385 1921) FEDERAL TRADE COMMISSION v. WINSTED HOSIERY CO. (42 Sup.Ct.)

"Conscientious man11facturers may prefer not
to use a label which is capable of misleading,
and it may be that it will be desirable to pre-
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unt'air does not cease to be so because those

competed against haYe become aware of the
wrongful practice. Nor does it cease to be
unfair because the falsity of the manufac-
turer's representation has become so well
known to the trade that dealers, as distin-guished from consumers, are no longer de-ceived. The honest manufacturer's business may suft'er, not merely through a competi-tor's deceiving his direct customer, the re-tailer, but also tllrough the competitor's put-ting into the hands of the retailer an ulllaw-ful instrument. which enables the retailer to increase his own sales of the dishonest

goods, thereby lessening the market for the honest product. That a person is a wrong-doer who so furnishes another with the means of consummating a fraud has long been a part of the Iaw of unfair competition.:t And trade-marks which deceive the public are denied protection although members of tbe trade are not misled thereby.s As a sub-stantial part of the public was still misled by the use of the labels which the Winsted Company employed, the public had an inter-est in stopping the practice as wrongful; and since the business of its trade rivals who marked their goods truthfully was neces-sarily affected by that practice, the Commis-sion was justified in its conclusion that the practice constituted an unfair method of competition; and it was authorized to order that the practice be discontinued.
Reversed.

Mr. Justice McREYNOLDS dissents.

(268 u. s. 549)
SLOAN SHIPYARDS CORPORATION et al. v. UNITED STATES SHIPPING BOARD EMERGENCY FLEET CORPORATION et