

MEETING OF THE FEDERAL TRADE COMMISSION

April 3, 1917, 10:00 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

A letter from Attorney General Gregory, bearing date of April 2, 1917, stating the attitude of his Department in reference to holding criminal proceedings against certain print-paper manufacturers in abeyance was submitted. Mr. Heney, who was in attendance, stated that such letter was called to his attention on the afternoon of April 3d, and in the absence of the Commission he thought it proper to send a personal reply, a copy of which reply was presented, and after discussion approved and ordered filed.

The matter of transmitting a formal reply on the part of the Commission to the above letter was then considered, and after discussion Messrs. Davies and Heney were directed to prepare a draft of a letter, setting forth the Commission's views regarding such matter for submission to the Commission. (See file 8235-86.)

A letter from the President of the United States, dated March 31, 1917, with which was enclosed a letter from Commissioner McChord, of the Interstate Commerce Commission, to Hon. Franklin K. Lane, Secretary, Department of the Interior, in reference to a shortage of bituminous coal, and inquiring with reference to the investigation into the bituminous coal industry by the Federal Trade Commission, was submitted, and after discussion the matter was referred to the Advisory Economic Board for consideration and report. (See file 8329-2.)

At 1:00 o'clock a recess was taken until 2:30 p. m.

William J. Harris, Chairman
William B. Colver
John F. Port

The Commission reconvened at 2:30 p. m.

Mr. Colver reported orally in regard to his conference with Mr. Frank A. Scott, of the Council of National Defense, and others interested in such matter, and also submitted a copy of the report of the Advisory Economic Board, which was furnished Mr. Scott, setting forth plans by which manufacturing plants, or their products, might be taken over in case of war, at a fair and reasonable price; and also submitted a copy of a letter transmitting such report to Mr. Scott. Approved.

Mr. Colver further reported that the Secretary of the Navy was inter-

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ested in the matter, and a copy of such report, together with his letter to Mr. Scott, was ordered transmitted to the Secretary of the Navy.

(See file 8508-586)

On motion, the letter from the President of the United States, bearing date of March 31, 1917, in reference to the bituminous coal situation, was referred to Mr. Fort for a personal conference with the President, if necessary, and with directions to report to the Commission preliminary to the preparation of a formal reply to such letter by the Commission.

(File 8329-2.)

Thereupon, at the hour of 6 p.m. the Commission adjourned to meet Wednesday, April 4, 1917, at 10:30 a. m.



Chairman.

Attest:



Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 4, 1917, 10:00 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

Mr. Davies presented a draft of a letter directed to the Attorney General of the United States, in reply to a letter from him bearing date of April 2, 1917, relating to the matter of the position of the Depart-

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ment of Justice in regard to holding criminal proceedings against certain news-print paper manufacturers in abeyance. After discussion the letter was approved, and ordered sent. (See file 8235-86.)

On motion, Messrs. Davies and Fort were appointed a committee, and authorized to confer with certain administrative departments of the Government in regard to the news-print paper situation.

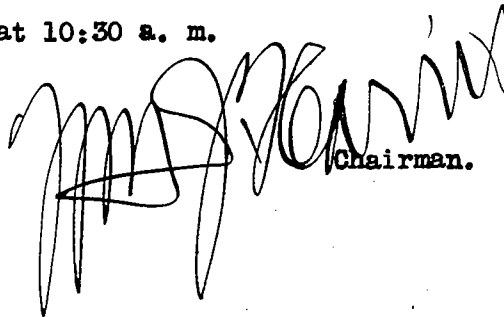
A recess was taken at 11:00 o'clock.

William J. Harris, Chairman
William B. Colver
John F. Fort

The Commission reconvened at 3:00 o'clock p. m.

The Commission considered the chapters of the gasoline report containing conclusions and recommendations of the Commission, and after discussion, on motion of Mr. Colver seconded by Mr. Fort, the same were approved; and further, that the entire gasoline report be printed and transmitted to the Senate at the earliest possible moment.

Thereupon, at the hour of 5.45 p.m., the Commission adjourned to meet Thursday, April 5, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 5, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

(Mr. Parry absent on account of illness.)

Mr. Heney presented a letter from the Attorney General, addressed to him, bearing date of April 3d, 1917, in reply to his letter to the Attorney General under date of April 2d. After consideration, the letter was ordered filed. (See file 8235-86.)

Messrs. Davies and Fort reported the results of their conference with certain administrative departments of the Government in regard to the news-print paper situation.

The following resolution, offered by Mr. Davies, was unanimously adopted:

WHEREAS, developments in the news-print matter make the letter dated April 2d, sent to the Attorney-General, of no practical effect because of developments which had occurred;

BE IT THEREFORE RESOLVED: That the Chairman be authorized to advise the Attorney General that the Commission withdraws its recommendations contained in such letters.

The following resolution, offered by Mr. Davies, was unanimously adopted:

WHEREAS it now seems probable that in conjunction with the National Council of Defense, State, War and Navy and other Departments of the Government of the United States, the Federal Trade Commission may be called upon to pass upon matters appertaining to costs of war or other supplies furnished to the Government, and

WHEREAS this will require an additional force of attorneys, experts and accountants, therefore

April 5, 1917.

BE IT RESOLVED that the Federal Trade Commission do hereby request the President of the United States to consider the advisability of recommending to the Senate Committee on Appropriations the following: that in that part of the Federal Trade Commission appropriation passed by the House of Representatives which reads as follows:

"For all expenses necessary to carry out the order of the President of the United States to investigate within the scope of his powers and to report the facts relating to any alleged violations of the antitrust Acts by any corporation in the production, ownership, manufacture, storage, and distribution of foodstuffs and the products or by-products arising from or in connection with their preparation and manufacture, \$400,000"

be stricken therefrom, and that the following be inserted in lieu thereof:

For all expenses necessary to carry out the order of the President of the United States to investigate within the scope of its power all matters of costs of manufacture, distribution, and sale in industry appertaining to materials to be purchased by the United States in connection with the national defense, and to investigate within the scope of its powers and to report the facts of any violations of the antitrust Acts by any corporation in the production, ownership, manufacture, storage, sale, and distribution of foodstuffs and the products or by-products arising from or in connection with their preparation and manufacture, \$400,000. Such special attorneys or experts to be employed as may be directed or approved by the President of the United States at a compensation to be fixed or approved by him.

Or such other form of amendment as would cover this situation.

On motion, duly seconded and carried, Messrs. Colver and Harris were directed to confer with the Postmaster General at once regarding the matter of a revision of the order of the Post Office Department fixing the time periodicals and newspapers may be transmitted through the mails as second-class matter after the expiration of the subscription date for such periodicals and newspapers.

The following resolution, offered by Mr. Colver, was unanimously adopted:

RESOLVED: That the legal staff and personal attorneys to the Commissioners be directed to assemble and lay before the Commission at once all pending cases in which the question of jurisdiction is the controlling question, or in which the question of jurisdiction must be disposed of before the case

can proceed; and that these matters be made the special order of the Commission for eleven o'clock, Tuesday morning, April tenth, and shall come before the Commission automatically at eleven o'clock each day until disposed of.

Mr. Colver offered the following motion, which was duly seconded and carried:

"Moved, That a complaint be prepared by the Legal Department forthwith against the members of the Print Paper Manufacturers' Association under which proceedings may be brought for the relief of the news-print industry."

And that such complaint be brought before the Commission for further consideration, and order.

Mr. Colver reported the case of The Flavell Company, Inc., for the issuance of a complaint against United Rendering Co. (File 1-259.)

Report approved, and resolution dismissing application adopted.

The following resolution, offered by Mr. Fort, concerning certain phases of the Bituminous Coal industry, was unanimously adopted:

WHEREAS, There has been an extraordinary increase in the price of bituminous coal during the past winter and present prices are not only extraordinarily high but also, it is alleged, that there is great difficulty and delay in obtaining supplies thereof, and

WHEREAS, Such extraordinarily high prices of bituminous coal and the difficulty and delay in obtaining supplies thereof operate to the grave disadvantage in the transportation of goods and to manufacturing industries, upon whose uninterrupted operations depend the prosperity and safety of the country, and

WHEREAS, Such extraordinarily high prices of bituminous coal also directly increase the cost of living of the people, which is already excessively high, and

WHEREAS, The Commission has been directed by the House of Representatives, according to a resolution dated August 18, 1916, to make an investigation into the fundamental economic conditions of the bituminous coal industry, for the purpose of determining primarily the reasons for the alleged unprofitableness of the said industry, and the consequent difficulty of proper conservation of the natural resources in coal and of the welfare of those engaged in coal mining, and

WHEREAS, The present conditions in the bituminous coal industry, demanding immediate attention for the protection of the general welfare and national safety, are of a different character, therefore be it

RESOLVED: That the Commission proceed forthwith to make an expeditious investigation of the bituminous coal industry of the United States, pursuant to the provisions of Section 6 of the Federal Trade Commission Act, and to gather and compile information concerning the organization, business, conduct, practices and management of all corporations engaged in interstate commerce in the bituminous coal industry and their relations to other corporations, and to individuals, associations and partnerships, and particularly as to the causes of the extraordinarily high prices of bituminous coal and the difficulty and delay in obtaining supplies thereof, to the end that immediate remedial action may be secured therefor, and be it

FURTHER RESOLVED: That representatives of such corporations and others who may have information in reference to said matters, be invited to appear before the Commission at the earliest convenient time, to give information to the Commission on matters pertinent to the subject of said investigation, and particularly as to the causes of such extraordinarily high prices of bituminous coal and the difficulty and delay in obtaining supplies thereof.

FURTHER RESOLVED: That the work necessary under this resolution be conducted in connection with the investigation of the bituminous coal industry heretofore ordered in accordance with the resolution of the House of Representatives aforesaid.

Messrs. D. B. Wentz, Alan C. Dodson, and Percy C. Madeira appeared before the Commission and presented their views regarding the anthracite coal situation. (See stenographic file 8517-90.)

A recess was taken at 2:00 p. m.

William J. Harris, Chairman
William B. Colver
John F. Fort

The Commission reconvened at 3:00 o'clock p. m.

Messrs. Frank P. Glass, H. L. Rogers, and A. G. McIntyre, appeared before the Commission and discussed certain phases of the news-print paper situation.

Mr. Nicholas W. Hacker, counsel for the Lehigh Valley Coal Sales Co., appeared before the Commission and replied in person to the Commission's letter of March 26, 1917. (File 8626-31.)

Thereupon, at the hour of 5:00 p. m., the Commission adjourned to meet Friday, April 6, 1917, at 10:30 a. m.



Chairman.

Attest:



Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 6, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

(Mr. Parry absent on account of illness.)

A letter from Attorney General Gregory, bearing date of April 5, 1917, in reply to the Commission's letter of April 3d, was read and ordered placed on file. (See File 8235-86.)

A letter from Secretary Redfield, dated April 4, 1917, again calling attention to the order of the Department of Commerce excluding people after office hours from the Commerce Building, who are without passes, was read. (See File 8115-2-2.)

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Messrs. Colver and Harris reported orally the results of their conference with representatives of the Post Office Department, in regard to the revision of the order of the Department fixing the time in which periodicals and newspapers may be sent through the mails as second-class matter after date of expiration of subscriptions.

Mr. Fort brought up the matter of the appearance before the Commission on Thursday, April 5, 1917, of Percy C. Madeira, and other independent anthracite coal operators, and after consideration it was unanimously agreed to advise Mr. Madeira and his associates that it is their right and duty, individually, to sell coal without reference to what they describe as "the circular rate," issued by other anthracite coal operators. (See File 8626-5.)

The following motion, offered by Mr. Colver, was unanimously adopted:

MOVED: That the Legal Staff and personal attorneys to the Commissioners be directed to assemble and lay before the Commission at once all pending cases in which the question of passing off is the controlling question; and that these matters be made the special order of the Commission for eleven thirty o'clock, Thursday morning, April twelfth, and shall come before the Commission automatically at eleven thirty o'clock each day until disposed of.

The matter of the rumored sale of the Susquehanna Coal Company properties to the Delaware & Hudson Company was brought up, and upon motion of Mr. Davies the following order was adopted: (8517-94-1 corres. -2 trans.)

That the economist in charge of the anthracite coal investigation compile data regarding the relations between the Susquehanna Coal Company and the Delaware & Hudson Company, and submit same to the Secretary.

That the Secretary write a letter requesting the principal officers of such companies to appear before the Commission, at its offices in Washington, at 10:30 o'clock a. m., April 16th, 1917, and bring with them all records and files bearing on the matter of such rumored sale.

The following resolution, offered by Mr. Davies, was adopted:

RESOLVED: That in all economic investigations the Secretary shall cause to be assigned an attorney, or attorneys, who shall be charged with following the legal phases of such investigations, and with reporting to the Commission any remedial action in the public interest which the Commission might invoke during such investigation.

ORDERED: That from and after this date the regular sessions of the Commission, for the transaction of general business, shall be held from ten thirty a. m. to twelve-forty-five p. m., each day, except Saturdays.

Mr. Colver presented the case of James W. Houston Company for the issuance of a complaint against P. Lorillard Company (file 1-253).

Report approved, and resolution dismissing application adopted.

Thereupon, at the hour of 6 p.m., the Commission adjourned to meet Monday, April 9, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

April 7, 1917. No meeting held.

April 8, 1917. Sunday.

MEETING OF THE FEDERAL TRADE COMMISSION

April 9, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

(Mr. Parry absent on account of illness.)

The matter of the Commission's appropriation for the coming fiscal year was brought up and discussed briefly.

Dr. Haney was called in and reported briefly in reference to the present status of the gasoline report, and inquired as to whether or not he should attach the signatures of all the Commissioners. After discussion Mr. Colver agreed to see Mr. Parry, and ascertain whether or not he approved the report, and was willing to have his name attached thereto.

Mr. Durand appeared before the Commission and presented certain facts in reference to the anthracite coal report, particularly in regard to the time such report would be completed.

The matter of securing the services of a man for work in connection with the proposed food investigation was brought up, and same referred to Messrs. Davies and Colver for consideration and report.

The advisability of preparing an action calendar, and having calendar days, was discussed, and by unanimous consent was referred to Messrs. Harris and Colver for consideration and report.

Mr. Davies presented his report, in re file 1-295, application of E. W. Fee for the issuance of a complaint against The Larrowe Milling Co. Report approved, and resolution dismissing the application, without prejudice, adopted.

The question of giving more publicity to the matters before the Commission was called up, and after discussion it was unanimously agreed to refer the same to a committee of the whole for consideration, and to be the special order of business on Thursday, April 12, 1917.

Thereupon, at the hour of 12:45 p. m., the Commission adjourned to meet Tuesday, April 10, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 10, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

A telegram from Jason Rodgers, asking for an engagement with the Commission, was considered, and the Secretary directed to advise Mr. Rodgers that it would be agreeable to have him appear before the Commission at 10:00 o'clock, Wednesday morning, April 11th, 1917. (8813-3-170.)

Mr. Colver reported that the Tariff Commission had appointed a committee to cooperate with this Commission, and on motion Messrs. Davies and Colver were appointed a committee to meet with the committee of the Tariff Commission for conference, when necessary, on any matters of mutual interest.

Mr. Davies reported that the Comptroller of the Treasury had advised that the limitation of \$5,000 on salaries to be paid from the Commission's lump-sum appropriation, as contained in the pending appropriation bill, in his opinion would not apply to the proposed special appropriation of \$250,000 for the investigation of foodstuffs.

The following resolution, offered by Mr. Davies, was adopted:

BE IT RESOLVED that a conference be immediately requested with the Secretary of Agriculture for the purpose of the consideration and formulation of plans for the conduct of the food investigation, provided for in the Sundry Civil Appropriation Bill now pending.

Matter referred to Messrs. Davies and Fort.

Mr. Colver called attention to the decision of the Supreme Court in the case of the Motion Picture Patents Co. against the Universal Film Manufacturing Co., and on motion it was agreed that the Legal Department assemble the cases affected by such decision for action by the Commission.

Mr. Davies presented a draft of certain rules amending the rules of practice before the Commission, and after consideration

the same was referred to Mr. Fort. (See File

RESOLVED that the "Rules of Practice Before the Commission" adopted June 17, 1915, shall be amended as follows: That Rules 8, 9, 10 and 11 shall be designated hereafter as Rules 11, 12, 13 and 14, respectively, and that there shall be added and inserted as Rules 8, 9, 10 the following Rules of Practice which are hereby adopted:

8. Time for taking evidence. Upon the joining of issue in a proceeding by the Commission, the examination of witnesses therein shall proceed with all reasonable diligence and with the least practicable delay. Notice shall be given by the Commission to counsel or parties of the time and place of examination of witnesses before the Commission or an examiner for such reasonable time as the Commission may fix.

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

10. Motions. A motion in a proceeding by the Commission shall briefly state the nature of the order applied for, and all affidavits, records and other papers upon which the same is founded, except such as have been previously filed or served in the same proceeding shall be filed with such motion and plainly referred to therein.

All motions in a proceeding by the Commission shall be brought to hearing by reasonable notice from the Commission to counsel or parties.

The following resolution, offered by Mr. Davies, was adopted:

WHEREAS reports have heretofore been required from the Advisory Economic Board and the Law Board of Review appertaining to plans to be adopted by the Commission for as much of the enforcement of sections 7 and 8 of the Clayton Act as the Commission is charged with and

WHEREAS under date of December 19, 1916, the Economic Board of Review was directed to complete such information as was available from the old Bureau of Corporations files with reference to interlocking directorates, or so much thereof as would be necessary for the Commission to enable it to properly enforce compliance with the Clayton Act

BE IT THEREFORE RESOLVED that the 13th day of April, at 11:00 o'clock a.m. be set for the consideration of the aforesaid matter by the Commission, and that the Law Board of Review and the Advisory Economic Board be directed by the Secretary to be prepared to report on the matter to the Commission at that time.

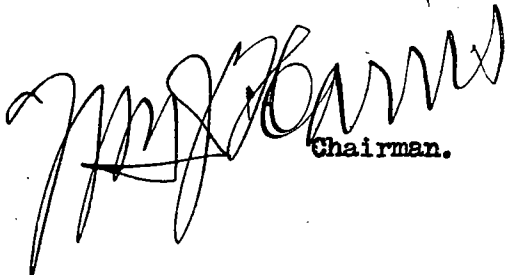
April 10, 1917.

Dr. Haney was called into the conference in connection with certain phases of the gasoline report.

Mr. Colver reported that he had called to see Mr. Parry, to ascertain whether or not he approved the gasoline report, but has not been able to see him on account of his illness. He further stated that Mr. Davies had informed him that Mr. Parry was willing to sign the report if the Commission so desired, but that he preferred not to do so, but have the record show that he was absent on account of sickness at the time of the final consideration of the report by the Commission.

Messrs. W. T. Chantland and C. H. McDonald appeared before the Commission and submitted a report in regard to a number of cases relating to the question of jurisdiction, and after discussion it was agreed to give the questions further consideration at a later date..

Thereupon, at the hour of 12:45 p. m., the Commission adjourned to meet Wednesday, April 11, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 11, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

United States Senator Frank B. Kellogg, and Hon. G. Carroll Todd, Assistant to the Attorney General, appeared before the Commission and discussed the recommendations contained in the gasoline report.

Mr. Colver was directed to authorize Mr. R. W. Howard, of New York, to negotiate by cable with Lord Northcliffe, of England, in an effort to secure the output of his Newfoundland paper mill for distribution among the small newspaper publishers of America. (File 8813-1-60.)

Thereupon, at the hour of 1 p.m. the Commission adjourned to meet Thursday, April 12, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 12, 1917, 10:30 a. m.

William J. Harris, Chairman
 Joseph E. Davies
 William B. Colver
 John F. Fort

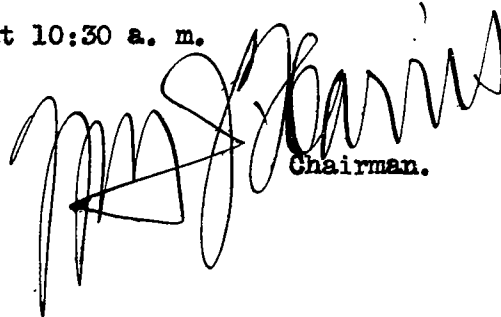
(Mr. Parry absent on account of illness.)

Messrs. W. C. Breed, Gilbert H. Montague, and Special Counsel John Walsh, appeared before the Commission in the matter of the Federal Trade Commission v. The Shredded Wheat Co.

Mr. Walsh presented a motion to strike out paragraph 32 from the answer of the respondent to the second amended complaint of the Commission, and Mr. Breed discussed motions to strike out certain portions of the Commission's evidence. (See Docket No. 5.)

Messrs. Frank P. Glass, Col. Robert Ewing, and A. G. McIntyre appeared before the Commission and presented facts appertaining to a plan for the collection and publication of statistics regarding the supply and demand of news-print paper.

Thereupon, at the hour of 1 p.m. the Commission adjourned to meet Friday, April 13, 1917, at 10:30 a. m.


 Chairman.

Attest:


 Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

April 13, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

(Mr. Parry absent on account of illness.)

Mr. Colver called up the matter of the collection and dissemination of useful information in regard to the news-print paper situation, and after discussion same was continued until a later date.

Messrs. Colver and Harris reported progress in the matter of the preparation of a docket and calendar for the Commission.

Messrs. Fort and Davies reported that they had endeavored to see Secretary Houston in reference to the investigation of the food-stuff situation, but had not been able to do so on account of the absence of the Secretary from the city.

Messrs. Davies and Colver reported progress in reference to the employment of a man for special service in connection with the food investigation. No action.

Mr. Davies reported that Mr. Sherley, of the Appropriations Committee, had advised him that he did not deem it advisable to dispense with the services of employees pending the general deficiency appropriation bill before Congress.

April 13, 1917.

The following resolution, directing the issuance of a formal complaint in the case of The Corby Company v. The Fleischmann Company (File 1-134), was adopted:

WHEREAS, The Federal Trade Commission has reason to believe that the Fleischmann Co., of Cincinnati, Ohio, has violated, and is violating, the provisions of Section 5 of the Trade Commission Act and Section 3 of the Clayton Act, therefore be it

RESOLVED: That the Commission issue and serve upon said Fleischmann Co., of Cincinnati, Ohio, its complaint, stating its charges in that respect in substantially the form hereunto annexed, and be it

FURTHER RESOLVED: That notice be given to the said Fleischmann Company, of Cincinnati, Ohio, as required by law, that the charges of said complaint will be heard by the Commission at its offices in the Commerce Building, in the City of Washington, D. C., on the 31st day of May, A. D., 1917, at 10:30 o'clock in the forenoon of said day, or as soon thereafter as the same may be reached.

Mr. Davies reported in re file 1-211, application of Hewitt-Lea-Funk Co. for the issuance of a complaint against the Mississippi Valley Lumberman, and numerous retail lumber dealers.

Report approved, and the issuance of a formal complaint ordered.

Mr. Fort presented report, in re file 1-307, application of The Litchfield Oil Co. for the issuance of a complaint against the Standard Oil Co. of New York.

Report approved, and resolution referring the matter to the general oil investigation adopted.

Mr. Fort called up the matter of conducting hearings in Chicago, and other cities, in connection with the bituminous coal investigation, and the following order was unanimously adopted:

ORDERED: That the matter of hearings in connection with the bituminous coal investigation be referred to Mr. Fort, with authority to enlist the assistance of such members of the staff as he may deem necessary.

The members of the Joint Board of Review, and Law Board of Review, appeared, and reported in reference to a plan of procedure under sections 7 and 8 of the Clayton Act, and after discussion the following resolution, offered by Mr. Davies, was adopted:

RESOLVED: That the Advisory Economic Board, and the legal board of Review, prepare a plan of procedure, organization and personnel to submit to the Commission not later than April 16th, looking to the gathering of information necessary to the enforcement of sections 7 and 8 of the Clayton Act.

The matter of the employment of Sidney C. Ormsby Co., and Galt & Hull, to do official reporting for the Commission, was called up by Mr. Harris, and after discussion the Secretary was directed to have contracts prepared for presentation to the Commission for action.

The following motion, offered by Mr. Colver, was adopted:

Moved, that for the purpose of establishing a basis for the work of a committee to confer with the Department of Justice looking to the drafting of a paragraph for insertion in a war emergency bill, the following be referred to a committee of two to be appointed by the Chairman:

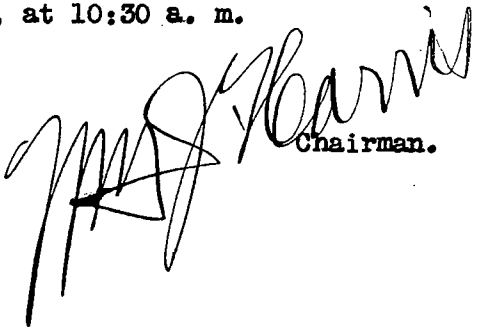
"Section Whenever, in time of war or national emergency the President of the United States has reason to believe that there exists or threatens to exist an undue withholding from sale or use of any supply of food, fuel, or finished or unfinished material of manufacture, the President may order the Federal Trade Commission to make summary investigation, and if it shall find that such undue withholding from sale or use exists, by the act of any person, partnership or corporation it shall forthwith order such person, partnership or corporation to cease and desist from such withholding and to require such person, partnership, or corporation to offer for sale such quantities of such food, fuel, or finished or unfinished materials of manufacture in such quantities and at such time and at such places and in such manner as the Commission shall determine and direct. For the purposes of this section the Federal Trade Commission shall exercise and have all the powers heretofore vested in it and may call upon any other department, Commission, Board or Bureau or Officer of the United States for the employment of any powers vested in them for carrying out the purposes of this section.

"In the absence of evidence of undue withholding of food, fuel or finished or unfinished articles of manufacture from sale or use, if in the opinion of the President the public welfare requires it, the Federal

Trade Commission may order to be offered for sale at such time and place and in such quantity and in such manner as it may direct of any food, fuel or finished or unfinished article of manufacture and shall ascertain the average price of such articles of food, fuel or finished or unfinished articles of manufacture for five years next preceding August 1, 1914, and shall fix such prices as the sale price for such articles so ordered to be offered for sale.

"Any person, member of such partnership or any officer of such corporation, failing or refusing to obey any order issued by the Federal Trade Commission under the provisions of this section, shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of \$1,000 for each day for refusal to obey such order or may be imprisoned for one year, or both such fine and imprisonment, and the failure or refusal on the part of any such person, member of such partnership or officer of such corporation to obey such order shall be and constitute a separate and distinct offense."

Thereupon, at the hour of 12:45 p. m., the Commission adjourned to meet Monday, April 16, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

April 14, 1917. No meeting held.
April 15, 1917. Sunday.

MEETING OF THE FEDERAL TRADE COMMISSION

April 16, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
William B. Colver
John F. Fort

(Mr. Parry absent on account of sickness.)

Mr. Davies reported that Mr. Fort and he had arranged for a conference with Secretary Houston, for the purpose of discussing matters connected with the proposed food investigation.

Upon motion of Mr. Colver it was unanimously agreed to have the Economic and Legal departments assemble all facts collected in connection with the oil investigation, wherein it appeared that the laws, over which the Commission has jurisdiction, have been violated, and considered as applications for the issuance of complaints.

Mr. Colver presented the case of C. E. Hoffman, for the issuance of a complaint against Standard Oil Co. (file 1-154). Report approved, and resolution, dismissing application and referring the file to the general oil investigation, adopted.

Mr. Davies presented report (file 1-157), in re application of Hamberger-Polhemus Co. for the issuance of a complaint against W.R. Grace & Co. Report approved, and resolution, directing withdrawal of this file from the Docket Division for transmission to the U. S. Shipping Board, adopted.

Mr. Davies presented report (File 1-200), application of Pyrene Manufacturing Co. for the issuance of a complaint against Montgomery Ward & Co. Report approved, and resolution, dismissing application and transferring file to Division of Mails and Files, adopted.

ORDERED: That Bond J. Geddis be employed as a Special Examiner by the Commission, at a salary at the rate of \$3,000 per annum, such employee to be under the direction of the Secretary, and in case of necessity to be assigned as attorney-examiner to any Commissioner.

Mr. Colver brought up the matter of granting operators an opportunity to be heard regarding the anthracite coal report before its issuance, and after discussion it was unanimously agreed to notify representatives of the miners to attend such conference.

Messrs. W. H. Williams, Morris Williams, and Henry Tatnall appeared before the Commission pursuant to its request, and presented facts in reference to the proposed sale of the Susquehanna coal properties to the Delaware & Hudson Company. (See stenographic file No. 8517-94-2.)

The following resolution, offered by Mr. Davies, was adopted:

WHEREAS, in application 1-181, Charles M. Baxter v. Central Warehouse Lumber Company, Mississippi Valley Lumberman, et al, it appears that some of the allegations of unfair trade practices, as against the Mississippi Valley Lumberman, are the same as those appearing in application 1-211, Hewitt-Lea-Funck Company v. Mississippi Valley Lumberman, et al.; now, therefore, be it

RESOLVED: That the Law Department be directed to consider application 1-181 in connection with the drafting of complaint already ordered by the Commission with reference to application 1-211 against the Mississippi Valley Lumberman and various retail dealers.

Mr. Colver reported that the U. S. Shipping Board had considered the appointment of a committee to cooperate with this Commission, and

