

ANNUAL REPORT
OF THE
FEDERAL
TRADE COMMISSION
FOR THE
FISCAL YEAR ENDED JUNE 30
1946

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1946

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FEDERAL TRADE COMMISSION

WILLIAM A. AYRES, *Chairman*
GARLAND S. FERGUSON
EWIN L. DAVIS
ROBERT E. FREER
LOWELL B. MASON
OTIS B. JOHNSON, *Secretary*

FEDERAL TRADE COMMISSIONERS--1945-1946

Name	State from which appointed	Period of service
Joseph E. Davies	Wisconsin	Mar. 16, 1915-Mar. 18, 1918
Edward N. Hurley	Illinois	Mar. 16, 1915-Jan. 31, 1917
William J. Harris	Georgia	Mar. 16, 1915-May 31, 1918
Will H. Parry	Washington	Mar. 16, 1915-Apr. 21, 1917
George Rublee	New Hampshire	Mar. 16, 1915-May 14, 1916
William B. Colver	Minnesota	Mar. 16, 1917-Sept. 25, 1920
John Franklin Fort	New Jersey	Mar. 16, 1917-Nov. 30, 1919
Victor Murdock	Kansas	Sept. 4, 1917-Jan. 31, 1924
Huston Thompson	Colorado	Jan. 17, 1919-Sept. 25, 1926
Nelson B. Gaskill	New Jersey	Feb. 1, 1920-Feb. 24, 1925.
John Garland Pollard	Virginia	Mar. 6, 1920-Sept. 25, 1921
John F. Nugent	Idaho	Jan. 15, 1921-Sept. 25, 1927.
Vernon W. Van Fleet	Indiana	June 26, 1922-July 31, 1926.
Charles W. Hunt	Iowa	June 16, 1924-Sept. 25., 1982.
William E. Humphrey	Washington	Feb. 25, 1925-Oct. 7, 1983.
Abram F. Myers	Iowa	Aug. 2, 1926-Jan. 15, 1929.
Edgar A. McCulloch	Arkansas	Feb. 11, 1927-Jan. 23, 1983.
Garland S. Ferguson	North Carolina	Nov. 14, 1927.
Charles H. March	Minnesota	Feb. 1, 1929-Aug. 28, 1945.
Ewin L. Davis	Tennessee	May 26, 1933.
Raymond B. Stevens	New Hampshire	June 26, 1933-Sept. 25., 1933.
James M. Landis	Massachusetts	Oct. 10, 1932-June 30, 1984.
George C. Mathews	Wisconsin	Oct. 27, 1932-June 30, 1934.
William A. Ayres	Kansas	Aug. 23, 1984.
Robert E. Freer	Ohio	Aug. 27, 1985.
Lowell B. Mason	Illinois	Oct. 15, 1945.

EXECUTIVE OFFICES OF THE COMMISSION

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Chicago 7.

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Francisco 5.
447 Federal Office Building,
Seattle 4.

150 Baronne Street, New Orleans 12

¹ The Chairmanship rotates annually. Commissioner Ferguson will become Chairman in January 1947.

LETTER OF SUBMITTAL

To the Congress Of the United States:

I have the honor to submit herewith the Thirty-second Annual Report of the Federal Trade Commission for the fiscal year ended June 30, 1946. A limited number of copies of the report is being printed by the Federal Trade Commission.

By direction of the Commission :

WILLIAM A. AYRES, *Chairman.*

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any corporation engaged in commerce, excepting banks and common carriers * * *, and its relation to other corporations and to individuals, associations, and partnerships.

(b) To require, by general or special orders, corporations engaged in commerce, excepting banks, and common carriers * * * to file with the Commission in such form as the Commission may prescribe annual or special, or both annual and special, reports or answers in writing to specific questions, furnishing to the Commission such information as it may require as to the organization, business, conduct, practices, management, and relation to other corporations, partnerships, and individuals of the respective

Under the Appropriation. Act of 1947, funds appropriated for the Commission are not to be spent upon any investigation thereafter called for by congressional concurrent resolution “until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.”

fore trade practice conferences have been held only when the Commission received a request for rules from an industry. The Commission now plans to initiate these conferences on its own motion where this means of eliminating unfair trade practice(s) appears appropriate. This action by the Commission should permit more prompt, equitable, and economic settlement of the issues involved than is otherwise possible.

Subsequently, the House and Senate Appropriations Committees approved the aims set forth in the program, and the Congress voted a supplemental appropriation.

To effectuate the plan, the Commission reorganized certain of its divisions to perform the duties assigned to them under the new program, as follows:

Office of General Counsel.--This office consists of a legal staff under the supervision and direction of a General Counsel; an Associate General Counsel in charge of all matters in the Federal courts; an Assistant General Counsel; a Chief Trial Counsel in charge of the preparation of complaints and the trial of all formal cases before the Commission; and three Assistant Chief Trial Counsel.

The General Counsel is the principal legal officer of the Commission, is responsible for the general supervision of all legal proceedings before the Commission, has i TD 0 Tc

analyzes the same and reports to the Commission through the Director with appropriate recommendations.

The Legal Investigations Division, under the Chief Examiner, conducts from Washington or through one of its several branch offices the Commission's field investigations of a legal nature and reports thereon to the Commission through the Director with appropriate recommendations.

Division of Stipulations.--The Division of Stipulations consists of a Director, an Assistant Director and a staff of attorney-conferees.

All matters considered appropriate for settlement by stipulation are referred by the Commission to this Division, which serves upon the proposed respondent a statement of the allegedly illegal practices the Office of Legal Investigations

to the respondent and to the complainant. The respondent is given an opportunity to file a statement in response to the statement of the Office of Legal Investigations.

procedure is emphasized as a means of curbing unfair competitive methods. The reorganization enables the Commission more effectively to bring to business and the public the important advantages of general and simultaneous correction of bad practices throughout whole industries; to reduce and avoid the necessity of a multiplicity of adversary legal proceedings and piecemeal corrective action, as well as affording industries the help and guidance of approved trade practice rules. It also provides a workable, systematic method for carrying out voluntary compliance with rules to the fullest extent possible and also affords that flexibility and prompt revision of rules which is necessary to keep abreast of constantly changing and developing competitive conditions.

The Office as reorganized likewise effectuates a closer integration of the Wool Act administration with related trade practice rules in order that unified action and more adequate coverage of the textile field may be accomplished.

Trial Examiners Division.--The Trial Examiners Division consists of a Chief Trial Examiner, an Assistant Chief Trial Examiner, and a staff of attorneys designated trial examiners who are charged with the trial of the issues under the several acts administered by the Commission. The Division hereafter will function so as to conform to the principles of the Administrative Procedure Act, approved by the

~~Executive Order~~ Division hereafter will 16 Tc 2.1384 Tj 2.28 0 TD 0.0061 Tc (and) Tj 15.9

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tain scientific agencies of the Government and of coordinating scientific studies and investigations to avoid conflict or duplication of work, to promote cooperation and to acquire scientific advice and assistance for the Commission.

The Division studies and reports on statements or documents in its field which are before the Commission or its Divisions for consideration and gives scientific opinions and assistance to the Commission and the personnel of its various Divisions.

Divisions Assigned to Commissioners.--The reorganization plan provides for the annual rotation among the Commissioners of general supervision over the Commission's several offices and divisions and internal organizations. For the period of July 1, 1946, through March 31, 1947, the assignment of Commissioners to supervisory charge of offices and divisions is as follows:

Chairman William A. Ayres: Office of General Counsel.

Commissioner Garland S. Ferguson: Division of Accounts, Statistics and Economic Reports.

Commissioner Ewin L. Davis: Office of Trade Practice Conferences and Wool Act Administration and Division of Stipulations.

Commissioner Robert E. Freer: Office of Legal Investigations and Medical Advisory Division.

Commissioner Conrad B. Benson: The Executive Office of the Commission

Commissioner Conrad B. Benson: The Executive Office of the Commission
Trade of organization file. Division (ps 10Tj 8.090349 .06 (1) Tj 258

The Commission published in the Federal Register of September 11, 1946, a statement concerning its organization procedure, policy, and rules. This information was published to conform to the requirements of the Administrative Procedure Act.

The act provides further that the Commission may apply for cancellation when registration of a mark was obtained contrary to the provisions of section 4, which reads--

SEC. 4. Subject to the provisions relating to the registration of trade-marks, so far as they are applicable, collective and

except when used so as to represent falsely that the owner or a user thereof makes or sells the goods or performs the services on or in connection with which such mark is used * * *.

SUMMARY OF LEGAL ACTIVITIES DURING FISCAL YEAR

The Commission issued 101 formal complaints alleging violations of the laws it administers; entered 89 orders directing respondents to cease and desist from such violations ; and accepted 96 stipulations to discontinue unlawful practices, 23 pertaining especially to radio and periodical advertising.

The Commission was a party in 17 cases decided in the United States courts. Results favorable to the Commission were obtained in 14 cases, 5 in the Supreme Court and 9 in United States Circuit Courts of Appeals. Commission orders to cease and desist were affirmed by circuit c64 0 4 0 TD 0.0115 Tc (United) Tj 30.12 0 TD 0 TcAlnue unlawfu 5.52

matters and proceeded with them as expeditiously as possible.

⁴ Commissioner Mason took office October 15, 1945. He succeeded Commissioner Charles H. March, who died August 28, 1945.

calendar year 1946, having succeeded Commissioner Davis. Commissioner Ferguson will become Chairman in January 1947. Through this method of rotating the chairmanship, each Commissioner serves as Chairman at least once during his term of office. The Chairman presides at meetings and signs the more important official papers and reports at the direction of the Commission.

In addition to the general duties of administering the statutes committed to the Commission for enforcement, each has supervisory charge of the work of one or more of the divisions of the Commission. During the 1946 fiscal year Chairman Ayres had supervisory charge of the Medical Advisory Division and the several Administrative Divisions; Commissioner Ferguson, of the Trial Examiners Division and the Division of Trade Practice Conferences; Commissioner Davis, of the Trial and Appellate Division; Commissioner Freer, of the Radio and Periodical Division and the Division of Accounts, Statistics and Economic Investigations; and Commissioner Mason, of the Legal Investigations Division. (See p.6 for assignments of Commissioners for period from July 1, 1946, through March 31 1947.)

The Secretary of the Commission is its executive officer. Each case coming before the Commission for consideration is assigned to a Commissioner for examination and report before it is acted upon by the Commission. The Commissioners meet each work day for the transaction of business, including the hearing of oral arguments in cases before the Commission. They usually preside individually at the trade practice conferences held for industries, perform numerous administrative duties incident to their position, and direct the work of a staff which, as of June 30, 1946, numbered 513 officials and employees, including attorneys, economists, accountants, and administrative personnel stationed in Washington and in 5 branch offices. In addition, 34 members of the staff were on military furlough and serving in the armed forces of the Nation.

PUBLICATIONS OF THE COMMISSION

The Federal Trade Commission Act , section 6 (f) , provides that the Commission shall have power--

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

Publications issued during the fiscal year were:

Annual Report of the Federal Trade Commission for the Fiscal Year Ended June 30, 1945. House Document No. 407, Seventy-ninth Congress, second session, January 11, 1946 ; 116 pages. Available from the Superintendent of Documents, Government

Printing Office, at 25 cents a copy while the supply lasts.

Trade Practice Rules for the Artificial Limb Industry, April 16, 1946, 14 pages.

RECOMMENDATIONS TO CONGRESS

The only specific recommendation for legislation which the Commission has made in its annual reports for some years past is that section 7 of the Clayton Act be amended in order to curb more effectively the increasing mergers of competing corporations under common ownership through acquisition of their stock or assets. During the current fiscal year a bill to accomplish that purpose (H. R. 4810, 79th Cong. 2d sess.) was favorably reported by the House Committee on the Judiciary, but did not reach the floor for discussion before the end of the concluding session of the Seventy-ninth Congress. The Commission renews its advocacy of the objective embodied in such bill, an objective which was also supported by the Temporary National Economic Committee. The following chart shows the sharp increase in the merger movement since the end of the war.

GRAPH
not available

Another recommendation which the Commission desires to make is for such amendment of the Clayton Act as will give the Commission's orders to cease and desist under that act the ~~whiy8v()91 Tj~~ anddesist

PART I. GENERAL INVESTIGATIONS

Reports submitted to Congress during the fiscal year covered *International Phosphate Cartels*, May 1, 1946; *Wholesale Baking Industry, Part I--Waste in the Distribution of Bread*, April 22, 1946; and *Resale Price Maintenance*, December 13, 1945.

Two other investigations were completed and the reports transmitted to Congress soon after the close of the fiscal year. They were *Wholesale Baking Industry, Part II--Costs, Prices, and Profits*, August 7, 1946, and *Distribution Methods and Costs, Part IX--Cost of Production and Distribution of Fish on the Pacific Coast*, July 25, 1946.

The reports are summarized below.

INTERNATIONAL PHOSPHATE CARTELS

For approximately three-quarters of a century the Congress and the public have been concerned with different aspects of the monopoly problem. International cartel agreements are one phase of this problem. Public apprehension concerning cartel operations was intensified when it was disclosed that Germany had used international cartel agreements to retard scientific developments in the United States and to further her own preparations for war.

The term "cartel," which applies to a type of combination in restraint of trade, was introduced into American usage from Europe, particularly from Germany where it originated under the name "kartel." In the United States, cartel types of activities have flourished under various designations. However, not all such activities have restrained competition.

A cartel may be defined as a combination in restraint of competition in industry and trade that is implemented through agreements among enterprises maintaining separate identities and separate ownerships, stock controls, and managements. From the viewpoint of operation, cartels may be classified as (1) local, (2) national, (3) international. The Commission's study has concentrated on agreements among international cartels.

United States industries participating in cartels have included producers of aluminum, alkalies, electric equipment and appliances, fertilizer (phosphates and potash), petroleum products, steel products, and sulfur.

The report of the Commission on international phosphate cartels shows that as early as January 20, 1920, less than a year after the organization of Phosphate Export Association,¹ a Webb-Pomerene law export

this association's business.

Negotiations were continued from time to time, and in December 1933 several international agreements were signed which included Phosphate Export Association and Florida Hard Rock Association, representing United States producers, and the French North African group, the Egyptian interests (Italian and British), and the Pacific Island interests (French and English). The following year an agreement was signed controlling shipments from the Dutch East Indian Island of Curacao to Europe. On April 15, 1937, another cartel agreement was entered into involving division of tonnage for shipment to Japan between a "Low Grade Group" consisting of American, French North African, and Egyptian producers, and a "Pacific High Grade British interests producing in Ocean, Nauru, and Christmas Islands, and French interests producing in Makatea Island.

The so-called French agreement was the basic international phosphate agreement. It was an agreement a

Produced Pursuant to Protective Order in Case No. 24-157 (U.S. v. American Phosphate Export Ass'n), 2015 WL 6501241 (D.D.C. 10/15/15)

The profit per dollar of sales for the seven companies comprising Phosphate Export Association was 26.62,

supplies adequate to maintain national health and welfare shall be available both during and after the present emergency at minimum prices consistent with healthy development and operation of the wholesale baking industry.

4. Make available to returning veterans a field of useful business in which they may have a fair chance to develop a profitable and growing business. A skillful small baker can furnish the public a product equal or superior to that of the

² Food Distribution Order No.1, originally known as War Food Order No., 1.

large baker, particularly where the bakery products are trucked considerable distances.

Elimination of competitive waste and unfair and inequitable aspects of consignment selling as now practiced by the industry contributes materially to all of these sound objectives without danger to American standards of living or public health with a minimum of inconveniences to consumers of wholesale bakery products during the present emergency, and can continue to do so after the emergency is past.

THE REMEDY

The only thing needed to stop waste from the return of unsold bread is to obtain complete cooperation of wholesale bakery officials, driver salesmen, and retail dealers in the observance of War Food Order No.1 in the present emergency. It has been suggested by a union official in a territory in which returned bread was destroyed by being dumped in a river, that the cooperation of national union officials would be helpful.

It is also suggested that a careful examination of present laws be made by the legislative and executive branches of the government to determine what legislation, if any, is needed to permanently eliminate wasteful trade practices and predatory competition which threaten the existence of many small bakers, foredoom new ventures to failure and promote regional monopolistic control of the wholesale bread-baking industry.

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Fisheries of the United States Department of the Interior to conduct a study of the production and distribution of fishery products in the New England, Middle Atlantic, Gulf, Pacific, and Great Lakes producing regions. The Coordinator of Fisheries was charged under Executive Order 9204 with the responsibility for developing and assuring sustained production of aquatic food supplies essential to the conduct of the war. The results of this study were

application to manufacturers, and manufacturers in many lines have not named resale prices for their products. In practice, resale price maintenance serves as a focal point for dealer

cooperative effort to bring pressure to bear on manufacturers to place products under resale price maintenance at prices yielding dealer margins satisfactory to such dealer organizations.

Manufacturers of staples generally have been reluctant to place their brands under resale price maintenance, unless competing manufacturers do likewise; manufacturers whose products sell at prices yielding narrow margins of profit also hesitate to assume the added expenses of enforcing minimum resale prices; manufacturers of branded products that are sold by different types of dealers such as chain stores, cash-and-carry and credit-and-delivery stores generally hesitate to maintain uniform minimum resale prices for all types of dealers; also, as a rule, manufacturers of such staples as flour, sugar, nails, the oldTj

trade it is limited largely to sporting goods and trade-marked or branded specialties.

In the distilled alcoholic liquor trade many distillers and importers have been reluctant to place their brands under minimum-resale-price-maintenance contracts because of the advantage gained by competitors not naming minimum prices. Notwithstanding the urging of organized wholesalers and retailers in the tobacco trade, cigarette manufacturers refused to place their leading brands under resale price-maintenance contracts. An Ohio State court refused to enforce contracts entered into between cigarette wholesalers and retailers on the grounds that such contracts were unlawfully agreed upon, but in New Jersey similar contracts were enforced by State courts.

In the malt beverage trade, brewers of nationally advertised brands of beer and ale generally have not entered into minimum-resale-price contracts, but, in a number of instances, cooperating groups of local brewers and wholesalers entered into such contracts.

As the result of its investigations in antitrust cases, the conclusion of the United States Department of Justice is that the actual effects of resale price maintenance have been those which are to be expected from price-fixing conspiracies unregulated by public authority whether or not they enjoy the sanction of law.

The demonstrated effectiveness of purely voluntary resale price maintenance agreements led the California Legislature initially, followed by 44 other State

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PART II. GENERAL LEGAL WORK

DESCRIPTION OF PROCEDURE

A case

¹ A brief statement of the provisions of these laws appears on p.1.

complaint and trial of the case. Should the Commission permit disposition by stipulation

to the facts and states its conclusion that the law has been violated, and thereupon an order is issued requiring the respondent to cease and desist from such violation. If the complaint is dismissed, an appropriate order is entered.

Up to and including the issuance of an order to cease and desist, there is no difference in procedure whether the case is under the Federal Trade Commission Act, the Clayton Act, or the Wool Products Labeling Act, but the Clayton Act provides a procedure for enforcement of cease and desist orders different from the other two acts.

Under the Federal Trade Commission Act and the Wool Products Labeling Act, an order to cease and desist becomes final 60 days after date of service upon the respondent, unless within that period the respondent petitions an appropriate United States circuit court of appeals to review the order. In case of review, the order of the Commission becomes final after affirmance by the circuit court of appeals or by the Supreme Court of the United States, if taken to that Court on certiorari. Violation of an order to cease and desist after it shall have become final and while it is in effect subjects the offender to a civil penalty of not more than \$5,000 for each violation, recoverable by the United States.

Under the Clayton Act, an order to cease and desist does not become final by lapse of time. The order must be affirmed by a United States circuit court of appeals on application for review by the respondent or upon petition of the Commission for enforcement. Thereafter, appropriate contempt proceedings may be brought in the particular court of appeals for violation of the court order.

Under all three acts, the respondent may apply to a circuit court of appeals for review of an order and the court has power to affirm, or to affirm after modification, or to set aside the order. Upon such application by the respondent and cross-application by the Commission, or upon application by the Commission for enforcement of an order under the Clayton Act, the court has power to enforce the order to the extent it is affirmed. In any event, either party may apply to the Supreme Court for review, by certiorari, of the action of the circuit court of appeals.

PROVISIONS OF WHEELER-LEA AMENDMENT FOR PREVENTING DISSEMINATION OF FALSE ADVERTISEMENTS

Sections 12 to 15, inclusive, of the Federal Trade Commission Act, which were added by the Wheeler-Lea Act, approved March 21; 1938, make specific provision for the prevention of the dissemination of false advertisements of food, drugs, cosmetics, and devices (meaning devices for use in the diagnosis, prevention, or treatment of disease). The act as amended also empowers and directs the Commission to prevent advertisers of food, drugs, devices, or cosmetics which may cause injury when used under prescribed or customary conditions from disseminating advertisements that fail affirmatively to reveal that such products are dangerous or that their use under certain conditions may cause bodily injury.

In addition to the regular proceeding by way of complaint and order to cease and desist, the Commission may, in a proper case, bring suit in a United States district court to enjoin the proper case, bring such false advertisements, whenever it has reason to believe that such a proceeding would be to the interest of the public. These temporary injunctions remain in effect until an order to cease and desist has been

issued and become final, or until the Commission's complaint is dismissed by the Commission or set aside by the court on review.

Further, the dissemination of a false advertisement of a food, drug, device, or cosmetic, where the use of the commodity advertised may be injurious to health or where the act of disseminating is with intent to defraud or mislead, constitutes a misdemeanor, and conviction subjects the offender to a fine of not more than \$5,000, or imprisonment of not more than 6 months, or both. Succeeding convictions may result in a fine of not more than \$10,000, or imprisonment of not more than 1 year, or both.

LEGAL INVESTIGATIONS INQUIRIES PRIOR TO FORMAL COMPLAINT OR STIPULATION

The Commission makes legal investigation of all applications for complaint preliminary to instituting formal action for the correction of unfair methods of competition or other acts or practices violative of the laws it administers.

Investigation of cases in initial stages includes the general preliminary legal investigating work of the Commission under the several acts and the continuing survey of radio and periodical advertisements with the object of correcting false and misleading representations.

Cases

work are division records and not the consolidated record of the Commission, and therefore do not coincide with the figures reported in the tabular summary of the legal work for the entire Commission appearing on pp.48 and 49.

of the Clayton Act and restated in more inclusive form the basic principles of prohibiting price discriminations which injuriously affect competition. It also prohibits per se certain classes of discrimination which may involve price only indirectly, without regard to their competitive effects in specific cases, thus supplementing and strengthening the previous legislation.

Matters involving possible violations of the act are generally quite complicated. An effort is made by the Commission in preliminary stages of an investigation to determine not only whether the practice in question involves prima facie violation of the act but whether the defenses available under the act are present in the particular matter. This frequently necessitates the checking of competitive prices and pricing policies and undertaking cost studies in cooperation with the parties charged with violations.

Experience in the administration of the act has made it possible for the Commission, through the development of certain information by preliminary inquiry, more readily to clear up misunderstandings among complainants as to the scope of the act and its application to specific situations, as well as to make a more accurate selection for investigation of matters involving probable violation of law. The Commission has endeavored, in view of limited funds and personnel, to confine investigations, insofar as feasible, to matters of substantial importance and to eliminate the expenditure of time and money in the investigation of those which preliminary inquiry discloses possess little practical importance.

During the year the Commission instituted field investigations of alleged violations of the Robinson-Patman Act in 98 cases and completed investigations in 67. At the beginning of the year, 57 matters were on hand for investigation, and at the close of year, 88. As in

³ See recommendations to Congress, p.12.

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weights, which actually make up the products under investigation, and frequently laboratory tests are required.

Violations of the Wool Act generally are coupled with false advertising, misrepresentation and other unfair or deceptive acts or practices or unfair methods of competition, necessitating investigations and proceedings under both the Wool Products Labeling Act and the Federal Trade Commission Act.

Since the effective date of the act, there have been completed 219 field investigations of applications for complaint involving alleged false and improper labeling, 43 during the fiscal year.

At the close of the fiscal year, 17 such applications were in process of investigation. (For details concerning administration and enforcement of the Wool Act, see p.58.)

Investigations under Export Trade Act.--In line with its responsibility of administering the Export Trade (Webb-Pomerene) Act, the Commission directed the Legal Investigations Division to make periodic investigations of the organization and operation of export trade associations organized and functioning under the act, and in particular to ascertain from time to time whether the associations (*a*) are artificially or intentionally enhancing or depressing domestic prices; (*b*) are used to eliminate competition in the purchase of raw materials in the United States; (*c*) are in any way restraining trade within the United States; and (*d*) are engaging in unfair methods of competition in foreign trade.

Preliminary investigations were completed of the activities and operations of five export trade associations whose members are important producers and distributors of coated abrasives, railway tires, railway springs, lumber, and textiles. Investigation of seven other associations was pending at the close of the year. (For further details of the administration of the Export Trade Act, see p.66.)

DISPOSITION OF CASES BY STIPULATION

Instead of disposing of cases by the formal complaint and trial method, the Commission under certain circumstances affords respondents the privilege of signing a statement of fact and an agreement to cease and desist from unfair methods of competition and unfair or deceptive acts or practices in commerce. The policy of the Commission with respect to stipulations of this type is set forth in its Statement of Policy, page 101.

During the fiscal year, 96 stipulations were approved by the Commission, 23 pertaining especially to false claims made in radio and periodical advertising.

FORMAL COMPLAINTS

During the fiscal year the Commission issued 101 formal complaints alleging violations of the laws it administers. Of this total, 80 charged violation of the Federal Trade Commission Act; 11, violation of the Clayton Act; 4, violation of the Federal Trade Commission and Clayton Acts; and 6, violation of the Wool Products Labeling and Federal Trade Commission Acts.

II. COMPLAINTS UNDER WOOL PRODUCTS LABELING ACT

Six complaints alleged that wool products were misbranded in violation of the Wool Products Labeling Act of 1939 and the rules and

manufacturer. This practice was alleged to be a violation of section 3 of the Clayton Act, which prohibits the negotiation of exclusive-dealing contracts where the effect may be to substantially lessen competition (5436).

E. ALLEGED VIOLATION OF SECTION 7 OF THE CLAYTON ACT

Two complaints charged corporations with acquiring the capital stock of competing businesses, in violation of section 7 of the Clayton

I. ORDERS UNDER FEDERAL TRADE COMMISSION ACT 31

Act, which prohibits such acquisitions where the effect may be to substantially lessen competition, restrain trade, or tend to create a monopoly of any line of commerce. One complaint involve building materials and fuels (5418); the other, grocery products (5423).

ORDERS TO CEASE AND DESIST

The Commission during the fiscal year issued 89 orders to cease and desist from the use of unfair methods of competition and other violations of the laws it administers. The following cases are illustrative of the orders issued :

I. ORDERS UNDER FEDERAL TRADE COMMISSION ACT

A. PRICE-FIXING AND RESTRAINT-OF-TRADE CASES

Ferro Enamel Corp., Cleveland, Ohio, and others.--Five corporations, which produce and sell 96 percent of all the raw porcelain enamel manufactured in the United States, were ordered to cease and desist from entering into or continuing any conspiracy or planned common course of action to fix prices; to sell at prices calculated pursuant to any system of equalizing freight with competitors which results in identical delivered prices at any given destination; to use a classification of customers in determining prices, discounts or terms of sale; to exchange, either directly or through an agent, price or discount lists, with the effect of restraining competition; to adhere to filed or published prices; and to exchange credit information for the purpose of determining the credit allowed any customer. Stevenson Jordan & Harrison, Inc., a corporation specializing in the management of trade 82 and 1961 Federal Trade Commission Act, Title 15, Chapter 45, Section 15.

B. FALSE ADVERTISING OF DRUGS, DEVICES, AND COSMETICS A. Clarke, trading

Tab and Bonquet Tablets, was ordered to cease and desist from representing that his preparation will regenerate or

battery, resulting in formation of lead sulphate and actually aggravating conditions it is represented as improving. The Commission also ordered the respondent to stop using the word

“Laboratories” as part of his trade name as it tends to cause the public to erroneously believe he operates a place devoted to experimental study in connection with the preparation of his chemical compound ; and to cease using the name “Anti-Co-Rode” (5286).

Frigid

from representing that their publications promote inter-American relationship and from representing as an authoritative book of reference any publication where the inclusion of a biography is dependent upon the purchase of such publication (5108).

John P. Dowd, trading as Bennettsville Mattress Factory, Bennettsville, S. C.-- Engaged in manufacturing and selling mattresses and other bedding, the respondent attached printed labels to his products stating they were made of new materials. The Commission found that the products were composed in part from the sweepings from floors of cotton mills, warehouses or factories and contained a substantial percentage of oil, dirt, or other foreign matter. The Commission ordered the respondent to cease and desist from representing that such products are composed of new

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found that the use on the same garment of a cardboard tag stating that the article is composed of wool and a cloth label implying that it is made of camel hair or alpaca hair is confusing, tends to deceive purchasers, and is a violation of the Wool Act. The Commission ordered the respondents to cease and desist from misbranding wool products by failing to label them with the information required by the act; and from representing in any manner that their products are composed of fibers or materials

and desist from granting varying discounts to their purchasers when the percentage of the discount allowed was calculated on dollar volume of annual purchases only (5155).
(For part of order dealing with violation of 018

services furnished by such customers without making such allowances available to all competing customers on proportionally equal terms (5172). (For part of order dealing with sec. 2 (a) of the Clayton p. 35.)

D. VIOLATION OF SECTION 3 OF CLAYTON ACT

R. B. Semler, Inc., New Canaan, Conn.--The order against this manufacturer and distributor of Kreml Hair Tonic involved the corporation's use of exclusive-dealing contracts which resulted in substantial lessening of competition between the respondent and its competitors, in violation of section 3 of the Clayton Act. The Commission ordered the respondent to discontinue selling Kreml on the condition or agreement that customers who buy it for resale do not handle competing products. Various practices use

18. assisting, or abetting unfair practice, misrepresentation, and deception, and furnishing means or instrumentalities therefor; and combining and conspiring to offer or sell products by chance or by deceptive methods, through such practices as supplying dealers with lottery devices, or selling to dealers and assisting them in conducting contest schemes as a part of which pretended credit slips or certificates are issued to contestants, when in fact the price of the goods has been marked up to absorb the face value of the credit slip; and the supplying of emblems or devices to conceal marks of country of origin of goods, or otherwise to

chaser of competitor's business , or falsely representing that competitor's business has been discontinued or falsely claiming the right to prospective customer's special consideration through such false statements as that

ments, or reimbursements or special or additional advantages to the prospective purchaser such as extra credit , or furnishing of supplies or advisory assistance ; or falsely assuring the purchaser or prospective purchaser that certain special or exclusively personal favors or advantages are being granted him.

(c) Concealing from prospective purchaser unusual features involved in purchaser's commitment, the result of which will be to require of purchaser further expenditure in order to obtain benefit of commitment and expenditure already made such as failure to reveal peculiar or nonstandard shape of portrait or photographic enlargement, so as to make securing of frame there-for from sources other than seller d((c)) j 1.8 0 TID 02 0 1vOc

(c) They were made in or came from some locality famous for equality of such products, or are of national reputation; or

(d) They were made by some well and favorably known process; or

(e) They have been inspected, passed, or approved after meeting the tests of some official organization char ed with the duty of making such tests expertly and disinterested, or giving such approval; or

(f) They were made under conditions or circumstances considered of importance by a substantial part of the general purchasing public; or

(g) They were made in a country, or city, or locality considered of importance in connection with the public taste, preference, or prejudice ; or

(h) They have the usual characteristics or value of a product properly so designated, as through use of a common, generic name, such as "paint, to designate a product lacking the necessary ingredients of paint ; or

(I) They are of greater value, durability, and desirability than is the fact, as labeling rabbit fur as "Beaver"; or

(j)They are designed, sponsored, produced, or approved by the medical profession, health and welfare associations, hospitals, celebrities, educational institutions and authorities, such as the use of the letters "M. D." and the words "Red Cross" and its insignia and the words "Boy Scout."

24. Selling below cost or giving products without charge, with intent and effect of hindering or suppressing competition.

25. Dealing unfairly and dishonestly with foreign purchasers and thereby discrediting American exporters generally.

26. Coercing and forcing uneconomic and monopolistic reciprocal dealing.

27. Entering into contracts in restraint of trade whereby foreign corporations agree not to export certain products to the United States in consideration of a domestic company's agreement not to export the same commodity, nor to sell to anyone other than those who agree not to so export the same.

28. Employing various false and misleading representations and practices attributing to products a standing, merit, and value to the purchasing public, or a part thereof, which they do not possess, such practices including--

(a) Misrepresenting, through salesmen or otherwise, products' composition, nature, qualities, results accomplished, safety, value, and earnings or profits to be had therefrom.

(b) Falsely claiming unique status or advantages, or special merit , therefor, on the basis of misleading and ill-founded demonstrations or scientific tests, or pretended widespread tests, or of pretended widespread and critical professional acceptance and use

(c) Misrepresenting the history or circumstances involved in the making and offer of the products or the source or origin thereof (foreign or domestic) , or of the ingredients entering therein, or parts thereof, or the opportunities thought to the buyer through purchase of the offering,

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modify the decree of the circuit court of appeals affirming an order to cease and desist was denied by that court.

The United States Supreme Court granted certiorari requested by the Commission in two cases and denied certiorari requested by others in four cases. One circuit court of appeals judgment setting aside a Commission order to cease and desist was reversed by the United States Supreme Court.

Two orders to cease and desist were set aside by circuit courts of appeals. One circuit court of appeals judgment setting aside an order to cease and desist was affirmed by the United States Supreme Court. One circuit court of appeals judgment affirming an order to cease and desist was reversed by the United States Supreme Court.

In addition, five civil penalty suits were pending in United States district courts at the beginning of the fiscal year, and one additional civil penalty suit was filed during the fiscal year. None of these cases was decided.

PETITIONS TO REVIEW CEASE AND DESIST ORDERS

Petitions in United States circuit courts of appeals to review cease and desist orders issued under section 5 of the Federal Trade Commission Act and sections 2 and 3 of the Clayton Act are summarized below.

(Except where otherwise indicated, cases involve violations of the Federal Trade Commission Act United States Circuit courts of appeal, are designated First Circuit (Boston), etc.)

CASES DECIDED BY THE COURTS

A. P. W. Paper Co., Albany, N. Y.--The Supreme Court of the United States affirmed the Second Circuit (New York) in its decision reversing a Commission order forbidding the use of the Red Cross words and symbol in connection with the sale of paper products. The circuit court upheld the right of the A. P. W. Paper Co., as one that had lawfully used the Red Cross words and symbol prior to 1905, to continue such use for the same purpose and the same class of goods. The court held that while the 1905 Red Cross Act gives the company the right to continue to use the Red Cross words and symbol, the Federal Trade Commission Act empowers the Commission to prevent their use in a deceptive manner; that while the Commission may not absolutely forbid the use of the Red Cross words and symbol to pre-1905 lawful users thereof, the Commission may require them to state, so plainly as to avoid the creation of misleading inferences by such use, that the goods involved are not sponsored or approved by or in any manner connected with the American National Red Cross. (On August 12, 1946, the Commission modified its order to conform with the court's decision.)

Elizabeth Arden, Inc., and others, New York.--The Second Circuit (New York) dismissed a petition to review an order of the Commission prohibiting violation of section 2 (e) of the Robinson-Patman Act by discrimination in the furnishing of demonstrator services to retailers, and granted enforcement of the order.

Associated Laboratories, Inc., Long Island City, N. Y.--The Second Circuit (New

York) unanimously affirmed the Commission order proscribing misrepresentation of benefits to health and figure to be derived from use of "Kelp-A-Malt Tablets."

S. Buschsbaum & Co., Chicago.--The Seventh Circuit (Chicago) set aside the Commission order to cease and desist from use of the

term "Elasti-Glass" in the sale of products made of "vinylite" or similar synthetic resinous compounds. The Supreme Court granted certiorari, vacated the judgment of the Seventh Circuit, and remanded the case to that court for further consideration.

The Carlay Co. and others, Chicago.--The Seventh Circuit (Chicago) set aside the Commission's order to cease and desist which prohibited certain representations in connection with the sale of a candy product "Ayds", for removal of excess weight. The court held that the respondent's advertising representations were justifiable as "mere puffing or dealer's talk" upon which no charge of misrepresentation could be based.

Lemuel Firth, and others, Gloucester, Mass.--The First Circuit (Boston), unagreed of counsel, dismissed the petition for review of the commission order proscribing restraint of competition in catching and selling fish.

Gulf Oil Corp., Pittsburgh.--The Fifth Circuit (New Orleans) denied a petition for rehearing on its decision affirming a Commission order forbidding misleading advertising of insecticides.

Hastings Manufacturing Co., Hastings, Mich.--The Sixth Circuit (Cincinnati) affirmed the Commission order forbidding various unfair practices resulting in suppression of competition in the sale of automobile piston rings. The Supreme Court denied a petition for writ of certiorari. The circuit court held that a dismissal of a proceeding "without prejudice" has been construed as a reservation of a right to reinstate it; and that ordinarily a judgment or decree without prejudice never works as an estoppel nor as a former adjudication. The court gave its approval to the holding that not only are findings of fact conclusive, if supported by evidence of facts proven or stipulated, but that this applies also to inferences to be drawn from them.

Jack Herzog & Co., New York.--Upon the Commission's application for enforcement of an order prohibiting practices in violation of section 2 (c) of the Robinson-Patman Act, the Second Circuit (New York) entered a decree affirming the order and referred the case for further action to the Commission as Special Master.

Phil Howe, and others, Seattle, Wash.--The Supreme Court denied a petition for writ of certiorari to review a decision of the Ninth Circuit (San Francisco) which affirmed an order to cease and desist from misleading use of the word "Hollywood" in connection with the sale of cosmetics.

Manhattan Brewing Co., Chicago.--The Seventh Circuit (Chicago), upon stipulation of counsel, dismissed a petition to review a Commission order prohibiting misleading use of the word "Canadian" in the sale of beer and ale not brewed in Canada. (On April 5, 1946, the Commission modified its order so as to permit use of the word "Canadian" in the brand name when accompanied by a conspicuous and adequate statement showing the beer was
was

Progress Tailoring Co., and others, Chicago.--The Seventh Circuit (Chicago) unanimously affirmed the Commission's order forbidding various unfair and deceptive acts and practices in connection with the sale of men's clothing. In this case it was the opinion of the court that advertisements seeking salesmen who might later engage in furthering interstate commerce are a part of preliminary negotiations leading up to sales in interstate commerce; that such negotiations cannot be separated from the final sale, and are themselves a part of interstate commerce. The court said that to constitute a sale it is not necessary that the price be money only; that all interstate commerce is not the sale of goods, but that every negotiation and dealing between citizens of different States which contemplates importation into one State from another, whether it be goods or information, is a transaction in interstate commerce. In this case the salesman was required by the respondents to sell a certain number of suits or garments before he would receive a so-called "free" suit for himself.

Savoy Manufacturing Co., New York.--The Second Circuit (New York) unanimously affirmed a Commission order forbidding the sale of miscellaneous merchandise by means of lottery devices. The court held that the question of eliminating the word "Manufacturing" from petitioners' trade name, or whether some explanatory clause might be used, such as "distributors only", was for the Commission to determine. The Commission found that the word "Manufacturing" in the trade name had the capacity and tendency to deceive the public and ordered its use discontinued.

Jacob Siegel Co., Philadelphia.--The Third Circuit (Philadelphia) in 1944 affirmed a Commission order prohibiting the use of the word "Alpacuna" in connection with the sale of overcoats. The Supreme Court, on March 25, 1946, reversed the Third Circuit, holding that the Commission had not considered whether the word "Alpacuna" could be used if properly qualified, so as to satisfy the ends of the Federal Trade Commission Act and at the same time save the trade name of the petitioner. The Supreme Court remanded the case and directed further proceedings for that purpose.

Southgate Brokerage Co., Norfolk, Va.--The Fourth Circuit (Richmond, Va.) reviewed and affirmed a Commission order prohibiting the receipt of certain brokerage allowances in violation of section 2(c) of the Robinson-Patman Act. The Supreme Court denied a petition for writ of certiorari. The circuit court held that where a buyer receives the brokerage allowed his purchasing agent, such buyer receives an advantage, and a concealed which the buyer who purchases directly from the seller does not receive; and that it was the purpose of section 2 (c) of the act to forbid this sort of discrimination.

Judson L Thomson Manufacturing Co., Waltham, Mass.--The First Circuit (Boston) affirmed a Commission order forbidding violation of section 3 of the Clayton Act. The Supreme Court denied a petition for writ of certiorari. The petitioner leased rivet-setting machines on the condition that lessees should not use in such machines any rivets other than those acquired from the petitioner. The First Circuit held that the Commission properly found that the effect of such restrictive condition in the petitioner's leases "has been, is and

may be to substantially lessen competition in the sale of tubular and bifurcated rivets.”

United States Maltsters Association, and others, Chicago.--The Seventh Circuit (Chicago) affirmed the Commission’s modified order prohibiting fixing and maintenance of uniform delivered prices in connection with the sale of malt.

L. E. Waterman Co., New York.--The Second Circuit (New York) , upon stipulation of counsel, dismissed a petition to review a Commission order prohibiting false and misleading advertising in connection with the sale of fountain pens.

David M. Weiss, New York.--The Second Circuit (New York) affirmed a Commission order directed against violation of section 2 (c) of the Robinson-Patman Act in connection with the sale of clothing and furs, and upon the Commission’s application for enforcement of the order referred the case to the Commission as Special Master for a report as to whether the provisions of the order have been violated.

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CASES PENDING IN THE COURTS

Acme Asbestos Covering and Flooring Co., Chicago, and others.--Sixth Circuit (Cincinnati), price-fixing combination in insulating materials.

Allied Paper Mills, Kalamazoo , Mich., and others.--Seventh Circuit (Chicago), combination in restraint of trade in book print and coated paper.

American Association of Law Association

National Cree Paper Association of America, Philadelphia, and others.--Seventh Circuit (Chicago), price-fixing combination in sale of crepe-paper.

Ox'O-Gas Co., New York.--Second Circuit (New York) , misrepresentation of solution designated "Ox'O", advertised and sold as capable of increasing the efficiency of automobile engines.

Parker Pen Co., Janesville, Wis.--Seventh Circuit (Chicago) , mis-representation of fountain pens through use of statements such as "Guaranteed For Life" and "Life Guaranteed."

Rigid Steel Conduit Association, New York, and others.--Seventh Circuit (Chicago), price-fixing combination.

Scotch Woolen Mills, Chicago.--Seventh Circuit (Chicago), misleading use of the words "Scotch" and "Mills" in trade name.

United States Steel Corporation, American Bridge Co., Carnegie-Illinois Steel Corp., American Steel & Wire Co. of New Jersey, and Tennessee Coal, Iron & Railroad Co.--

Settled by acceptance of TPC rules	0	Settled by acceptance of TPC rule	97
Consolidated with other proceedings	19	Consolidated with other proceed-	
Dismissed	0	ings	158
Closed without further proceedings ¹	207	Dismissed	3,863
		Closed without further proceedings	13,955
Total disposition during year	405	Total disposition	19,571
Pending end of year	996	Pending June 30, 1946	996

¹ This classification includes such reasons as death, business or practices discontinued, private controversy, controlling court decisions, etc.

TABLE 2.--*Complaints*

FISCAL YEAR ENDED JUNE 30, 1945		CUMULATIVE SUMMARY, 1915 TO JUNE 30, 1946	
Pending beginning of year	444	Complaints	5,450
Complaints docketed	101	Previous action reconsidered:	
Previous action reconsidered :		Orders to cease and desist	67
Orders to cease and desist	1	Settled by stipulation to cease and desist	1
Settled by stipulation to cease and desist	0	Dismissed	11
Dismissed	0	Closed without further proceed- ings ¹	2
Closed without further proceed- ings ¹	0	Total for disposition	5,531
Total for disposition	546	Complaints rescinded	12
Complaints rescinded	0	Orders to cease and desist	3,835
Orders to cease and desist	89	Settled by stipulation to cease and desist	64
Settled by stipulation to cease and desist	2	Settled by acceptance of TPC rules	36
Settled by acceptance of TPC rules	5	Dismissed	957
Dismissed	19	Closed without further proceedings	1,204
Closed without further proceedings	8	Total disposition	5,108
Total disposition during year	123	Pending June 30, 1946	423
Pending end of year	423		

¹This classification includes such reasons as death, Orders t-10.5. (1)1103 T4, eff. July 28, 1947, 0.06 Tc (2) Tj

if cases and not docket numbers are counted, the total decisions in favor of the respondents would be 49.

NOTE : During the fiscal years 1919-1946, inclusive, 58 petitions by the Commission for enforcement of orders to cease and desist were passed upon by courts. Of these proceedings, 54 were decided in favor of the Commission : 4 in favor of adversaries. Petitions for enforcement of orders issued under the Federal Trade Commission Act were made unnecessary by amendment of the Federal Trade Commission Act (Mar.21, 1938) making orders finally effective unless review is sought by respondents within 60 days after service of an order.

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TABLE 4.--

Decisions for others	0	10-YEAR SUMMARY, JULY 1, 1936, TO	
Certiorari denied Commission	0	JUNE 30, 1946	
Certiorari denied others	0	Pending July 1, 1936	0
Total disposition during year	1	Appealed by Commission	2
Pending end of year	0	Appealed by others	2
		Total for disposition	4
CUMULATIVE SUMMARY, MAR. 16, 1915, TO		Decisions for Commission	2
JUNE 30, 1946		Decisions for others	0
Appealed by Commission	9	Certiorari denied others	2
Appealed by others	4	Total disposition	4
Total for disposition	13	Pending June 30.1946	0

PART III. TRADE PRACTICE CONFERENCES

ESTABLISHMENT OF TRADE PRACTICE RULES FOR INDUSTRIES

An effective and economical method of preventing unfair competitive practices and the growth of monopolistic restraints and abuses in industry is provided by the Commission's trade practice conference procedure. Under this procedure the cooperation of industry is enlisted and utilized in the public interest to eliminate such unfair practices and abuses through the establishment of appropriate trade practice rules. Since industry is dealt with as a unit, industry members are thereby placed on an equally fair competitive basis.

Trade practice rules are established through conferences of the members of an industry and upon due hearing and collaboration of the various parties in interest, including representatives of the purchasing public. The rules, when promulgated, bring to scrupulous business and the purchasing and consuming public relief and protection from the harmful practices against which such rules are directed. Utilization of this cooperative method also results in substantial saving to Government and industry by avoiding the expense which otherwise might necessarily be incurred in instituting a multiplicity of compulsory legal proceedings against individual offenders

until shortly after the close of the fiscal year.

is the primary objective of the rules. Various practices which are deceptive or otherwise unfair or harmful are defined in the rules and provision is made for their elimination and prevention.

Proceedings to establish rules were instituted by the Commission at the suggestion of the House Sub-Committee on Aid to the Physically Handicapped and in cooperation with members of the industry.

The rules for this industry were of material aid to the court in making disposition of an antitrust case in which 71 members of the industry were found guilty of violating the Sherman Act and were assessed fines ranging from \$200 to \$1,500 each. These fines were suspended in part, and the defendants placed on a year's probation and made subject to the special condition that they "conform to the Trade Practice Rules promulgated by the Federal Trade Commission on April 16, 1946."

The judgment and order of probation constitute judicial action or recognition of special significance in support of the value of the trade practice conference work as an industry-wide means of curbing the growth monopolistic and unfair competitive methods of business. Likewise, the case concretely illustrates the fact that such rules, framed through industry conferences, may aid the courts in the framing of orders against restraints of trade.

The Commission's administrative and compliance work under the artificial limb rules will be directed with due regard to the requirements of the probationary order and with the view of submitting to the court such reports as may be necessary from time to time respect-in g compliance or violations by the several defendants.

Rules for construction equipment distributing industry.--The trade practice rules promulgated for the construction equipment distributing industry are also of considerable public interest. This industry distributes construction machinery and equipment used in all types of construction work, such as in the building, maintenance, repair, or demolition of structures buildings, industrial works, pipe lines, transmission lines, reservoirs, dams, harbor installations, roads, streets, sewers, air fields, canals, grades, and excavations. Included among such machinery are power shovels, bulldozers, air compressors, concrete mixers, rock crushers, graders, pile drivers, excavators, pavers, pumps and conveyors. The industry is most essential to postwar construction. The rules are directed to the maintenance of high standards of ethical competition and to the prevention of unfair trade practices, to the end that the industry and the public may be more adequately protected in harmony with the requirements of law.

Rules for piston ring industry.--Another important industry for which rules were approved during the fiscal year is the piston ring industry. Piston rings are an essential part of internal combustion engines, steam engines, compressors, etc., and the industry's progressiveness in making rings conforming to the requirements of newly designed motors was not only a material factor in producing superior fighting equipment during the war but is aiding in the promotion of industrial recovery in the postwar era. In the rules various unfair methods of competition, unfair or deceptive acts or practices, and other trade evils are listed and proscribed, such as the misuse of

tendency, commercial bribery, and discriminations in price, service, or facilities.

Wholesale confectionery industry (Philadelphia trade area)--The rules for this industry have as their purpose the prevention

TYPES OF PRACTICES COVERED IN PROMULGATED RULES

Following are illustrations of the variety of subjects covered by trade practice rules now in effect:

Misbranding; misrepresentation in various forms, including false or misleading advertising; deceptive packaging ; defamation of competitors or disparagement of their products; commercial bribery in purchasing or selling supplies ; inducing breach of competitor’s contract; false invoicing; imitation of competitor’s trade-marks, trade names, etc.; substituting inferior products for those ordered ; deceptive use of so-called “free goods” deals lottery schemes; use of consignment distribution to close competitors’ trade outlets; use of deceptive types of containers simulating standard and generally recognized types; use of deceptive depictions (photographs, engravings, cuts, etc.) in describing industry products; unlawful discriminations in price service, or facilities.

Other subjects embraced in the rules are: Enticing away employees of a competitor; giving “push money,” “gratuities,” etc., under circumstances involving commercial bribery, deception, or restraint of trade.

effect On June 80, 1938. Other textile provisions are found in the rules promulgated for the infants' and children's knitted outerwear industry, June 28, 1939; uniform industry, May 18, 1940; and ribbon industry, June 30 1942.

Provisions on the subject of informative labeling are also contained in the sets of rules promulgated for the following industries on the dates mentioned : Rubber tire, October 17, 1936; toilet brush manufacturing, December 31, 1937; wholesale jewelry, March 18, 1938; paint and varnish brush manufacturing, January 14, 1939; putty manufacturing, June 30, 1939; mirror manufacturing, July 19, 1939; curled hair, January 12, 1940; 6 Tlgag5Tj12944 D8800Hlat) D6288D (DI-DC(and) Eu (and) 0016260 (D88);TEj(25

PART IV. WOOL PRODUCTS LABELING ACT

INFORMATIVE LABELING FOR PROTECTION OF INDUSTRY AND THE PUBLIC

The Wool Products Labeling Act of 1939 provides, in substance, that purchasers shall be informed as to the true content of articles which are made or appear to be made in whole or in part of woolen fiber, and that producers, manufacturers, merchants and the public generally shall be safeguarded against the deception and unscrupulous competition arising from misbranding and nondisclosure of content. The act, approved by the President October 14 1940 and effective July 14, 1941, is enforced and administered by the Federal Trade Commission.

The fiber content of articles containing, purporting to contain, or represented as containing "wool," "reprocessed wool," or "reused wool" is required by the act to be disclosed by appropriate stamp, tag, label, or other means of identification. The act applies to such articles when manufactured for, or marketed in, "commerce" as defined by section 2, excepting carpets, rugs, mats, and upholsteries exempted by section 14.

The act requires that the label affixed to the wool product disclose the kind and percentage of each different fiber contained in such product including the respective percentages of "wool," "reprocessed wool," and "reused wool." Disclosure of the maximum percentage of loading and adulterating material, if any, and the name of the manufacturer of the wool product or the name of the qualified distributor or reseller, is also to be made on the label. The label, or a proper substitute specified by the statute, is to remain and be on the merchandise when it is delivered to the consumer.

Products covered by the act include in general all articles of clothing or wearing apparel, blankets, etc., made or purporting to be made in whole or in part of wool; also the yarns and fabrics of the wool textile industry and the products of manufacturing industries using such yarns and fabrics. These products come from approximately 70 industries and are marketed through distributor and dealer outlets estimated to number in excess of 250,000.

Rules and regulations under Wool Act.--The act authorizes and directs the Commission to make such rules and regulations as may be necessary and proper for its administration and enforcement. Comprehensive rules and regulations were issued by the Commission, effective July 15, 1941. They are published in booklet form and are available to all concerned. They afford instruction and guidance as to how manufacturers, distributors, dealers, and others may proceed in various situations and assure themselves of being within the requirements of the law in its application to merchandise covered by

the act.¹ Collaboration of industry members and other interested parties was invited in the preparation of the rules and regulations. Hearings were held and all concerned were afforded opportunity to contribute their views and suggestions in arriving at rules which would be of maximum assistance to business and consonant with law, and would also afford full protection of the public interest. The cooperation of members

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cities. Field inspections covered in excess of 10 million articles. Compliance in

PART V. RADIO AND PERIODICAL ADVERTISING

SPECIAL PROCEDURE PROVIDES CONTINUOUS SURVEY OF PUBLISHED AND BROADCAST MATTER

The Commission maintains its Radio and Periodical Division to provide a direct and expeditious handling of certain cases involving false and misleading advertising, violative of the provisions of the Federal Trade Commission Act.

The survey of advertising was inaugurated by the Commission in 1929 and limited to magazines and newspapers. Expanded in 1934 to cover radio commercial continuities, it also has included, since 1939, mail-order catalogs, almanacs and foreign-language newspapers. Questioned advertisements noted in these surveys form the bases of prospective cases

all the issues of publications of recognized high ethical standard whose publishers

a desire on the part of these broadcasters and publishers to aid in the elimination of false and misleading advertising.

Sources of radio and periodical cases.--During the fiscal year, 91.5 percent of the

Examiner for such consideration as was deemed appropriate in connection with pending cases; and in 11 cases the Commission directed issuance of complaint, 8 because the advertisers had failed to avail themselves of the privilege of stipulation, and 3 because of violation of previous stipulations. Field investigations were ordered in 10 cases.

The Commission filed without action 13 applications for complaint, referred 3 to the Chief Examiner for field investigation and 4 to the Post Office Department.

At the close of the year 787 cases were pending as compared with 688 at the close of the previous fiscal year.

Procedure in advertising cases.--If it appears to the Commission that a published advertisement may be misleading, a contact letter is sent to the advertiser.

PART VI. MEDICAL AND SCIENTIFIC OPINIONS

DATA IS UTILIZED BY COMMISSION IN CASES RELATING TO FOOD, DRUGS, DEVICES, AND COSMETICS

The Medical Advisory Division furnishes the Commission with scientific facts and opinions concerning the composition of and the advertising claims made for food, drugs, curative devices, and cosmetics. It arranges for analyses of samples of such products under investigation and gathers information with respect to their nature.

The division provides medical opinions and scientific information needed in the preparation of complaints issued and stipulations to cease and desist accepted by the Commission. During the fiscal year it prepared 228 written medical opinions and in addition rendered many verbal opinions of the same character. Also, a substantial amount of time was devoted to assisting the Commission's legal staff in its preparation for hearings involving questions of science.

Another duty of the division is to advise the Commission on the scientific aspects of cases involving questions of science.

PART VII. FOREIGN TRADE WORK

EXPORT TRADE ACT

Under the Export Trade Act (Webb-Pomerene Law) of 1918, cooperative associations are formed under supervision of the Federal Trade Commission, filing organization papers and periodic reports covering their operation in export trade.

The law provides that such an association shall be entered into for the sole purpose of engaging in export trade and must actually so engage; and that there shall be no restraint of the trade of domestic competitors, artificial or intentional enhancement or depression of domestic prices, substantial lessening of competition or other restraint of trade within the United States. Under these conditions, the associations shall not be deemed in violation of the antitrust laws.

CURRENT LIST OF ASSOCIATIONS

Forty-nine export associations were on file with the Federal Trade Commission at the close of the fiscal year on June 30, 1946. They were :

American Box Shook Export
Association,
308 Barr Building,
Washington, D.C.

American Hardwood Exporters, Inc.
901 Carondelet Building,
New Orleans.

AMTEA Corp. (American Machine Tool
Export Association) ,
Empire State Building, New York.

American Provisions Export Co.,
% Armour & Co.,
Foreign Sales Department,
Union Stock Yards,
Chicago.

American Soda Pulp Export
Association,
230 Park Avenue,
New York.

American Spring Manufacturers
Export Association,
30 Church Street,
New York.

American Tire Manufacturers
Export Association,
30 Church Street,
New York.

California Dried Fruit Export
Association,
1 Drumm Street,
San Francisco.

California Prune Export
Association,
1 Drumm Street,
San Francisco.

California Raisin Export
Association,
1 Drumm Street,
San Francisco.

Carbon Black Export, Inc.,
500 Fifth Avenue,
New York.

Copper Exporters, Inc.,
50 Broadway,
New York.

Door Export Co.,
1212 Washington Building,
Tacoma, Wash.

Douglas Fir Export Co.,
530 Henry Building,
Seattle, Wash.

Durex Abrasives Corp.,
63 Wall Street,

California Alkali Export
Association,
608 Latham Square Building,
Oakland, Calif.

66

New York.

Easco Lumber Association,
216 Pine Street,
San Francisco.

Electrical Apparatus Export
Association,
70 Pine Street,
New York.

Electrical Export Corp.,
122 East Fifty-First Street,
New York.

Export Screw Association of the
United States,
23 Acorn Street,
Providence, R. I.

Flints Export Agency,
Broad Street,
New York.

Florida Hard Rock Phosphate
Export Association ,
318 East Main Street,
Lakeland, Fla.

Flour Millers Export Association,
859 National Press Building,
Washington, D. C.

Friction Materials Export
Association, Inc.,
22 East Fortieth Street,
New York.

General Milk Co., Inc., Association,
19 Rector Street,
New York.

Goodyear Tire & Rubber Export
Co., The,
1144 East Market Street,
Akron, Ohio.

Metal Lath Export Association, The,
Room 1504,
205 East Forty-Second Street,
New York.

Motion Picture Export
Association, Inc.,
25 0 TD haty-SecondThir Tw (Association, Inc.)

Railway Car Export Corp.
of America,
30 Church Street,
New York.

Redwood Export Co.,
405 Montgomery Street,
San Francisco.

Rubber Export Association, The,
1185 East Market Street,
Akron, Ohio.

Steam Locomotive Export
Association, Inc.,
Room 1624,
30 Church Street,
New York.

Sulphur Export Corp.,
420 Lexington Avenue,
New York.

Texas Rice Export Association,
407 Jensen Drive,
Houston, Tex.

Textile Export Association of
the United States,
320 Broadway,
New York.

Typewriter Manufacturers Export
1611 Forty-Fourth Street,
Washington, D. C.

United States Alkali Export
Association, Inc.,
11 Broadway,
New York.

United States International Book
Association, Inc.,
27 East Sixty-Seventh Street,
New York.

Universal Dairy Products Co.
80 East Jackson Boulevard,

Association, The,
347 Madison Avenue,
New York.

Potash Export Association, Inc.,
420 Lexington Avenue,
New York.

San Francisco.

Wire Rope Export Trade
Association, The,
c/o Wm. P. Laseter, Chairman,
Room 2006, 19 Rector Street,
New York.

68 ANNUAL REPORT OF THE FEDERAL TRADE COMMISSION, 1948

EXPORTS IN 1945 TOTAL \$94,172,483

Exports by the associations

1. That Phosphate Export Association withdraw from and rescind the following agreements requiring that deductions be made from the quota of American shipments of Florida land pebble phosphate, stipulated for in said agreements, for shipments of Florida land pebble phosphate from the United States made by or through American producers who are not members of the association, to wit:

(a) Agreement between Phosphate Export Association and the North African Group, formed by the Comptoir des Phosphates d'Algerie et de Tunisie and the office Cherifien des Phosphates;

(b) Agreement between Phosphate Export Association and the Florida Hard Rock Phosphate Export Association and said North African Group ;

(c) Agreement between Phosphate

by the Commission, pursuant to said act, whether called for by report forms, by questionnaires or communications, by personal visitation or otherwise.

It is ordered by the Commission that Phosphate Export Association file with the Commission within 30 days hereof a report stating whether it has elected to comply with the above recommendations, and if so, the manner in which it has complied.

REPORT FOR SENATE SMALL BUSINESS COMMITTEE

In addition to a more detailed report prepared for the Subcommittee on Foreign Trade of the Senate Small Business Committee in June 1945 the Commission presented a supplemental report to the subcommittee in April 1946, which summarized, as follows, benefits obtained by small business under the Export Trade Act (Webb-Pomerene law):

The benefits afforded by the act are available, of course, to all business, large or small, but some are of especial value to small business concerns desiring to engage in export trade. These potential benefits flow principally from a sharing of the costs of engaging in foreign trade, from a pooling of resources, and from the ability to present a solid front in export markets.

Through Webb Act associations members may maintain joint sales agencies in export markets, share the cost of advertising in and developing such markets, and effect substantial savings in warehousing, in shipping costs, and in the handling of credits and collections. Such associations may also obtain substantial savings through long-term arrangements for cargo space and in the placing of insurance and the settlement of claims. They may more effectively handle settlements under the shifting conditions of foreign exchange and blocked accounts. There are definite benefits to be derived through the formulation and use of uniform contracts, terms, and conditions of sale in export markets and in the cooperative pricing of products in such markets on a basis which eliminates the possibility of foreign purchasers playing one American supplier against another.

A group of exporters can probably offer through a centralized sales agency a more varied and complete line of products than a single business unit and also be able to secure and handle larger orders than a single member might find it practicable to undertake. In numerous commodities special packaging or processing is needed in export trade, and an association may be able to maintain special plants for these purposes at strategic locations.

The production of certain types of export goods or the availability of that production for export purposes is sometimes of a seasonal nature, and the export associations may be able to warehouse and distribute the products in foreign markets throughout the year and thus alleviate the pressure of seasonal sales on export prices. The percentage of a member's production which goes into export channels might well serve as a cushion in times of domestic distress or aid in maintaining more even production schedules.

The cooperation of association members in the standardization of their products intended for export, in the adoption and use of a common brand name or trade-mark, and in the maintenance of an inspection service may be of substantial value in reducing the possibility of claims, in creating good will, and in aiding the efforts of their sales representatives. Similarly, the joint collection and use of current trade information from foreign markets, together with the detailed information concerning foreign trade laws and customs and the preferences of foreign buyers, may be of substantial advantage to the small exporter.

The cooperative action thus permitted to American exporters improves their bargaining position in foreign trade and enables them to cope more successfully with foreign cartels. In the

conduct of foreign trade it needs to be recognized that the elements of distance and differences in business customs, practices, and national laws all tend to prevent an individual American producer from dealing face to face with foreign customers in a manner comparable with his dealings in domestic trade. In the absence of a solid cooperative front among American exporters of a particular product, this handicap applies to both large and small concerns, but is felt most by the small concern which has no sales personnel experienced in foreign trade or representatives abroad to care for its interests.

TRADE REGULATION AND UNFAIR COMPETITION ABROAD

A few of the more important measures regulating trade and industry abroad may

decrees on October 24, 1945. Decree No. 109, October 27, 1945, authorized the Ministry of Industry to direct

PART VIII. FISCAL AFFAIRS

APPROPRIATION ACTS PROVIDING FUNDS FOR COMMISSION WORK

The Independent Offices Appropriation Act, 1946 (Public Law 49, 79th Cong.), approved May 3, 1945, provided funds for the fiscal year 1946 for the Federal Trade Commission as follows :

FEDERAL TRADE COMMISSION

For salaries and expenses of the Federal Trade Commission, including personal services in the District of Columbia; contract stenographic reporting services; supplies and equipment, lawbooks, books of reference, periodicals, garage rentals; traveling expenses; newspapers not to exceed \$500, foreign postage; not to exceed \$4,500 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and witness fees and mileage in accordance with section 9 of the Federal Trade Commission Act; \$1,897,833, of which not less than \$171,673 shall be available for the enforcement of the Wool Products Labeling Act: *Provided*, That no part of the funds appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

For all printing and binding for the Federal Trade Commission, \$44,000.

In addition to this sum there was appropriated in House Joint Resolution 342, "Making additional appropriations for the fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies" (Public Law 349, 79th Cong.), for the Federal Trade Commission : "Salaries and expenses," \$232,000.

APPROPRIATIONS FOR FISCAL YEAR

Appropriations available to the Commission for the fiscal year 1946 under the acts cited above amounted to \$2,173,833. This sum was made up of two items : (1) \$2,129,833 for the general work of the Commission, and (2) \$44,000 for printing and binding.

Appropriations, allotments, expenditures, liabilities, and balances for the fiscal year ended June 30, 1946

	Amount available	Amount expended	Liabilities	Expenditures and liabilities
Balances				
Federal Trade Commission, 1946				
salaries, Commissioners and all				
other authorized expenses	\$2,119,833.00	\$2,076,217.87	\$43,244.60	\$2,119,462.47
Printing and binding, Federal Trade				
Commission, 1946	44,000.00	7,394.77	27,163.20	34,557.97
Total fiscal year 1946	2,173,833.00	2,083,612.64	70,407.80	2,154,020.44
19,812.56				

Unexpended balances:

Federal Trade Commission 1945 - -	104,607.63	47,838.17	5,067.85	52,906.02	51,701.61
Printing and binding, Federal Trade Commission, 1945	35,298.62	7,708.17	27,519.78	35,237.95	60.67
Working fund, Federal Trade Commission 1945	3,921.30	1,196.99		1,196.99	2,724.31
Federal Trade Commission, 1944	70,268.12	483.64		483.64	
69,784.48					
Printing and binding, Federal Trade Commission, 1944	10,325.74	8,232.64		8,232.64	208.10
Working fund, Federal Trade Commission, 1944	55,728.72				55,728.72
Federal Trade Commission, 1941	4.30				4.30
Total	2,453,987.43	2,149,072.25	103,005.43	2,252,077.68	201,909.75

Detailed statement of costs for the fiscal year ended June 30, 1946

	Salary	Travel	Other	Total
Commissioners	\$48,730.08	\$560.60	\$9.39	\$49,300.07
Office of Commissioners	48,352.17			48,352.17
Office of the Secretary	37,762.56			37,762.56
Total	134,844.81	560.60	9.39	135,414.80
Administration:				
Budget and finance	20,721.59			20,721.59
Legal research and compiling	13,289.31			13,289.31
Library	15,203.70			15,203.70
Mail and files	23,199.68			23,199.68
Personnel supervision and management	28,536.23			28,536.23
Information service	18,711.63			18,711.63
Publication and procurement	69,662.37			69,662.37
Records	46,309.37			46,309.37
Stenographic	65,000.34			65,000.34
Communications			15,668.41	15,668.41
Contract services			9,955.10	9,955.10
Equipment			17,283.39	17,283.39
Rents			6,496.86	6,496.86
Supplies			11,833.15	11,833.15
Transportation of things			394.45	394.45
Travel expense		110.00		110.00
Total	300,634.22	110.00	61,631.36	362,375.58
Legal:				
Preliminary inquiries	129,163.47	5,631.40	182.12	134,976.99
Application for complaints	380,661.48	24,799.36	969.02	406,429.86
Complaints	670,003.97	38,788.94	17,656.37	726,449.28
Export trade associations	26,261.59	971.33	5.91	27,238.83
Trade practice conferences	24,602.64	1,445.00	10.18	26,057.82
Wool Products Labeling Act	147,065.96	19,946.74	116.63	167,129.33
Legal aids to commission	26,709.23			26,709.23
Total	1,404,468.34	91,582.77	18,940.23	1,514,991.34
General investigations:				
Resale price maintenance	7,630.90			7,630.90
Export trade study	36,411.88	47.46		36,459.34
Cigarette inquiry		16.28		16.28
Survey of mergers	20,794.73	28.37		20,823.10
Wholesale bread baking industry	34,836.42	3,470.03	14.35	38,320.80
Special reports for President	3,923.43			3,923.43
House Agriculture Committee	595.52			595.52
Senate Committee on Agriculture	3,013.90	239.01	.95	3,253.86
Total	107,206.78	3,801.15	15.30	111,023.23
Printing and binding	23,335.58			23,335.58
Work for other agencies	1,931.72			1,931.72
Summary:				
Commissioners and Secretary	134,844.81	560.60	9.39	135,414.80
Administration	300,634.22	110.00	61,631.36	362,375.58
Legal	1,404,468.34	91,582.77	18,940.23	1,514,991.34
General investigations	107,206.78	3,801.15	15.30	111,023.23
Work for other agencies	1,931.72			1,931.72
Printing and binding			23,335.58	23,335.58
Total	1,949,085.87	96,054.52	103,931.86	2,149,072.25

RECAPITULATION OF COSTS BY DIVISIONS

Commissioners and Secretary	\$139,707.91	\$875.17	\$10.57	\$140,593.65
Chief counsel	317,898.81	19,668.27	5,813.49	413,380.57
Accounts, statistics and economic investigations.	156,385.05	4,799.25	27.20	161,211.50
Chief examiner	493,566.55	37,947.44	1,186.88	532,700.87
Trial examiner	122,377.54	10,863.25	6.06	133,246.85

Radio and periodical	123,335.00			123,335.00
Medical advisory	25,147.09	600.87	1,795.09	27,543.05
Trade practice conferences	162,252.23	21,190.27	125.63	183,568.13
Legal aids to commission	28,640.95			28,640.95
Administrative	309,774.74	110.00	71,631.36	381,516.10
Printing and binding			23,335.58	23,335.58
Total	1,949,085.87	96,054.52	103,931.86	2,149,072.25

APPROPRIATIONS AND EXPENDITURES, 1915-46

Appropriations available to the Commission since its organization and expenditures for the same period, together with the unexpended balances, are :

Year	Nature of appropriations	Appropriations and liabilities	Expenditures	Balance
1915	Lump sum	\$184,016.23	\$90,442.05	\$93,574.18
	Printing and binding	12,386.76	9,504.10	2,882.60
1916	Lump sum	430,964.08	379,927.41	51,636.67
	Printing and binding	15,000.00	14,997.55	2.45
1917	Lump sum	542,025.92	448,890.66	93,135.26
	Printing and binding	25,000.00	23,610.54	1,389.48
1918	Lump sum	1,578,865.92	1,412,280.19	166,585.73
	Printing and binding	30,000.00	11,114.06	18,885.94
1919	Lump sum	1,693,622.18	1,491,637.39	201,984.97
	Printing and binding	14,934.21	14,934.21	0
1920	Lump sum	1,206,587.42	1,007,593.30	198,994.12
	Printing and binding	28,348.97	28,348.97	0
1921	Lump sum	938,609.94	842,991.24	95,618.70
	Printing and binding	37,182.56	37,182.56	0
1922	Lump sum	952,505.45	878,120.24	74,385.21
	Printing and binding	22,801.73	22,801.73	0
1923	Lump sum	952,020.11	948,293.07	3,727.04
	Printing and binding	22,460.21	22,400.21	0
1924	Lump sum	990,000.00	900,020.93	29,979.07
	Printing and binding	20,000.00	19,419.25	580.75
1925	Lump sum	990,000.00	988,082.37	1,917.63
	Printing and binding	20,000.00	19,866.14	133.86
1926	Lump sum	990,000.00	976,957.02	13,042.98
	Printing and binding	18,000.00	18,000.00	0
1927	Lump sum	980,000.00	943,881.99	36,118.01
	Printing and binding	17,000.00	17,000.00	0
1928	Lump sum	967,850.00	951,965.15	15,884.85
	Printing and binding	16,500.00	16,500.90	0
1929	Lump sum	1,135,414.83	1,131,521.47	3,893.36
	Printing and binding	27,777.69	27,777.69	0
1930	Lump sum	1,440,971.82	1,430,084.17	10,887.65
	Printing and binding	35,363.58	35,363.58	0
1931	Lump sum	1,932,857.81	1,808,463.35	124,454.46
	Printing and binding	39,858.73	39,858.73	0
1932	Lump sum	1,808,097.19	1,749,484.00	58,612.59
	Printing and binding	30,000.00	30,000.00	0
1933	Lump sum	1,421,714.70	1,378,973.14	42,741.56
	Printing and binding	30,000.00	20,000.00	10,000.00
1934	Lump sum	1,273,763.49	1,273,006.38	157.11
	Printing and binding	40,250.00	40,250.00	0
1935	Lump sum	2,063,398.01	1,922,313.34	141,084.67
	Printing and binding	34,000.00	34,000.00	0
1936	Lump sum	1,998,665.58	1,788,729.76	209,935.82
	Printing and binding	36,800.00	32,996.05	3,803.95
1937	Lump sum	1,895,571.94	1,850,673.82	44,898.12
	Printing and binding	43,353.95	43,353.95	0
1938	Lump sum	1,950,000.00	1,895,519.47	54,480.35
	Printing and binding	46,000.00	46,000.00	0
1939	Lump sum	2,236,795.00	2,150,474.40	86,320.60
	Printing and binding	46,700.00	46,709.00	0
1940	Lump sum	2,285,500.00	2,214,889.07	70,610.93
	Printing and binding	60,000.00	60,000.00	0
1941	Lump sum	2,240,000.00	2,167,256.24	72,743.76
	Printing and binding	60,000.00	59,000.00	1,000.00
1942	Lump sum	2,373,822.00	2,296,921.13	76,900.87
	Printing and binding	60,000.00	42,000.00	18,000.00
1943	Lump sum	2,237,705.00	2,100,783.09	138,921.91
	Printing and binding	50,250.00	32,210.75	18,039.25
1944	Lump sum	2,040,050.00	1,917,307.50	122,742.50
	Printing and binding	43,000.00	39,848.47	3,151.55

1945	Lump sum	2,016,070.00	1,957,818.31	58,251.69
	Printing and binding	43,000.00	39,728.72	3,271.23
1946	Lump sum	2,129,833.00	2,118,404.77	11,428.28
	Printing and binding	44,000.00	33,044.88	10,955.12

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APPENDIXES

FEDERAL TRADE COMMISSION ACT

(15 U.S. C., Secs. 41-58)

AN ACT To create a Federal Trade Commission, to define Its powers and duties,
and for

other purposes

Sec. 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That a commission is hereby created and established, to be known as the Federal Trade Commission (hereinafter referred to as the Commission) , which shall be composed of five commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than three of the commissioners shall be members of the same political party. The first commissioners appointed shall continue in office for terms of three, four, five, six, and seven years, respectively, from the date of the taking effect of this Act, the term of each to be designated by the President, but their successors shall be appointed for terms of seven years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he shall succeed : *Provided, however,* That upon the expiration of his term of office a commissioner shall continue to serve until his successor shall have been appointed and shall have qualified. The Commission shall choose a chairman from Its own membership. No commissioner shall engage in any other business, vocation, or employment. Any commissioner may be removed by the President for Inefficiency, neglect of duty, or malfeasance in office. A vacancy in the Commission shall not

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in making *any* investigation, or upon official business in any other places than in the city of Washington, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Commission.

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

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

¹ The salary of the secretary is controlled by the provisions of the Classification Act of 1923, approved March 4, 1923, 42 Stat. 1488.

² Auditing of accounts was made a duty of the General Accounting Office by the Act of June 10, 1921, 42 Stat. 24.

issue such writs as are ancillary to its jurisdiction or are necessary in its judgment to prevent injury to the public or to competitors pendente lite. The findings of the Commission as to the facts, if supported by evidence, shall be conclusive. To the extent that the order of the Commission is affirmed, the court shall thereupon issue its own order commanding obedience to the terms of such order of the Commission. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such

4 Section 5 (a) of the amending Act of 1938 provides :

SEC. 5. (a) In case of an order by the Federal Trade Commission to cease and desist, served on or before the date of enactment of this Act, the sixty-day period referred to in section 5 (C) of the Federal Trade Commission Act, as amended by this Act, shall begin on the date of the enactment of this Act.

terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code.

(d) The jurisdiction of the circuit court of appeals of the United States to affirm, enforce, modify, or set aside orders of the Commission shall be exclusive.

(e) Such proceedings in the circuit court of appeals shall be given precedence over other cases pending therein, and shall be in every way expedited. No order of the Commission or judgment of court to enforce the same shall in any wise relieve or absolve any person, partnership, or corporation from any liability under the Antitrust Acts.

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

(g) An order of the Commission to cease and desist shall become final--

(1) Upon the expiration of the time allowed for filing a petition for review, if

where associations, combinations, or practices of manufacturers, merchants, or traders, or other conditions, may affect the foreign trade of the United States, and to report to Congress thereon, with such recommendations as it deems advisable.

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

^s See footnote on p. 2

or reject such report, in whole or in part, and enter such decree as the nature of the case may in its judgment require.

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

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

Such attendance of witnesses, and the production of such documentary evidence, may be required from any place in the United States, at any designated place of hearing. And in case of disobedience to a subpoena the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence.

Any of the district courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation or other person, issue an order requiring such corporation or other person to appear before the commission, or to produce documentary evidence if so ordered, or to give evidence touching the matter in question ; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Upon the application of the Attorney General of the United States, at the request of the commission, the district courts of the Untied 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 cause to be made, full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the business of such corporation, or who shall willfully remove out of the jurisdiction of the United States, or willfully mutilate, alter, or by any other means falsify any documentary evidence of such corporation, or who shall willfully refuse to submit

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(2) that the enjoining thereof pending the issuance of a complaint by the Commission under section 5, and until such complaint is dismissed by the Commission or set aside by the court on review, or the order of the Commission to cease and desist made thereon has become final within the meaning of section 5, would be to the interest of the public, the Commission by any of its attorneys designated by it for such purpose may bring suit in a district court of the United States or In the United States court of any Territory, to enjoin the dissemination or the causing of the dissemination of such advertisement. Upon proper showing a temporary injunction or restraining order shall be granted without bond. Any such suit shall be brought in the district in which such person, partnership, or corporation resides or transacts business.

such conditions as are customary or usual. No advertisement of a drug shall be deemed to be false if it is disseminated only to members of the medical profession, contains no false representations of a material fact, and includes, or is accompanied in each instance by truthful disclosure of, the formula showing quantitatively each ingredient of such drug.

(b) The term "food" means (1) articles used for food or drink for man or other animals, (2) chewing gum, and (3) articles used for components of any such article.

(c) The term "drug" means (1) articles recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States,

or official National Formulary, or any supplement to any of them ; and (2) articles Intended for use In the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals ; and (3) articles (other than food) intended to affect the structure or any function of the body of man or other animals ; and (4) articles intended for use as a component of any article specified in clause (1), (2) , or (3); but does not Include devices or their components, parts, or accessories.

(d) The term “device” (except when used In subsection (a) of this section) means instruments, apparatus, and contrivances, including their parts and accessories, intended (1) for use In the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals ; or (2) to affect the structure or any function of the body of man or other animals.

(e) The term “cosmetic” means (1) articles to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof intended for cleansing, beautifying, promoting attractiveness, or altering the appearance, and (2) articles intended for use as a component of any such articles; except that such term shall not include soap.

Sec. 16. Whenever the Federal Trade Commission has reason to believe that any person, partnership, or corporation is liable to a penalty under section 14 or under subsection (1) of section 5, it shall certify the facts to the Attorney General, whose duty it shall be to cause appropriate proceedings to be brought for the enforcement of the provisions of such section or subsection.

SEC. 17. If any provision of this Act, or the application thereof to any person, partnership, corporation, or circumstance, Is held invalid, the remainder of the Act and the application of such provision to any other person, partnership, corporation, or circumstance shall not be affected thereby.

SEC. 18. This Act may be cited as the “Federal Trade Commission Act.”

Original act approved September 26, 1914.

Amended act approved March 21, 1938.

OTHER ACTS ADMINISTERED BY THE COMMISSION

In addition to the Federal Trade Commission Act, the Commission also administers section 2 of the Clayton Act (15 U.S. C., sec. 13), as amended by the Robinson-Patman Anti-discrimination Act, and sections 3, 7, and 8 of the Clayton Act (15 U.S. C., secs. 14, 18, and 19); the Export Trade Act (15 U.S. C., secs. 61-65) ; the Wool Products Labeling Act (15 U. S. C., sec. 68); and certain sections of the Trade-Mark Act of 1946 (15 U.S. C., secs. 1051-1072, 1091-1096, and 1111-1127).

RULES OF PRACTICE

RULE I. THE COMMISSION ¹

Offices.--The principal office of the Commission is at Washington, D. C.

All communications to the Commission must be addressed to Federal Trade Commission, Washington 25, D. C., unless otherwise specifically directed.

Branch Offices are maintained at New York, Chicago, San Francisco, Seattle, and New Orleans.

Their addresses are : Federal Trade Commission, Room 501, 45 Broadway, New York , N. Y.; Federal Trade Commission, 1118 New Post Office Building, 433 West Van Buren Street, Chicago, Ill.; Federal Trade Commission, Federal Office Building, Room 133, Civic Center, San Francisco, Calif.; Federal Trade Commission, 447 Federal Office Building, Seattle, Wash.; Federal Trade Commission, Room 652, Federal Office Building, 600 South Street, New Orleans, La.

Hours.--Offices are open on each business day from 8: 30 a. m. to 5 p. m.

Sessions.--The Commission may meet and exercise all its powers at any place, and may, by one or more of its members, or by such examiners as it may designate, prosecute any inquiry necessary to its duties in any part of the United States.

Sessions of the Commission for hearings will be held as ordered by the Commission.

Sessions of the Commission for the purpose of making orders and for transaction of other business unless otherwise ordered will be held at the principal office of the Commission at Pennsylvania Avenue at Sixth Street, Washington, D. C., on each business day at 10 a. m.

Quorum.--A majority of the members of the Commission shall constitute a quorum for the transaction of business.

Public information.--All requests, whether for information or otherwise, and submittals shall be addressed to the principal office of the Commission.

RULE II. THE SECRETARY

The Secretary is the executive officer of the Commission and shall have the legal custody of its seal, papers, records, and property; and all orders of the Commission shall be signed by the Secretary or such other person as may be authorized by the Commission.

RULE III. HEARINGS ON INVESTIGATIONAL

Hearings on investigations other than those arising from formal complaints issued by the Commission may be referred to a Commis-

¹ A separate statement as to the organization and the formation of the various divisions of the Federal Trade Commission and as to the general course and method by which those functions are channeled and determined, in compliance with section 3 (a) of the Administrative Procedure Act, was published in the Federal Register on

September 11, 1946.

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sioner or other designated representative of the commission for conducting conferences or hearings on submitted subjects, giving timely and reasonable notice of time and place thereof, and making such reports thereon as the Commission may direct.

Every person compelled to submit data or evidence shall be entitled to retain or, on payment of lawfully prescribed costs, procure a copy or transcript of thereof, except that in a non-public investigatory proceeding the witness may for good cause be limited to inspection of the official of his testimony.

to appear at the time and place fixed for hearing

RULE XI. CONTINUANCE AND EXTENSION OF TIME

Except as otherwise expressly provided by law, the Commission, for cause shown, may extend any time limits prescribed in these rules. A hearing before a trial examiner shall begin at the course of the hearing shall be regulated by the trial examiner subject to the provisions of Rule XX.

Applications for continuances and extensions of time should be made prior to the expiration of time prescribed by these rules.

RULE XII. DOCUMENTS

Filing.--All documents required to be filed with the Commission in any proceeding shall be filed with the Secretary of the Commission.

Title.--Documents shall clearly show the docket number and title of the proceeding.

Copies.--Documents, other than correspondence, shall be filed *in triplicate*, except as otherwise specifically required by these rules.

Form.--Documents not printed shall be typewritten, on one side of paper only; letter size, eight (8) inches by ten and one-half (10 ½) inches; left margin, one and one-half (1 1/2) inches; right margin, one (1) inch.

Documents may be printed, in ten (10) or twelve (12) point type, on good, unglazed paper, of the dimensions and with the margins above specified.

Documents shall be bound at *left side only*.

The originals of all answers, briefs, motions, and other documents shall be signed in ink, by the respondent or his duly authorized attorney. Where the respondent is an individual or a partnership, the originals of said documents shall be signed by said individual or by one of the partners, or by his or its attorney. Where the respondent is a corporation, the originals of said documents shall be signed under the corporate name by a duly authorized official of such corporation, or by its attorney. Where the respondent is an association, the originals of said documents shall be signed under the association name for said association by a duly authorized official of such association, or by its attorney.

One copy of a brief or other document required to be printed shall be signed as the original.

RULE XIII. ADMISSION AS TO FACTS AND DOCUMENTS

At any time after answer has been filed counsel or parties In any controversy may serve upon the opposing side a written request for the admission of the genuineness and authenticity of any relevant documents described in and exhibited with the request or the admission of the truth of any relevant matters of fact set forth in such documents.

Copies of the documents shall be delivered with the request unless copies have already been furnished. Each of the matters on which an admission is so requested shall be deemed admitted unless, within a period designated within the request, not less than ten days after service thereof or within such further time as the Commission or

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to other appropriate action in re-

spect thereto. A copy of such trial examiner's report shall be furnished to any counsel upon whose language or conduct such report is made, and the Commission will take disciplinary action only after an opportunity for hearing has been accorded such counsel.

RULE XV. HEARINGS IN ADVERSARY PROCEEDINGS

Subpoenas requiring the attendance of witnesses from any place in the United States, at any designated place of hearing, may be issued by the presiding trial examiner or a member of the Commission.

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script of the entire record shall be filed. In such motions each exception shall be separately set out, with exact citations to each portion of the record involved and references to the principle authorities relied upon. Any matters not thus laid before the Commission shall be deemed waived.

**RULE XXI. ARGUMENTS BEFORE TRIAL EXAMINERS AND
COUNSEL'S
SUGGESTIONS FOR FINDINGS AND ORDERS**

When, in the opinion of the trial examiner presiding in any proceeding upon complaint issued by the Commission, the size of the transcript or the complication or importance of the issues involved warrants, he may, either of his own motion or at the request of a party, announce at or before the close of the taking of testimony that he requests the presentation of, oral argument at a time stated.

Whether oral argument be heard by the trial examiner or not the parties, within such time not exceeding fifteen (15) days after the closing of the taking of the evidence, as may be fixed by the trial examiner, shall if they desire, present statements in writing to the trial examiner setting forth, in concise outline such forms of proposed findings and conclusions and, if desired, the reasons therefor, and such proposed forms of order as they may deem requisite in view of the facts, the law and the public interest.

Neither waivers of the right to submit said statements nor the election to file them shall change the' time prescribed in rule XXII for the filing of report by the trial examiner. A copy of any such statement of proposed findings, conclusions, and order shall be furnished to all other parties by each party submitting the same, shall be certified to the Commission by the trial examiner, and shall be included in the record certified to the Commission.

RULE XXII. TRIAL EXAMINER'S REPORT

The trial examiner, as soon as practicable and not later than thirty (30) days after receipt by him of the complete stenographic transcript of all testimony and all exhibits in the proceeding, shall make and file his report, consisting of his report upon the facts, conclusions of fact, conclusions of law, and his recommended order. All such reports shall be advisory only as the Commission reserves to itself the decision in all cases brought before it.

Except where he shall have become unavailable to the Commission, the said report shall be made by the trial examiner who presided at the hearing.

No officer, employee or agent, engaged in the performance of investigative or prosecuting functions for the Commission in any case shall, in that or a factually related case, participate or advise as to the findings, conclusions or order to be recommended by the trial examiner, except as a witness or as counsel in public proceedings.

The trial examiners' reports shall become a part of the record.

The trial examiner shall recommend only such findings as he shall deem supported by the weight of the evidence (including facts of which he may take official notice

pursuant to rule XVIII), and he shall recommend no finding which is not supported by relevant, reliable, and probative evidence.

A copy of the trial examiner's report shall be served upon each party, legal counsel or other representative, who has appeared pursuant to rule VII.

RULE XXIII. EXCEPTIONS

Any party may, within ten (10) days after receipt of a copy of the trial examiner's report, file his exceptions thereto. Exceptions to the trial examiner's recommended findings as to the facts and to his recommended conclusions of fact shall specify the particular statements or parts thereof to which exception is taken; shall designate, by specific references, the portions of the record relied upon in support of such exceptions; shall set out specific 1c (w) h1c 2.21 Tc (counsel) Tjw Tj3-351.6f.3600.16 0 TD 0 Tc

any irregularity in procedure ;

(5) Whether the facts show a violation of law and of the public interest lawfully amenable to redress by the Commission and what conclusions of law are justified a site in the premises; and

(6) Whether an order to cease and desist an order of dismissal, or other order, should be entered amid issued, and the substance and form thereof.

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B. BRIEFS

Filing.--Any party to a proceeding

Oral arguments before the Commission shall be reported stenographically unless otherwise ordered by the Commission.

and the purchasing. public. This pro-

STATEMENT OF POLICY

STATUS OF APPLICANT OR COMPLAINANT

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continued use of the unlawful method, act, or practice. The Commission reserves the right in all cases, for any reasons which it regards as sufficient, to withhold this privilege.

REPORTS OF TRIAL EXAMINERS

The policy of the Commission is that reports of trial examiners on the evidence shall not be open to public inspection or to publication until after the publication of the Commission's decisions in the cases in which such reports are made. During this time they are open only to the Commission, to counsel, and to partie

INVESTIGATIONS BY THE COMMISSION, 1915-46

Since its establishment in 1915, the Federal

separate investigations.

2 Documents out of print (designated “o. p.”) are available in depository libraries.

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industrial relations; cooperative associations; production financing; transportation; and terminal markets. Its recommendations for improvement of the Perishable Agricultural Commodities Act were adopted by Congress in amending that act (Public, 328, 75th) in 1937. [*Report of the F. T. C. on Agricultural Income Inquiry, Part I, Principal Farm Products*, 1,134 p., 3/2/37 (summary, conclusions, and recommendations, S. Doc. 54, 75th, 40 p.); *Part II, Fruits, Vegetables, and Grapes*, 906 p., 6/10/37; *Part III, Supplementary Report*, 154 p., 11/8/37; and interim reports of 12/26/35 (H. Doc. 380, 74th, 6 p.), and 2/1/37 (S. Doc. 17, **Agricultural Prices.**--See Price Deflation.

Aluminum Foundries (W. P. B.), Wartime, 1942-43.--Details were obtained for the War Production Board, at its request, from aluminum foundries throughout the U. S. covering their operations for May 1942 and their compliance with W. P. B. Supplementary Orders m-1-d, m-1-c, and m-1-f.

Antifreeze Solutions, Manufacturers of (W. P. B.), Wartime, 1943-44.--War Production Board Order L-258 of 1/20/43 prohibited production of salt and petroleum-base antifreeze solutions. While production of these products had ceased, great quantities were reported to be still in the hands of producers and distributors. To enable W. P. B. to determine what further action should be taken to protect essential automotive equipment from these solutions, it requested that the following information be furnished:

Production, 2/1/43-4/30/43
 Distribution, 2/1/43-4/30/43
 Total, 2/1/43-4/30/43

In the *Final Report on the Chain-Store Investigation* (S. Doc. 4, 74th, 110 p., o. p., 12/14/34), legal remedies available to combat

Amendment No. 2 to P B. General Preference Order No. m-18-a, issued 2/4/42. The investigation was conducted concurrently with a survey of nickel processors.

Cigarette Shortage (F. T. C. and Senate Interstate Commerce Committee Chairman), Wartime, 1944-45--In response to complaints from the public and a request from the Chairman of the Senate Interstate Commerce Committee (letter dated 12/1/44), the Commission investigated the cigarette shortage and reported, among other Commission (914) Tj 27.8.51.032-10.9.61-27 s1c5ja556e1péd6llj (b9200TD296312c 0

recommending legislation striking at this practice ; *Commercial Bribery* (S. Doc. unnumbered, 65th, 36 p., o. p., 8/22/18); and *Commercial Bribery* (S. Doc. 258, 66th, 7 p., o. p., 3/18/20).

Commercial Cooking and Food and Plate Warming Equipment, Manufacturers of (W. P. B.), Wartime, 1942-43--The

Cooperation in Foreign Countries (F. T. C.).--Inquiries made by the Commission regarding the cooperative movement in 15 European countries resulted in a report, *Cooperation in Foreign Countries* (S. Doc. 171, 68th, 202 p., o. p., 11/29/24, recommending further development of cooperation in the U.S.

Cooperative Marketing (Senate).--This inquiry (S. Res. 34, 69th, 3/17/25) covered the development of the cooperative movement in the U.S. and illegal interferences with the formation and operation of cooperatives ; and a comparative study of costs, prices, and marketing methods (*Cooperative Marketing*, S. Doc. 95, 70th, 721 p., o. p., 4/30/28).

Copper.--See Wartime Cost Finding, 1917-18.

Copper Base Alloy Ingot Makers (W. P. B.), Wartime, 1942-43.--This investigation was designed to ascertain the operations, shipments, and inventories of copper, copper alloys, copper scrap, and copper base alloy ingot makers and was conducted for the purpose of determining the extent to which they were complying with governing W. P. B. Preference and Conservation Orders M-9-a and b, and M-9-c.

Copper, Primary Fabricators of (W. P. B.), Wartime, 1941-42.--A survey and inspection of a specified list of companies which used a large percentage of all refinery copper allocated, and at the same time represented a fair cross-section of the industry, were made to ascertain the degree of compliance accorded to preference, supplementary, and conservation orders and regulations of the Director of Priorities, Office of Production Management (later the War Production Board).

Corporation Reports.--See Industrial Corporation Reports.

Cost Accounting.--See Accounting Systems.

Cost of Living (President) Wartime, 1917-18.--Delegates from the various States met in Washington, April 30 and May 1, 1917, at the request of the Federal Trade Commission, and considered the rapid rise of wartime prices and the plans then being made for the Commission's general investigation of foodstuffs. [See Foods (President) , Wartime, 1917-18, herein.] Proceedings of the conference were published (*High Cost of Living*, 119 p., o. p.).

Cost of Living (President).--President Roosevelt, in a published letter (11/16/37), requested the Commission to investigate living costs. The Commission (11/20/37) adopted a resolution undertaking the inquiry and a few months thereafter submitted a confidential report to the President.

Costume Jewelry, Manufacturers of (W. P. B.), Wartime, 1943-44.--Because it appeared that vast quantities of critical metals were being diverted illegally from war use to the manufacture of costume jewelry and similar items, the War Production Board requested the Commission to investigate 45 manufacturers to ascertain the facts concerning their compliance with W. P. B. Orders M-9-a, M-9-b, M-9-c, M-9-c-2, M-43, M-38, M-11, M-11-b. M-126, L-81, L-131, and L-131-a, all as amended.

Cotton Industry.--See Textiles.

Cottonseed Industry (House).--Investigating alleged price fixing (H. Res. 439, 69th, 3/2/27) the Commission reported evidence of cooperation among State associations but no indication that cottonseed crushers or refiners had fixed prices in violation of the C. I. T. D. 0.0254 Tc (in) Tj a 163 24 -12.96 TD 0.0113 Tc (violation) Tj 0.08 0 TD 0

cottonseed

whether such corporations acquired control of cotton gins to destroy competitive markets and depress or control prices paid to seed producers (*Investigation of the Cottonseed Industry*, preliminary report, S. Doc. 91, 71st, 4 p., o. p., 2/28/30, and final report, 207 p., with 11 vols. testimony, S. Doc. 209, 71st, 5/19/33.)

Distribution Cost Accounting (F. T. C.) ---To provide a guide for current legislation and determine ways for improving accounting. methods, the Commission studied distribution cost accounting in connection with selling, warehousing, handling, delivery, credit and collection (*Case Studies in Distribution Cost Accounting for Manufacturing and Wholesaling, H.*

section 6 of the F. T. C. Act. Eight parts of the *F. T. C. Report on Distribution Methods and Costs* were transmitted to Congress and published under the subtitles ; *Part I. Important Food Products* (11/11/43, 223 p.); *Part III. Building Materials--Lumber, Paints and Varnishes and Portland Cement* (2/19/44, 50 p.); *Part IV. Petroleum Products, Automobiles, Rubber Tires and Tubes, Electrical Household Appliances, and Agricultural Implements* (3/2/44, 189 p.); *Part v. Advertising as a Factor in Distribution* (10/30/44, 50 p.); *Part VI. Milk Distribution, Prices, Spreads and Profits* (6/18/45, 58 p.) *Part VII. Cost of Production and Distribution of Fish in the Great Lakes Area* (6/30/45, 59 p.); *Part VIII. Cost of Production and Distribution of Fish in New England* (6/30/45, 118 p.) ; and *Part IX. Cost of Production and Distribution of Fish on the Pacific Coast* (7/25/46, 82 p.). The inquiries relating to fish were conducted in cooperation with the Coordinator of Fisheries, Interior Dept. During World War II special reports on the distribution of some 20 commodity groups were made for confidential use of the Office of ~~Price Administration~~ (Price) Tj 22Tc () Tj 4.08 d4e

reference to the operations of 12 phosphate rock mines of 11 companies, and 40 plants of 24 companies producing sulphuric acid, superphosphate, and mixed fertilizer. One of the principal requirements of the inquiry was to obtain information concerning costs, prices, and profits for 103 separate formulas of popular-selling fertilizers during 1941 and 1942.

Fish.--See Distribution Methods and Costs.

Flags (Senate), Wartime; 1917-18.--Unprecedented increases in the prices of U.S. flags in 1917, due to wartime demand, were investigated (S. Res. 35, 65th, 4/16/17). The Inquiry was reported in *Prices of American Flags* (S. Doc. 82, 65th, 6 p., o. p., 7/26/17).

⁸ The Commission was created September 26, 1914, upon passage of the Federal Trade Commission Act, sec. 3 of which provided that "all pending investigations and proceedings of the Bureau of Corporations [of the Department of Commerce] shall be continued by the Commission."

Flour Milling.--See Food, below.

Food (President) , Wartime, 1917-18.--President Wilson, as a wartime emergency measure (2/7/17), directed the Commission "to investigate and report the facts relating to the production, ownership, manufacture, storage, and distribution of foodstuffs" and "to ascertain the facts bearing on alleged violations of the antitrust acts." Two major series of reports related to meat packing and the grain trade with separate inquiries into flour milling, canned vegetables and fruits, canned salmon, and related matters, as listed below.

Food (President) Continued--Meat Packing.--*Food Investigation-Report of the F. T. C. on the Meat-Packing Industry* was published in six parts: *I. Extent and Growth of Power of the Five Packers in Meat and Other Industries* (6/24/19, 2574, p., o. p.); *II. Evidence of Combination Among Packers* (11/25/18, 294 p., o. p.); *III. Methods of the Five Packers in Controlling the Meat-Packing Industry* (6/28/19, 82r162 Tc ((6/28/19,) Tj 40u 1.

to procure a Federal license and that Federal inspection and standards should be provided. Provisions in accordance with these recommendations were incorporated in the Perishable Agricultural Commodities Act (1930).

Food--Biscuits and Crackers, (O. P. A.), Wartime, 1942-43.--As requested by the Office of Price Administration, the Commission investigated costs and profits, in the biscuit and cracker manufacturing industry and submitted its report to that agency 3/25/43. The survey of 43 plants operated by 25 companies

9 The legal history of the consent decree and a summary of divergent economic interests involved in the question of packer participation In unrelated lines of food products were sent to Prof. H. S. (and) C. J. H. 536 TD (H) 19240 Rm 107 Dc 1036 eris

showed, among other things, that costs were lower and profits higher for the larger companies than for the smaller ones.

Food--Bread Baking (O. E. S.), Wartime, 1942-43.--This investigation was requested (10/23/42:) by the Director of the Office of Economic Stabilization and was conducted to determine what economies could be made in the bread-baking industry so as to remove the need for a subsidy for wheat, to prevent an increase in bread prices, or to lower the price of bread to consumers. Essential information on more than 600 representative bakeries' practices, costs, prices, and profits was developed and reported to O. E. S (12/29/42). The report also was furnished to the Secretary of Agriculture and special data gathered in the inquiry was tabulated for O. P. A

Food--Bread Baking (O. P. A), Wartime, 1941-42.--In the interest of the low income consumer, for whom it was deemed necessary the price of bread should be held at a minimum, the Commission investigated costs, prices, and profits of 60 representative bread-baking companies, conveying its findings to O. P. A. (Jan. 1942) in an unpublished report.

Food--Bread and Flour (Senate).--Reports on this inquiry (S. Res. 163, 68th, 2/26/24) were: *Competitive Conditions in Flour Milling* (S. Doc. 97, 70th, 140 p., o. p., 5/3/26); *Bakery Combines and Profits* (S. Doc. 212, 69th, 95 p., 2/11/27); *Competition and Profits in Bread and Flour* (S. Doc. 98, 70th, 509 p., 1/11/28); and *Conditions in the Flour Milling Business, supplementary* (S. Doc. 96, 72d, 26 p., 5/28/32).

Food--Wholesale Baking Industry (F. T. C.).--This inquiry (F. T. C. Res., 8/31/45) resulted in two reports to Congress: *Wholesale Baking Industry, Part I--Waste in the Distribution of Bread* (4/22/46, processed, 29 p.) and *Wholesale Baking Industry, Part II--Costs, Prices and Profits* (8/7/46). *Part I* developed facts concerning wasteful and uneconomic practices in the distribution of bread, including consignment selling which involves the taking back of unsold bread; furnishing, by gift or loan, bread racks, stands, fixtures, etc., to induce distributors to handle a given company's products. It was found that, although War Food Order No.1 which prohibited these practices was only partially observed, in 1945 as compared with 1942, the quantity of bread saved was sufficient to supply the population of England, Scotland, and Wales with a daily ration of one-third of a loaf for 30 days, the population of France for 86 days, or the population of Finland for nearly 1 year. The Commission suggested that "a careful examination of present laws be made by the legislative and executive branches of the Government to determine what legislation, if any, is needed to permanently eliminate wasteful trade practices and predatory competition which threaten the existence of many small bakers, foredoom new ventures to failure and promote regional monopolistic control of the wholesale bread baking industry."

Part II presents information concerning prices and pricing practices in the industry, profits earned, and unit costs of production and distribution. It compares the details of production and distribution costs for bread and rolls, other bakery products, and for all bakery products for two operating periods in 1945, March and September. Comparisons of costs are also made for these two periods for plants arranged by geographical areas. Comparisons of the costs of production and distribution are made by size groups of wholesale bakeries. Food-Fish.--See Distribution Methods and Costs.

Food--Flour Milling (Senate).--This study of costs, profits, and other factors (S. Res. 212, 67th, 1/18/22) was reported in *Wheat Flour Milling Industry* (S. Doc. 130,

68th, 180 p., o. p., 5 /16/24).

Food-Flour Milling (O. E. S.), Wartime, 1942-43.--Requested by the Director of the Office of Economic Stabilization, this inquiry covered practices, costs, prices and profits in the wheat flour milling industry, its purpose being to provide the Director with facts to determine what economies could be effected in the industry so as to eliminate the need for a wheat subsidy, without reducing farmers' returns, or to reduce bread prices. The report was made to O. E. S and a more detailed report was prepared for O. P. A.

Food--Grain Elevators (F. T. C.), Wartime, 1917-18.--In view of certain bills pending before Congress with reference to regulation of the grain trade, the Commission, in a preliminary report, *Profits of Country and Terminal Grain Elevators* (S. Doc. 40, 67th, 12 p., o. p., 6/13/21, presented certain data collected during Its inquiry into the grain trade ordered by the President.

Food--Grain Exporters (Senate).--The low prices of export wheat in 1921 gave rise to this inquiry (S. Res 133, 67th, 12/22/21) concerning harmful speculative

in a manner threatening financial disaster to the growers. The Commission recommended changes which the growers adopted (*California Associated Raisin Co.*, 26 p., processed o. p., 6/8/20).

Food--Southern Livestock Prices (Senate).--Although the low prices of southern livestock in 1919

beets and the cost of beet-sugar manufacture (*Report on the Beet Sugar Industry in the U.S.*, H. Doc. 158, 65th, 164 p., o. p., 5/24/17).

Foreign Trade--Antidumping Legislation (F. T. C.)--To develop information for use of Congress in its consideration of amendments to the antidumping laws, the Commission studied recognized types of dumping and provisions for preventing the dumping of goods from foreign countries (*Antidumping Legislation and Other Import Regulations in the United States and Foreign Countries*, S Doc. 112, 73rd, 100 p., 1/11/34 ; supplemental report, 111 p., processed, 6/27/38).

Foreign Trade--Cooperation in American Export Trade (F. T. C.)--This inquiry related to competitive conditions affecting Americans in international trade. The Export Trade Act, also known as the Webb-Pomerene law, authorizing the association of U.S. manufacturers for export trade, was enacted as a res

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three volumes showing concerted efforts to effect uniformity of prices in some lines (*Report of the F. T. C. on House furnishing Industries*, 1018 p., 1/17/23, 10/1/23, and 10/6/24).

Household Furniture (O. P. A.), Wartime, 1941-42.--Costs, prices, and profits of 67 representative furniture companies were studied to determine whether, and to what extent, price increases were justified. A study was also made to determine whether price-fixing agreements existed and whether wholesale price increases resulted from understandings in restraint of trade. Confidential reports were transmitted to O. P. A. in Sept. 1941.

Independent Harvester Co. (Senate), Wartime, 1917-18.--After investigation (S. Res. 212, 65th, 3/11/18) of the organization and methods of operation of the company which had been formed several years before to compete with the "harvester trust," but which had passed into receivership, the *F. T. C. Report to the Senate on the Independent Harvester Co.* (5 p., release, processed, o. p., 5/15/18) showed the company's failure was due to mismanagement and insufficient capital.

Industrial Corporation Reports (F. T. C.), Wartime, 1941-43.--The Commission obtained corporation financial reports for 1939 and 1940. It published in combined form

6/9/21, and 2/15/22 (150 p., o. p.); *Report of the F. T. C. on Western Red Cedar Association, Lifetime Post Association, and Western Red Cedarmen's Information Bureau* (22 p., 1/24/23), also known as *Activities of Trade Associations and Manufacturers of Posts and Poles in the Rocky Mountain and Mississippi Valley Territory* (S. Doc. 293, 67th, o. p.); and *Report of the F. T. C. on Northern Hemlock and Hardwood Manufacturers Association* (52 p., 5/7/23).

Lumber Trade Associations (F. T. C.).--Activities of five large associations were investigated in connection with the Open-Price Associations inquiry (p.113) to bring down to date the 1919 lumber association inquiry (Chap. VIII of *Open-Price Trade Associations*, S. Doc. 220, 70th, 516 p., 2/13/29).

Mass Foods Distributors.--See Food.

Meat-Packing Profit Limitations.--See Food.

Metal--Working Machines, Invoicing and Distribution of (W. P. B.), Wartime, 1942-43.--For the War Production Board an inquiry was made to obtain complete data from the builders of metal-working machines (including those manufactured by their subcontractors) such as all nonportable power-driven machines

that shape metal by progressively removing chips or by grinding, boning, or lopping ; all nonportable power-driven shears; presses, hammers, bending machines, and other machines for cutting, trimming, bending, forging, pressing, and forming metal; and all power-driven measuring and testing machines. Each type and kind of machine was reported on separately.

Milk.--See Food.

Millinery Distribution (President) .--This inquiry, requested by President Roosevelt, embraced growth and development of syndicates operating units for retail millinery distribution, the units consisting of leased departments in department or specialty stores (*Report to the President of the United States on Distribution Methods in the Millinery Industry*, 65 p., processed, 11/21/39).

Motor Vehicles (Congress).--Investigating (Public Res. 87, 75th, 4/13/38) distribution and retail sales policies of motor vehicle manufacturers and dealers, the Commission found, among other things, a high degree of concentration and strong competition ; that many local dealers' associations fixed prices and operated used-car valuation or appraisal bureaus essentially as combinations to re-strict competition ; that inequities existed in dealer agreements and in certain manufacturers' treatment of some dealers ; and that some companies' car finance plans developed serious abuses (*Motor Vehicle Industry*, H. Doc. 468, 76th, 1077 p., 6/5/89). The leading companies voluntarily adopted a number of the Commission's recommendations as company policies.

National Wealth and Income (Senate).--In 1922 the national wealth was estimated (Inquiry pursuant to S. Res. 451, 67th, 2/28/23) at \$353,000,000,000 and the national Income in 1923 at \$70,000,000,000 [*National Wealth and Income* (S. Doc. 126, 69th, 381 p., o. p., 5/25/26) and *Taxation and Tax-Exempt Income* (S. Doc. 148, 68th, 144 p., o. p., 6/6/24).]

Nickel Processors (W. P. B.), Wartime, 1942-43.--The Commission was designated by the War Production Board to investigate the transactions of some 600 nickel processors for the purpose of determining the extent to which they were complying with W. P. B. Preference Order No. M-6-a, issued 9/30/41, and Conservation Order M-6-b, issued 1/20/42. The investigation was conducted concurrently with a survey of chromium processors.

Open-Price Associations (Senate).--An investigation (S. Res. 28, 69th, 3/17/25) to ascertain the number and names of so-called open-price associations, their importance in industry and the extent to which members maintained uniform prices, was reported in *Open-Price Trade Associations* (S. Doc. 226, 70th, 516 p., 2/13/29).

Packer Consent Decree.--See Food (President) Continued-Meat Packing.

Paint, Varnish, and Lacquer Manufacturers (W. P. B.), Wartime, 1943-44.--The purpose of this survey was to determine whether the manufacturers covered were in violation of War Production Board Orders M-139, M-150, M-159, M-246, and M-327 in their acquisition and use of certain chemicals, all subject to W. P. B. allocation used in the manufacture of paint, varnish, and lacquer. Sales of such -products to determine their end uses also were investigated.

Paperboard (O. P. A.), Wartime, 1941-42.--Costs, profits, and other financial. data regarding operations of 68 paperboard mills (O. P. A. request, 11/12/41) for use in connection with price stabilization work, were transmitted to O. P. A. in a confidential report (May 1942).

Paper-Book (Senate), Wartime, 1917-18.--This inquiry (S. Res. 269, 64th, 9/7/16)

resulted in proceedings by the Commission against

Paper--Newsprint (Senate).--The question investigated (S. Res. 337, 70th, 2/27/29) was whether a monopoly. existed among newsprint manufacturers and distributors In supplying paper to publishers of small dailies and weeklies (*Newsprint Paper Industry*, S Doc. 214, 71st, 116 p., 6/30/30).

Paper--Newsprint (Attorney General).--The Commission investigated (inquiry referred to F. T. C. 1/24/38) the manner in which certain newsprint manufacturers complied with a consent decree entered against them (11/26/17) by the U.S. District Court, Southern District of New York.

Peanut Prices.--See Food.

Petroleum Products.--See Distribution Methods and Costs

Petroleum and Petroleum Products, Prices (President and Congress).--At different times the Commission has studied prices of petroleum and petroleum products and issued reports thereon as follows: *Investigation of the Price of Gasoline, preliminary* (S. Doc. 403, 64th, 15 p., o. p., 4/10/16) and *Report on the Price of Gasoline in 1915* (H. Doc. 74, 65th, 224 p., o. p., 4/11/17)--both pursuant to S. Res. 109, 63d, 6/18/13¹² and S. Res. 457, 63d, 9/28/14, which reports dis-cussed high prices and the Standard Oil companies' division of marketing territory among themselves, the Commission suggesting several plans for restoring effective competition ; *Advance in the Prices of Petroleum Products* (H. Doc. 801, 66th, 57 p., 6/1/20) --pursuant to H. Res. 501, 66th, 4/5/20, In which report the Com mission made constructive proposals to conserve the oil supply ; *Letter of Submittal and Summary of Report on: Gasoline Prices in 1024* (24 p. processed, 6/4/24, and Gong. Record, 2/28/25, p.5158) --pursuant to request of President Coolidge, 2/7/24 ; *Petroleum Industry--Prices, Profits and Competition* (S. Doc. 61, 70th, 360 p., 12/12/27)--pursuant to S. Res. 31, 69th, 6/3/36; *Importation of Foreign Gasoline at Detroit, Mich.* (S. Doc. 206, 72d, 3 p., o. p., 2/27/33)--pursuant to S. Res. 274 72d, 7/16/32; and *Gasolines Prices* (S. Doc. 178, 73d, 22 p., 5/10/34) --pursuant to S. Res. 166, 73d, 2/2/34.

Petroleum Decree (Attorney General).--The Commission investigated (inquiry referred to F. T. C. 4/16/36) the manner In which a consent decree entered (9/15/30) against Standard Oil Co. of California, Inc., and others, restraining them from monopolistic practices, was being observed, and reported (4/2/87) to the Attorney General.

Petroleum--Foreign Ownership (Senate).--Inquiry was made (S Res. 311, 67th, 6/29/22) into acquisition of extensive oil interests In the U.S. by the Dutch-Shell organization, and into discrimination allegedly practiced in foreign countries against American interests (*Report of the F. T. C. on Foreign Owners hip in the Petroleum Industry*. 152 p., o. p., 2/12/23).

Petroleum Pipe Lines (Senate).--Begun by the Bureau of Corporations, ¹³ this inquiry (S. Res. 109, 63d, 6/18/13) showed the dominating importance of the pipe lines of the great midcontinent oil fields and reported practices of the pipe-line companies which were unfair to small producers (*Report on Pipe-Line Trans p oration of Petroleum*, 467 p., o. p., 2/28/16), some of which practices were later remedied by the Interstate Commerce Commission.

Petroleum--Regional Studies (Senate and F. T. C.).--Reports published were: *Pacific Coast Petroleum Industry* (two parts, 4/7/21 and 11/28/21, 538 p.)--pursuant to 5. Res. 138, 66th, 7/31/19 ; *Reports of the F. T. C. on the Petroleum Industry of Wyoming* (54 p., o. p., 1/3/21)--pursuant to F. T. C. motion ; *Petroleum Trade in*

Wyoming

control, and ownership of commercial electric-power companies. It called attention to the dangerous degree to which pyramiding had been practiced in superposing a series of holding companies over the underlying operating companies, and was influential in bringing about the more comprehensive inquiry described under Power--Utility Corps., below. *Supply of Electrical Equipment and Competitive Conditions* (S. Doc. 46, 70th, 282 p., 1/12/28) showed, among other things, the dominating position of General Electric Co. in the equipment field.

Power--Interstate Transmission (Senate) --Investigation (S. Res. 151, 71st, 11/8/29) was made of the quantity of electric energy transmitted across State lines and used for development of power or light, or both (*Interstate Movement of Electric Energy*, S. Doc. 238, 71st, 134 p., 12/20/30).

Power--Utility Corporations (Electric and Gas Utilities) (Senate).--This
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Priorities (W. P. B.), Wartime, 1941-45.--Pursuant to Executive orders (January

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manufacturers were investigated at the request of the War Production Board to determine the extent to which they had complied with the copper orders, that is, w.

Steel Code and Steel Code as Amended (Senate and President).--The Commission investigated (S. Res. 166, 73d, 2/2/34) price fixing, price increases, and other matters (*Practices of the Steel Industry Under the Code*, S. Doc. 159, 73rd, 79 p., 8/19/34) and the Commission and N. R. A. studied the effect of the multiple basing-point system under the amended code (*Report of the F. T. o. to the President in Response to Executive Order of May 30, 1934, With Respect to the Basing-Point System in the Steel Industry*, 125 p., 11/30/34) 17 The Commission recommended important code revisions.

Steel Companies, Proposed Merger (Senate).--An inquiry (S. Res. 286, 67th, 5/12/22) into a proposed merger of Bethlehem Steel Corp. and Lackawanna Steel Corp. (S. Res. 286, 67th, 5/12/22)

inquiry into the textile industry's labor costs, profits, and investment structure to determine whether increased wages and reduced working hours could be sustained under prevailing economic conditions. Reports covering the cotton, woolen and worsted, silk and rayon, and thread, cordage and twine industries, were : *Report of the F. T. C. on Textile Industries*, Parts I to VI, 12/31/34 to 6/20/35, 174 p. (Part VI, financial tabulations, processed, 42 p., o. p.); *Report of the F. T. C. on the Textile Industries in 1933 and 1934*, Parts I to IV, 8/1/35 to 12/5/35, 129 p.; Parts II and III, o. p. (Part IV, processed, 21 P ; accompanying tables, processed, 72 p., o. p. I rayon, artsrayon,bywages an Tc () yon.

the inventories, distribution, and use of the tin supply in the U.S.

examiners to assist in the Committee's inquiry into progress of the national defense program (H. Res. 162, 77th, 4/2/41). The Commission's examiners were active in field investigations covering aircraft manufacturers' cost records and operation, naval air station construction, materials purchased for use on Government contracts, and industry expansion financing programs.

Wartime Cost Finding (President), 1917-18.--President Wilson directed the Commission (7/25/17) to find the costs of production of numerous raw materials and manufactured products. The inquiry resulted in approximately 370 wartime cost investigations. At later dates reports on a few of them were published,¹⁹ including : *Cost Reports of the F. T. C.--Copper* (26 p., o. p., 6/30/19); *Report of the F. T. C. on Wartime Costs and Profits of Southern Pine Lumber Companies* (94 p., o. p., 5/1/22); and *Report of the F. T. C. on Wartime Profits and Costs of the Steel Industry* (138 p., 2/18/25). The unpublished reports

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