012. **Rheumatism, Alleged Cure.**--Handling as an advertising agency advertising matter of vendor of an alleged cure for rheumatism.

013. **Device for Locating Hidden Treasure.**--Handling as an advertising agency advertising matter of vendor of a device for locating hidden treasure.

014. **Hair Tonic.**--A manufacturer advertises "No need to be bald," "The only hair treatment yet devised which goes direct to the source of baldness," and guarantees product as a sure treatment for cultivating hair growth.

015. **Deafness, Alleged Cure.**--Handling as an advertising agency advertising matter of vendor of an eardrum alleged to aid Impaired hearing.

016. **Asthma, Alleged Cure.**--Handling as an advertising agency advertising matter of vendor of an alleged cure for asthma.

017. **Calcium Wafers.**--Handling as an advertising agency advertising matter of company selling calcium wafers.

018. **Hare Culture, Advice on Motherhood, and Alleged Cure for Bladder Trouble.**--Handling as an advertising agency advertising matter of vendor of an alleged cure for bladder trouble, who also advertises to show how to make big money raising hares and to give advice on motherhood.

019. **Asthma and Stomach Trouble, Alleged Cures.**--Handling as an advertising agency advertising matter for vendors of an alleged cure for asthma and for stomach trouble.

020. **"Pep" Tablets.**--A manufacturer advertises that certain products are French tablets that will restore vitality, pep, and youthful vigor.

021. **Therapeutic Devices.**--Publishing advertising matter of vendor of a mechanical substitute for human dispensation of suggestive therapeutics alleged to restore health and bring success, vendor of an electrical device alleged to cure dandruff and promote the growth of hair, and vendor of a specific massage alleged to stimulate and vitalize the generative glands.

022. **Puzzle Contents.**--Handling as an advertising agency advertising matter of publisher of a newspaper of certain puzzle contests designed to secure contact with prospective solicitors.

023. **Hair Dye, Astrological Predictions, and "Pep" Tablets.**--Handling as an advertising agency advertising matter of vendor of an alleged hair dye, distributor of French " pep" tablets for men, and an astrologer.

024. **Fat-Reducing Belt, Instruction Course in Business Building, and Hair Tonic.**--Handling as an advertising agency advertising matter of manufacturer of a fat-reducing belt, vendor of an instruction course in business building, and vendor of a compound for promoting the growth of hair.

025. **Asthma, Alleged Cure.**--A vendor advertises upon his own responsibility and as purporting to be in the words of others that asthma is a specific disease rather than a symptom of a pathological condition not yet fully known to medical science, and that the remedy distributed is a cure rather than a treatment for the alleviation of the inconvenience incident to the so-called disease.

026. **Bladder Trouble, Alleged Cure.**--A vendor advertises certain tablets alleged to have therapeutic value in the treatment of bladder trouble.

027. **Deafness, Alleged Cure.**--A vendor advertises that certain artificial ear-drums will overcome deafness and restore perfect hearing in some specific cases.

028. **Skin and Bladder Troubles, Alleged Cures.** --Handling as an advertising agency advertising matter of vendors of a remedy for eczema, a treatment for skin ailments, and an alleged cure for bladder trouble.

029. **Hernia, Alleged Cure.**--Publishing advertising matter of manufacturer of an appliance for the treatment of hernia.

030. **Massage Cream, Bust Developer, Nose Sharper, Fat-Reducing Compound, and Puzzle Advertisements.**--Publishing advertising matter of vendors of a cream alleged to develop any part of the

human body, a device for de-

velopment of the bust, an appliance for shaping the nose, and a compound alleged to reduce fat, and of two advertisers who insert simple puzzles purporting to offer substantial rewards for the correct solution, which procedure is, in reality, designed to secure a mailing list.

031. **Hernia, Alleged Cure, and Puzzle Advertisements.**--Handling as an advertising agency advertising matter of manufacturer of an appliance alleged to cure hernia, and of an advertiser who purports to offer large rewards for the correct solution of a puzzle, but who, in reality, merely enters the successful contestants in a real contest for the prizes offered, such contest requiring the expenditure of time, energy, skill, or money.

032. **Massage Cream and Finger Ring.**--Publishing advertising matter of two vendors of massage creams alleged to be tissue builders and form developers and of vendor of a guard finger ring alleged to be the famous creation of an artist living in the fifteenth century.

033. **Bust Developer, Device for Removing Hair, and Alleged Cures for the Tobacco Habit and Goiter.**--Publishing advertising matter of inventor of a device for developing the bust, manufacturer of an electric needle designed for home use in removing hairs, vendor of an alleged cure for the tobacco habit, and vendor of an alleged cure for goiter without an operation.

034. **Cosmetics, Puzzle Advertisements, "Pep" and Vigor Preparations, Excessive Earnings Assured Agents.**--Handling as an advertising agency, advertising matter of vendor of cosmetics who is using the puzzle-prize method of advertising, vendor of a preparation alleged to renew the vitality of youth, and two dealers who are endeavoring to secure agents by advertising excessive and improbable earnings.

035. **Diabetes, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of treatments alleged to cure diabetes.

036. **Calcium Wafers.**--A vendor advertises that products will clarify the skin, improve the complexion, and beautify the user, when in fact the ingredients are helpful only as they possess laxative properties.

037. **Asthma, Alleged Cure.**--A vendor advertises a treatment alleged to cure asthma.

038. **Asthma, Alleged Cure.**--Publishing advertising matter of vendor of a treatment alleged to banish asthma, bronchitis, and hay fever quickly and forever.

039. **Liquor Habit, Alleged Cure.**--A vendor advertises a compound which can be administered without the patient's knowledge, alleged to cure the liquor habit, and offers to send a trial treatment which proves to consist merely of a sample to show how it can be administered without the patient's knowledge.

040. **Tobacco Habit, Alleged Cure.**--A vendor advertises a compound alleged to cure the tobacco habit and banish the craving for tobacco within a few days.

041. **Bust. Developer, Puzzle Advertisements, Premiums for Sales, Watches, Jewelry, and Alleged Cures for Blood Diseases, Asthma, and Other Diseases.**--Publishing advertising matter of 11 vendors who advertise watches and jewelry, an alleged bust developer, and alleged cures for asthma, tonsil ailments, gall-stones, colic, and the tobacco habit, institute puzzle contests designed to secure agents, and offer a watch as a premium for selling a few bottles of perfumery.

042. **Electric Gland Treatments, Bust Developer, Jewelry, and Perfumery.**--Publishing advertising matter of four vendors of electric gland treatments, perfumery, jewelry, and a device and a massage cream alleged to develop the bust.

043. **Piles, Alleged Cure.**--A manufacturer advertises that suffering from piles is needless, that his treatment will afford positive relief for the very worst cases.

044. **Ear Drums.**--A vendor advertises that certain artificial ear drums will enable the user to hear, without limiting their effectiveness to certain cases of deafness; advertises that drums are medicated and will restore hearing; and advertises that a certain person, now deceased, is still active in the business, signing correspondence and advising.

045. **Women's Diseases, Alleged Cure.**--A vendor advertises a treatment alleged to overcome sterility.

046. **Stomach and Intestinal Troubles, Alleged Cure.**--A vendor advertises a treatment alleged to be new and successful, and an adequate treatment for

the most stubborn case, having been prescribed by a prominent physician with astonishing results.

047. **Fat-reducing Belts.**--Publishing advertising matter of vendor of an abdominal belt alleged to reduce weight of the wearer by a massage action.

048. **Ear Drums.**--Handling as an advertising agency, advertising matter of vendor of artificial ear drums.

049. **Dropsy, Alleged Cure.**--A vendor advertises that an alleged remedy will cure all cases of dropsy, and represents that it will provide relief for short breathing, without indicating that such relief is indirectly caused by the elimination of surplus fluid or the removal of swelling.

050. **Fat-reducing Belts.**--Publishing advertising matter of two vendors of abdominal belts alleged to reduce weight.

051. **Hair Tonic.**--Handling as an advertising agency, advertising matter of manufacturer of a preparation alleged to produce a new growth of hair on bald heads, and cause new, thick, wavy hair to grow where hair was thin.

052. **Tissue Developer.**--A vendor advertises a massage cream alleged to develop any part of the body.

053. **Rheumatism, Sore Muscles, Kidney and Bladder Trouble, Alleged Cures.**--Handling as an advertising agency, advertising matter of vendor of a medicine alleged to cure or relieve rheumatism, sore muscles, kidney and bladder troubles, and kindred ailments, by dissolving or eliminating uric acid.

054. **Correspondence Exchange.**--The conductor of a correspondence exchange represents that results are guaranteed; advertises that her business is conducted as a club, or is the world's greatest club, that the opportunity for membership is limited, and that the fee quoted is a special offer for a limited time only, membership carrying no further charges, that she advertises in foreign periodicals and that description lists will be furnished free; and uses a fictitious name in signing documents, in such a manner as to imply that such fictitious person s an officer of some firm or other business organization.

055. **Stomach Trouble, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged cure for stomach trouble.

056. **Tissue Developer.**--Handling as an advertising agency, advertising mat-ter of vendor of a massage cream alleged to develop any portion of the body.

057. **Epilepsy, Alleged Cure.**--A vendor advertises an alleged cure for epilepsy, fits, falling sickness, or convulsions, purported to contain no narcotics, without a qualifying statement to the effect that the treatment is not efficacious in all cases and that product is harmless only If taken according to directions.

058. **Lucky Stones, Hair Grower and Straightener, and "Pep" Tablets.**--A vendor advertises that possession of certain lucky stones, wooing powders, fast luck oil, wishing bags, money-drawing oils, etc., alleged to possess magic power, will bring the user fame, wealth, or whatever else is desired, vendor being able to give advice to purchasers, on such matters as business, love, health, games of chance, etc.; that certain French "pep-ups" will renew vitality; and that a new gland discovery that feeds the roots of the hair will grow, straighten, and beautify the hair.

059. **Lucky Stones, " Pep" Tablets, and Alleged Cures for Goiter, Diabetes, and the Tobacco Habit.**--Publishing advertising matter of nine vendors of lucky stones, " pep" tablets, and alleged cures for various diseases.

060. **Drug Habit, Alleged Cure.**--A vendor advertises an alleged cure for the drug habit, representing that a doctor, now deceased, who formerly conducted the business, is still living and actively engaged in the business.

061. **Tonsil Ailments, Alleged Cure.**--A vendor advertises that an operation for the removal of enlarged or diseased tonsils may be avoided by the use of a certain medical preparation alleged to be the one and only sure cure for such ailments, guaranteed to be effective in all cases; and advertises, without indicating the limitations incident thereto, that product will destroy germs In throat or nose, and that money will be refunded to dissatisfied purchasers.

062. **Eczema, Alleged Cure.**--A vendor advertises that a certain medicinal preparation will cure eczema, without a qualifying statement to the effect that it is not efficacious in all cases.

063. **Nervous Disorders, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged remedy for nervous disorders.

064. **Tissue Builder, Toilet Preparations, Bust Developer, and Jewelry.**--Publishing advertising matter of vendors of a massage cream alleged to be a Issue builder, a devise alleged to develop the bust, a cosmetic, a skin peel, a depilatory, and jewelry.

065. **Toilet Preparations and Matrimonial Bureau.**--Publishing advertising matter, together with photographs of French, Spanish, and American girls, of vendors of liquid skin peel and conductors of matrimonial bureau's.

066. **Asthma, Alleged Cure.**--A vendor advertises that a certain medicinal preparation is a new discovery made by himself which produces miraculous results and represents that treatment is free, and that a sample sent free of charge is a complete treatment.

067. **Wrinkle Remover.**--A manufacturer advertises that a certain preparation designated " Wrinkle Oil" is a new product compounded from a secret French formula, and that the user by a mere application thereof, can astound his friends by the amazing improvement overnight, its use causing " wrinkles to disappear while you sleep."

068. **Hair Dye.**--A vendor, using the words "American Office" or other words Implying a branch in a foreign country, advertises that she practices a system of beauty culture that originated in Paris, France, and that the hair dye used is a harmless product compounded from a French forma, and uses the unqualified statement that only one application is necessary to dye the hair.

069. **Bladder Trouble, Alleged Cure.**--A vendor advertises that a certain medicinal preparation is a recent, scientific discovery that will cure bladder weakness and cause the user to sleep all night, without a qualifying statement to the effect that the alleged cure is not efficacious in all cases.

070. **Hair Dye.**--Handling as an advertising agency, advertising matter of manufacturer of an alleged hair dye.

071. **"Pep" Tablets, and Alleged Cures for Rheumatism, Bladder Trouble, Blood Diseases, and Gall Stones.**--Handling as an advertising agency, advertising matter of vendors of alleged remedies for rheumatism, bladder trouble, blood diseases, and gall stones, and a tablet alleged to restore vitality.

072. **Lung, Bronchial, and Sinus Troubles, Alleged Cures.**--Handling as an advertising agency, advertising matter of vendor of an appliance and medicated tablets alleged to relieve lung, bronchial, and sinus trouble.

073. **Books.**--A publisher of a magazine represents himself as the publisher of certain sensational books advertised for sale, and represents that certain portraits are photographs.

074. **Perfumery, Cosmetics, and Prize Contests.**--A vendor of perfumery and cosmetics advertises that there is nothing to buy or sell, in connection with a contest for which a prize is offered, and uses in connection with trade name and in advertising matter, words that imply existence of a branch in a foreign country, and importation and distribution of products of foreign origin.

075. **Fat-reducing Compounds.**--Handling as an advertising agency, advertising matter of vendor of an alleged fat-reducing compound.

076. **Tobacco and Snuff Habit, Alleged Cure.**--A vendor advertises that a certain preparation will cure the tobacco and the snuff habit without limiting its efficacy to that of an agency that will be only effective as an aid to the treatment for such habits; represents the preparation will cost nothing if unsatisfactory, but requires payment before delivery; sets forth a definite number as representing the number of users when such is not certain knowledge.

077. **Watches.**--Handling as an advertising agency, advertising matter of a watch vendor who is charged with misrepresentation.

078. **Charms and Sex Books.**--Publishing in a paper having a large circulation among the colored people, advertising matter of vendor of charms, sex books, and similar articles likely to appeal to the superstitions and cupidity of the readers.

079. **Hair Remover.**--A vendor advertises that a certain instrument will remove hair, warts, moles, and birthmarks painlessly, harmlessly, and permanently, with no resulting shock or scar, without qualifying statements to the effect that treatment is painless and harmless only when proper skill and care is exercised, and that Its use is limited to a certain type of warts, moles, and birthmarks

080. **Tissue Builder.**--Manufacturers and vendors advertise that the mere application of a certain scientific cream, which in reality has value principally as a lubricant, will serve to develop any part of the body without massage, diet, or exercise; exaggerate the value and the quantity of samples, which are alleged to be sent without charge either for sample, packing, or postage, and without requiring the rendering of any service; and quote an excessive price as the price paid for the formula.

081. **Healing Device and Alleged Cure for Piles.**--Publishing advertising matter of manufacturer of a radio-active device alleged to have healing power, and of vendor of an alleged remedy for plies.

082. **Tissue Builder.**--A vendor advertises that the mere application of a certain cream, which in reality has value principally as a lubricant, will serve to develop any part of the body and to beautify the complexion; uses the word " Studio" in trade name when no studio for the teaching and practice of beauty culture is maintained; that vendor is in possession of secrets for beautifying the body.

083. **Employment Service.**--Publishing advertising matter of an alleged employment service and of vendor of stationery who offers employment, but merely uses such offer as a scheme for selling stationery.

084. **Asthma, Hay Fever, and Bronchitis, Alleged Cures.**--A vendor advertises that a certain medicinal preparation will cure asthma, hay fever, and bronchitis.

085. **Employment Service.**--Handling as an advertising agency, advertising matter of vendor who offers employment, but merely uses such offer as a scheme to get purchasers for a mimeographed list of advertisers offering home work, soliciting, etc.

068. **Arthritis and Neuritis, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged treatment for arthritis and neuritis.

087. **Rheumatism, Arthritis, Neuritis, Myalgia, Gout, and Myositis, Alleged Cures.**--A vendor advertises a tablet which possesses no therapeutic value other than that of a uric acid solvent, which is alleged to cure rheumatism, arthritis, neuritis, myalgia, gout, myositis. etc., without any ill effects, without a statement to the effect that treatment is efficacious only when condition results from excessive uric acid.

088. **Stomach, Liver, Kidney, and Bowel Troubles, Alleged Cure.**--A manufacturer advertises an external treatment for stomach, liver, kidney, and bowel troubles, when such do not have their origin in hyperacidity, sour stomach, or flatulence, which is alleged to vitalize and nourish the solar plexus and restore the normal functions of the stomach and digestive tract, and offers sample free, without charge for packing or postage, and without requiring the rendering of any service.

089. **Goiter, Alleged Cure.**--A vendor quotes the regular price as a special reduced price for a limited time only and represents that certain accessories are given free of charge, that each case is passed upon in the course of a consultation of the highest grade of medical authority and that money is deposited in a bank as purported to be evidenced by an alleged certificate of deposit sent to purchaser, to assure return of purchase price should treatment be unsatisfactory, in advertising a treatment for goiter alleged to cure permanently within a few days' time, without a qualifying statement to the effect that the treatment can not be taken with safety except under the direction of competent medical authority.

090. **Beauty Treatments.**--Vendors Gaeteno Torrelli and A. N. Torrelli, operating under the trade name New York Laboratories, advertise that a certain skin peel will safely banish large pores, sallow complexion, age lines or disfigurations from the human face, neck, limbs, and body, claim to operate a Scientific Research Division, and use the words "Laboratories" in trade name and "Manufacturing Chemists" in advertising matter.

091. **Diabetes, Alleged Cure.**--A manufacturer advertises that a certain treatment for diabetes, acting through the glands to correct the abnormal condition that is responsible for the presence of sugar, permanently cures the majority of cases, 85 per cent showing marked improvement, and such improvement being immediate.

092. **Lucky Stones, Love Powders, "Goofer" Dust, Etc.**--Vendors advertise that the possession of certain magic books, love powders, lucky stones, and other stones, powders, oils, and perfumes bearing alluring mystifying names, will bring happiness, success, fame, wealth, ability to control others, or other power, according to the character of the thing possessed; and that the use of certain medicinal preparations designated "Pep-Ups" and " Pep Tablets," will rejuvenate, revitalize, make kinky hair straight and straight hair wavy, banish gray hair, without dyeing, and change the color of the skin from dark to white overnight.

093. **Hair Dye and Hair Ointments.**--A manufacturer advertises that a certain hair dye is a French preparation that will permanently tint gray hair, only one application being necessary, and that a certain hair ointment will stop falling hair within three days, will eliminate dandruff, and promote the growth and thickness of eyebrows and eyelashes.

094 and 095. **Malt Sirup.**--Publishing advertising matter of brewers of malt sirup alleged to brand a domestic product with a foreign name.

096. **Gland Treatment and "Pep" Tablets.**--Handling as an advertising agency, advertising matter of vendor of an alleged gland treatment and vendor of certain so-called "Pep" capsules.

097. **Fat-reducing Belt.**--Handling as an advertising agency, advertising matter of manufacturer of an alleged fat-reducing belt.

098. **Employment Service.**--Handling as an advertising agency, advertising matter of vendor of samples and outfits who offers employment in home work sewing, but merely uses such offer as a scheme for selling samples and outfits.

099. **High Blood Pressure, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged remedy for high-blood pressure.

0100. **Gallstones, Colic, Stomach Trouble, and Liver Trouble, Alleged Cure.**--A vendor advertises that a certain preparation is a reliable home remedy that will obviate a dangerous operation by creating a healthy bile, which will in turn dissolve gall stones and prevent stomach and liver troubles and colic.

0101. **Fat-reducing Belt.**--A vendor advertises an abdominal belt as a reducing belt.

0102. **Women's Diseases, Alleged Cure.**--Osceola Co., Oxford, Fla., vendor, advertises that a certain compound will cure certain diseases to which women are subject.

0103. **Fat-reducing Belt.**--A vendor advertises that the wearing of a certain abdominal belt produces a kneading or massaging action which is guaranteed to reduce flesh and prevent other fat from forming while belt is being worn, represents that belts are manufactured by vendor, are sent free on trial, and that a slip of paper resembling a check which is sent to prospective purchasers, is a negotiable check.

0104. **Rheumatism, Alleged Cure.**--Publishing advertising matter of vendor of an alleged remedy for rheumatism and kindred ailments.

0105. **Blood Tonic and Laxative.**--A vendor advertises that certain medicinal preparations will cure pimples, malaria, enlarged joints, nervous debility, poor memory, heart weakness, stomach troubles, catarrh, and numerous other ailments which the preparations will benefit only as they may be affected by the building up of the system due to the tonic properties of the preparation, represents that tablets are guaranteed under United States food and drug law and advertise that sample treatment is free, without setting forth in conspicuous type the fact that there is a charge for packing and postage.

0106. **Crucifix Ring.**--A vendor advertises that a "Wonderful Crucifix Ring," first made during the fifteenth century by a Spanish goldsmith, will bring to the wearer the fondest desires in love, hope, power, health, happiness, etc.

0107. **Catarrh, Deafness, and Head Noises, Alleged Cures.**--A vendor advertises that certain medicinal preparations will cure catarrh, deafness, and head noises without a qualifying statement to the effect that such treatment is not efficacious in all cases.

0108. **Indigestion, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged cure for indigestion.

0109. **Bladder Trouble, Alleged Cure.**--Handling as an advertising agency, advertising matter of vendor of an alleged treatment for bladder trouble.

0110, 0111, and 0112. **Jewelry, Perfumery, and an Alleged Cure for the Tobacco Habit.**--Publishing advertising matter of vendor of an alleged cure for the tobacco habit, and of three vendors of Jewelry and perfumery.

0113. **Bashfulness, Alleged Cure.**--Publishing advertising matter of vendor of an alleged cure for bashfulness.

0114. **Tissue Developer.**--Publishing advertising matter of vendor of a cream alleged to develop various parts of the body.

0115. **High Blood Pressure.**--Publishing advertising matter of vendor, alleged to be a doctor advertising a competent treatment for high blood pressure.

0116. **Enuresis, Alleged Cure.**--A vendor advertises that a certain medicinal preparation will cure enuresis without a qualifying statement to the effect that the treatment is efficacious only when the trouble is due to lack of tone of the sphincter muscle of the bladder.

0117. **Stomach, Liver, Kidney, Intestinal, Gland, and Blood Troubles, Alleged Cure.**--Publishing advertising matter of vendor of a certain medicinal preparation alleged to cure stomach, liver, kidney, intestinal, gland, and blood troubles.

0118. **Vocational Instruction.**--Publishing advertising matter of vocational instruction bureau using misleading representations and making false claims as a method of securing students.

0119. **Mending Fluid.**--A vendor uses the word " Laboratories" in firm name and advertises that the agency for a certain mending fluid selling like wild fire, will insure a return of from $75 to $100 weekly, that exclusive sales territory is being held and that a selling outfit is given free, when in truth such territory is given to the first person who buys a specified quantity, and the price of the outfit is collected in advance, to be refunded only when orders totaling two gross tubes of the product have been turned in.

RESOLUTIONS DIRECTING INVESTIGATIONS

UTILITY CORPORATIONS

[S. Res. 83 Seventieth Congress, first session, February 15, 1928]

Resolved, That the Federal Trade Commission is hereby directed to inquire into and report to the Senate, by filing with the Secretary thereof, within each thirty days after the passage of this resolution and finally on the completion of the investigation (any such inquiry before the commission to be open to the public and due notice of the time and place of all hearings to be given by the commission and the stenographic report of the evidence taken by the com mission to accompany the partial and final reports) upon: (1) The growth of the capital assets and capital liabilities of public utility corporations doing an interstate or international business supplying either electrical energy in the form of power or light, or both, however produced, or gas, natural or artificial, of corporations holding the stocks of two or more public utility corporations operating in different States, and of nonpublic utility corporations owned or controlled by such holding companies; (2) the method of issuing the price realized or value received, the commissions or bonuses paid or received, and other pertinent facts with respect to the various security issues of all classes of corporations herein named, including the bonds and other evidences of indebted-ness thereof, as well as the stocks of the same; (3) the extent to which such holding companies or their stockholders control or are financially interested in financial, engineering, construction, and/or management corporations, and the relation, one to the other, of the classes of corporations last named the holding companies, and the public utility corporations; (4) the services furnished to such public utility corporations by such holding companies and/or their associated, affiliated, and/or subsidiary companies, the fees, commissions, bonuses, or other charges made therefor, and the earnings and expenses of such holding companies and their associated, affiliated, and/or subsidiary companies; and (5) the value or detriment to the public of such holding companies owning the stock or otherwise controlling such public utility corporations im mediately or remotely, with the extent of such ownership or control, and particularly what legislation, if any, should be enacted by Congress to correct any abuses that may exist in the organization or operation of such holding companies.

The commission is further empowered to inquire and report whether, and to what extent, such corporations or any of the officers thereof or any one in their behalf or in behalf of any organization of which any such corporation may be a member, through the expenditure of money or through the control of the avenues of publicity, have made any and what effort to influence or control public opinion on account of municipal or public ownership of the means by which power is developed and electrical energy is generated and distributed, or since 1923 to influence or control elections: Provided, That the elections herein referred to shall be limited to the elections of President, Vice President, and Members of the United States Senate.

The commission is hereby further directed to report particularly whether any of the practices heretofore in this resolution stated tend to create a monopoly or constitute violation of the Federal antitrust laws.

UTILITY CORPORATIONS (PRINTING OF REPORTS)

[S. Res. 221, Seventieth Congress, first session, May 3, 1928]

Resolved, That the reports submitted to the Senate, or which may hereafter be filed with the Secretary of the Senate, pursuant to S. Res. 83, current session, relative to the investigation by the Federal Trade Commission of certain electric power and gas utility companies, be printed, with accompanying illustrations, as a document

UTILITY CORPORATIONS (PRINTING OF EXHIBITS)

[S. Res. 112, Seventy-first Congress, first session, September 9, 1929]

Resolved, That, as a part of its reports to the Senate, pursuant to Senate Resolution 83, Seventieth Congress, first session, the Federal Trade Commission be required expeditiously to transmit duplicates, or true copies, of all exhibits introduced into its record in hearings held and to be held pursuant to said resolution, and that they be printed as parts of said reports, to accompany the respective parts thereof printed in accordance with Senate Resolution 221 of May 3, 1928; except that as to copyrighted books, bulky volumes, and other lengthy exhibits only such descriptions thereof and pertinent extracts therefrom shall be printed as the Federal Trade Commission may indicate and transmit with such exhibits for that purpose.

INTERSTATE MOVEMENT OF ELECTRIC ENERGY [1]

[S. Res. 151, Seventy-first Congress, first session, November 8, 1929]

Resolved, That the Federal Trade Commission is hereby directed to inquire into, as certain, and report to the Senate by filing with the Secretary thereof within thirty days after the passage of this resolution, and at least once each ninety days thereafter until the completion of the investigation, the quantity of electrical energy used for the development of power or light, or both, however produced, measured by kilowatt-hours, generated in any State (the term " State" as herein used meaning any State, Territory, or the District of Columbia), and transmitted by any means from the State in which it is generated into any other State, or between points within the same State but through any place outside thereof; whether said electrical energy be transmitted from persons, corporations, firms, or associations to themselves and/or their branches, subsidiaries, parent companies, or associates in other States, or to other and distinct persons, corporations, firms, or associations. Said report shall set forth each State in which such electrical energy is generated and the States into or through which it is transmitted, and shall, in cases where there is an interchange of transmitted energy between two plants in different States, set forth the gross quantity transmitted in each direction and not the net difference between the quantities transmitted by said plants.

The commission shall further inquire into, ascertain, and report at the same time upon the percentage of electrical energy generated in each State which is transmitted to other States, and the percentage of electrical energy consumed in each State which is imported from other States.

The commission shall, in connection with Its report, where such information can be furnished without unduly delaying the reports herein requested, give the names of persons, firms, corporations, and associations generating and transmitting such electrical energy in the manner herein described, the points at which generated and from which transmitted, and the names of the persons, firms, corporations, or associations to whom such energy is transmitted and the points to which transmitted.

The commission shall inquire into, ascertain, and report such other facts relative to the transmission of electrical energy from one State to another or between points in the same State but through any place outside thereof as the commission may deem pertinent to the inquiry and investigation herein directed.

CHAIN STORES [2]

[S. Res. 224, Seventieth Congress, first session, May 12, 1928]

Whereas it is estimated that from 1921 to 1927 the retail sales of all chain stores have increased from approximately 4 per centum to 16 per centum of all retail sales; and

Whereas there are estimated to be less than four thousand chain-store systems with over one hundred thousand stores; and

1 Inquiry completed during fiscal year. Report transmitted to Senate Dec.20, 1930.

2 First report, covering cooperative grocery chains only, transmitted to Senate July 13, 1981.

Whereas many of these chains operate from one hundred to several thousand stores; and

Whereas there have been numerous consolidations of chain stores throughout the history of the movement, and particularly in the last few years; and

Whereas these chain stores now control a substantial proportion of the distribution of certain commodities in certain cities, are rapidly increasing this proportion of control in these and other cities, and are beginning to extend this system of merchandising into country districts as well; and

Whereas the continuance of the growth of chain-store distribution and the consolidation of such chain stores may result in the development of monopolistic organizations in certain lines of retail distribution ; and

Whereas many of these concerns, though engaged in interstate commerce in buying, may not be engaged in interstate commerce in selling; and

Whereas, in consequence, the extent to which such consolidations are now, or should be made, amenable to the jurisdiction of the Federal antitrust laws is a matter of serious concern to the public: Now, therefore, he it

Resolved, That the Federal Trade Commission is hereby directed to undertake an inquiry into the chain-store system of marketing and distribution as conducted by manufacturing, wholesaling, retailing, or other types of chain stores and to ascertain and report to the Senate (1) the extent to which such consolidations l)ave been effected in violation of the antitrust laws, if at all; (2) the extent to which consolidations or combinations of such organizations are susceptible to regulation under the Federal Trade Commission act or the antitrust laws, if at all; and (3) what legislation, if any, should be enacted for the purpose of regulating and controlling chain-store distribution.

And for the information of the Senate in connection with the aforesaid sub-divisions (1), (2), and (3) of this resolution the commission is directed to inquire into and report in full to the Senate (a) the extent to which the chain-store movement has tended to create a monopoly or concentration of control in the distribution of any commodity either locally or nationally; (b) evidences indicating the existence of unfair methods of competition in commerce or of agreements, conspiracies, or combinations in restraint of trade involving chain-store distribution; (c) the advantages or disadvantages of chain-store distribution in compar son with those of other types of distribution as shown by prices, costs, profits, and margins, quality of goods, and services rendered by chain stores and other distributors or resulting from integration, managerial efficiency, low overhead, or other similar causes; (d) how far the rapid increase in the chain-store system of distribution is based upon actual savings in costs of management and operation and how far upon quantity prices available only to chain-store distributors or any class of them; (e) whether or not such quantity prices constitute a violation of either the Federal Trade Commission act, the Clayton Act, or any other statute; and (f) what legislation, if any, should be enacted with reference to such quantity prices.

RESALE-PRICE MAINTENANCE [3]

[Resolution of the Federal Trade Commission, July 25, 1927]

Whereas several bills providing for resale-price maintenance have been introduced in Congress since 1920, including the Merritt bill, Kelly bill, the Wyant bill, and the Williams bill; and

Whereas in 1916, on a referendum of the Chamber of Commerce of the United States, about 74 per cent of the votes cast were in favor of legislation permitting resale-price maintenance; and

Whereas in 1926, on a similar referendum, about 54 per cent of the votes were in favor; and

Whereas this commission many years ago recommended that Congress enact legislation permitting resale-price maintenance under certain conditions of governmental control; and

Whereas it seems probable that agitation for some legislation of this character will continue; and

Whereas there has been no thorough and comprehensive investigation of the economic advantages and disadvantages of such legislation: Therefore be it

[3] Final report completed during fiscal year and transmitted to Congress, June 22, 1931.

Resolved, That the chief economist of the commission be directed to inquire into the question of the maintenance of manufacturers' resale prices, both at wholesale and retail, and to report to the commission-

1. The advantages and disadvantages of resale-price maintenance (a) to competing manufacturers employing it and to other competing manufacturers, (b) to competing wholesalers and retailers employing it and to other competing wholesalers and retailers, (c) to the ultimate purchaser.

2. The costs, profits, and margins of manufacturers and distributors and the prices to consumers on competing price maintained and nonprice maintained goods and particularly the relation of advertising expenses to such costs, profits, margins, and prices.

3. The causes and motives for price cutting by distributors (a) in general; (b) below the total cost of the distributor; (c) below the purchase price paid by the distributor of goods; the justification for such price cutting, if any; the effect of price cutting on manufacturers, distributors, and consumers particularly with reference to: (a) How far, if at all, price cutting increases volume of business for a distributor and offsets the decreased profit per unit; (b) how far, if at all price cutting has eliminated manufacturers and distributors from business; (c) the effect of price cutting by distributors on the prices, profits, and margins of manufacturers.

4. The relation of resale-price maintenance, if any, to the multiplication of distributors and, if such effect is found, the relation of this multiplication to the cost of marketing.

5. Any other facts pertinent for the consideration of Congress with reference to legislation on this subject.

6. The character of the legislation, if any, which should be recommended by the commission.

COTTONSEED PRICES

[S. Res. 136, Seventy-first Congress, first session, October 21, 1929]

Whereas it is alleged that certain cottonseed crushers and oil mills have entered into a combination for the purpose of fixing prices on cottonseed in violation of the antitrust laws; and

Whereas it is alleged that cottonseed prices have been arbitrarily forced down by the cottonseed crushers and oil mills to a lower level than has ever existed at this season of the year; and

Whereas it is alleged that as a result of such combination cottonseed buyers are not permitted to pay more than a certain price for cottonseed and sell cottonseed meal at less than a certain price under threat of boycott: Therefore be it

Resolved, That the Federal Trade Commission is hereby requested to make an immediate and thorough investigation of all facts relating to the alleged combination in violation of the antitrust laws with respect to prices for cotton-seed and cottonseed meal by corporations operating cottonseed-oil mills. The commission shall report to the Senate as soon as practicable the results of its investigation.

COTTONSEED PRICES

[S. Res. 147, Seventy-first Congress, first session, November 2, 1929]

Whereas it is alleged that certain cottonseed-oil mills have acquired control of cotton gins and have arranged with ginners not to store cottonseed for farmers in order to force the farmers to put their seed upon the market immediately instead of holding them for the purpose of obtaining a profitable price; and

Whereas it is essential that full publicity be given to such matters: Therefore be it

Resolved, That the Federal Trade Commission is hereby directed (1) to investigate the charge that certain corporations operating cottonseed-oil mills are acquiring by purchase or otherwise the ownership or control of cotton gins for the purpose of destroying the competitive market for cottonseed and depressing and holding down the price paid to farmers for cottonseed, and (2) to hold public hearings in connection with the investigations with respect to

such matters and in connection with the investigations pursuant to S. Res. 136, agreed to October 21, 1929. The commission shall report to the Senate as soon as practicable the results of its investigations under this resolution.

COTTONSEED PRICES (PRINTING OF TRANSCRIPT)

[H. Con. Res. 87, Seventy-first Congress, second session, June 12, 1930]

Resolved by the House of Representatives (the Sen ate concurring), That the Federal Trade Commission is hereby directed to transmit, from time to time, to the Senate, or expeditiously file with the Secretary of the Senate, during the recess of Congress, a transcript or true copy of the hearings held before said commission, pursuant to S. Res. 136 and S. Res. 147, Seventy-first Congress, directing an investigation of the charges that certain corporations, operating cottonseed-oil mills, are violating the antitrust laws with respect to prices for cottonseed and acquiring the ownership or control of cotton gins, and that the same shall be printed, with accompanying illustrations, as a document for the use of the Senate and House.

COTTONSEED PRICES (PRINTING OF TRANSCRIPT AND EXHIBITS)

[S. Res. 292, Seventy-first Congress, second session, June 20, 1980]

Resolved, That the Federal Trade Commission is hereby directed to transmit, from time to time, to the Senate, or expeditiously file with the Secretary of the Senate, during the recess of Congress, a transcript of the hearings held before said commission, and exhibits filed in connection therewith, pursuant to S. Res. 136 and S. Res. 147, Seventy-first Congress, directing an investigation of the charges that certain corporations, operating cottonseed oil mills, are violating the antitrust laws with respect to prices for cottonseed and acquiring the ownership or control of cotton gins. The transcript of the hearings and exhibits so transmitted shall be printed, with accompanying illustrations, as a Senate document; except that as to copyrighted books, bulky volumes, and other lengthy exhibits only such descriptions thereof and pertinent extracts there-from shall be printed as the Federal Trade Commission may indicate and transmit with such exhibits for that purpose.

PEANUT PRICES

[S. Res. 189, Seventy-first Congress, first session, October 22, 1929]

Whereas it is alleged that certain peanut crushers and mills have entered into a combination for the purpose of fixing prices on peanuts in violation of the antitrust laws; and

Whereas it is alleged that as a result of such combination prices for peanuts have been arbitrarily forced down; and

Whereas the lack of a competitive market for peanuts has been demoralizing and destructive to the producers of peanuts and considerable losses have been caused to the peanut growers: Therefore be it

Resolved, That the Federal Trade Commission is hereby requested to make an immediate and thorough investigation of all facts relating to the alleged combination in violation of the antitrust laws with respect to prices for peanuts by corporations operating peanut crushers and mills. The commission shall report to the Senate as soon as practicable the result of its investigation.

PRICE BASES

[Resolution of the Federal Trade Commission, July 27, 1927]

Whereas the economical distribution of commodities is one of the chief problems of the day; and

Whereas the method of determining the prices (or the total cost to the purchaser) of commodities sold in the same or in different localities is an important factor in a sound system of distribution; and

Whereas there are various systems and theories on which such prices are made and marked differences of opinion as to their expediency and fairness; and

Whereas some distributors are employing the policy of national distribution with prices, particularly in different consuming territories, that make no allowance for difference in transportation costs, while others allege that there should be a delimitation of markets having respect to transportation expense: Now, therefore, be it

Resolved, That the chief economist of the Federal Trade Commission is hereby directed to inquire into and report upon (1) the factory-base method, the basing-point method, and the delivered-price method of quoting and charging prices (including their respective variations), together with any other method of differentiating prices with respect to location; (2) the causes for the adoption of the several methods employed and the purposes intended to be served by them; (8) their actual and potential effects upon prices and competitive conditions; and (4) any constructive measures which might be employed to promote greater efficiency, economy, or fairness in the methods of quoting or charging prices.

CEMENT INDUSTRY

[S. Res. 448, Seventy-first Congress, third session, February 16, 1931]

Resolved, That the Federal Trade Commission be, and it is hereby, directed to investigate competitive conditions in the cement industry and report to the Senate of the United States:

1. The facts with respect to the sale of cement whether of foreign or domestic manufacture and especially the price activities of trade associations com posed of either manufacturers of cement or dealers in cement, or both.
2. The facts with respect to the distribution of cement, including a survey of the practices of manufacturers or dealers used in connection with the distribution of cement.
3. Whether the activities in the cement industry on the part of trade associations, manufacturers of cement, or dealers in cement constitute a violation of the antitrust laws of the United States and whether such activities constitute unfair trade practices.

BUILDING MATERIALS INDUSTRY

[S. Res. 493, Seventy-first Congress, third session, March 8, 1931]

Resolved, That the Federal Trade Commission is requested to conduct an immediate and thorough investigation of all facts relating to the letting of contracts for the construction of Government buildings, particularly with a view to determining (a) whether or not there are or have been any price fixing or other agreements, understandings, or combinations of interests among individuals, partnerships, or corporations engaged in the production, manufacture, or sale of building materials with respect to the prices or other terms at or under which such materials will be furnished contractors or bidders for such construction work, and (b) whether or not there is or has been any practice by or in collusion with any such individual, partnership, or corporation and any official or employee of the Treasury Department, in connection with the specifications for such construction work. The commission shall report the result thereof to the Senate and to the Department of Justice on or before December 7, 1931.

BREAD AND FLOUR [4]

[S. Res. 163, 68th Cong., 1st seas., February 16, 1924]

Resolved, That the Federal Trade Commission be, and it is hereby, directed to investigate the production, distribution, transportation, and sale of flour and

4 Inquiry completed during fiscal year 1927-28. Reports transmitted to Senate in 1926
1927, and 1928. Subject to further report following court decision in Millers' National Federation case.
(See p.81.)

bread, including by-products, and report its findings in full to the Senate, showing the costs, prices, and profits at each stage of the process of production and distribution, from the time the wheat leaves the farm until the bread is delivered to the consumer; the extent and methods of price fixing price maintenance, and price discrimination; the developments in the direction of monopoly and concentration of control in the milling and baking industries, and all evidence indicating the existence of agreements, conspiracies, or combinations in restraint of trade.

INVESTIGATIONS, 1913-1931

Anthracite Coal (S. Res. 217, 64th Cong., 1st sess., June 22, 1916, and S. Res. 51, 65th Cong., 1st sess., April 30, 1917) .--The rapid advance in the prices of anthracite at the mines, compared with costs, and the extortionate overcharging of anthracite jobbers and dealers were disclosed in the inquiry in response to these resolutions and a system of current reports called for regarding selling prices which substantially checked further exploitation of the consumer. Reports transmitted May 4, 1917, and June 20, 1917.

Anthracite Coal (on motion of the commission).--A report dealing with premium prices of anthracite coal charged by certain mine operators and the premium prices and gross profits of wholesalers in the latter part of 1923 and early in 1924. The report discusses also the development of the anthracite combination and the results of the Government's efforts to dissolve it. Report dated July 6, 1926.

Bituminous Coal (H. Res. 352, 64th Cong., 1st sess., August 18, 1916).--While this resolution aimed originally at the investigation of the alleged depressed condition of the bituminous-coal industry, the inquiry had not long been under way before there was a great advance in prices, and the commission in its report suggested various measures for insuring a more adequate supply at reasonable prices. War-time price control was soon after established. Reports transmitted May 4, 1917, May 19, 1917, and June 20, 1917.

Bituminous Coal (on motion of the commission).--The reports on investment and profit in soft-coal mining were prepared and transmitted to Congress with the belief that the information would be of timely value in consideration of pending legislation regarding the coal trade. The data covers the years 1916 to 1921, inclusive. Reports dated May 31, 1922, and July 6, 1922.

Book Paper (S. Res. 269, 64th Cong, 1st sess., September 7, 1916).--The inquiry into book paper, which was made shortly after the newsprint inquiry, had a similar origin and disclosed similar restraints of trade, resulting in proceedings by the commission against the manufacturers involved therein to prevent the enhancement of prices. The commission also recommended legislative action to repress restraints of trade by such associations. Reports transmitted June 13, 1917, and August 21, 1917.

Bread (S. Res. 163, 68th Cong., 1st sess., February 16, 1924).--This resolution directed the commission to investigate the production, distribution, transportation, and sale of flour and bread, showing costs, prices, and profits at each stage of the process of production and distribution; the extent and methods of price fixing, price maintenance, and price discrimination; concentration of control in the milling and baking industries; and evidence indicating the existence of agreements, conspiracies, or combinations in restraint of trade. Two preliminary reports were issued, dealing with competitive conditions in flour milling and bakery combines and profits. The final report covered the whole problem and show among other things that wholesale baking in recent years had been generally profitable. It disclosed also price-cutting wars by the big bakery combines and subsequent price-fixing agreements. Reports transmitted May 3, 1926, February 11, 1927, and January 11, 1928.

Building Materials Industry (S. Res. 493, 71st Cong., 3d sess., March 3, 1931, and on motion of the commission, April 27, 1931).--In this inquiry the commission is to investigate and report facts relating to letting of contracts for construction of Government buildings, particularly with a view of determining whether or not there are or have been any price fixing or other agreements, understandings, or combinations of interests among individuals, partnerships, or corporations engaged in the production, manufacture, or sale of building materials with respect to the prices or other terms at or under which such materials will be furnished contractors or bidders for such construction work.

Calcium Arsenate (S. Res. 417, 67th Cong, 4th sess., January 23, 1923).--The high prices of calcium arsenate, a poison used to destroy the cotton boll weevil,

led to this inquiry from which it appeared that the cause was due to the sudden increase in demand rather than to any restraints of trade. Report transmitted March 3, 1923.

Cement Industry (S. Res. 448, 71st Cong., 3d sess., February 16, 1931).--This is an investigation of competitive conditions in the cement industry. The resolution calls for investigation and report as to whether activities in the cement industry on the part of trade associations, manufacturers of cement or dealers in cement, constitute a violation of the antitrust laws.

Chain Stores (S. Res. 224, 70th Cong., 1st sess., May 12.1928).--Pursuant to this resolution the commission initiated a general inquiry into merchandising through chain stores. The study will bring out the advantages or disadvantages of this form of marketing as compared with those of other types and an examination of the activities of chain-store systems to ascertain whether they involve any violation of the antitrust laws. Part I of the report entitled " The Cooperative Grocery Chains" was transmitted to the Senate July 13, 1931.

Commercial Bribery (on motion of the commission).--The prevalence of commercial bribery of employees was brought out in a special report to Congress. The report carried with it recommendations for legislation striking at this vicious practice. Report dated May 15, 1918.

Commercial Feeds (S. Res. 140, 66th Cong., 1st sess., July 31, 1919) .--The inquiry into commercial feeds, which aimed to discover whether there were any combinations or restraints of trade in that business, was diligently pursued; and though it disclosed some association activities in restraint of trade, it found no important violation of the antitrust laws. Certain minor abuses in the trade were eliminated. Report transmitted March 29, 1921.

Cooperation (on motion of the commission).--The report on cooperation in foreign countries is the result of studies of the cooperative movement in 15 European countries and concludes with recommendations for further developments of cooperation in the United States. Report dated December 2, 17924.

Cooperation in American Export Trade (on motion of the commission).--An extensive investigation of competitive conditions affecting Americans in inter-national trade. The report disclosed the marked advantages of other nations in foreign trade by reason of their superior facilities and more effective organizations. The Webb-Pomerene Act authorizing the association of manufacturers for export work was enacted as a direct result of the recommendations embodied in this report. Reports dated May 2, 1916, and June 30, 1910.

Cooperative Marketing (S. Res. 34, 69th Cong. special sess., March 17, 1925).--An inquiry on the development and importance of the cooperative movement in the United States and illegal interferences with the formation and operation of cooperatives. The report includes also a study of comparative costs prices and marketing practices as between cooperative marketing organizations and other types of marketers and distributors handling farm products. Transmitted April 30, 1928.

Cotton Merchandising Practices (S. Res. 252, 68th Cong., 1st sess., June 7, 1924).--Abuses in handling consigned cotton are discussed in the report on this inquiry and a number of recommendations designed to correct or alleviate existing conditions are made. Transmitted January 20, 1925.

Cottonseed Prices (S. Res. 136, 71st Cong., 1st sess., October 21, 1929, and S. Res. 147, 71st Cong., 1st sess., November 2, 1929).--Under direction of these resolutions the commission seeks information as to whether or not certain large cottonseed oil mill operators have acquired control of cotton gins in order to destroy the competitive market for cottonseed, and to depress prices paid the farmer. Data are also sought concerning an alleged combination in violation of the antitrust laws with respect to prices for cottonseed and cottonseed meal. The resolution calls for public hearings.

Cottonseed (H. Res. 439, 69th Cong., 2d sess., March 2, 1927).--Alleged fixing of prices paid for cottonseed led to this investigation. The commission found considerable evidence of cooperation among the State associations, but the evidence as a whole did not indicate that prices had been fixed by those engaged in crushing or refining cottonseed in violation of the antitrust laws. One of the main causes of dissatisfaction to both the producer of cottonseed and those engaged in its purchase and manufacture was found to be the lack of a uniform system of grading. Report transmitted March 5, 1928.

Cotton Trade (S. Res. 262, 67th Cong., 2d sess., March 16, 1922).--The inquiry into cotton trade originated by this resolution was covered in part by a preliminary report issued in February, 1923, which discussed especially the causes of the decline in cotton prices in 1922 and left the consideration of the other topics indicated to be treated in connection with an additional and related inquiry called for by the Senate at that time. Reports transmitted February 26, 1923, and April 28, 1924.

Cotton Trade (S. Res. 429, 67th Cong., 4th sess., January 31, 1923).--The inquiry in response to this second resolution on the cotton trade was combined with the one mentioned above and resulted in a report which was sent to the Senate in April, 1924.- This report recommended that Congress enact legislation pro viding for some form of southern warehouse delivery on New York contracts, and as a part of such a delivery system the adoption of a future contract which would require that not more than three adjacent or contiguous grades should be delivered on any single contract. The commission also recommended a revision of the system of making quotations and differences at the various spot markers and the abolition of deliveries on futures at New York The special warehouse committee of the New York Cotton Exchange on June 28, 1924, adopted the recommendations of the commission with reference to the southern delivery on New York contracts, including the contiguous grade contract. Report transmitted April 28, 1924.

Cotton Yarn (H. Res. 451, 66th Cong., 2d sess., April 5, 1920).--The commission was called upon in 1920, by this resolution, to investigate the very high prices of combed cotton yarn, and the inquiry disclosed that there had been an unusual advance in prices and that the profits in the industry had been extraordinarily large for several years. Report transmitted April 14, 1921.

Du Pont Investments (on motion of the commission, July 29, 1927).--The reported acquisitions of E I.- du Pont de Nemours & Co. of the stock of the United States Steel Corporation, together with the previously reported holdings in the General Motors Corporation, caused an inquiry into these relations with a view to ascertaining the real facts and their probable economic consequences. Report dated February 1, 1929.

Electric Power (S. Res. 329, 68th Cong., 2d sess., February 9, 1925).--Two reports on the electric power industry were made pursuant to this resolution.-The first dealt with the organization, control, and ownership of commercial electric power companies, and showed the extreme degree to which pyramiding has been carried in superposing a series of holding companies over the underlying operating companies. The second report related to the supply of electrical equipment and competitive conditions existing in the industry. The dominating position of the General Electric Co. is clearly brought out. Reports transmitted February 21, 1927, and January 12, 1928.

Empire Cotton Growing Corporation (S. Res. 817, 68th Cong., 2d sess., January 27, 1925).--This inquiry concerned the development, methods, and activities of the Empire Cotton Growing Corporation, a British company. The report discusses world cotton production and consumption and concludes that there is little danger of serious competition to the American cotton grower and that it will be many years before there is a possibility of the United States losing its position as the largest producer of raw cotton. Transmitted February 28, 1925.

Export Grain (S. Ra 133, 67th Cong., 2d sess., December 22, 1921).--The low prices of export wheat gave rise to this inquiry, which developed extensive and harmful speculative manipulation of prices on the grain exchanges and conspiracies among country grain buyers to agree on maximum prices for grain purchased. Legislation for a stricter supervision of grain exchanges was recommended, together with certain changes in their rules. The commission also recommended governmental action looking to additional storage facilities for grain uncontrolled by grain dealers. Reports transmitted May 16, 1922, and June 18, 1923.

Farm Implements (S. Res. 223, 65th Cong., 2d sess., May 13, 1918).--The high prices of farm implements led to this inquiry, which discloses that there were numerous trade combinations to advance prices and that the consent decree for the dissolution of the international Harvester Co. was absurdly inadequate. The commission recommended a revision of the decree and the Department of Justice proceeded against the company to that end. Report transmitted May 4, 1920.

Fertilizer (S. Res. 487, 62d Cong., 3d sess., March 1, 1913).--The inquiry, begun by the Bureau of Corporations, disclosed the extensive use of bogus independent fertilizer companies used for purposes of competition, but through conferences with the principal manufacturers agreements were reached for the abolition of such unfair competition. Report transmitted August 19, 1916.

Fertilizer (S. Res, 807, 67th Cong., 2d sess., June 17, 1922).--The fertilizer inquiry developed that active competition generally prevailed in the industry in this country, though in foreign countries combinations control some of the most Important raw materials. The commission recommended constructive legislation to Improve agricultural credits and more extended cooperative action in the purchase of fertilizer by farmers. Report transmitted March 3, 1923.

Flags (S. Res. 35, 65th Cong., 1st sess., April 16, 1917).--A sudden increase in the prices of American flags led to this inquiry, which disclosed that while a trade association had been active to fix prices shortly before the price advance had been so great on account of the war demand that further price fixing had been superfluous. Report transmitted July 26, 1917.

Flour Milling (S. Res. 212, 67th Cong., 2d sess., January 18, 1922) .--A report on the inquiry into the flour-milling industry was sent to the Senate in May, 1924. It showed the costs of production of wheat flour and the profits of the flour-milling companies in recent years. It also discussed the disadvantages to the miller and consumer arising from an excessive and confusing variety in the sizes of flour packages.- Transmitted May 16, 1924.

Food Inquiry (authorized by the President, February 7, 1917).--The general fool investigation, undertaken with a special appropriation of Congress, resulted in a very important series of reports on the meat-packing industry, which had as their immediate result the enactment of the packers and stockyards act for the control of this industry and the prosecution of the big packers for a conspiracy in restraint of trade by the Department of Justice. Another branch of the food inquiry developed important facts regarding the grain trade which were of assistance to Congress in regulating the grain exchanges and to the courts in interpreting the law. Reports were also issued on the flour-milling and food-canning industries.

Gasoline (S. Res. 457, 631 Cong., 2d sess., September 28, 1914).--Acting under this resolution, the commission published a report on gasoline prices in 1915, which discussed the high prices of petroleum products and showed how the various Standard Oil companies bad continued to maintain a division of marketing territory among themselves. The commission suggested several plans for restoring effective competition in the oil industry. Transmitted April 11, 1917.

Gasoline (authorized by the President, February 7, 1924).--At the direction of the President, the commission undertook an inquiry into a sharp advance in gasoline prices. The report on this inquiry was referred by the President to the Attorney General and has not yet been published. Report dated June 4, 1924.

House Furnishings (S. Res. 127, 67th Cong., 2d sess., January 4, 1922).--The alleged failure of house-furnishing goods to decline in price since 1920 as much as most other commodities, alleged to be due to restraints of trade, was inquired into by the commission. Three reports were issued on the subject, dealing with wooden household furniture, household stores, kitchen furnishings. and domestic appliances. These reports showed that extensive conspiracies existed, under the form of cost-accounting devices and meetings, to inflate the prices of such goods. Reports transmitted January 17, 1923, October 1, 1928, and October 6, 1924.

Independent Harvester Co. (S. Res. 212, 65th Cong., 2d sess., March 11, 1918).--This resolution called for a thorough investigation of the organization and methods of operation of the company which had been formed several years before to compete with the Harvester Trust. The company passed into receivership and the report disclosed that mismanagement and insufficient capital brought about its failure. Report transmitted May 15, 1918.

Interstate Power Transmission (S. Res. 151, 71st Cong., 1st sess., November 8, 1929). -This resolution provides for the commission's filing, within 30 days after passage, and at least once each 90 days thereafter until completion of the investigation, statements of the quantity of electrical energy used for development of power or light, or both, generated in any State and transmitted

across State lines, or between points within the same State but through any place outside thereof. Report transmitted December 20, 1930.

Leather and Shoe Industries (on motion of the commission) -The general complaint about the high prices of shoes in the latter part of 1917 as compared with the low prices of country hides led the commission to undertake this investigation. No Justification for the high prices of shoes could be found and recommendations were made for the relief of this condition. Report dated August 21, 1919.

Lumber Trade Associations (authorized by the Attorney General, September 4, 1919).--An extensive survey of lumber manufacturers' associations throughout the United States. The information secured was presented in a series of reports revealing the activities and attitude of lumber manufacture's toward national legislation, amendments to the revenue laws, elimination of competition of competitive woods, control of prices and production, restriction of reforestation, and other matters. In consequence of the commission's findings and recommendations the Department of Justice initiated proceedings against certain of these associations for violations of the antitrust laws. Reports dated January 10, 1921, February 18, 1921, June 9, 1921, and February 15, 1922.

Lumber Trade Associations (on motion of the commission) --An investigation of the activities of five large lumber trade associations bringing down to date the study made at the request of the Attorney General in 1919-20. This inquiry has been conducted in conjunction with the inquiry into open-price associations. Transmitted February 13, 1929.

Meat-packing Profit Limitations (S. Res. 177, 66th Cong., 1st sess., September 3, 1919).--The inquiry into meat-packing profit limitations had as its object the study of the system of wartime control established by the Food Administration; certain changes were recommended by the commission, including more complete control of the business and lower maximum profits. Report transmitted August 24, 1919.

Milk (S. Res. 431, 65th Cong., 3d sess., January 81, 1919).--This inquiry into the fairness of milk prices to producers and of canned Milk to consumers, and whether they were affected by fraudulent or discriminatory practices, resulted in a report showing marked concentration of control and of questionable practices in the buying and handling of cream by butter manufacturers, many of which have since been recognized as unfair by the trade itself. Report transmitted June 6, 1921.

National Wealth (S. Res. 451, 67th Cong., 4th sess., February 28, 1923).--This resolution called for a comprehensive inquiry into national wealth and in-come and specially indicated for investigation the problem of tax exemption and the increase in Federal and State taxes in recent years. T\vo reports were issued as a result of this inquiry. The first was a discussion of taxation and tax exemption which among other things comprised an elaborate estimate of the amount and ownership of tax-exempt securities by different classes of corporations and persons, and examined the significance of these facts with respect to the great increase in the burdens of taxation. The second report was devoted to national wealth and income, estimating the former to be $353,000,000,000 in 1922 and the national income in 1923 at $70,000,000,000. The nature of the wealth and income and its distribution among various classes are also given. Reports transmitted June 6, 1924, and May 25, 1926.

Newsprint Paper (S. Res. 177, 64th Cong., 1st sess., April 24, 1916).--The newsprint-paper inquiry resulted from an unexpected advance in prices. The reports of the commission showed that these prices were very profitable, and that they had been partly the result of certain newsprint association activities which were in restraint of trade. Through the good offices of the commission distribution of a considerable quantity of paper to needy publishers was obtained at comparatively reasonable prices. The Department of Justice instituted proceedings in consequence of which the association was abolished and certain newsprint manufacturers indicted. Reports transmitted March 8, 1917, and June 13, 1917.

Newsprint Paper (S. Res. 837, 70th Cong., 2d sess., February 27, 1929).--An inquiry to determine the presence of a monopoly among manufacturers and distributors of newsprint paper in the supplying of paper to publishers of small daily and weekly newspapers. Report transmitted July 3, 1980.

Open-price Associations (S. Res. 28, 69th Cong., special sess., March 17, 1925).--This resolution called for an investigation to ascertain the numbers and

names of so-called open-price associations, their importance in the industry, and the nature of their activities, with particular regard to the extent to which uniform prices are maintained among members to wholesalers or retailers. Report transmitted February 13, 1929.

Packer Consent Decree (S. Res. 278, 68th Cong., 2d sess., December 8, 1924.).--In response to this resolution a report was made reviewing the legal history of the consent decree and the efforts made to modify or vacate it. A summary is given of the divergent economic interests involved in the question of packer participation in unrelated lines. The report recommended the enforcement of the decree against the Big Five packing companies. Transmitted February 20, 1925.

Panhandle Petroleum (on motion of commission, October 6, 1926).--An inquiry into conditions in the Panhandle (Texas) oil field made in response to requests of crude-petroleum producers. The report revealed that a reduction of prices late in 1926 was largely a result of difficulties of handling and expenses of marketing this oil because of peculiar physical properties. Report dated February 3, 1928.

Peanut Prices (S. Res. 139, 71st Cong., 1st sess., October 22, 1929).--Under direction of this resolution the commission seeks data concerning an alleged combination of peanut crushers and mills for price-fixing purposes in violation of the antitrust. laws as well as information with respect to an alleged arbitrary decrease in prices.

Petroleum (on motion of the commission).--Complaints of several important producing companies in the Salt Creek oil field led this investigation. The report covers the production, pipe-line transportation, refining, and whole ale marketing of crude petroleum and petroleum products in the State of Wyoming. Report dated January 3, 1921.

Petroleum (on motion of the commission).--A special report directing the attention of Congress to conditions existing in the petroleum trade in Wyoming and Montana. Remedial legislation is recommended by the commission. Report dated July 13, 1922.

Petroleum Industry, Foreign Ownership in (S. Res. 311, 67th Cong., 2d sess., June 29, 1922).--The acquisition of extensive oil interests in this country by the Dutch-Shell concern, an international trust, and discrimination practiced against Americans in foreign countries provoked this inquiry which developed the situation in a manner to promote greater reciprocity on the part of foreign governments. Report transmitted February 12, 1928.

Petroleum, Pacific Coast (S. Res. 138, 66th Cong., 1st sess., July 31, 1919.).--On the Pacific coast the great increase in the prices of gasoline, fuel, oil, and other petroleum products led to this inquiry, which disclosed that several of the companies were fixing prices. Reports transmitted April 7, 1921, and November 28, 1921.

Petroleum Prices (S. Res. 31, 69th Cong., 1st sess., June 3, 1926).--A comprehensive study covering all branches of the industry from the ownership of oil lands and the production of crude petroleum to the conversion of petroleum into finished products and their distribution to the consumer. The report described not only the influences affecting the movements of gasoline and other products, but also discussed the organization and control of the various Important concerns in the industry. No recent evidence was found of any understanding, agreement, or manipulation among the large oil companies to raise or depress prices of refined products. Report transmitted December 12, 1927.

Petroleum Prices (H. Res. 501, 66th Cong., 2d sess., April 5, 1920).--Another inquiry into high prices of petroleum products. The report of the commission pointed out that the Standard companies practically made the prices in their several marketing territories and avoided competition among themselves. Various constructive proposals to conserve the oil supply were made by the commission. Transmitted June 1, 1920.

Pipe Lines (S. Res. 109, 63d Cong., 1st sess., June 18, 1913).--The report on this inquiry, which was begun by the Bureau of Corporations, showed the dominating Importance of the pipe lines in the great mid-continent oil fields, and that the pipe-line companies, which were controlled by a few large oil companies, not only charged excessively high rates for transporting petroleum but also evaded their duties as common carriers by insisting on unreasonably

large shipments, to the detriment of the numerous small producers. Transmitted February 28, 1916.

Price Bases (on motion of the commission, July 27, 1927).--An inquiry ordered by the commission into the various practices regarding price bases, namely, factory base, basing point base, and delivered base, with a view to determining the causes for the adoption of the several methods employed and the purposes intended to be served by them, and their actual or potential effects on prices and competitive conditions. This matter is still in course of investigation.

Radio (H. Res. 548, 67th Cong., 4th sess., March 4, 1923).--As a result of the investigation made by the commission in response to this resolution it was found that a vast number of patents were owned by and cross licensed among a number of large companies. At the conclusion of the investigation the commission instituted proceedings against these companies charging a monopoly of the radio field. Report transmitted December 1, 1923.

Raisin Combination (authorized by the Attorney General, September 30, 1919).--A combination of raisin growers in California was referred to the commission for examination by the Attorney General pursuant to the Federal Trade Commission Act, and the commission found that it was not only organized in restraint of trade but was being conducted in a manner that was threatening financial disaster to the growers. The commission recommended a change or organization to conform to the law, which was adopted by the raisin growers. Report dated June 8, 1920.

Resale Price Maintenance (on motion of the commission).--The question whether a manufacturer of standard articles, identified by trade-mark or trade practice, should be permitted to fix by contract the price at which the purchasers could resell them led to this inquiry. The commission recommended to Congress the enactment of legislation permitting resale-price maintenance under certain conditions. Reports dated December 2, 1918, and June 30, 1919.

Resale Price Maintenance (on motion of the commission, July 25. 1927).--A further investigation into this subject was ordered by the commission on July 25, 1927. The study is being conducted from the point of view of Its economic advantages or disadvantages to the manufacturer, distributor, and consumer, the effects on costs, profits, and prices, and the purpose and results of price cutting. Part I of the report was transmitted to Congress January 30, 1929; Part II (final), June 22, 1931.

Shoe Costs and Prices (H. Res. 217, 66th Cng., 1st sess., August 19, 1919).--The high price of shoes after the war led to this inquiry, and the investigation of the commission attributed them chiefly to supply and demand conditions. The economic waste due to the excessive variety of styles and rapid changes therein was emphasized. Report transmitted June 10, 1921.

Sisal Hemp (S. Res. 170, 64th Cong., 1st sess., April 17, 1916).--in response to a resolution calling on the commission to assist the Senate Committee on Agriculture and Forestry by advising how certain quantities of hemp, promised by the Mexican Sisal Trust, might be fairly distributed among American manufacturers of binder twine, the commission made an inquiry and submitted a plan of distribution, which was followed. Report transmitted May 9, 1916.

Southern Livestock Prices (S. Res. 133, 66th Cong., 1st sess., July 25, 1919).--The low prices of southern livestock, which gave rise to the belief that discrimination was being practiced, were investigated, but the alleged discrimination did not appear to exist. Report transmitted February 2, 1920.

Stock Dividends (S. Res. 304, 69th Cong., 2d sess., December 22, 1926).--This resolution called for a list of the names and capitalization of those corporations which had issued stock dividends, together with the amount of such stock dividends, since the decision of the Supreme Court, March 8, 1920, holding that stock dividends were not taxable. The same information for the equal period prior to that decision was also called for. The report contains a list of 10,245 such corporations and a brief discussion on the practice of declaring stock dividends, concluding it to be of questionable advantage as a business policy. Transmitted December 5, 1927.

Sugar (H. Res. 150, 66th Cong., 1st sess., October 1, 1919).--The extraordinary advance in the price of sugar in 1919 led to this inquiry, and the price advance was found to be due chiefly to speculation and hoarding in sugar. Certain recommendations were made for legislative action to cure these abuses. Report transmitted November 15, 1920.

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Tobacco Prices (H. Res. 533, 66th Cong., 2d sess., June 3, 1920).--All inquiry into the prices of leaf tobacco and the selling prices of tobacco products. The unfavorable relationship between them was reported to be due in part to the purchasing methods of the large tobacco companies. As a result of this inquiry the commission recommended that the decree dissolving the old Tobacco Trust should be amended and alleged violations of the existing decree prosecuted. Better systems of grading tobacco were also recommended by the commission. Report transmitted December 11, 1920.

Tobacco Prices (S. Res. 129, 67th Cong., 1st sess, August 9, 1921).--This inquiry was also directed to the low prices of leaf tobacco and the high prices of tobacco products. It disclosed that in the sale of tobacco several of the largest companies were engaged in numerous conspiracies with their customers-the jobbers--to enhance the selling prices of tobacco. Proceedings against these unlawful acts were instituted by the commission. Report transmitted January 17, 1922.

Tobacco (S. Res. 329, 68th Cong., 2d sess., February 9, 1925).--The report on this investigation related to the activities of the American Tobacco Co. and the Imperial Tobacco Co. of Great Britain. The alleged illegal agreements, combinations, or conspiracies between these companies did not appear to exist. The report disclosed on the other hand evidences of mismanagement in a leading tobacco growers cooperative association. Transmitted December 23, 1925.

Trade and Tariff. in South America (authorized by the President, July 22, 1915).--This report was an outgrowth of the First Pan American Financial Conference which met at Washington, May 24-29, 1915. Its immediate purpose was to furnish the American branch of the International High Commission, appointed as a result of this financial conference, with concrete information to assist it in the deliberations of the International High Commission. The tariff characteristics of Brazil, Uruguay, Argentina, Chile, Bolivia, and Peru are discussed in the report. The investigation established the prevalence of a decided protective tariff tendency in some of the South American countries as against the erroneous impression that had been created in this country that all the Latin American tariffs were devised purely for revenue. Report dated June 30, 1916.

Utility Corporations (S. Res. 83, 70th Cong., 1st sess., February 15, 1928).--This resolution directed the commission to make an investigation of electric and gas public utility companies and their holding companies with respect to their financial development and practices, the conditions respecting the control of the industry, propaganda in opposition to public ownership, and attempts to in fluence elections to certain offices. The resolution directed the holding of public hearings in the conduct of the investigation and called for monthly progress reports to be made to the Senate. The first of these reports was dated March 15, 1928.

War-time Cost Finding (authorized by the President, July 25, 1917).--The numerous cost investigations made by the Federal Trade Commission during the war into the coal, steel, lumber, petroleum, cotton-textile, locomotive, leather, canned foods, and copper industries, not to mention scores of other important industries, on the basis of which prices were fixed by the Food Administration, the War Industries Board and the purchasing departments like the Army, Navy, Shipping Board, and Railroad Administration, were all done under the President's special direction, and it is estimated that they helped to save the country many billions of dollars by checking unjustifiable price advances. Subsequent to the war a number of reports dealing with costs and profits were published based on these war-time inquiries. Among these may be mentioned reports on steel, coal, copper, lumber, and canned foods.

Wheat Prices (authorized by the President, October 12, 1920).--The extraordinary decline of wheat prices in the summer and autumn of 1920 led to a direction of the President to inquire into the reasons for the decline. The chief reasons were found in abnormal market conditions, including certain arbitrary methods pursued by the grain-purchasing departments of foreign governments. Report dated December 13, 1920.

Woolen Rag Trade (on motion of the commission).--This report contains certain information that was gathered during the war at the request of the War Industries Board for its use in regulating the prices of woolen rags. The compilation of the data and the preparation of the report was authorized by the commission on June 30, 1919.

PUBLICATIONS, 1915-1931

The complete list of the commission's publications [1] issued from 1915 to 1931 is as follows:

Acts from which the commission derives its powers, with annotations, February, 1922; American Flags, Prices of, July 26, 1917; Annual Reports, 1915-1930.

Bakery Combines and Profits, February 9, 1927; Beet Sugar Industry, May 24, 1917; Book Paper Industry, August 15, 1917.

Calcium Arsenate Industry, March 8, 1923; Canned Foods, 1918, November 21, 1921; Canned Salmon, December 27, 1918; Canned Vegetables and Fruits, May 15, 1918.

Chain Stores (interim report of progress), May 12, 1930.

Coal-Anthracite Prices, May 4, 1917; Anthracite and Bituminous, June 20, 1917; No. 1 (Pennsylvania--Bituminous), June 30, 1919; No.2 (Pennsylvania-Anthracite), June 30, 1919; No.3 (Illinois--Bituminous), June 30, 1919; No. 4 (Alabama, Tennessee, and Kentucky-Bituminous), June 30, 1919; No.5 (Ohio, Indiana, and Michigan-Bituminous), June 30, 1919; No. 6 (Maryland, Virginia, and West Virginia-Bituminous), June 30, 1919; No.7 (Trans-Mississippi-Bituminous), June 30, 1919; Investment and Profits in Soft Coal Mining, May 31, 1922; Premium Prices of Anthracite, July 6, 1925.

Combined Cotton Yarns, April 14, 1921; Commercial Feeds, March 29, 1921; Commercial Wheat Flour Milling, September 15, 1920; Competitive Conditions in Flour Milling, May 3, 1926; Competition and Profits in Bread and Flour, January 11, 1928; Cooperation in American Export Trade, parts 1 and 2, June 30, 1916; Cooperation in Foreign Countries, December 2, 1924; Cooperative Marketing, May 2, 1928; Copper, Cost of Production, June 30, 1919; Cottonseed Industry, March 5, 1928; Cottonseed Industry (interim report), February 28, 1930; Cottonseed Industry (testimony) Investigation of, parts 1 to 6, inclusive, February 28, October 10, 15, 1930, February 16, 27, 1931; Cotton Trade, Preliminary, February 26, 1928; parts 1 and 2, April 28, 1924; Cotton Merchandising Practices, January 20, 1925; and Commercial Bribery, March 18, 1920.

Decisions, volume 1 (1915-1919); volume 2 (1919-20); volume 3 (1920-21); volume 4 (1921-22); volume 5 (1922-23) ; volume 6 (1923); volume 7 (1923-24); volume 8 (1924-25); volume 9 (March-November, 1925); volume 10 (November, 1925-November, 1926); volume 11 (November, 1926--January, 1928); volume 12 (January, 1928--June, 1929); and volume 13 (June, 1929-May, 1930).

Electric Power Industry-Control of Power Companies, February 22, 1927; Supply of Electrical Equipment and Competitive Conditions, January 12, 1928; Empire Cotton Growing Corporation, January 27, 1925; Export Grain, volume 1, May 16, 1922; volume 2, June 18, 1923.

Farm Implements, Causes of High Prices of, May 4, 1920; Fertilizer Industry, August 19, 1916; March 3, 1923; Flour Milling--Competitive Conditions in, May 3, 1926; Flour Milling and Jobbing, April 4, 1918; Foreign Trade Series, No.1, 1919; Functions of Federal Trade Commission, July 1, 1922; Fundamentals of a Cost System for Manufacturers, July, 1916.

Gasoline, Price of, in 1915, April 11, 1917; Grain Trade, volume 1 (Country Grain Marketing), September 15, 1920; volume 2 (Terminal Grain Markets), September 15, 1920; volume 3 (Terminal Grain Marketing), December 21, 1921; volume 4 (Middlemen's Profits), September 26, 1923; volume 5 (Future Trading Operations), September 15, 1920; volume 0 (Prices of Grain and Grain Futures), September 10, 1924; volume 7 (Effects of Future Trading), June 25, 1926; Guarantee Against Price Decline, May 27, 1920.

[1] Many commission publications are out of print, while others are obtain able only by purchase from the Superintendent of Documents, Government Printing Office, Washington, D.C.

High Cost of Living, April 30-May 1, 1917; House Furnishings, volume 1 (Household Furniture), January 17, 1923; volume 2 (Stoves), October 11, 1923; volume 3 (Kitchen Equipment and Domestic Appliances), October 6, 1924.

Index Digest of Decisions, volumes 1, 2, and 3.

Interstate Movement of Electric Energy during 1929, December 20, 1930.

Leather and Shoe Industries, August 21, 1919; Lumber-Southern Pine Companies, May 1, 1922; Lumber Manufacturers' Trade Associations, March 29, 1922.

Meat Packing Industry, Maximum Profit Limitations on, September 25, 1919; Summary and part 1, June 24, 1919; part 2, November 25, 1918; part 3, June 28, 1919; part 4, June 30, 1919; part 5, June 28, 1919; part 6, June 30, 1919; Milk and Milk Products, June 6, 1921. Merger of Steel and Iron Companies, June 5, 1922.

National Wealth and Income, May 25, 1926; Newsprint Paper Industry, June 13, 1917; Newsprint Paper Industry, June 30, 1930; Northern Hemlock and Hardwood Manufacturers, May 7, 1923.

Open-Price Trade Associations, February 13, 1929.

Packer Consent Decree, December 8, 1924; Petroleum Industry, Foreign Ownership in, February 12 1923; Pacific Coast, part 1, April 7, 1921; part 2, November 28, 1921; Prices, Profits, and Competition, December 12, 1927; Petroleum Industry of Wyoming, January 3, 1921; Petroleum Panhandle Crude, February 3, 1928; Petroleum, Pipe Line Transportation of' February 28, 1916; Petroleum Products, Advance in Prices of, June 1, 1920; Petroleum Trade in Wyoming and Montana, July 13, 1922; Price Associations, Letter to President,, 1921; Private Car Lines, June 27, 1919; Profiteering, June 29, 1918.

Radio Industry, December 1, 1923; Resale Price Maintenance, June 30, 1919; January 30, 1929 (Part I); Rules of Practice, with amendments, February 1, 1924; Rules of Practice and Procedure, June 30, 1927; January 1, 1928; October 1, 1928; October 15, 1929; July 15, 1930.

Shoe and Leather Costs and Prices, June 10, 1921; Southern Livestock Prices, February 2, 1920; Statutes and Decisions Pertaining to the Federal Trade Commission, 1914-1929, December 26, 1930; Steel-Pittsburgh Basing Point for, October 15, 1919; Steel-War Time Costs and Profits, February 18, 1925; Stock Dividends, December 5, 1927; Sugar Supply and Prices, November 15, 1920; System of Accounts for Retail Merchants, July, 1916.

Taxation and Tax Exempt Income, June 6, 1924; Tobacco Industry, December 11, 1920; Tobacco-Prices of Tobacco Products, January 17, 1922; Tobacco-Report on American Tobacco Co. and Imperial Tobacco Co., December 23, 1925; Trade Marks, Patents, etc.; Extracts from the Trading with the Enemy Act and Executive Order of October 12, 1917; Trade Practice Submittals, July 1, 1925; Trade Practice Conferences, September 15, 1927; March 15, 1928; July 1, 1929; Trade and Tariffs In South America, June 30, 1916; Trust Laws and Unfair Competition, March 15, 1915.

Uniform Contracts and Costs Accounting Definitions, July, 1917; Utility Corporations (testimony), 34 volumes, March 15, 1928, to June 15, 1931; (exhibits), 7 volumes, October 7, 1929, to March 5, 1930.

Western Red Cedar Association, January 24, 1923; Wheat Flour Milling Industry, May 16, 1924; Wheat Prices for 1920 Crop, December 13, 1920; Wholesale Marketing of Food, June 30, 1919; and Woolen Rag Trade, June 30, 1919.

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[Only those complaints and orders to cease and desist which are described in Part In are indexed here. All complaints and orders appear alphabetically, digested, beginning at pages 153 and 169 In Part VII]