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A D V A N C E \*\*\* C A U T I O N

ADDRESS BY HONORABLE CHARLES H. MARCH, CHAIRMAN

OF FEDERAL TRADE COMMISSION, BEFORE ANNUAL CON-  
VENTION OF NATIONAL ASSOCIATION OF RETAIL DRUGGISTS,  
AT BOSTON, MASSACHUSETTS, SEPTEMBER 24, 1936

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MONOPOLY AND THE POSITION OF THE CONSUMER

A year ago, when you invited me to address your convention at its annual meeting, I accepted your very kind invitation. An automobile accident pre-

...the importance of maintaining our

chasing power at a high level and having it widely spread among the families of your respective communities. Your economic interests as independent retailers are bound up in the outcome of the struggle with monopoly.

Another aspect of monopoly quite similar to its contribution to business depressions is its power to oppress and exploit other groups which are unable to organize their own monopolies. Agriculture, for instance, is the means of livelihood of nearly half our population and the basic industry for all others. It has made little progress in the direction of organized control of its own prices or production. Without such control, it has had to bear the full impact

It is one thing to inveigh against monopoly in general and quite another

Harvester Company as unlawful monopolies, the courts refused to decree their dissolution. They held that not mere size and power, but behavior is the test of monopoly. This is the familiar doctrine of good trusts groups.

Even one who would defend these practices as the expression of normal competition must admit that their tendency is to make the chains bigger and bigger and to accentuate whatever other factors tend toward monopoly.

Congress had those facts before it when it passed the Robinson-Patman Act. Of course that act is not in terms confined to chain store merchandising or even to retail distribution. It applies to all commodities and to the

The Robinson-Patman Act is an amendment to Section 2 of the Clayton Act

The old law was considered as requiring an affirmative showing by the Commission that the discrimination was not in good faith to meet competition. The new law puts the burden on the discriminator of showing that his discrim-

ination is "in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

The new law extends the principle of non-discrimination into other areas

In the verse of John Boyle O'Reilly:

"Here . . . . . on this soil  
Began the kingdom, not of kings, but men!  
Began the making of the world again;  
Where equal rights and equal bonds were set;  
~~Where all the people equal-franchised met;~~

Where doom was writ of privilege and crown;

Where crests were sought, where vulture flags were furled