ANNUAL REPORT

OF THE

FEDERAL TRADE COMMISSION

FOR THE

FISCAL YEAR ENDED JUNE 30, 1919

WASHINGTON GOVERNMENT PRINTING OFFICE

FEDERAL TRADE COMMISSION

JOHN FRANKLIN FORT, *Chairman*. VICTOR MURDOCK. HUSTON THOMPSON. WILLIAM B. COLVER.

J. P. YODER, Secretary

ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION 1919.

INTRODUCTION.

WASHINGTON, D.C., November 15, 1919.

To the Senate and House of Representatives:

During the first four months of the last fiscal year the Federal Trade Commission centered its activities on such work as would aid in successful prosecution of the war. Even after the signing of the armistice early in November and, indeed, for many months thereafter, the Commission has responded to calls from other branches of the Government to do post-bellum work, which necessarily has been of great importance.

This war work of the Commission, performed in every instance by direction of request, was chiefly that of cost finding for all the great array of materials necessary in the prosecuting of the war.

The Commission feels justifiably proud of its claim that it was among the first of all independent arms of the Government to demobilize its war forces and return to peace-strength basis. When the armistice was signed November 11, 1918, the Commission had a personnel of between 650 and 700 employees. While it was impossible immediately to reduce this staff to a peace strength, notable reductions were made from time to time as the work of the war grew lighter until on June 30th, 1919, the Commission had 367 employees.

Nearly 25 per cent of its personnel was in the military of naval service. Federal Trade Commission employees responded to Liberty loan, Red Cross, Y.M.C.A., K. Of C., Salvation Army, and other patriotic appeals with a total of more than \$400,000.

units were not sufficient to house our employees, and there being no additional space procurable in the Southern Building the Commission on October 5, 1918, took over the lease of the Navy Department on the four upper floors of the Pope Building, 817 Fourteenth Street NW., which, after slight alterations to suit our needs, was used to care for the additional force of employees made necessary by our increased activities incident to the war. In securing these four upper floors it was very soon possible to relinquish the space in the Southern Building and combine all of our forces in the Davidson & Davidson and Pope Buildings.

Under the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, approved March 1, 1919, there was created a Public Buildings Commission, "with a view to the control and allotment of space in owned or leased Government buildings in the District of Columbia." Under the powers granted that body it allotted space to this commission in the Fuel Administration Building No. 3, and directed that the property and employees of the Commission be immediately transferred to these new quarters. This action was under date of May 26, 1919, and the transfer was immediately undertaken. The Davidson & Davidson Building was finally vacated on June 6, and the lease for the Pope Building was terminated on June 30, in accordance with its terms. The building assigned for the commission's use is one of the temporary war structures of two stories in height and frame construction, and is located a Virginia Avenue, Twentieth and Twenty-first Streets. It is not a suitable building for the commission's needs, nor is it properly located to carry out in full completeness the commission's functions. The commission has been allotted in this structure approximately 49,000 square feet. This is only about half of the buildings capacity, the other half contains the furniture, equipment, and files of the Fuel Administration pending the final disposition of the same in view of the ceasing of that body to function after June

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2 special attorneys 1 special attorney

2,280 2,100 ----- 19,260

1 attorney and examiner	\$ 4,500
7 attorneys and examiners	4,000
1 attorney and examiner	3,750
1 attorney and examiner	3,600
2 attorneys and examiners	3,300
2 attorneys and examiners	3,000
1 attorney and examiner	2,920
3 attorneys and examiners	2,820
1 attorney and examiner	2,700
2 attorneys and examiners	2,640
1 attorney and examiner	2,500
1 attorney ans examiner	2,460
1 attorney and examiner	2,280
	\$79,050

4,000

1 examiner	2,380	
2 examiners	2,280	
2 examiners	2,250	
6 examiners	2,100	
ANNUAL REPORT OF THE FEDERAL TRADE COM	MISSION. 9	
3 examiners	\$2,000	
2 examiners	1,920	
11 examiners	1,800	
3 examiners	1,680	
1 examiner	1,620	
3 examiners	1,600	
4 examiners	1,500	
1 examiner	1,440	
2 examiners	1,400	
1 examiner	1,320	
2 examiners	1,200	
1 examiner 1	4,745	
		\$218,605
1 messenger	1,000	
1 messenger	840	
2 assistant messengers	840	
5 assistant messengers	720	
9 messenger boys	480	
		11,440
1 multigraph operator	1,000	
		1,000
1 general mechanic	1,200	
		1,200
1 telephone operator	720	
		- 720
1 skilled laborer	720	
1 laborer	720	
3 laborers	660	
1 laborer	600	
		4,020
Grand total	731,095	
	,	

Military service.--One hundred and sixty-one employees of the Federal Trade Commission entered the military and naval service of the United States during the late war. Fifty-one of this number entered such service during the fiscal year covered by this report. Thirty-seven of these 161 former employees have returned to the actual work of the Commission. Of these 37 who returned to duty from military service, 14 have since left to take up positions elsewhere. This still leaves 124 of our employees who entered military service who have not as yet returned to the Commission for duty. It is expected that many of them will apply for reinstatement as soon as they are released from military service. So far as our records indicate, none of our employees were seriously wounded or killed in action. Two died in the service from natural causes, namely: Joseph G. McDonald, September, 1918; Charles L. Watts, October, 1918.

Total number of employees, 367.

One of the serious things affecting this Commission is the employee turnover. Many of our employees are attracted by the opportunities in the business world, both in the matter of positions and salary which the Commission can not afford to pay. To illustrate this turnover, since the organization of the Commission, March 16, 1915, the Commission has employed a total of 1,626 persons. Of this number, up to June 30, 1919, 1,259 have left our service. This remarkable percentage will fully illustrate in

a statistical way one of the difficulties under which the Commission labors in the matter of personnel.

Patriotic activities.--The Commission feels a deep sense of pride in the attitude of its employees by reason of their responsiveness to

the general funds of the Treasury the sum \$200,000.

2 Includes charges for the services rendered to the United States Fuel Administration of \$24,096.52 and traveling expenses of \$568.08, for which credit was received by transfer of appropriations.

ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION. 11It is estimated that the outsta

Sand and gravel	1,361.12	1,454.56
Beans		5.07
Locomotives	313.05	263.00
Cost system for packers	19,894.59	7,731.41
Chestnut extract	161.18	709.02
Fire brick	277.04	222.89
Meat packers' profits	733.16	2,030.80
Leather costs	8,120.87	5,789.36
Heavy forgings	45.01	1,339.76
Anchor chains		1,019.08

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Detailed statement of the expenditures of the Federal Trade Commission for the fiscal year ended June 30, 1919--Continued

ECONOMIC DIVISION--Continued.

Office Field

Common brick \$4,25e9 Tc 0etMm8OeRddh 0.fn503 Tj -279 -9.48 T -0.0083 33 T

Leather and shoes	10,989.25	3,106.43
Farm-operating equipment	66,986.40	15,916.64
Marketing meat and perishable food products	24,735.95	4,791.21
Collars (men's)	440.35	104.42
Section 7, Clayton Act, general investigation	26.44	
Premiums, coupons, and trading stamps	606.69	
Section 8, Clayton Act, general investigation	113.54	
Merger of corporations	40.16	
Milk products	3.087.25	174.51
Total	636,945.95	287,013.08

NOTE.--The amount paid to accounting firms and for contact clerical assistance during the year, and included in field expenditures, is \$112, 162.45.

Detailed statement of the expenditures of the Federal Trade Commission for the fiscal year ended June 30, 1919.--Continued

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Total 3,752.50 1,587.20

Detailed statement of the expenditure of the Federal Trade Commission for the fiscal year ended June 30, 1919.--Continued

LEGAL DIVISION .-- Continued

	Office.	Field.
LEGAL SUMMARY		
Washington, D.C.	\$121,124.66	\$40,951.46
New York, N.Y., branch	14,741.49	4,658.15
Chicago, Ill, branch	10,510.69	4,411.22
San Francisco, Calif., branch	3,752.50	1,587.20
Total legal	150,129.34	51,608.03

NOTE.--There is included in the field expenditures the sum of \$10,085.55, which was paid to reporting firms for stenographically reporting hearings, etc., conduct by the Commission or its employees.

SUMMARY OF EXPENDITURES

	Office.	Field.	Total.	
Administrative	\$417,645.21	\$552.69	1 \$418,197.90	
Economic	636,945.95	287,013.08	923,959.03	
Legal	150,129.34	51,608.03	201,737.37	
Total	$\pi \sigma RTD \cap \Omega \cap R \cap \Omega$	545 Tc (\$418.1	97.96.2fs-4\$9.17Tx	R 0.055branch) Ti

.ff6av8TD 0.00 B 0.0545 Tc (\$418,197.9(2fs-.4\$9,17Tw B 0.055branch) Tj 2 Total

The following publications were issued by the Commission during the fiscal year June 30, 1919:

Annual Report of the Federal Trade Commission. December 9, 1918. 131 pages.

Summary of the Report of the Federal Trade Commission on the Meat-Packing Industry. July 3, 1918. 51 pages.

Report of the Federal Trade Commission on the Meat-Packing Industry, Part II (Evidence of Combination among Packers). November 25, 1918. 290 pages.

Report of the Federal Trade Commission on Canned Foods; Canned Salmon. December 27, 1918. 80 pages.

Report of the Federal Trade Commission on the Meat-Packing Industry, Part I (Extent and Growth of Power of the Five Packers in Meat and Other Industries). June 24, 1919. 574 pages.

Resale Price Maintenance. June 30, 1919. House Document 145, Sixty-sixth Congress first session. 3 pages.

Report of the Federal Trade Commission on the Meat-Packing Industry, Part III (Method of the Five Packers in Controlling the Meat-Packing Industry). June 28, 1919. 325 pages.

 $Cost\ Reports\ of\ the\ Federal\ Trade\ Commission--Cooper.\ June\ 30,\ 1919.\ \ 26\ pages.$

Cost Reports of the Fede

costs for the Railroad Administration, and the costs of certain food products for the Purchasing Board serving the military branches of the Government. Indeed for some of these bodies it appears that the need of such information will extend considerably beyond the fiscal year under consideration.

The cost-finding work of the Commission during the war resulted in the collection of an immense mass of facts regarding many important industries which are of great practical interest. The frequent deficiencies in numerous important industries of essential records of costs of production and other accounting data, due to inadequate methods—a subject to whick this frammission frequently celled attention before the war—was made painfully apparent during the war and constituted a handicap to the necessary coordination of industry. It will remain a handicap for the industries

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Fuel Administration, the Railroad Administration, the War Department, the Navy Department, the Post Office Department, the Shipping Board, the Emergency Fleet Corporation, the Public Printer, and to other branches of the Government.

But this cooperation was not limited to cost finding. At the request of the Fuel Administration, the Commission, through monthly reports, which covered nearly a year, acted as a check on the observation of price regulations, especially by jobbers and retailers of coal, and also assisted the Fuel Administration in various other ways.

With the War and Navy Departments and the Food Administration the Commission cooperated in the work of the Food Purchase Board, and it also cooperated with the Food Administration in the examinations of profit reports made by the meat packers year,97E TD 0.0149 Tc orts maTD 0.0757 Tc 0.815.0057 TcD 0 Tc () Tj Tj 66.96 0 TD 0 Tc0c

ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION.

At the request of the Navy Department, a special investigation was made of the cost of various lubricants used by the Navy.

From time to time the results of these cost determinations were furnished not only to the Navy Department, but also to other Government departments which requested them.

In response to a request from the Fuel Administration, a special inquiry was instituted to ascertain the stocks of gasoline, kerosene, and crude oil held by various refining, producing, and pipe-line companies in the territory east of the Rocky Mountains.

Crude petroleum.--Work previously undertaken in connection with the cost of producing crude oil in 1917 was practically completed, and the data secured from the different oil fields are now being studied with a view to determining the salient facts regarding the operations of representative producers.

Wyoming field.--In February in investigation into the situation in the Wyoming field was instituted and is still in progress.

The Commission had under consideration the publication of a report on the cost of production of petroleum products, and the accounting problems involved.

MINERAL BUILDING MATERIAL.

The investigation of the costs of a number of mineral building materials and related products were continued during the fiscal year and certain additional products were continued during the fiscal year and certain additional investigations were made at the request of various branches.

Cement.--In the investigation of cement costs for the War Industries Board monthly reports were required, as during the previous fiscal year, from all companies in the United States throughout the latter half of the calender year 1918. There are about 90 cement-producing companies, operating about 120 plants and producing about 80,000,000 barrels of cements, from each of which a monthly cost report has been received for the entire calender year 1918.

Special reports on cement costs were prepared for the Industrial Commission of the Department of Commerce, the Railroad Administration and the State of Illinois, and a report is now in course of preparation for the Department of Agriculture.

A report on the costs of cement with particular reference to the accounting problems of the industry is under consideration.

Common brick.--In July, 1918, the Commission at the request of the War Industries Board, started an investigation to ascertain the cost of producing common brick by 29 companies located in New York, Philadelphia, Baltimore, and Washington. Costs were obtained covering the year 1917 and the first six months of 1918.

In August, 1918, the War Industries Board requested the investigation of a large number of additional brick companies, but its request was modified later and confined to 63 companies located east of the Mississippi River. Costs were obtained for 46 of the 63 companies for a period covering January to October, 1918.

During January, 1919, another request was received for cost data from 78 companies covering the complete year of 1918. Costs were secured from 78 companies. 78

A report is in preparation for publication on the cost of production of common brick with particular reference to the accounting problems of this industry.

Hollow building tile.--The cost findings on the production of hollow building tile were continued during the year for the use of the War Industries Board in fixing prices. A report was made which covered 63 representative plants in all parts of the country, giving costs for the second quarter of the year 1918 and the months of July and August. The cost reported by the companies were checked by the Commission's examiners so far as appeared necessary.

The Commission received monthly reports from the producers from January, 1918, up to and including the month of September, 1918, for about 78 plants. A report giving a general survey of the Commission's findings, together with suggestions for improvement in accounting methods, has been compiled.

Sand and gravel.--In accordance with a request from the War Industries Board, an investigation of the cost of producing sand and gravel by companies located in the vicinity of Norfolk was ordered by the Commission in August, 1918. Six companies were examined for periods covering the year 1917 and the first six months of 1918.

Towing.--At the request of the War Industries Board an investigation was made of the costs and profits in the towing business in New York Harbor and vicinity. This investigation developed in connection with examination of the costs of sand and gravel companies whose increased costs were partly due to increased

ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION.

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copper-clad distributing wire, twisted pair outpost wire, and conductor for outpost

Boxes and barrels.--Reports on the cost of production and prices of canned foods boxes and of vinegar and pickle barrels were made to the Was Department.

Locust treenails.--A report was prepared at the request of the Shipping Board showing costs, investments, and profits for 41 companies producing locust treenails. These companies were located in the Eastern, Southern, and Middle Western States, and represented 100 per cent of the treenails produced in the United States.

Rosin.--A report was prepared showing the costs of producing and marketing rosin for 38 companies, whose production amounted to 337,077 commercial barrels.

Chestnut-wood extract.--Pursuant to a request of the War Industries Board, the commission made an investigation of the cost of producing chestnut-wood extract. An examination was made of the books and records of six representative companies, producing 30 per cent of the output, and a report prepared covering the year 1917 and the month of April, 1918.

PAPER.

The Commission made various injuries into the cost of paper and paper products during the year. It also obtained periodical statistical reports from manufactures of paper, as well as certain data from consumers, which were compiled and published periodically.

Cost inquiries.--The principal cost inquiries with respect to paper were as follows: Chip board.--At the request of the War Department the cost of production of chip board was investigated and a report made thereon.

Printing paper and fine paper.--At the request of the Government Printing Office the cost of producing printing paper and various kinds of fine paper (ledger, bond, writing paper, ect.) was determined and reported on a number of companies.

Envelopes and miscellaneous stationary.--At the request of the Postmaster General the costs of envelopes, of postal guides, blank books, receipt books, ect., the printing of blank forms and other stationary, together with various other items, were investigated and reports made thereon.

Statistical reports.--Weekly and, later, monthly reports were made by paper manufactures on the output of various grade including newsprint, book, wrapping, and hanging paper, together with information as to prices. Similar reports were received periodically from pulp makers for various kinds of product. Publishers also made reports book,

Alkalies.--During 1918 the Commission received various

per ton of

seed. These mills were scattered throughout the cotton belt and truly representative of the industry as a whole.

Cotton compress.--At the request of the War Industries Board, the Commission estimated the increase in cotton-compressing rates necessary to cover the increase in the cost of compressing cotton. Reports were obtained from 72 companies, of which 48 were used, the balance being incomplete. Statements were obtained covering the cost of labor and other items of expense during the years 1915-16 and 1917-18 and estimates made for October 1, 1918.

Wool dealers.--At the request of the War Industries Board, the Commission examined the books of the various wool dealers to determine Marious wool7e.0218 Tc (015,,5j 13 War Industries

Towels.--At the request of the Quartermaster Division of the War Department the Commission instituted an investigation of the cost of producing towels on a series of contracts which were taken by a large towel-manufacturing company in the South.

Woolen piece goods.--In July, 1918, a request was made by the War Industries Board for an investigation into the supply and prices of woolen piece goods in the hands of the jobbers on account of alleged speculation therein. This work was terminated in accordance with the suggestion of the War Industries Board on August 30, 1918, on the ground that the Commission's inquiry had checked speculation and thus accomplished the main purpose for which it was requested.

Kersey-lines breeches.--At the request of the Board of Appraisers of the War Department an investigation was made of the cost of producing kersey-lined breeches. This involved an examination of the books of the concern which had the contract with the War Department.

LEATHER AND SHOES.

Cost of leather.--At the request of the War Department in the latter part of the fiscal year 1918, the Commission undertook to ascertain costs as to 11 classes or groups of leather. Before the work was complete the armistice was signed and the work was discontinued. The cost of producing sole leather and upper leather, including calf, kip, and side upper, was procured and reports were made to the War Industries Board. The report on sole leather involved the production of more than 60,000,000 pounds, and the report on the production of upper leather covered the production of 69,000,000 square feet.

Cost of importing pickled sheepskins.--At the request of the liquidating officer of the War Industries Board, the Commission found the cost of importing pickled sheepskins from New Zealand. Certain importers of sheepskins agreed with the War Industries Board to make importations and sell the skins at the cost of importing and delivering. The books and records of a number of importers were examined and reports were made to the liquidating officers in complete detail as to the importations of two large concerns--the cost of the skins to the importers, the legitimate charges for bringing in and delivering those skins to the tanners, and the amount of commission the importers were entitled to. The value of the skins involved in this investigation was more than \$180,000.

General leather and shoe investigation.--In 1917 complaint came to the Commission that the prices of shoes had advanced unduly compared with the advances in the prices of hides. Accordingly the Commission directed a general investigation of the leather industry, including the conditions in the hide market and an investigation of the boot and shoe industry, including the merchandising of boots and shoes. The investigation was began in January, 1918.

An investigation was made of the hide market, covering the principal centers for hides east of the Rocky Mountains. A comparative study was made of the price relation between country hides and packer hides to determine whether or not a parity between these two classes had been maintained.

The books of account of a number of tanning concerns were examined by the accountants of the Commission to determine the cost of producing leather and the profits of tanners.

From more than 250 shoe manufactures balance sheets and earning statements were obtained, and from these data were computed their rates of earnings upon investment. The cost of producing standard staple shoes was obtained from 34 factories, which are fairly representative of the entire production of boots and shoes made of leather.

The records of wholesale and retail merchants dealing in shoes were examined to ascertain the prices they paid for shoes and the prices which they charge the public.

TOBACCO PRODWIWnS

COST FINDINGS FOR FOOD PURCHASE BOARD.

During the fiscal year ending June 30, 1919, the Commission has continued to conduct investigations begun in August, 1917, into the cost of canned-food and dried-fruits products.

It became evident in August, 1917, that the bid and tender plan of purchasing restored to by the Army and Navy would not enable these departments to secure an adequate supply of canned-food and dried-fruit products. Consequently the Food Purchase Board was formed consisting of a representative of the Army and Navy, the United States Food Administration, and the Federal Trade Commission.

Whenever any difficulty was experienced in securing a supply of canned-goods and dried-fruit products, the Food Purchase Board would order that such commodities be allotted to all producers of such products proportionately.

The Federal Trade Commission was then requested to make cost investigations to assist the Food Purchase Board in determining recommendations of "fair and just" prices for the approval of the Secretary of War and the Secretary of the Navy.

For the products produced in 1917, but two divisions were in the country--east of the Rocky Mountains ans west of the Rocky Mountains. For the products produced in 1918, however, in order to establish prices to correspond with crop and manufacturing conditions, the country was split up into zones, each zone representing an area wherein crop and manufacturing conditions were fairly uniform.

The Commission has made approximately a thousand investigation to date in determining costs of the following canned-food and dried-fruit products:

Apricots. Prunes in sirup.
Apples. Tomatoes.
Pears. Asparagus.
Cherries. Salmon.
Corn. Pineapple.
Spinach. Catsup.

String beans. Evaporated and condensed milk.

Peaches. Dried peaches. Dried prunes. Raisins.

Dried apples.

SAUSAGE CASINGS.

The Commission was requested by the Food Administration to make examination into the costs of sausage casings, so that the Food Administration could place this product under license, but after working on the case for a short time the Food Administration canceled all sausage-casing dealers' license, thus obviating the necessity for making any further investigations.

CANNED SALMON.

The canned salmon investigation, which was started during the preceding year as part of the general food investigation, was finished and the report published during the fiscal year. This report covers the cost of production, prices, investment, and profits in the industry during 1916 and 1917.

Cost and profits of marketing grain.--The material obtained regarding costs and profits in marketing grain may be divided into two classes: First, costs and profits of country elevators; second, costs and profits of terminal market operators. Information regarding country elevators was obtained from the books of line elevators companies and from schedules sent out to country elevators. Over 5,000 schedules were prepared and sent out to country elevators, and the work of editing, classifying, and tabulating information was well under way at the close of the year. Costs and profits data were taken from the books of about 300 terminal-market grain operators. These accounts included those of commission men, terminal elevators, brokers, warehouses, etc.., the data in question being obtained from several different markets, including Chicago, Minneapolis, Duluth, Milwaukee, Kansas City, Buffalo, New York, and the Pacific coast. During the present fiscal year practically all of these 300 accounts were consolidated, analyzed, and the results written up.

There will be several volumes of the grain report, the first of which the Commission hopes to issue shortly.

FLOUR.

During the first half of the fiscal year the field work on the costs of wheat-flour milling was continued. The primary purpose of the work during this six months was cooperation with the Enforcement Division of the Food Administration in the examination of millers' records covering the 10 months' period ending July 1, 1918 but later the work was extended to cover the collection of data for the entire mill year 1917-18. The preparation of a report on the operations of the larger commercial milling companies of the country was not completed at the end of the fiscal year.

FARM-OPERATING EQUIPMENT.

The farm-operating equipment investigation was started at the close of the last fiscal year in response to a resolution of the Senate directing the Commission to investigate and report upon the Senate directing the Commission to investigate and report upon (a) the causes of the high prices of farm machinery, (b) whether these high prices prevented the farmers making a fair profit , and © the facts in regard to the existence of any unfair methods of competition on the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the part of manufacturers and dealers in respected the competition of the competition of the competition of the part of manufacturers and dealers in respected the competition of th

cured by means of schedules from about 8,500 dealers located in over 2,000 countries throughout the United States. The Department of Agriculture also furnished the Commission with over 1,300 schedules compiled bu its country agents, showing the prices paid by farmers for agriculture implements.

The correspondence and records of several of the more important trade associations, both of manufacturers and of dealers, have been examined in response to the third part of the Senate resolution as outlined above.

The field work was practically completed in May, 1919, besides a large part of the necessary tabulations and the writing of the draft report was partly completed.

Inadequate accounting records.--The investigation has emphasized a condition which the Commission has frequently called attention to--namely, the inadequate, and in many cases complete, lack of essential accounting records of business concerns. This is often true even of a large implement manufactures and even more pronounced among retail dealers. Of the 12,000 dealers who returned schedules to the Commission, about 1,200 reported they had prepared financial statements for the last three years. On further inquiry and examination by agents of the Commission it developed that many of these had no records from which adequate profit and loss statements and balance sheets could be made up. It is estimated from this examination that only about 4 per cent of the retail implement dealers of the country keep adequate records of their business.

While in most cases the manufactures kept records from which specifications of ay estimated costs could be compiled, and records from which the profits and investment could be ascertained, there was, however, much essential information that was lacking and such a complete lack of uniformity both in their cost and financial accounting systems that it necessitated an immense amount of detail work by the Commission's accountants in order to render heir statements comparable.

MILK.

A general investigation of milk industry, particularly canned milk and other milk products, was ordered by Senate Resolution No. 431. The Commission was also directed in this resolution to investigate the activities of the Food Administration with respect to the milk industry during the war. At about the same time that the Senate ordered the milk investigation the Commission was requested by the War Department to audit the accounts of the producers of canned milk who sold to the War Department during 1918. The Commission's audit is to be used as the basis for any possible refund which the producers may have to make, as in accordance with their agreement with the War Department.

This investigation has therefore three phases--study of the canned-milk audit to which

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- Cost of producing hemlock lumber in State of Pennsylvania months of April, May, June, and July, 1918.
 Cost of producing 3½ per cent nickel and basic carbon bars of company supplying the Navy.

Do.

Navy.

Cost reports submitted during years 1918-19--Continued.

<u>Date</u> 1918		Subject.	For-
Aug.	13	Government contract with a paper company.	Public Printer.
	16	do.	Do.
	17	Table showing number of animals slaughtered by local wholesalers slaughterers in 1916 and the first six months of 1917.	Food Administration
	17		

- do.
 Mahogany--average selling price of New York companies, January-September, 1918.

- 21 Costs of locomotives.
 21 Costs of producing gypsum wall board, one company.
 24 Cost of producing gypsum plaster board and plaster board of one company, first 6 months, 1918.

Do. War Industries Board.

Railroad Administration War Industries Board.
Do.

Cost reports submitted during year 1918-19--Continued.

<u>Date.</u> 1918		Subject.	For-
Oct. 2	24	Prices paid by various eastern refining companies for Mexican crude oil delivered on recent contracts.	War Industries Board.
2	24	Increases in cost of compressing cotton and average profit based on comparison of the season 1915-16 with October, 1918.	Do.
2	26	Cost of producing locust treenails, January to August, 1918.	Do.
	29	Cost of canned salmon.	Food Administration.
	29	Prices paid for pickle and vinegar barrels, 1917 and 1918.	Quartermaster General.
	30 30	Report on raisin prices. Costs of producing charcoal, alcohol, and acetate of lime for 1917 and January to July, inclusive, 1918.	Food Purchase Board. War Industries Board.
Nov. 4	Į.	Report showing in detail the costs of each coal operator in the central Pennsylvania field, by months, January-May, 1918.	Fuel Administration.
	6	Cost of high-speed tool steel, one company.	Navy Department.
	7	Cost of producing gypsum plaster board by one company	War Industries Board.
	9	Profits from tanning leather.	Do.
	l1 l2	Salaries paid officials of locomotive company for year 1917. Cost of producing copper, June and July, 1918.	Railroad Administration War Industries Board.
	13	Cost of producing certain types of windows and doors purchased by the Government, years 1913, 1917, and six months, 1918.	Do.
1	14	Cost of high-speed tool steel, one company.	Navy Department.
	15	Slaughtering meat animals (one company).	War Industries Board.
	16	Cost and profits towing industry in New York Harbor and vicinity during 1917 and 1918.	Do. Food Purchase Board.
	16 18	Cost of canned peas in Maryland, New Jersey, Pennsylvania, Indiana, Illinois, Ohio, Michigan, Delaware, New York, and Baltimore Md. Cost of cigarettes and tobacco for four companies.	War Industries Board.
	19	Comparative costs of birch logging and stumpage values, Michigan and Wisconsin, year 1917.	Do.
1	19	Government contract with a paper company.	Post Office.
	19	do.	Do.
	20	Profits of shoe manufactures.	War Industries Board.
	20 20	Government contract with a paper company. do.	Post Office. Do.
	20	do.	Do.
2	20	do.	Do.
	20	do.	Do.
	23 24	do. Wool dealers' profits.	Public Printer. War Industries Board.
	24 25	Salaries paid officials of locomotive company for year 1917.	Railroad Administration
	27	1918 tinned spring spinach in Ohio.	Navy Department.
	27	1918 tinned spring spinach in California.	Do.
	29	Cost of producing cast-iron pipe.	Do.
	29 29	do. Cost of producing wood chemicals.	War Industries Board. Do.
	29	Cost per pound of producing copper, August, 1918, also comparison	Do.
		with cost for year 1917 and months March, April, May, June, and July, 1918.	
	29	1918 report on rice protests.	War Department.
	29 29	do. Report on rice protests.	Navy Department. War Department
	31	Cost of producing nickel and monel metal, year ending Mar. 31, 1917, and July, 1917.	Navy Department
Dec. 4		Report showing comparative figures of royalties paid per ton and tonnage produced by anthracite coal operators for May-August, 1917 and May-August, 1918.	Fuel Administration.
	9	Cost of coke, pig iron, and steel, June, August, September, October, 1918.	War Industries Board.
	10	Earnings of a steel company.	Do.
	10	do.	Do.
	10 10	Cost of 1918 canned corns in New York State. Cost of 1918 canned tomatoes in New York State.	Food Purchase Board. Do.
	10	Cost of canned string beans (green ans wax).	Do.
1	13	Cost of producing Portland cement, months July, August, September, and October, 1918.	War Industries Board.
	14	Woolen piece goods.	Do.
	14 16	Cotton textiles. Cost of gasoline and fuel oil, first six months 1918, and refinery	Agriculture Department Navy Department.
1	10	investment and estimates covering the fiscal year ended June 30, 1918.	Navy Department.
	17	Cost, prices, and profits of box manufactures, first six months 1918, and estimates for October, 1918.	Quartermaster General
	19	Cost of Portland cement.	War Industries Board.
1	19	Cost of duck on Army order.	War Industries Board.

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Tariff Commission.

Glycerine costs of three companies.

Report showing in detail the costs of each bituminous coal operator in the Ohio fields by months, January-May, 1918.

Manganese ore in Phillipsburg, Mont., district, six months, ending Ta December 31, 1917, and six months ending June 30, 1918, and three months 24 September, 1918.

Subject.

Date.

Cost reports submitted during year 1918-19--Continued.

1918		
Dec. 24	Cost of production of a special illuminated gas.	Railroad Administration
26	Cost of production of gypsum and fiber wall board, first six months 1918, July-October, 1918.	War Industries Board.
31	Cost of production of common brick for January-October, 1918	Navy.
1919		·
Jan. 8	Railway steel and malleable iron castings (eight companies).	Navy Department.
9	Cost of producing bleaching powder, (two companies).	War Department.
13	Cost of producing common brick (supplemental), January-August, 1918.	War Industries Board.
14	Cost of production of duck of one company on Army order.	War Department Board
		of Appraisers.
14	Cost of equipment and preparatory expenses of company to manufacture duck.	Do.
17	Cost of construction of plant to manufacture duck.	Do.
17	do.	Do.
17	Cost of production of duck of one company on Army order.	War Department, Board
		of Appraisers.
17	do.	Do.
21	do.	Do.
21	do.	Do.
21	Kersey lined breeches costs of one company on Army order.	Do.
24	Gasolene. Kerosene,136Tj 207 0 wo.	Do.
		26 War Department, Board of Appraisers.
	17 Cost 4 of product 3 on of Mahog 20, TI	D - Tj 198 0100a.0178y or D 0 Tc (10.0826 Tw Do.
	21	Do.
		6 0 TD 0 by gacertain (DoTD -0, May-Tc 0 Tw (Do.) Tj -225 -8.28 TD 0

For-

Apr. 2 do.
2 Locomotive cranes (five companies).

of Appraisers. Do. War Department. Cost reports submitted during year 1918-19--Continued.

Date.	Subject.	For-
1919		
Apr. 2	Cost of production of duck of one company on Army order.	War Department, Board of Appraisers.
11	Open-hearth and bessemer steel rails, December, 1918.	Railroad Administration
14	Beehive coke in Birmingham district, November, 1917, February, May	Do.
	August, November, 1918.	Fuel Administration.
21	Bituminous coal costs, southwest field of Pennsylvania, January- December, 1918.	Do.
23	Cost data on pig iron of two corporations.	Nitrate Division, War Department.
25	Bituminous coal costs, central field of Pennsylvania, January- December, 1918.	Fuel Administration
25	Tobacco and cigarettes (specific brands), Jan. 1 to Sept. 30, 1918.	

accompanied by such a marked increase in the

LEGAL DIVISION.

The functioning of the Federal Trade Commission in the business life of our country has brought forth questions of great importance. The Commission was given jurisdiction over "unfair methods of competition in commerce," and the power and duty to initiate proceedings whenever it had reason to believe that proceedings against those practicing unfair methods were in the public interest.

Previous to the creation of the Commission the courts had ruled upon various forms of unfair practices. Their decisions are designated as cases arising under the common law. But upon the creation of the Commission it was empowered to leave the shores defined by the common law and, taking the knowledge of those decisions with it, to embark on an uncharted sea, using common sense plus the common law for its compass.

In the clear language of Mr. Justice Baker in the opinion in the case of Sears, Roebuck & Co. v. the Federal Trade Commission in the Seventh Circuit of the United States Circuit Court of Appeals, the commissioners, representing the Government as parens patriae are "to exercise their common sense, as informed by their knowledge of the general idea of unfair trade at common law, and to stop all those practices that have a capacity or a tendency to injure competitors directly or through deception of purchasers quite irrespective of whether the specific practices in question have yet been denounced in common-law cases."

The legal duty laid upon the Commission was, if anything, still mare enlarged by the language of the Clayton Act, since the Commission was there empowered not only to stop certain unfair methods of competition, but to do so at their inception, or as soon

46 ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION.

While the use of "common sense," such as suggested by Justice Baker, and the advice of counsel learned un the common law should, in most cases brought before the Commission, have saved the respondent from the annoyance of being brought before it upon complaint of a competitor or on behalf of the public, nevertheless, there are a relatively few which can be fairly said to be within a zone of doubt in the business mind, owing to the economic question involved or some custom which, while almost universally practiced, is wrong per se.

The legislative mandate thus far defined

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respondent continued to contest the Commission's authority, it could

not avail itself of the defense that it had ceased to do the act charged before the complaint was issued.

The court also held that the phrase "unfair methods of competition" was not void for indefiniteness even through the methods referred to were such as were not necessarily condemned at common law. It supported its position by stating that the "general idea of dishonesty and fraud are so well, widely, and uniformly understood" that the commissioners by the exercise of "their common sense, as informed by their knowledge of the general idea of unfair trade at common law," and the power to declare whether the act complained of came within the language of the statute.

The restraining order that might issue would be provisional, being subject to review by the appellate tribunal. The court rejected the suggestion that this function of the Commission was a transgression of a legislative or judicial power, it also found that selling below cost was not prohibited by the language of the act and only came within the purview of the statute when the sale or representations concerning the same had a "capacity or tendency to injure or discredit competitors and deceive purchasers as to the real character or the transaction."

Previous to the floating of the Victory Liberty loan the Secretary of the Treasury, chairman of the Federal Reserve Board, Capital Issues Committee, and many citizens requested that they be allowed to appear before the Commission with counsel and present argument in support of their claim that the Commission had jurisdiction to prohibit the sale of what are commonly termed "wild-cat stocks and securities" when transported from one State to another and sold in competition with bona fide stocks and securities. The hearing was had and after a full presentation of the matter the Commission decided that according to the latest utterances of the courts the sale of stocks, when stocks were taken from one State to another and sold, constituted an act in interstate commerce, and when by misrepresentation through advertisements or otherwise they sold in competition with other stocks and securities that are bona fide, the Commission would take jurisdiction of such circumstances.

Where the evidence sustained the complaint an order would be issued against the respondent bonaoneain061 Tone Are 14-816-18 Tigh 1242-83362T 634-9.102.907 OTT Dafte 0 Triph 17 To ster 1840 to 1840 t

agree to maintain such selling prices or who do not sell at the prices fixed, in alleged violation of section 5 of the Federal Trade Commission act; price discrimination, the effect of which may be to substantially lessen competition or tend to create a monopoly in alleged violation of section 2 of the Clayton

in alleged violation of section 5 of the Federal Trade Commission act; price discrimination, the effect of which may be to substantially lessen competition or tend to create a monopoly in alleged violation of section 2 of the Clayton Act. Status: This proceeding is at issue upon the Complaint of the Commission and the answer of the respondent, and is awaiting the taking of testimony.

its product in interstate commerce, has sold, and is now selling, the same at and for a price which is at or less than the cost of producing the same in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent and is awaiting the further taking of the testimony by the Commissioner.

Complaint No. 85.--Federal Trade Commission v. Standard Oil Co. of Indiana. Cause: Unfair methods of competition in the manufacture sale, and distribution of petroleum products by refusing to sell in quantity lots outside of its territory except to other Standard companies, by selling its surplus to other Standard companies at prices below the tank-wagon prices maintained by it in its own territory, selling at tank-wagon prices direct to customers in certain local competitive areas, etc., in alleged violation of section 5 of the Federal Trade Commission act; price discrimination and price fixing contingent on the nonuse of competitors' products by the purchaser tending to create a monopoly and substantially lessen competition in alleged violation of sections 2 and 3 of the Clayton Act. Status: this pro-

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ceeding is pending before the Commission for final disposition on an agreed statement of facts.

Complaint No. 86 .--Federal Trade Commission v. F. E. Atteaux & Co. Cause: Unfair methods of competition in the manufacture and sale of dyestuffs and chemicals by giving gratuities and making gifts to employees of its own and its competitors' customers and by loaning and offering to loan money to such employees, all with the intent of inducing the respective employees to purchase materials from the respondents or to influence such employees to refrain from dealing or contracting to deal with its competitor, in alleged violation of section of the Federal Trade Commission act. Status: This proceeding is awaiting the final introduction of evidence by respondent.

Complaint No. 87.--Federal Trade Commission v. Crescent Manufacturing Co. Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of baking powder, spices, teas, coffees, and flavoring extracts by fixing resale prices and refusing to sell to those who will not agree to maintain such specified standard resale prices in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and negotiations are now in progress with a view to agreeing on the facts and submitting the matter to the Commission for final disposition.

Complaint No. 88.--Federal Trade Commission v. Beech-Nut Packing Co. Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of chewing gum by fixing specified standard resale prices and refusing to sell to those who will not agree to maintain such prices in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and negotiations are now in progress with a view to agreeing on the fats and submitting the matter to the Commission for final disposition.

Complaint No. 89.--Federal Trade Commission v. L.E. Waterman Co. Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of fountain pens by fixing specified standard resale prices and refusing to sell to those who will not agree to maintain such prices in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and is awaiting the taking of testimony.

Complaint No. 90.--Federal Trade Commission v. Cluett, Peabody & Co (Inc.). Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of men's collars by fixing and maintaining resale prices, requiring its purchasers to maintain such prices, and refusing to sell to those who refuse so to maintain such prices in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and is awaiting the taking of testimony.

Complaint No. 91.--Federal Trade Commission v. Massachusetts Chocolate Co. Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of candy by fixing resale prices and refusing to sell to those who will not agree to maintain such specified standard resale prices in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and negotiations are now in progress with a view to agreeing on the facts and submitting the matter to the

Commission for final disposition.

Complaint No. 92.--Federal Trade Commission v. Standard Oil Co. of Now York. Cause: Acquiring a large part of the stock of the Magnolia Petroleum Co., the effect of which may be to substantially lessen competition between the two companies and to restrain commerce in petroleum or tend to create a monopoly in that business in alleged violation of section 7 of the Clayton Act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent. Stipulation has been made as to certain essential facts, and negotiations are now in progress in an effort to agree on all facts and submit the matter to the Commission on an agreed statement of facts for its final disposition.

Complaint No. 97 .--Federal Trade Commission v. S. M. Hexter & Co. Cause: Stifling and suppressing competition in the sale of cotton fabrics by offering its cotton salebeappressing otton the Corallo -0.0091 Tofspor.021 0.02csalebeen

violation of section 5 of the Federal Trade Commission act. Status: This proceeding is awaiting the further taking of evidence by the Commission.

Complaint No. 123.--Federal Trade Commission v. American Can Co. Cause: Price discrimination and price fixing on condition that the purchasers shall not use or deal in the product of competitors, the effect of which is to substantially lessen competition and to tend to create a monopoly in the tin can business in alleged violation of sections 2 and 3 of the Clayton Act; stifling and suppressing competition in the manufacture and sale of tin cans by attempting to induce customers to enter into long term contracts, by giving certain customers more favorable terms than others in reference to allowances for leaky cans, and storage privileges by rebating if prices are lowered and by other discriminations in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue on the complaint of the Commission and the answer of the respondent, and is awaiting the decision of the giving

Co. Cause: Unfair methods of competition in the manufacture and sale of automatic measuring oil pumps, tanks, etc., by falsely representing the product of certain of their competitors to be unsatisfactory, defective, and that such would not operate and was being sold at exorbitant prices, by inducing competitors' customers to cancel orders, and by holding itself out to be the agent of its competitors, quoting exorbitant prices, in alleged violation of section 5 of the Federal Trade Commission act; price discrimination, the effect of which may be to substantially lessen competition or tend to create a monopoly, in alleged violation of section 2 of the Clayton Act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent, and is awaiting the taking of testimony

Complaint No. 131.--Federal Trade Commission v. Atlantic Refining Co. Cause: Unfair methods of competition in the sale of petroleum and in the sale of automatic measuring oil pumps, tanks, etc., the product of the Gilbert & Barker Manufacturing Co. (see Complaint No. 130), by falsely representing the product of certain of their competitors to be unsatisfactory, defective, and that such would not

operate and was being sold at exorbitant prices, by inducing competitors' customers to cancel orders, selling and lending pumps, etc., without adequate consideration, threatening to sell oil direct by retail unless dealers used the Gilbert & Barker product, and by holding itself outs to be the agent of its competitors as well as of the Gilbert & Barker Manufacturing Co., quoting exorbitant prices, in alleged violation of section 5 of the Federal Trade Commission act; price discrimination, the effect of which may be to substantially competition or tend to create a monopoly, in alleged violation of section 2 of the Clayton Act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent, and a proposed agreed statement of facts has been submitted to the respondent for its final approval.

Complaint No.132.--Federal Trade Commission v. Standard Oil Co. of Ohio. Cause: Unfair methods of competition in the sale of petroleum and In the sale of automatic measuring oil pumps, tanks, etc., the product of the Gilbert & Barker Manufacturing Co. (see Complaint No 130), by falsely representing the product of certain of their competitors to be unsatisfactory, defective, and that such would not operate and was being sold at exorbitant prices, by inducing competitors' customers to cancel orders, selling and lending pumps, etc., without adequate consideration, threatening to sell oil directs by retail unless dealers used the Gilbert & Barker product, and by holding itself out to be the daysthoutt

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such would not operate and was being sold at exorbitant prices, by inducing competitors' customers to cancel orders, selling and lending pumps, etc., without adequate consideration threatening to sell oil direct by retail unless dealers used the Gilbert & Barker product and by holding itself out to be the agent of its competitors as well as of the Gilbert & Barker Manufacturing Co., quoting exorbitant prices, in alleged violation of section 5 of the Federal Trade Commission act; price discrimination, the effect of which may be to substantially lessen competition or tend to create a monopoly in alleged violation of section 2 of the Clayton Act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 136.--Federal Trade Commission v. American Tank & Pump Co. Cause: Unfair methods of competition in the manufacture and sale of automatic measuring oil pumps, etc., by inducing and attempting to induce, by divers means and methods, its customers and the customers of its competitors to cancel and rescind orders and contracts for the purchase of the products of its competitors with the intent and effect of stifling and suppressing competition in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 138.--Federal Trade Commission v. Tokheim Manufacturing Co. Cause: Unfair methods of competition in the manufacture and sale of automatic measuring oil pumps, etc., by inducing and attempting to induce, by divers means and methods, its customers and the customers of its competitors to cancel and rescind orders and contracts for the purchase of the products of its competitors with the intent and effect of stifling and suppressing competition in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 139.--Federal Trade Commission v. Guarantee Liquid Measure Co. Cause: Unfair methods of competition in the manufacture and sale of automatic measuring oil pumps, etc., by inducing and attempting to induce, by divers means and methods, its customers and the customers of its competitors, to cancel and rescind orders and contracts for the purchase of the product of its competitors and by falsely representing certain products of its competitors to be old style and to have been or to be about to be condemned by public officials, with the intent and effect of stifling and suppressing competition, in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 141.--Federal Trade Commission v. The Evans Dollar Pen Co. Cause: Stifling and suppressing competition in the manufacture, marketing, and sale of its fountain pens, as a means of securing the trade of dealers and with the purpose of eliminating competition in the selling price of its fountain pens by fixing certain specified standard resale prices and by refusing to sell to those who will not agree to maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent, and a proposed agreed statement of facts has been submitted to the respondent for its final approval.

Complaint No. 144.--Federal Trade Commission v. Weyl-Zuckerman Co. Cause: Stifling and suppressing competition in the sale and distribution of farm products and foodstuffs by obtaining the use of freight cars by means of an preferential order secured through statements made that such cars were to be employed in the transportation of farm products, foodstuffs, and perishable commodities to be used by the Government in persecution of the war, and then diverting certain of such cars to its private muse, in alleged violation of section 5 of the Federal Trade Commission act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 145.--Federal Trade Commission v. Consolidated Rendering Co., New Haven Rendering Co., Atlantic Packing Co., and L.T. Frisbie Co. Cause: Stifling and suppressing competition in the rendering business by purchasing and offering to purchase in certain local areas raw materials necessary in the manufacture of their products at and for prices unwarranted by trade conditions and so high as to be prohibitive to small competitors in such areas, in alleged violation of section 5 of time Federal Trade Commission act.

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Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 167.--Federal Trade Commission v. United Electric Co. Cause: Stifling a and suppressing competition in the manufacture, marketing, selling, and reselling of its vacuum cleaning machines by fixing standard resale prices and refusing to sell to those who fail to maintain such prices. in alleged violation of section 5 of the Federal Trade Commission act; price fixing and establishing discounts or rebates on condition that the purchaser shall not use or deal in the goods of competitors, the effect of which is to substantially lessen competition or to tend to create a monopoly, in alleged violation of section 3 of the Clayton Act. Status: This proceeding is at issue upon the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No.168 (June 29, 1918)

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Complaint No. 184.--Federal Trade Commission v. Enders Sales Co. (Inc.) Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 189.--Federal Trade Commission ν . H. L. Hildreth Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent, and the matter is now pending negotiations for an agreed statement of facts.

Complaint No. 196.--Federal Trade Commission v. De Miracle Chemical Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 198.--Federal Trade Commission ν . Closset & Devers. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 199.--Federal Trade Commission v. National Grocery Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent, and the matter is now pending negotiations for an agreed statement of facts.

Complaint No. 200.--Federal Trade Commission v. The Rogers Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 201.--Federal Trade Commission v. Schwabacher Bros. Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 202.--Federal Trade Commission v. Seattle Grocery Co. Charge: (Ante.) Status: Proceeding at issue under the complaint of Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 203.--Federal Trade Commission v. Washington Retail Grocers & Merchants Association. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 204.--Federal Trade Commission v.

respondent and is awaiting the taking of testimony.

Complaint No. 218.--Federal Trade Commission v. The Proctor & Gamble Co. et. al. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony. Complaint No. 221.--Federal Trade Commission v. Vapo-Cresolene Co. Charge: (Ante.)

Complaint No. 226.--Federal Trade Commission v. Kinney-Rome Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 227.--Federal Trade Commission v. Helvetia Milk Condensing Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 235.--Federal Trade Commission v. Brown Portable Conveying Machinery Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 236.--Federal Trade Commission v. Carter Paint Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 237.--Federal Trade Commission v. General Chemical Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of Commission and answer of the respondent, and matter is now pending negotiations for an agreed statements of facts.

Complaint No. 239.--Federal Trade Commission v. Royal easy Chair Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 240.--Federal Trade Commission v. Buffalo Specialty Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 241.--Federal Trade Commission v. Malzo Coffee Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of Commission and answer of the respondent, and matter is now pending negotiations for an agreed statements of facts.

Complaint No. 242.--Federal Trade Commission v. Niles Normalizing Machine Co. (Inc.) Charge: (Ante.) Status: The evidence has been concluded and the proceeding is awaiting the filing of briefs.

Complaint No. 245.-Federal Trade Commission v. The Harrison Specialty Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of Commission and answer of the respondent, and matter is now pending negotiations for an agreed statements of facts.

Complaint No. 248.--Federal Trade Commission v. Aluminum Co. of America. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 249.--Federal Trade Commission v. Corcoran Mfg. Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 250.--Federal Trade Commission ν . Borden's Farm Products Co. (Inc.) Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 251.--Federal Trade Commission v. American Sheet & Tin Plate Co. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 252.--Federal Trade Commission v. Mercury Tire Co. (Inc.). Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 253.--Federal Trade Commission v. William H. Batcheller et al. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 254.--Federal Trade Commission v. Western Sugar Refining Co. et al. Charge: (Ante.) Status: Preceding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 255.-Federal Trade Commission ν . Rudd Mfg Co. at al charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent, and the matter is now pending negations for an agreed statements of facts.

Complaint No. 256.--Federal Trade Commission v. Universal Battery Service Co. Charge: (Ante.) Status Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 257--Federal Trade Commission v. Twin City Binders' Roller Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 258--Federal Trade Commission v. McKnight Keaton Grocery Co. Et al. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 259--Federal Trade Commission v. Oldburg Electro Chemical Co. Et al. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 264--Federal Trade Commission v. Engineering Supply Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 265--Federal Trade Commission v. Butterick Co. Et al. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 266--Federal Trade Commission v. Pictorial Review Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 268--Federal Trade Commission v. The Aeolan Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 269--Federal Trade Commission v. American Graphophone Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 271--Federal Trade Commission v. Fruit Growers' Express. Charge: (Ante.) Status: the matter is pending before the Commission on motion by respondent to dismiss the proceedings.

Complaint No. 272--Federal Trade Commission v. William Walke & Co. Charge: (Ante.) Status: Proceeding is at issue under the complaint of the Commission and answer of the respondent and is awaiting the taking of testimony.

Complaint No. 273--Federal Trade Commission v. Pan Motor Co. And Samuel C. Pandolfo. Charge: (Ante.) Status: Answer to the Commission's complaint in this proceeding is not yet due.

Complaint No. 274--Federal Trade Commission v. Nestles Food Co. Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not yet due.

Complaint No. 275--Federal Trade Commission v. Mutual Candy Co. (Inc.) Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not yet due. Complaint No. 276--Federal Trade Commission v. Jacob Lanski. Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not yet due.

*Complaint No. 277--*Federal Trade Commission *v.* Boston Piano & Music Co. Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not

yet due.

Complaint No. 278--Federal Trade Commission v. Tokheim Oil Tank & Pump Co. Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not yet due.

Complaint No. 279-- Federal Trade Commission *v*. Chamberlin Cartridge & Target Co. Charge: (Ante.) Status: Answer to the Commission complaint in this proceeding is not yet due.

Complaint No. 280.--Federal Trade Commission v. Prestolite Co. (Inc.) Charge: (Ante.) Status: Answer to the Commission's complaint in this proceeding is not yet due.

Complaint No. 281.--Federal Trade Commission v. The Sweater Shop. Charge: (Ante.) Status: Answer to the Commission's complaint in this proceeding is not yet due.

PROCEEDINGS DISPOSED OF.

Complaint No. 11 (May 31, 1917).--Federal Trade Commission v. Botsford Lumber Co. Et al. Charge: Engaging in a conspiracy and combination to suppress competition in the lumber and building material trade with the purpose of driving mail-order houses out of retail lumber business and forcing consumers to purchase supplies of lumber from local dealers, and carried out by procuring manufactures to discontinue furnishing materials to competitors, by surreptitiously obtaining trade secrets, spying upon the business of competitors, submitting to them bogus and suppress request for estimates, quotations, and other printed matter relating to the issue of lumber, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: After hearing an order was entered dismissing the complaint against certain of the respondents to cease and desist front the course of action complained of.

Complaint No. 12 (June 4, 1917).--Federal Trade Commission v. Warren, Jones & Gratz et al. Charges: Discouraging and stifling competition in the sale of jute bagging by refusing to sell steel ties for binding bales of cotton separate and apart from jute bagging in corresponding quantities, in alleged violation of section 5 of the Federal Trade Commission act; making contracts respondents, in alleged violation of section 3 of the Clayton Act. Disposition: After hearing an order was entered requiring respondents to cease and desist from using the practice complained of under section 5 of the Federal Trade Commission act.

Complaint No. 16 (Aug. 1, 1917).--Federal Trade Commission v. The whole -sale Saddlery Association of the United States and the National Harness Manufacturing Association of the United States. Charge: Engaging in a combination and conspiracy to discourage and suppress competition in the wholesale harness and saddlery accessories to refuse to recognize such competitors as legitimate jobbers or wholesalers entitled to jobbers and wholesalers' trade discounts and terms, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: After hearing an order was entered requiring respondent

of section 5 of the Federal Trade Commission act. Disposition: Upon an agreed statement of facts, an order was entered requiring respondent to cease and desist from

Complaint No. 22 (Nov. 27. 1917).--Federal Trade Commission v. Chicago Flexible Shaft Co. Charge: Attempting to lessen competition and create a monopoly by selling and contracting to sell sheep-shearing and horse -clipping machines subject to agreements on the part of purchasers not to use or deal in similar products manufactured by competitors of respondent in alleged violation of section 3 of the Clayton Act. Disposition: After hearing an order was entered requiring respondent to

eliminate competitive bidding for such raw materials; interfering with the business of certain competitors by causing collisions between vehicles owned by respondent and vehicles used by such competitors, in alleged violation of section 5 of the Federal Trade Commission act, acquiring all of the stock of a competing corporation, in alleged violation of section 7 of the Clayton Act. Disposition: Upon an agreed statement of facts, an order was entered requiring respondent to cease and desist from doing the acts complained of.

Complaint No. 93, (Apr. 15, 1918).--Federal Trade Commission v. Atlantic Ice & Coal Corporation. Charges: Using unfair methods of competition in the sale of coal and ice by entering into agreements with competitors to eliminate competition by partitioning territory; and obtaining business secrets

answer admitting the allegations of the complaint, an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 111 (Apr. 19, 1918).--Federal Trade Commission v. G. D. Kenny Co. Charge: Using an unfair methods of competition in the sale of roasting coffee and tea, namely, offering as inducements to purchase respondent's prod-

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ucts certain coupons redeemable in prizes and premiums distributed according to lot, in alleged violation of section 5 of the Federal

competitors of respondent, in alleged violation of section 3 of the Clayton Act. Disposition: After hearing, an order was entered requiring respondent to cease and desist from using the practices complained of.

Complaint No. 142 (May 17, 1918).--Federal Trade Commission v. Wilson & Co. Charge: Using an unfair method of competition, namely, selling meats to the United States with the knowledge tat said meats were spoiled and unfit for human consumption, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: After hearing, the proceeding was dismissed by order of the Commission on the ground that the proof was insufficient to support the allegations of the complaint.

Complaint No 143 ((May 17, 1918).--Federal Trade Commission v. Morris & Co. Charge: Using an unfair method of competition; namely, selling meats to the United States with the knowledge that said meats were spoiled and unfit for human consumption, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: After hearing, the proceeding was dismissed by order of the Commission on the ground that the acts complained of had been discontinued and that there was no likelihood of a recurrence thereof.

Complaint No.146 (June 6, 1918).--Federal Trade Commission v. The Acme White Lead & Color Works. Charge: Using an unfair method of competition in connection with the sale of paint and kindred products, consisting in giving gratuities of different kinds, including sums of money, to the employees of of customers and prospective customers and the customers and prospective customers of competitors as an inducement to influence their employees to purchase respondent's products and to refrain from purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: Upon respondent's answer admitting the allegations of the complaint an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 148 (June 6, 1918).--Federal Trade Commission v. Chicago Varnish Co. Charge: Using an unfair method of competition in connection with the sale of paint and kindred products, consisting in giving gratuities of different kinds, including sums of money, to the employees of customers and prospective customers and the customers and prospective customers of competition as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Disposition: Upon respondent's answer admitting the Trade Commission act. allegations of the complaint an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No.151 (June 6, 1918).--Federal Trade Commission v. G. J. Liebich Co. Charge: Using unfair methods of competition in connection with the sale of paint and kindred products, consisting in giving gratuities of different kinds, including sums of money, to the employers of customers and prospective customers and the customers and prospective customers of competition as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of respondent's competitors, in alleged violation of sections of the Federal Trad.4 0irchasing

Co. Charge: Using unfair methods of competition in connection with the sale of varnish and kindred products, consisting in giving gratuities of different kinds, including sums of money, to the employers of customers and prospective customers and the

section 5 of the Federal Trade Commission act. Disposition: Upon the answer of respondent admitting

Roller Co. Charge: (Ante.) Disposition: Upon the answer of respondent admitting the allegations of the complaint, an order was entered requiring it to cease and desist from using the practice complained of.

Complaint No. 186 (Aug. 3, 1918).--Federal Trade Commission v. D.H. Donegan, doing business under the name and style of American Printing Roller Ink Co. Charge: (Ante.) Disposition: Upon the answer of respondent admitting the allegations of the complaint, an order was entered requiring it to cease and desist from using the practice complained of.

Complaint No. 187 (Aug. 3, 1918).--Federal Trade Commission v. William C. Hart, doing business under the name and style of Hart & Zugelder. Charge: (Ante.) Disposition: Upon the answer of respondent admitting the allegations of the complaint, an order was entered requiring it to cease and desist from using the practice complained of.

Complaint No. 188 (Aug. 3, 1918).--Federal Trade Commission v. Harry C. Goodman. Charge: (Ante.) Disposition: Upon the answer of respondent ad

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mitting the allegations of the complaint, an order was entered requiring it to cease and desist from using the practice complained of.

Complaint No. 190 (Sept. 25, 1918).--Federal Trade Commission v. Gartside Iron Rust Soap Co. Charge: (Ante.) Disposition: After hearing, an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 191 (Sept. 25, 1918).--Federal Trade Commission v. Bert Symonds, Genevieve Symonds, and Irving Symonds, copartners, doing business under the firm name and style of Auto Surplus Stock Co. Charge: (Ante.) Disposition: Upon and agreed statement of facts an /F1 11.04 Tf 0.0065 Tc 0 Tw (Coock) Tj t -0.0024 Tc (was) Tj 17.16

No. (Sept. 25, 1918.--Federal Trade Commission

Complaint No. 230 (Dec. 14, 1918).--Federal Trade Commission v. North American Linseed Products Co. Charge: Using an unfair method of competition, namely, circulating advertisements and making representations to the effect that its product was linseed oil, whereas, in fact, it was adulterated, in alleged violation of section 5 of the Federal Trade Commission act. Disposition: Dismissed by order of the Commission on the ground that respondent had dissolved its corporate existence.

Complaint No. 231 (Dec. 31, 1918).--Federal Trade Commission v. Farmers' Cooperative Fertilizer Co. Charge: (Ante.) Disposition: Upon stipulation, an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 232 (Jan. 6, 1919).--Federal Trade Commission v. Wall Rope Works (Inc.). Charge: (Ante.) Disposition: After hearing, an order was

entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 233 (Jan. 6, 1919).--Federal Trade Commission v. The New Jersey Asbestos Co. Charge: (Ante.) Disposition: After hearing an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 234 (Jan. 6, 1919).--Federal Trade Commission v. Stewart Dickson & Co. Charge: (Ante.) Disposition: Upon the answer of respondent admitting the allegations of the complaint, an order was entered requiring it to cease and desist from using the practice complained of.

Complaint No. 238 (Jan. 11, 1919).--Federal Trade Commission v. The Hoover Suction Sweeper Co. Charge: (Ante.) Disposition: Upon an agreed statement of facts, an order was entered requiring respondent to cease and desist from

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using the practice complained of.

Complaint No. 267 (Mar. 26, 1919).--Federal Trade Commission v. Chicago Millwork Supply Co. Charge: (Ante.) Disposition: Upon an agreed statement of facts an order was entered requiring respondent to cease and desist from using the practice complained of.

Complaint No. 270 (Apr. 15, 1919).--Federal Trade Commission v. C.L. Chase, trading under the name and style of Chase Shoe Co. Charge: (Ante.) Disposition: Upon an agreed statement of facts an order was entered requiring respondent to cease and desist from using the practice complained of.

PROCEEDINGS INSTITUTED SINCE JULY 1, 1917.

Complaint No. 169 (July 9, 1918).--Federal Trade Commission v. Twin City Varnish Co., of Illinois. Charge: Using unfair methods of competition in connection with the sale of varnish and kindred products, viz, givingkgiving

ployers to purchase the products of respondent and to refrain from purchasing from competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 170 (July 16, 1918).--Federal Trade Commission v. Kryptok Sales Co. Charge: Stifling and suppressing competition in the sale of "Kryptok" spectacle lenses by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 171 (July 16, 1918).--Federal Trade Commission v. The Goodyear Tire & Rubber Co. Charges: Stifling and suppressing competition in the sale of automobile tires by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices; falsely advertising that it furnishes certain unique services which are such as are ordinarily furnished by retail dealers; compelling dealers to carry excessive stocks; refusing to allow dealers to make adjustments on unsatisfactory tires; requiring dealers who also handle automobiles to specify Goodyear tires on all automobiles, motor trucks, and motor cycles randown by the instruction dealers to main improve the second control of the control o

make inventories of all

maintaining fixed prices of such printed matter and by gifts to employees of their customers and prospective customers and the customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's printed

railroad tariffs, schedules, and other printed matter, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 176 (July 22, 1918).--Federal Trade Commission v. John F. Buckie & Son. Charge: Using unfair methods of competition in the sale of printing-press rollers, viz, giving gratuities of different kinds, including sums of money,

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purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission Act.

Complaint No. 177 (July 22, 1918).--Federal Trade Commission v. Samuel Bingham's Son Manufacturing Co. Charge: Using unfair methods of competition in the sale of printing-press rollers, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's printing-press rollers and to refrain from purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act.

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to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act; selling and making contracts of sale of metal holders, paraffin paper cups and dishes on one condition, agreement, and understanding that the purchasers thereof shall not use or deal in the products or competitors, the effect of which is to substantially lessen competition or tend to create a monopoly, in alleged violation of section 3 of the Clayton act.

Complaint No. 184 (July 31, 1918).--Federal Trade Commission v. Enders Sales Co. (Inc.). Charges: Stifling and suppressing competition in the sale of safety razors and blades by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act; and discriminating in price between different purchasers of respondent's product, the effect of which may be to substantially

lessen competition or tend to create a monopoly, in alleged violation of section 2 of the Clayton Act.

Complaint No. 185 (Aug. 3, 1918).--Federal Trade Commission v. The Printers Rollers Co. Charges: Using unfair methods of competition in the sale of printing-press rollers, viz, giving gratuities of different kinds, including sums of money,

competitor, and by misleading advertising causing the public to believe that respondents' firm is one and the same as that of competitor, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 192 (Sept. 25, 1918).--Federal Trade Commission v. The Silvex Co. Charge: Unfair methods of competition in the sale of spark plugs, viz, advertisements inserted in newspapers and periodicals having

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Manchurian and Japanese oils prepared

maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 202 (Oct. 15, 1918).--Federal Trade Commission v. Seattle Grocery Co. Charge: Stifling and suppressing competition in the sale of coffee by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 203 (Oct. 15, 1918).--Federal Trade Commission v. Washington Retail Grocers & Merchants Association. Charge: Using unfair methods of competition, consisting of a combination or conspiracy to compel wholesale coffee dealers to maintain a system of fixing prices at which their coffee shall

be sold by dealers and to refuse to sell coffee to dealers who will not agree to maintain resale prices, publishing articles in its official organ, The Northwestern Merchant, urging retail coffee dealers to boycott wholesalers who do not maintain resale prices, and boycotting the goods of coffee dealers who are not members of respondent association and who do not maintain resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 204 (Oct. 17, 1918).--Federal Trade Commission v. Commonwealth Color & Chemical Co. and Herbert L. Wittnebel. Charge: Using unfair methods of competition in the sale of colors, chemicals, and dyestuffs, viz, giving gratuities of different kinds, including sums of money, to employees of their customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondents' colors, dyestuffs, and chemicals and to refrain from purchasing those of respondents' competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 205 (Oct. 18, 1918).--Federal Trade Commission v. The Tobacco Products

Complaint No. 207 (Oct. 30, 1918).--Federal Trade Commission v. The Cleveland Macaroni Co. Charge: Using unfair methods of competition in the sale of macaroni, noodles, and kindred products, viz, giving premiums of jewelry, silverware, and other personal property to salesmen of jobbers handling respondent's product, and giving dinners to jobbers and their salesmen, retail buyers, customers, and prospective customers of respondent, and competitor's customers and prospective customers as an inducement to influence them to purchase respondent's macaroni, noodles, and kindred products, and to refrain from purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 208 (Oct. 30, 1918).--Federal Trade Commission v. The Royal Cinema Corporation and two other motion-picture companies. Charge: Using unfair methods of competition, TD 0 Tc () Tij 6 1844 (ITD o () Tj Tw i870327 Tcviz, wo

out notifying the exhibitors and the public that it is such, and falsely accusing exhibitors who refuse to exhibit said "Mothers of Liberty" of being German sympathizers and disloyal to the Government of the United States, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 209 (Oct. 30, 1918).--Federal Trade Commission v. St. Lawrence Lumber Co. Charge: Using unfair methods of competition, viz, adopting and maintaining a system of sending and causing others to send to mail-order houses engaged in selling lumber and building materials spurious requests for estimates of the quantity and quality of lumber and building materials required for certain building purposes, prices therefor, and for printed matter, advertisements, and special information furnished to bona fide customers and prospective customers, for the purpose of hindering, embarrassing, and restraining such mail-order houses in the conduct of their business, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 210 (Oct. 30, 1918).--Federal Trade Commission v. Joseph Simmonds, trading as W.H. Productions Co. Charge: Using unfair methods of competition in the production of motion-picture films, viz, adopting a trade name similar to that of a competitor, marketing old pictures of a certain competitor under a similar trade name and under similar titles, and marketing under new titles motion pictures of well-known motion-picture actors and actresses which had previously been exhibited to the

but a small amount of wool, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 215 (Nov. 12, 1918).--Federal Trade Commission v. Minerals Separation (Ltd.) et al. Charges: Stifling and suppressing competition in lines of commerce dependent upon apparatus and processes and other commodities used in the separation and concentration of ores, by entering into and enforcing and attempting to enter into and enforce agreements which are for the purposes of preventing independent concerns from selling or licensing any independent commodities without respondents's permission, permitting no independent concern to manufacture, license, or lease independent commodities except by the payment of an exorbitant commission for such permission, of discriminating in the amount of commissions exacted from different inde-

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pendent concerns, of compelling mine operators and others not in respondents, employ to surrender to them the ownership and control of inventions respecting the separation and concentration of ores, of preventing mine operators and others from publishing any data or other information respecting the separation or concentration of ores except with respondents' permission, of compelling mine operators and others not in respondents' employ to withhold advice and information regarding apparatus and other commodities from anyone against whom the respondents may be engaged in patent litigation, of exacting from mine operators and exorbitant royalty for the use of commodities controlled by respondents, including operations involving the use of commodities not controlled by respondent and discriminating as to royalties between different mine operators; by7m-de-d other

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Federal Trade Commission against certain "regular dealers," secretly offering and paying local contractors and builders a bonus or commission as an inducement to influence them to favor respondent's products over those of its competitors, and circulating catalogues and publishing statements containing false and misleading advertisements tending to induce the belief that "regular dealers" do not deal fairly, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 221 (Dec. 2, 1918).--Federal Trade Commission v. Vapor Cresoline Co. Charge: Stifling and suppressing competition in the sale of propriety medicine by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 222 (Dec. 2, 1918).--Federal Trade Commission v. The Lasso Pictures Co. Charge: Using unfair methods of competition, viz, securing motion-picture films which have been exhibited and displayed to the public, giving them new names and titles, and reissuing them with the intent, purpose, and effect of deceiving exhibitors and the public and leading them to believe that the said picture films are new and original and have never before been exhibited, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 223 (Dec. 2, 1918).--Federal Trade Commission v. Allen Sales Service (Inc.), C. Louis Allen, and William H. Yetman. Charge: Using unfair methods of competition in the manufacture and sale of fire extinguishers, consisting of the acts of the individual respondents appropriating for their own use and for the benefit of the Allen Sales Service (Inc.) Lists of customers, confidential information, and trade secrets of the Pyrene Co., of which they had been previously the president and manager, respectively; inducing manufacturers by false statements to break contracts had with the Pyrene Co. And sell their products exclusively to the respondent company; placing employees in the office of a manufacturer from whom the Pyrene Co. Obtained its supplies for the purpose of securing information concerning their business dealings; inducing the Pyrene Co.'s employees to leave by offers of higher wages; having various manufacturers establish their branch offices in the office of respondent company whereby the latter was enabled to secure contracts from the United States Government for the sale of its products in the names of such manufacturers and receive commissions on such sales without the Government's knowledge; and giving gratuities to employees of their customers and prospective customers and to officers of the armed forces of the United States and other persons concerned in the conduct of the war as an inducement to influence their employers and the Government to purchase fire-extinguishing apparatus of the respondent company,

Complaint No. 225 (Dec. 14, 1918).--Federal Trade Commission v. M.P.L. Packing & Supply Co. Charge: Using unfair methods of competition in the sale of packaging and engine-room supplies, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing from competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 226 (Dec. 14, 1918).--Federal Trade Commission v. Kinney Rome Co. Charge: Using unfair methods of competition in the sale of bed springs and kindred products by giving to salesmen of merchants handling its products and those of its competitors gratuities, consisting of watches and other personal property, as an inducement to influence them to push the sales of respondent's products to the exclusion of the products of its competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 227 (Dec. 14, 1918).--Federal Trade Commission v. Helvetia Milk Condensing Co. Charge: Using unfair methods of competition I the sale of evaporated milk, viz, guaranteeing its customers against decline in the price of goods purchased and not resold at the time of any subsequent decline in the market price, and in the event of such decline refunding to such purchasers an amount equal to the difference between the purchase price of the undisposed goods and the market price to which they had declined, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 228 (Mar. 26, 1919).--Federal Trade Commission v. The De Laval Separator Co. Charges: Stifling and suppressing competition in the sale of cream separators by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, I alleged violation of section 5 of the Federal Trade Commission act; selling and making contracts for sale of its cream separators on the condition, agreement, or understanding that the purchaser thereof shall not use or deal in the cream separators of a competitor, the effect of which is to substantially lessen competition or tend to create a monopoly, in alleged violation of section 3 of the Clayton Act.

 packings, flax, wood fiber, and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 234 (Jan. 6, 1919).--Federal Trade Commission v. Stewart Dickson & Co. (Inc.). Charge: Using unfair methods of competition in the sale of asbestos, flax, and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 235 (Jan. 6, 1919).--Federal Trade Commission v. Brown Portable Conveying Machinery Co. Charge: Using unfair methods of compe-

tition, viz, threatening competitors with suits patent infringements, which threats are not made in good faith, and false and misleading statements with respect to alleged pending lawsuits against competitors and with respect to the invention of a portable elevator manufactured by a competitor, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 236 (Jan. 6, 1919).--Federal Trade Commission v. Carter Paint Co. Charge: Using

unfair methods of competition, consisting of giving gratuities of different kinds to salesmen of jobbers handling respondent's products as an inducement to push the sale of respondent's products in preference to those of its competitors, In alleged violation of section 5 of the Federal Trade Commission act.

Complaint No.237 (Jan. 11, 1919).--Federal Trade Commission v. General Chemical Co. Charge: Stifling and suppressing competition in the sale if baking powder by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Com mission act.

Complaint No.238 (Jan.11, 1919).--Federal Trade Commission v. The Hoover Suction Sweeper Co. Charge: Using unfair methods of competition in the sale of vacuum sweepers, consisting of giving cash bonuses to employees of both its competitors and of dealers handling competitors' products as an inducement to influence them to push the sale of respondent's products, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 239 (Jan. 11, 1919) -- Federal Trade Commission v. Royal Easy Chair Co. Charge: Using unfair methods of competition in the sale of reclining chairs and kindred products by giving a cash bonus on each chair sold to salesmen of retail merchants handling the products of respondent and those of its competitors as an

inducement to push the sale of respondent's products, TD 0 T 5.16 0.0154 Tc (productsF0 11 TD

Complaint No. 243, (Jan. 23, 1919) --Federal Trade Commission v. E. P. Janes, S. A. Paul, Ironclad Tire Co., and three other tire companies. Charge: Using unfair methods of competition in the sale of automobile tires, viz, purchasing old and discarded tires, retreading them, remarking them with new brand names, and advertising and selling them as new tires with a guarantee of 4,000 miles of service, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 244 (Jan. 15, 1919).--Federal Trade Commission v. Berry Brothers (Inc.), Everet W. Hinckley and William H. Kennedy. Charge: Using unfair methods of competition in the sale of varnish and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase the products of respondents and to refrain from purchasing of in of of the

miles of service, in alleged violation of section 5 of the Federal Trade Commission act. *Complaint No. 253 (Feb. 6, 1919)* .--Federal Trade Commission v. William H. Batcheller. George Batcheller, and Akron Tire Co. (Inc.). Charge: Using unfair methods of competition In the sale of automobile tires, viz, purchasing old and discarded tires, retreading them, re-marking them with new brand names, and advertising and selling them

Co. from obtaining commodities from manufacturers and manufacturers' agents; and by boycotts and threats of boycotts inducing manufacturers and agents to refuse to sell to the Los Angeles Grocery Co. The 19 members of the Association of Manufacturers' Representatives are charged with permit-ting the seven Los Angeles wholesale grocers to Intimidate them by boycotting and threatening to boycott tile products sold by them if same were sold to the Los Angeles Grocery Co., the result of such Intimidation being that said agents have refused to sell the products manufactured by their respective principals to the Los Angeles Grocery Co., in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 255 (Mar. 3, 1919).--Federal Trade Commission v. Ruud Manufacturing Co. and Pittsburgh Water Heater Co. Charge: Using unfair methods of competition in connection with the manufacture and sale of water heaters by agreeing among themselves to fix and maintain resale prices, requiring purchasers to maintain such resale prices, and refusing to sell to those who will not maintain such resale prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint t No.256' (Afar. 3, 1919) .--Federal Trade Commission v. James B. Schafer, trading as Universal Battery Service Co. Charge: Using unfair methods of competition in the sale of electric batteries, consisting of the adoption and use of the trade name "Universal Battery Service Company," which name is so similar to that of a competitor as to deceive and mislead the trade and purchasing public and cause them to believe that the respondent's products are one and the same as that of its competitor, imitating the color scheme of competitor's advertisements, and falsely advertising that respondent's batteries last forever, in alleged violation of section. 5 of the Federal Traders Commission act.

Complaint No. 257 (Mar. 7, 1919) .--Federal Trade Commission v. Twin City Printers Roller Co. Charge: Using unfair methods of competition in connection with the sale of printing-press rollers, viz, giving. gratuities of different kinds, including sums of money, to employees of customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's printing-press rollers and to refrain from purchasing those of respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission Act.

Complaint No. 258 (Mar.17, 1919) .--Federal Trade Commission v. McKnight-Keaton Grocery Co., Wood & Bennett Co., The Scudders-Gale Grocery Co., and Ray L. Hosmer & Co. Charge: Using unfair methods of competition, consisting of the respondents, both individually and by means of a combination among themselves, unfairly hampering a competitor by inducing manufacturers of groceries and kindred merchandise to refuse to recognize such competitor as a wholesaler and entitled to buy at a wholesaler's price, thus forcing competitor to buy at higher prices, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 259 (Mar.17, 1919).--Federal Trade Commission v. Oldbury Electro-Chemical Co.-, J. L. & D. S. Riker (Inc.), and Central Railway Signal Co. Charge: Using unfair methods of competition in the manufacturers and sale of railway signal fusees by an alleged combination between the respondents whereby the Oldbury Co., through its sales agent, J. L. & D. S. Riker (Inc.), refuses to manufacture and sell any chlorate of potash 'In addition to the amount. required by

the Central Railway Signal Co., and thus giving the latter a monopoly in the manufacture and sale of railway signal fusees, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 260 (Mar. 17, 1919--). Federal Trade Commission v. C. R. Fenton and F. P. Fenton, partner, trading as Standard Soap Manufacturing Co. Charge: Using unfair methods of competition in the sale of soap and kindred products, viz, giving gratuities of different kinds, Including sums of money, to employees of customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's soaps and kindred products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 261 (Mar.19, 1919).--Federal Trade Commission v. Rome Soap Manufacturing Co. Charge: Using unfair methods of competition in the sale of soap and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of customers, prospective cus-

tomers, and customers and prospective customers of competitors as an inducement to influence their employers to purchasers respondent's soaps and kindred products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 262 (Mar.19, 1919).--Federal Trade Commission v. F. Kenney Manufacturing Co. Charge: Using unfair methods of competition in the sale of soap and kindred products, viz, giving gratuities of different kinds, including sums of money, to, employees of customers, prospective customers, and customers and prospective customers of competitors as an inducement to) influence their employers to purchase respondent's soaps and kindred products and to refrain from purchasing those of competitors, in alleged violation II of section 5 of the Federal Trade Commission act.

Complaint No.263 (Mar. 18, 1919).--Federal Trade Commission v. Edward L. Swan and Harmanus Swan, partners, trading as William H. Swan & Sons, Charge:

contracts they have sold no patterns except those manufactured by respondent or shall have sold such patterns at the prices fixed by respondent, in alleged violation of section 5 of the Federal Trade Commission act; selling and making contracts for sale of its paper dress patterns on the condition, agreement, or understanding that the purchasers thereof shall not use or deal in the patterns of competitors, the effect of which is to substantially lessen competition or tend to create a monopoly in violation of section 3 of the Clayton Act.

Complaint No.267 (Mar.26, 1919) .--Federal Trade Commission v. Chicago Mill Works Supply Co. Charge: The use by respondent, which is a mail-order house engaged in the sale of lumber and building materials, of unfair methods of competition, consisting of advertising matter and circular letters containing false statements derogatory of so-called "regular dealers" in lumber, and false and misleading statements concerning the alleged benefits which the public might derive from trading with respondent, and secretly paying bonuses to local contractors, builders, and carpenters as an inducement to influence them to push the sale of respondent's lumber and building materials over those of Its competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Com plaint No.268 (Apr. 8, 1919).--Federal Trade Commission v. The Aeolian Co Charge: Stifling and suppressing competition in the sale of pipe organs.

perforated music rolls, musical instruments of the phonograph type and parts and accessories thereto, and phonograph records, by fixing and maintaining resale prices, requiring dealers to maintain such resale prices, refusing to sell to those who will not retain such resale prices, maintaining a system of requiring dealers *who* deal in other types of phonograph instruments, records, or talking machines to

Co. and Samuel C. Pandolfo. Charge: Using unfair methods of competition, consisting in making, publishing, advertising, and circulating false and misleading statements concerning the organization, assets, progress, financial standing, and responsibility of the Pan Motor Co., and concealing from time public facts relating to and affecting time organization and financial standing of said company, and making, publishing, and advertising false statements in circulars, advertisements, and other publications regarding the design, manufacture, production, and price of certain automobiles represented as being manufactured by the said Pan Motor Co., in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 274 (May 27, 1919).--Federal Trade Commission v. Nestle's Food Co. (Inc.). Charge: Using unfair methods of competition in connection with the sale of milk in Mexico, consisting in adopting and using upon cans of condensed milk certain forms of labels which mislead the public in Mexico to believe that such condensed milk is manufactured in Europe, whereas it is manufactured in and shipped from the United States, In alleged violation of section 5 of the Federal Trade Commission act, as extended by section 4 of the Webb Act.

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Complaint No. 275 (May 27, 1919).--Federal Trade Commission v. Mutual Candy Co. (Inc.). Charge: Using unfair methods of competition in connection with the sale of confections and chewing gum, consisting of fixing and maintain prices at which the confections and chewing gum manufactured by the Beech-Nut Packing Co. shall be resold by stockholders and other jobbers of respondent to retail dealers and by retail dealers to the consuming public, requiring its stockholders, Jobbers, and retail dealers to agree to maintain such resale prices, refusing to sell its products to stockholders, jobbers, or retail dealers who will not agree to maintain such resale prices, and occupying the dual role of selling agent for the products manufactured by the Beech-Nut Packing Co. and other chewing gum manufacturers and of purchasing agent for its stockholders although ostensibly purchasing such products from the manufacturer and reselling them to its own stockholders, in alleged violation of section 5 of the Federal Trade Commission act

Complaint No. 276 (May 27, 1919).--Federal Trade Commission v. Jacob Lanski. Charge: Using unfair methods of competition in the purchase of scrap iron by knowingly accepting, unloading, and converting to his own use freight cars of iron and steel scrap delivered to him by railway companies, but originally purchased by and shipped to the I. Lanski & Son Scrap Iron Co., and by means of information contained In freight bills and other correspondence relating to such shipments delivered by mistake through the malls to respondent, learning the names of numerous dealers with whom the I. Lanski & Son Scrap Iron Co. were doing business, and attempting to Induce such persons to transact their business with him, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No.277 (May 27, 1919).--Federal Trade Commission v. Boston Piano & Music Co. Charge: Using unfair methods of competition in connection with the sale of talking machines by purchasing talking machines under the brand name of "Masterphone"; selling such machines by the use of a sales plan, consisting of false representations and fraudulent schemes and practices, such as providing the salesmen with what purports to be order blanks, which are in reality, when signed, binding contracts of purchase; extravagant statements regarding the quality and nature of the machine and records, the facility with which they may be disposed of, the representation that machines are sent on approval, and that respondent operates its own factory; that under respondent's plan a dealer can lose no money; that respondent will conduct an advertising campaign for the benefit of such dealers; and that the salesmen will return and lend their personal aid in a selling campaign, in alleged violation of section 5 of the Federal Trade Commission act

Complaint No.278 (May 27, 1919).--Federal Trade Commission v. Tokheim Oil Tank & Pump Co. Charge: Using unfair methods of competition in manufacturing and selling automatic measuring oil pumps, tanks, and kindred products, by systematically and on a large scale inducing and enticing and at-tempting to induce and entice employees from its competitors to leave their employers by offering them employment with respondent, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 279 (May 27, 1919).--Federal Trade Commission v. The Chamberlain Cartridge & Target Co. Charges: Using unfair methods of cornpetition, consisting of refusing to lease its patented traps for throwing clay-pigeon

customer should purchase no more of respondent's gas and also to agree not to use in connection with said containers the acetylene gas of competitors, the effect of which is to substantially lessen competition or tend to create a monopoly, in alleged violation of section 3 of the Clayton Act.

Complaint No.281 (July 27, 1919).--Federal Trade Commission v. Emil West trading as The Sweater Store. Charge: Using unfair methods of competition consisting of conducting a store for the sale of men's and women's wearing apparel and knitted goods under the name of "The Sweater Store," which name is so similar to that of a competitor as to deceive and mislead the trade and purchasing public and cause them to believe that respondent's firm, store, and business are one and the same as that of its competitor, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 282 (June 21, 1919) .--Federal Trade Commission v. Federal Color & Chemical Co. Charge: Using unfair methods of competition in connection with the sale of dyestuff, chemicals, soap and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 283 (June 23, 1919).-Federal Trade Commission v, Webb-Jensen-Davis Co. (Inc.). Charge: Using unfair methods of competition in connection with the sale of printing ink and kindred products, viz, giving gratuities of different kinds, including sums of money to employees of it's customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 284 (June 21, 1919).-- Federal Trade Commission v. William Mohrmann. Charge: Using unfair methods of competition in connection with the sale of chemicals, dyestuffs textile soap, and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of his customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 285 (June 21, 1919)) .--Federal Trade Commission v. Original Bradford Soap Works (Inc.). Charge: Using unfair methods of competition in connection with the sale of soap and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as all inducement to influence their employers to purchase respondent's products find to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 286 (June 21, 1919) .--Federal Trade Commission v. Harry Bentley, doing business under the name and style of The Standard Soap Co.

Charge: Using unfair methods of competition in connection with the sale of soap and kindred products, viz, secretly paying money to employees of his customers, prospective customers, and customers and prospective customers of competitors as an inducement to Influence their employers to purchase respondent's products and to refrain from dealing with respondent's competitors, In alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 287 (June 21, 1919).--Federal Trade Commission v. Charles J. Fox. Charge: Using unfair methods of competition in connection with the sale of soap and kindred products, viz, secretly paying money to employees of his customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from dealing with respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 288 (June 21, 1919).--Federal Trade Commission v. J. L. Quimby, doing business tinder the name and style of J. L. Quimby & Co. Charge: Using unfair methods of competition in connection with the sale of lubricating oil, greases, and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of his customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and

to refrain from purchasing those of competitors, In alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 289 (June 21, 1919).--Federal Trade Commission v. Woodley

Trade Commission act.

Complaint No.- 294 (June 23, 1919) .--Federal Trade Commission v. O. P. Olsen & Co. (Inc.). Charge: Using unfair methods of competition in connection with the sale of ship supplies, viz, secretly paying money to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from dealing with respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 295 (June 23, 1919).--Federal Trade Commission v. Bosson & Lane. Charge: Using unfair methods of competition in connection with the sale of dyes, soaps, and kindred products, viz, giving gratuities of different kinds, including sums of money, to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 296 (June 23, 1919) .--Federal Trade Commission v. Dobbins Soap Manufacturing Co. Charge: Using unfair methods of competition in

connection with the sale of soap and kindred products, viz, giving gratuities of different kinds to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 297 (June 23, 1919).--Federal Trade Commission v. India Alkali Works. Charge: Using unfair methods of competition in connection with the sale of savogram, washing powders, and kindred products, viz, giving gratuities of different kinds to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 298 (June 23, 1919).--Federal Trade Commission v. National Oil Products Co. Charge: Using unfair methods of competition in connection with the sale of oil, soap, and grease products, viz, giving gratuities of different kinds to employees of its customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No.299 (June 23, 1919).--Federal Trade Commission v. U. S. Oil & Supply Co. Charge: Using unfair methods of competition in connection with the sale of on, soap, and mill supplies, viz, giving gratuities of different kinds to employees of its customers, prosecutive customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Com plaint No. 300 (June 23, 1919).--Federal Trade Commission v. Robert Cohn and Adolph Cohn, doing business under the name and style of Lois Cohn & Sons. Charge: Using unfair methods of competition in connection with the sale of ship supplies, viz, secretly paying money to employees of their customers, prospective customers, and customers amid prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from dealing with respondent's competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 301 (June 23, 1919).--Federal Trade Commission v. Arne Meyer, doing business under the name and style of Marine Supply Co. Charge: Using unfair methods of competition in connection with the sale of lifeboats, motor boats, gas engines, machinery, and other ship supplies, viz, giving gratuities of different kinds, including sums of money to employees of his customers, prospective customers, and customers and prospective customers of competitors as an inducement to influence their employers to purchase respondent's products and to refrain from purchasing those of competitors, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No. 302 (June 21to v. v. sT6North

American Construction Co. Charge: The use by respondent, which is a mail-order house engaged in the sale of lumber and building materials, of unfair methods of competition, consisting of advertising matter and circular letters containing false statements derogatory of so-called "regular dealers" in lumber, and false and misleading statements concerning the alleged benefits which the public might derive from trading with respondent, in alleged violation of section 5 of the Federal Trade Commission act.

Complaint No.303 (June 26, 1919).--Federal Trade Commission v. Utah-Idaho Sugar Co., Amalgamated Sugar Co., E. R. Wooled, A. P. Cooper, and E. F. Cullen. Charge: Using unfair methods of competition in connection with the manufacture and sale of beet sugar, consisting in the circulation of false and misleading reports concerning the business methods and financial standing of competitors and the inability of competitors to produce sugar, due to the alleged fact that all the producing territory is controlled by respondent; making long-term contracts with growers in territories where competitors were intending to erect factories; causing railroads to delay building tracks and other facilities for competitors and causing banks to withhold credit; spying upon the private and business affairs of competitors; establishing factories and buying

EXPORT TRADE DIVISION.

American business has lifted its eyes from our shores and is today projecting its vision to the uttermost parts of the world. It is only within the last 20 years that our

(c) That, in order that the Board of Trade may be able to keep itself fully informed as to the nature, extent, and operations of industrial combinations in the United Kingdom or of international combinations of which British firms, companies, or associations form part, that department should have power to call upon individual consolidations or combines from time to time to furnish for its confidential use such information as it may require.

More recently still, in 1919, a committee 0£ the British Ministry of Reconstruction, under the chairmanship of the lion. Charles A. McCurdy, M. P., after a study 0£ the Federal Trade Commission of the United States, has recommended that a similar body be created by Parliament, in the following language:

We are unanimously of opinion that it would be desirable to Institute in the United Kingdom machinery for the investigation of the operation of monopolies, trusts, and combines, similar to the commissions and other tribunals created for that purpose in the United States of America and the British Colonies above referred to. The problems to be considered, before any just conclusion can be arrived at with regard to the actual existence of abuses, If proved, are not matters on which It is possible for a committee such as this to form any final or considered judgment. But we are satisfied that trade associations and combines are rapidly Increasing In this country, and may within no distant period exercise a paramount control over all Important branches of the British trade.

(d) There shall be established a tribunal, consisting of a person of legal qualifications as permanent chairman, and not less than two nor more than seven other members selected by him from time to time from a panel appointed for the purpose by the president of the Board of Trade after considering nominations made by representative trade organizations, including the Cooperative Movement and Trade Unions, which tribunal shall have power (1) on the application of the Board of Trade to make orders of the kind specified under (c) (1) above, and (2) on reference from the Board of Trade, to Investigate the operation of any organization specified in (a) and for that purpose to call for all books and papers, to take evidence upon oath, and to adopt such other measures of inquiry as it may deem necessary to elicit the facts, and when It shall be proved that acts injurious to the public interest have been committed such facts as are relevant to the particular offense shall be published immediately on the conclusion of each inquiry.

This report reveals economic difficulties remarkably like those confronting our country and an equitable and broad view of the legislative mind toward trade matters. Canada has already created a trade commission and in Australia the interstate commission operates along similar lines. The thought occurs that if the business interests of the respective nations $0\pounds$ the world are to contend in the international arena for their rightful shares of business, they must strive for the same in an harmonious atmosphere. There can be no such thing unless there are standard rules of guidance on the subject of competition adopted by the several nations and at least a potential method of enforcement of the rule.

The time seems propitious for proposing to the business interests of the world the idea that there shall be formed an international trade commission comprising representatives of the several counties composing the league of nations. The following skeleton outline is briefly sketched only as a tentative basis for launching the suggestion:

In the event that the several nations composing the league create trade commissions, and there seems to be a trend in that direction, a member or representative from each might be selected as a representative on the international body. Where an offense is alleged by business interests of one nation against those of another, the complaint would come through the trade commission of the nation whose

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citizens were complaining and be lodged with the international commission. The latter body could then, in order that there might be no charge of discrimination, have the cause tried by representatives of the international body not belonging to either

of unfair practices of competition in international trade; general competitive conditions in foreign markets where American $\,$

Statements filed. - Section 5 of the Webb-Pomerene law provides that within 60 (lays after its passage] every association then engaged solely in export trade shall file a verified written statement with the Commission, setting forth the location of its offices or places of business and the names and address of all its officers, 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 Associations entered into subsequent to the passage of the Webb-Pomerene law are required to file similar statements with the Commission within 30 days after their creation.

On January 1 of each year every association is required to file with the Commission a like statement, including all amendments to and changes in its articles or certificate of incorporation, or in its article or contract of association.

Since the enactment of the Webb-Pomerene law, up to the end of the present fiscal year, a total of 92 concerns have filed statements purporting to be under section 5 of that act. They comprise an aggregate of 840 member concerns, several of which are trade associations with a large membership of their own. Among the industries and products for export covered (raw materials as well as manufactured goods) are the following: Copper, steel, forest products, phosphate rock, magnesia, textiles, webbing materials, cement, soda pulp, office equipment, paper and stationery, meats, provisions and packing-house products, canned milk and milk products, fertilizers, tanning materials, caustic soda and soda ash, clothes pins, pine-tar products, etc. The individual member concerns are distributed throughout the United States, the various plants being located in practically every State of the Union. The associations comprise both large and small concerns. Among them are some representing a capital as small as \$5,000, while others are million-dollar corporations.

During the past fiscal year papers have been filed with the Commission by the following concerns :

Adtama Trading Co., 44 Court Street, Brooklyn, N. Y.

Allied Manufacturers' Export Corporation, The, 60 South Street, Boston, Mass.

American Export Lumber Corporation, Wilmington, Del.

American Industry Supply Export Co., 149 Broadway, New York.

American Magnesia Exporters Association, 721 Bulletin Building, Philadelphia, Pa.

American Paper Exports (Inc.), 30 Broad Street, New York City.

American Pitch Pine Export Co., 7 West Tenth Street, Wilmington, Del.

American Tanning Materials Corporation, Wilmington, Del.

American Webbing Manufacturing Export Corporation, 395 Broadway, New York.

Amsinck & Co., G., of Mexico (Inc.), 120 Broadway, New York.

Australian General Electric Co., Schenectady, N. Y.

American Provisions Export Co., 316-319 Royal Insurance Building, Chicago, Ill.

American Soda Pulp Export Association, 200 Fifth Avenue, New York.

American Locomotive Sales Corporation, 30 Church Street, New York.

American Milk Products Corporation, 302 Broadway, New York.

Alexander Hinchuk Co. (Inc.), 5 Beekman Street, New York.

Compangnia General Electric Sud-Americana (Inc.), Schenectady, N. Y.

Consolidated Steel Corporation, 165 Broadway, New York.

Copper Export Association (Inc.), 60 Broadway, New York.

Cosmo Trading Co., 133 West Washington Street, Chicago, Ill.

Cement Export Co. (Inc.), 40 Wall Street, New York.

Carolina Wood Export Corporation, Wilmington, Del.

Canned Foods Export Corporation, 1739 H Street NW., Washington, D. C.

Deister Miners' Supply Co., Fort Wayne, Ind.

De Lima, Correa & Corrtissoz (Inc.), 8-10 Bridge Street, New York City.

Export Clothes-Pin Association of America (Inc.), 90 West Broadway, New York.

Franklin International Corporation, 958 Hoe Avenue, New York City.

Florida Hard Rock Phosphate Export Association, 106 East Bay Street, Savannah, Ga.

Florida Pebble-Phosphate Export Association, 99 John Street, New York City.

Companhia General Electric do Brazil (Inc.), Rotterdam, Schenectady County N. Y.

Getz Brothers of the Orient (Ltd.) (Inc.), 530 Davis Street, San Francisco, Calif.

Harper & Co., Locke T., 220 Montgomery Street, San Francisco, Calif.

Herzberg & Son, B., 1119 Fillmore Street, San Francisco, Calif.

Levy Co. (Inc.), A. A., 43 East Nineteenth Street, New York City.

M. P. Trading Co. (Inc.), 60 Wall Street, New York City.

Market & Schaefer Co., 193 West Street, New York City.

Maxim Munitions Corporation, 120 Broadway New York City.

National Trading Co., 460 Montgomery Street, San Francisco, Calif.

Oceanic Trading Corporation, First National Bank Building, Pittsburgh, Pa.

Overseas Products Corporation, 67 Wall Street, New York City.

Pennsylvania Importing and Exporting Co., 1101 Commonwealth Building, Philadelphia, Pa.

Portuguese-American Trading Corporation, 120 Broadway, New York.

Pan American Exporters (Inc.), 517 Codehaux Building New Orleans, La.

Pan American Trading Co., 45 Pearl Street, New York City.

Pearson Export Corporation, 170 Broadway, New York City.

Peck & Co., William E., 104 Pearl Street, New York City.

Phosphate Export Association, 99 John Street, New York City.

South African General Electric Co., Schenectady, N. Y.

Southern Pacific Trading Corporation, Los Angeles, Calif.

Strong & Trowbridge Co., 17 Battery Place, New York, N. Y.

Textile Alliance Export Corporation, 45 East Seventeenth Street, New York.

United States Handle Export Co., Piqua, Ohio.

United States Office Equipment Export Association, care of Globe Wernicke Co., Cincinnati, Ohio.

United States Forest Products Co., care of Corporation Trust Company of Delaware, Dover, Del.

United States Alkali Export Association (Inc.), 171 Madison Avenue, New York, N. Y.

United States Provision Export Corporation, 175 West Jackson Boulevard, Chicago,

Walnut Export Sales Co. (Inc.), 115 Broadway, New York.

Zaldo & Martinez Co). (Inc.), 66 Beaver Street, New York.

In listing the foregoing concerns, the Commission does not indicate that they are qualified under the Webb-Pomerene law or entitled to the benefits of sections 2 and 3 of that act.

During the first few months after the enactment of the law a number of concerns apparently thought it advisable to file statements to avoid any question as to the penalty, imposed by section 5 for failure to do so. In several other cases it appears that papers were filed without a careful consideration of the Webb-Pomerene law, particularly the provisions of sections 2, 3, and 5, which require that associations, in order to qualify under the act, be entered into for the sole purpose of engaging in export trade and that they be engaged solely and actually in "export trade," as that term is defined in section 1 of the act.

However, a closer study of the provisions of the act is reflected in the statements filed with the Commission during the past fiscal year.

Copies of this pamphlet may be had on application to the Federal Trade Commission, Washington, D. C., and marked "Export Division."

June 28,1919.

ENEMY TRADE DIVISION.

By virtue of the authority vested in it by the act of October 6, 1917, known as the "trading with the enemy act," and the Executive order of October 12, 1917, the Commission during the fiscal year ending June 30, 1919, received and considered 97 applications for license under enemy owned or controlled patents. Thirty-five licenses were issued, while 26 applications remained pending at the close of the year. Twenty-four applications were denied, three returned as not falling within the purview of the "enemy trade act," and two were withdrawn.

In some instances several patents were included in a single license or added to a license previously issued, which will explain the apparent discrepancy between the number of applications received and the number accounted for. Licenses granted were all nonexclusive in character and covered a wide range of subjects, including dyes, drugs, chemicals, machinery, and apparatus of various sorts.

In addition to four licenses previously granted for the manufacture of arsphenamine (or 606), two additional licenses were issued during the fiscal year, one to the Division of Laboratories and Research of the New York State Department of Health and the other to the Massachusetts State Department of Health, such licenses being issued for the purpose of furnishing free for the clinics and institutions of the States named the necessary quantities of this vital drug. The license issued to the Massachusetts State Department of Health also authorized the distribution at actual cost to the boards or departments of health of Maine, New Hampshire Vermont, Rhode Island, and Connecticut such amounts of arsphenamine as were required for use in the institutions of their respective States and the official clinics established for the treatment of syphilis in accordance with the cooperative plan for venereal disease control entered into by the United States Public Health Service and the various State boards or departments of health. From every lot of arsphenamine which is produced a specimen must be submitted to the Public Health Service, by whom it must be approved before such lot is released for sale or use. In this way the purity of the drug is maintained at the standard set by the Public Health Service.

ENEMY-OWNED TRADE-MARKS.

Since the passage of the trading with the enemy act 12 applications under enemyowned trade-marks have been received. Of this number four received favorable action as follows:

Lehn & Fink, of New York City, were licensed to use the trademark "Pebeco" for tooth paste; the Anchor Packing Co., of Philadelphia Pa., was licensed under the trademark "Tauril" for packing The Draeger Oxygen Apparatus Co., of Wilkensburg, Pa., was granted license to use the trade-mark "Pulmotor" in connection

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with life-saving apparatus, for which certain patent licenses were also granted them, and the Abbott Laboratories, of Chicago, Ill., were licensed in connection with certain patent licenses to use the trade-mark "Veronal" in placing on the market the product introduced as "Barbital." The eight remaining applications were denied.

In this connection, subsequent to the issue of license to Lehn & Fink under the trademark "Pebeco," this trade-mark was seized by the Alien Property Custodian and sold to Lehn & Fink for a consideration of \$1,000,000.

ENEMY-CONTROLLED COPYRIGHTS.

During the fiscal year two applications only under enemy-controlled copyrights were received, one from the John Crerar Library, of Chicago, Ill., covering (an important) technical work entitled "Die Organischen Geschmacksstoffe," and the other from Joseph w. Herbert, of Palisade, N. J., covering the drama, "Der Seerauber." License was issued under each of these applications.

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ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION.

EXHIBIT 1.

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 late of the taking effect of this act, the term of each to be designated by the President, but their successors shall be appointed thelate of 1812 (1921)

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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. If 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 appears 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.

a copy thereof addressed to such person, partnership, 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 shelf be proof of the same, service

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commerce, or any class of them, or any of them, respectively, to file with the commission in such form as the commission may

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 tile 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 naive power to require by subpena 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 examinTD 0 Tc 5.96 0 sc (exaD 0 Tc () T (e00 T 0 TD h4

may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the protection 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 is 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 depositions may be taken before any 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 willfully neglect or fail to make, or to 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 ally other means falsify any documentary evidence of such corporation, or who, shall willfully refuse to submit to the commission or to any of its authorized agents, for the purpose

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 punished by a fine not exceeding \$5,000, or by imprisonment not exceeding one year, oxidential (1996) (199

EXHIBIT 2.

PROVISIONS OF THE CLAYTON ACT WHICH CONCERN THE FED-

monopoly in any line of s0 11mmerce.monSEC.

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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 become or be deemed amenable to ally of the provisions hereof

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 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 spoken may be allowed by the commission 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 or board. If upon such hearing the commission or board, as the case may be, shall be of the option 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 that personissue and te7p-intrixts 22.2 0 TTD: 0 Tc() Tt(2.04 t1.92 0 9 0 2TD 0 r02 t8 \$Tc (0.05 to 1.05 to 1.0

appears by finite in the court a written petition praying that the order of the commission or board be set aside. A copy of such petition shall be forthwith served upon the commission or board, and thereupon the commission or board forthwith shall certify and

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Complaints, orders, and other processes of tile commission 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 tile 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

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EXHIBIT 3.

RULES OF PRACTICE BEFORE THE FEDERAL TRADE COMMISSION.

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 Us 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. in. 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, tile 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.

Within 30 days from the service of the complaint, unless such time be extended by order of the commission, the defendant shall 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. It shall specifically admit or deny or explain each of the facts alleged in the complaint, unless the defendant is without knowledge, in which case lie shall so state, such statement operating as a denial. Answers in typewriting must be on one side of the paper only, on paper not more then 8 ½ inches wide and not more than 11 inches long, and weighing not less then 16 pounds to the ream, folio base, 17 by 22 Inches, with left-hand margins 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.

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

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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 wailed 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 lie 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 8½ 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 1½ inches wide, or they may be printed in 10 or 12 point type on good unglazed paper 8 inches wide by 10½ 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 the commission.

VII. WITNESSES AND SUBPOENAS:

Witnesses shall be examined orally, except that for good and except that 5ca (Seve) Tj samT feTj as 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

IX. OBJECTIONS TO EVIDENCE.

Objections to the evidence before the Commission, a commissioner, or an examiner shall, in any proceeding, be in short form. starting the grounds of objections relied upon, and no transcript filed shall include argument or debate.

X. MOTIONS.

A motion in a proceeding by the Commission shall briefly state the nature of the order applied for, and all affidavits, records, and other helpers 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.

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XI. HEARINGS ON INVESTIGATIONS.

When a

material matter shall be filed.

X. BRIEFS.

Unless otherwise ordered, briefs may be filed at the close of the testimony In each contested proceeding. The presiding commissioner or examiner shall fix the time within which briefs shall be filed and service thereof shall be made upon the adverse parties.

All briefs must be filed with tile secretary and be

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Application for extension of time in which to file any brief shall be by petition in writing, Stating the facts upon which tile application rests, which must be filed with the commission at least 5 days before the time for filing the brief.

EXHIBIT 5.

EXTRACTS FROM THE TRADING WITH THE ENEMY ACT AND EXECUTIVE ORDER OCTOBER 12, 1917

The act of Congress approved October 6, 1917, known as the trading with the enemy act, contains the following provisions:

SEC. 10.

(b) Any citizen of the United States, or any corporation organized within the United States, may, when **dunly**wn

so paid shall be deposited by said alien property custodian forthwith in the Treasury of the United States as a trust fund for the said licensee and for the owner of the said patent, trade-mark, print, label, or copyright registration as hereinafter provided, to be paid from the Treasury upon order of the court, as provided in sub-

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division (f) of this section, or upon the direction of the alien property custodian.

- (e) Unless surrendered or terminated is provided in this act, any license, granted hereunder shall continue during the term fixed in the license or in the absence of any such limitation during the term of the patent, trademark, print, label, or copyright registration under which it is granted. Upon violation by the licensee of any of the provisions of this act, or of the conditions of the license, the President may, after due notice and hearing, cancel any license granted by him.
- (f) The owner of any patent, trade-mark, print, label, or copyright under which a license is granted hereunder may, after the end of the war and until the expiration of one year thereafter, file a bill ill equity against the licensee in the, district court of the United States for the district in which the said licensee resides, or, if a corporation, in which it has its principal place of business (to which suit the Treasurer of the United States shall be made a party), for recovery from the said licensee for all use and enjoyment of the said patented invention, trade-mark, print, label, or copyrighted matter: *Provided, however*, That whenever suit is brought, as above, notice shall be filed with the alien property custodian within this TD80.ftdia

the enemy or endanger the successful prosecution of the war, lie may order that the invention be kept secret and withhold the grant of a patent until the end of the war: *Provided*, That the invention disclosed in the application for said patent may be held abandoned upon it being established before or by the Commissioner of Patents that, in violation of said order, said invention has been published or that ,in application for a patent therefor has been filed in any other country, by the inventor or his assigns or legal representatives without the consent or approval of the commissioner or under a license of the President.

When an applicant whose patent is withheld as herein provided, and who faithfully obeys the order of the President above referred to shall tender his

I hereby revoke the power and authority vested in the Federal Trade Commission by section XVII of the Executive order of October 12, 1917, to issue license to any citizen of the United States or any corporation organized within the United States, to file or prosecute application in the country of an enemy or ally of enemy for letters patent or for registration of trade-mark, print, label, or copyright, and to pay any fees or agent's fees in connection therewith or to pay to any enemy or ally of enemy any tax, annuity, or fee in relation to patents, trade-marks, prints, labels, and copyrights, and no such license shall be granted until further order.

United States and doing business within such territory, and any corporation incorporated within such territory of such ally nation, or incorporated within such territory of such ally nations or incorporated within any country other than the United States and doing business within such territory.

- (b) The government of any nation which is ally of a nation with which the united states is at war, or any political or municipal subdivision of such ally nation, or any officer, official, agent, or agency thereof.
 - (c) Such other individuals, or body or class of individuals as may be natives,

- (d) That licensing the applicant is for the public welfare. Specifically, that there is a demand for the patented or copyrighted article or the product of the patented process which is not being met.
- (e) That the applicant is able to make or cause to be made the patented or copyrighted article or exercise the patented process. Specifically, that the applicant is technically and otherwise, equipped to undertake or procure the manufacture or operate the process and is in fact able to do so.
 - (f) That the applicant intends to do so in good faith.
- (g) The application must be verified by the person applying for the license, and in the case of a, corporation by an officer thereof acquainted with the facts recited.

Each application shall be accompanied with a remittance of one hundred dollars.

A suggested form of application is appended.

A separate application is required for each patent or copyright.

The application should be prepared in duplicate and, for convenience in filing, on good unglazed paper 8 inches by 10 ½ inches, directed to the Federal Trade Commission, Patent, Trade-mark, and Copyright Division, and may be transmitted by mail or delivered personally. Personal attendance at the outset is not necessary. If any hearings are desired, notice of them will be given.

In every case where practicable notice of applications for license will be given to the attorney of the patentee or copyright proprietor whose name appears in the file of the application in the Patent Office. or the office of the Register of Copyrights.

The burden of establishing affirmatively the facts upon which under the terms of the act, license may be granted is placed upon the applicant for license.

THE TERMS OF THE LICENSE.

The act provides and the Executive order vests in the Federal Trade Commission the duty of prescribing the conditions of the license.

The form of licenses proposed to be issued is appended.

Only nonexclusive licenses will be issued unless the public interest shall otherwise require.

DURATION OF LICENSE.

The act provides (sec. 10 [e]) that licenses shall continue during the terms fixed in the license, or, in the absence of any such limitation, during the term of the patent * * * or copyright registration under which it is granted, and that upon violation by the licensee of any of the provisions of the act, or of the conditions of the license, after due notice and hearing, the license may be canceled.

LICENSES UNDER TRADE-MARKS, PRINTS AND LABELS OWNED OR CONTROLLED BY AN ENEMY OR ALLY OF AN ENEMY.

Licenses for the use, of trade-marks, prints, and labels will be granted only under exceptional circumstances. Applications for licenses tinder the following conditions will be entertained:

- (1) Where the alleged trademark is the, name of a patented or copyrighted article and a license is granted tinder the patent or copyright.
- (2) Where the alleged trade-mark is the name of an article manufactured tinder tin expired patent or copyright.

THE LICENSE FEE.

The act provides that the license fee shall not exceed \$100, and not exceeding 1 per cent of the sum deposited with the alien property custodian. This fund is an amount not to exceed (a) 5 per cent of the gross sums received by the licensee from the sale of the licensed subject matter, or (b) 5 per cent of the value of the use of the licensed subject matter as established by the Federal Trade Commission.

ACCOUNTING AND PAYMENT TO THE ALIEN PROPERTY CUSTODIAN.

The licensee shall file with the Federal Trade Commission, semiannually on January 1 and July 1 of each year and oftener if required, a f till statement of the extent of the use and enjoyment of the license, and of the prices received from the sale or use of the subject matter of it, and within 30 days thereafter the licensee shall pay to the alien property custodian not to exceed 5 per cent of the gross sums received from the sale of the licensed subject matter, or if the Federal Trade Commission so order not to exceed 5 per cent of the value of the use of the licensed subject matter as established by the Federal Trade Commission.

FORM OF LICENSE UNDER PATENT.

Patent licenses issued by the Federal Trade Commission under the provisions of the "Trading with the enemy act" will be in substantially the following form:

Patent No to to
for
The Federal Trade Commission, under the authority of and in conformity with the
"Trading with the enemy act," and of the Executive order of October 12, 1917, hereby
licenses to make, use, and vend within the United
States the invention described and claimed in United States letters patent to
No dated (copy annexed
hereto) for the period of unless sooner terminated.
The licensee during the continuance of this license shall pay to the alien property
custodian, semiannually, within 30 days after the 1st day of January and the 1st day
of July, respectively, of each year, a royalty at the rate of per cent of the
gross sums received by the licensee from the sale of the invention so herein licensed
(or per cent of the value of the use thereof to the licensee as established by the
Federal Trade Commission).

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charged therefore and his books and plant shall be open to inspection in the same manner as provided for the licensee. The licensee and the undersigned, during the continuance of the license, shall furnish or procure to be furnished all such information as the Federal Trade Commission may consider to be material for the purpose of ascertaining the amount of royalty payable by the licensee, the cost of producing or procuring the patented article, the price or prices charged for said article, and shall permit or procure permission to be given to such person or persons as shall be authorized in that behalf by the Federal Trade Commission at any time or times to enter upon and inspect any factory or place of business in which the manufacture of the patented article shall be carried on by the undersigned for the licensee, and all books, papers, and documents relating to such manufacture and sale.

enter upon and inspect any factory or place of business in which the manufacture of the patented article shall be carried on by the undersigned for the licensee, and all books, papers, and documents relating to such manufacture and sale. The undersigned, manufacturer, is not authorized to make, use, or vend - the Invention of the patent except for, the licensee, and not further or otherwise, and the undersigned undertakes to observe and perform the terms and conditions of the license to to which this is attached. Dated, 191 Accepted and agreed to.
Manufacturer. FORM OF LICENSE UNDER COPYRIGHT.
Copyright licenses issued by the Federal Trade Commission under the provisions of the "Trading with the enemy act" will be in substantially the following form: Copyright No, dated to for the (book, etc., as the case may be; see copyright act of March 4, 1909, sec. 5, for classification) entitled (Insert title of work). The Federal Trade Commission, under the authority of and in conformity with the "Trading with the enemy act" and of the Executive order of October 12, 1917, hereby licenses to exercise within the United States alhe

(c) All other matters and things which, in the opinion of the Federal Trade Commission, may be material for the purpose of

in which the use or manufacture of the said copyright work shall be carried on, and all books, papers, and documents of such licensee relating to such use, manufacture, and sale.

If any payment under this license shall not be made within one month after the same shall have become due under the provisions herein contained (whether demand therefor shall have been made or not), or if the licensee shall or shall attempt to assign or part with the benefit of or grant any sublicense under this license, or shall make default in the performance or observance of any obligation on his part herein continued, or shall have violated any of the conditions of this license or any of the provisions of the statute under which it is granted, and if after 10 days' notice, in writing, shall have failed to comply with the aforesaid, then the Federal Trade Commission

to	, the licensee, and the price or prices charged therefor,
and his book	s and plant shall be open to inspection in the same manner as provided for
the licensee.	The licensee and the undersigned, during the continuance of the license,
shall furnish	or procure to be furnished till such information as the Federal Trade
Commission	may consider to be material for the purpose of ascertaining the amount
of royalty pa	hyable by the licensee, the cost of producing or procuring the copyright
work, the pri	ice or prices charged therefor, and shall permit or procure permission to
be given to s	uch person or persons as shall be authorized in that behalf by the Federal
Trade Comn	nission at any time or times to enter upon and inspect any factory or place
of business i	n which the manufacture of the copyright work shall be carried oil by the
undersigned	for the licensee, and all books, papers, and documents relating to such
manufacture	and sale.

The undersigned, manufacturer, is not authorized to exercise any right conferred by the. copyright statutes with respect to the copyright work here in-

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volved except for, the licensee, and not further or otherwise, and the undersigned undertakes to observe and perform the terms and conditions of the license to to which this is attached. Dated, 191 Accepted and agreed to.
Manufacturer.
A surety company bond may be required of the licensee, if, in the opinion of the Federal Trade Commission, it is necessary to safeguard the public interest.
FORM OF APPLICATION FOR LICENSE.
TRADING WITH THE ENEMY ACT.
To the FEDERAL TRADE COMMISSION: Application of for a license under patent to, dateNo
(If under copyright, state title of work, name of copyright proprietor, and date of
copyright registration.) The undersigned for the purpose of securing a license, represents to the Federal
Trade Commission as follows:
(a) The undersigned is a citizen of the United States, residing at street, in the city
of, State of, United States of America. (If a corporation, state under the
laws of what State it is organized;
the location of its corporate offices, its business offices, and plants or factories.) (b) The undersigned is desirous of being licensed hinder the patent (or copyright)
above United, which is owned or controlled by a citizen or subject of (State the
enemy country or the ally of the enemy of which the patentee or copyright proprietor
is a citizen or subject, or if a corporation where it is incorporated. and if the patent or
copyright is not owned but is claimed to be controlled state fully the facts which
establish the nature and origin of the enemy or ally of enemy control, wether it is
means of an agency, by contract, by stock ownership in corporations, or otherwise.)

- (c) Attached here is a Patent copy of the letters patent and a certified abstract of its title, from the Patent Office and a certified copy of the petition and all powers of attorney in the file of the application (or, in the ease of a copyright, a specimen of the copyrighted work, and a certified copy of the copyright entries from the office of the Register of Copyrights).
- (d) It is for the public welfare that the license applied for be granted because-(Here state briefly but completely and in nontechnical language the reason why it is for work. the

manufacturing and selling such articles and his ability to do so, the estimated cost of manufacture and price proposed to be charged if the license is granted.)

(If the applicant does not intend to manufacture but to procure the manufacture of the article, state specifically what arrangements have been made or proposed to this end and their terms and conditional. State the name and address of the manufacturer proposed to be employed and his technical equipment,. etc., and article copies of any contracts or proposals.)

- (f) The license desired is exclusive or nonexclusive for the following reasons: (Here state reasons why, in the opinion of the applicants the license be exclusive or nonexclusive.)
 - (g) The license is desired-
- (1) For the term of the patent or copyright, (2) the duration of the war, or (3) any other period, stating reasons in each case.

(EXHIBIT 6.)

FEDERAL TRADE COMMISSION, WASHINGTON, D. C.

FIRST REPORT FROM EXPORT ASSOCIATIONS, DUE WITHIN 30 DAYS AFTER CREATION.

1.	Name
	Address (Here insert address of principal office.)
sole p the ex or co	StatementThis corporation or association was organized or entered into for the purpose of engaging in export trade, and is now or about to be solely engaged in port trade as defined in the export trade act, approved April 10, 1918, viz: "Trade mmerce in goods, wares, or merchandise exported or In the course of being ted from the United States or any territory thereof, to any foreign nation."
parag name addre	There is hereunto annexed and made a part hereof a schedule, showing in raph "A" the location of its offices or places of business; in paragraph "B," the s and addresses of all its officers and directors; in paragraph "C" the names and its stockholders or members; in paragraph "D," the products to be ted; and in paragraph "E," the capital authorized and paid in.
under corpo	There is also annexed (F) a brief statement describing its methods and plans which it is doing business a statement of its relations with other associations, rations, and individuals, and such other information as this company or intion deems should be in the export files of the Federal Trade Commission.
is anı	If a corporation, a copy of its certificate or articles of incorporation and by-laws nexed and filed, and if unincorporated, a copy of its articles of contract of iation.
	Ву
	TE OF ss:
COU	NTY OF
office he ha	r, to-wit, of the above-named corporation or association; that s read the foregoing report and schedules annexed and that the same are in all cts true and correct.
	(Verifying officer sign here.)

Subscribed and sworn to before me this ------ day of -----, 19----

----- Notary Public

SCHEDULE 1.

(A) The following are the locations of all offices and places of business:				
		or directors, as at January 1,		
(D) I	Names.	Office held.	Addresses.	
(C) T	The following were sto	ockholders or members Janua	ry 1, 1919:	
shares.	Names.	Addresses.	Number of	
(D) viz:		fied as engaged in exporting		
		or about to be exported and :	supplement by letter when	
others a	are taken on.)			
(_	ed, \$; par value, \$; issu on, \$; par value, \$; issu	_	
(F) T	The following briefly of	lescribes the methods and plar	under which our business	

is done and states our relations with other associations,

(A)	The following are the locations of all offices and places of business:			
(B) 7	The following were office Names.	eers or directors, as at January 1, 1919: Office held.	Addresses.	
	 174390209		129	

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

spiracy, 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 Therefore 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 there-after 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 to has Ti 2.60 so 254 1.146 (Tc (has) Ti 14.7605 T