

tors to cancel and rescind any and all orders or contracts for the purchase of pumps, tanks, and other outfits placed and made with the competitors of the said Milwaukee Tank Works.

FEDERAL TRADE COMMISSION *v.* BLAKELY
PRINTING CO. ET AL.

COMPLAINT IN THE MATTER OF THE ALLEGED VIOLATION OF
SECTION 5 OF THE ACT OF CONGRESS APPROVED SEPTEMBER
26, 1914.

Docket No. 175.—October 30, 1918.

SYLLABUS.

Where a number of concerns, engaged in printing railway tariffs, schedules, and other printed matter—

- (a) Entered into and carried out a combination, conspiracy, understanding, or "pool" to keep and maintain fixed prices for such printing;
- (b) Entered into a combination, conspiracy, understanding, or "pool" for the purpose of allocating to each member certain contracts for printing, and so manipulated the bidding that the respective members secured the business allocated to them; and
- (c) Gave and offered to give, to employees of customers and prospective customers, gratuities, as an inducement to influence their employers to deal with the donors or to refrain from dealing with the donors' competitors:

Held, That such combination and the giving of such gratuities, for the purposes set forth, constituted unfair methods of competition, in violation of section 5 of the act of September 26, 1914.

COMPLAINT.

The Federal Trade Commission, having reason to believe from a preliminary investigation made by it that the Blakely Printing Co., Chicago Railway Printing Co., James H. Walden, Walden Typesetting Co., James Clark, James Clark Printing House, Excelsior Printing Co., Walter E. Faithorn, Faithorn Co., Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., Stromberg, Allen & Co., and Edward Keogh Printing Co., hereinafter referred to as respondents, have been and are using unfair methods of competition in interstate commerce in violation of the provisions of section 5 of an act of Congress approved September 26, 1914, en-

titled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," and it appearing that a proceeding by it in respect thereof would be to the interest of the public, issues this complaint, stating its charges in that respect on information and belief as follows:

PARAGRAPH 1. That the respondents, the Blakely Printing Co., Chicago Railway Printing Co., Excelsior Printing Co., Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., Stromberg, Allen & Co., and Edward Keogh Printing Co., are corporations organized, existing, and doing business under and by virtue of the laws of the State of Illinois, having their offices and principal places of business in the city of Chicago, in said State; that the respondent, James H. Walden, is doing business as the Walden Typesetting Co. in the city of Chicago, State of Illinois; that James Clark is doing business as the James Clark Printing House in the city of Chicago, State of Illinois; that Walter E. Faithorn is doing business as Faithorn Co. in the city of Chicago, State of Illinois; that all of the said respondents are now and for more than one year last past have been engaged in the business of printing and selling railway tariffs, schedules, and other printed matter throughout the States and Territories of the United States, in direct competition with other persons, firms, copartnerships, and corporations similarly engaged.

PAR. 2. That the respondents, in the course of their business of printing and selling railway tariffs, schedules, and other printed matter in interstate commerce, are now and for more than one year last past have been wrongfully and unlawfully engaged in a combination or conspiracy among themselves, entered into, carried out, and continued with the intent, purpose, and effect of discouraging, stifling, and suppressing competition in the business of printing and selling railway tariffs, schedules, and other printed matter throughout the States and Territories of the United States, by entering into an agreement, understanding, or "pool" among themselves to maintain a fixed price on printed railway tariffs, schedules, and other printed matter.

PAR. 3. That the respondents, in the course of their business of printing and selling railway tariffs, schedules, and other printed matter in interstate commerce, are now and for more than one year last past have been wrongfully and unlawfully engaged in the combination or conspiracy among themselves, entered into, carried out, and continued with the intent, purpose, and effect of discouraging, stifling, and suppressing competition in the business of printing and selling railway tariffs, schedules, and other printed matter throughout the States and Territories of the United States, by entering into an agreement, understanding, or "pool" among themselves as to which shall receive particular printing contracts submitted to them or brought to their attention for the purpose of their bidding on the same, formulating their respective bids so that the selected member of the "pool" will receive the business.

PAR. 4. That the respondents, in the course of their business of printing and selling railway tariffs, schedules, and other printed matter in interstate commerce, for more than one year last past have been giving and offering to give, to employees of both their customers and prospective customers, as an inducement to influence their employers to purchase or contract to purchase from the respondents, printed railway tariffs, schedules, and other printed matter, without other consideration therefor, gratuities such as cigars, liquors, meals, valuable presents, and entertainment.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER.

The Federal Trade Commission having issued and filed its complaint herein, wherein it is alleged that it has reason to believe that the above-named respondents, Blakely Printing Co., Chicago Railway Printing Co., James Clark Printing House, Excelsior Printing Co., Walter E. Faithorn, Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., Edward Keogh Printing Co., have been and are now using unfair methods of competition in interstate commerce in violation of the provisions of section 5 of an act

of Congress approved September 26, 1914, entitled, "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," and that a proceeding by it in that respect would be to the interest of the public and fully stating its charges in this respect, and the respondent, Excelsior Printing Co., having entered its appearance by Charles R. Whitman, its attorney duly authorized to act in the premises, and having filed its answer admitting that the matters and things alleged in said complaint are true in the manner and form therein set forth, and the respondent, Blakely Printing Co., Chicago Railway Printing Co., James Clark Printing House, Walter E. Faithorn, Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co. having entered their appearances by Arthur B. Hayes, Esq., their attorney duly authorized to act in the premises, and having filed their answers admitting that the matters and things alleged in paragraphs 1 and 4 of said complaint are true in the manner and form therein set forth and admitting that the matters and things alleged in paragraphs 2 and 3 of said complaint were true in the manner and form alleged for a period of time prior to and including the year 1914 and a portion of the year 1915, but not true at the time of the filing of the complaint herein and for a long period prior thereto, and all of said respondents in their answers having agreed and consented that the Commission shall forthwith proceed to make and enter its report stating its findings as to the facts and its conclusions and its order disposing of this proceeding without the introduction of the testimony in support of the same and waiving any and all right to the introduction of such testimony, the Commission makes this its report and findings as to the facts and conclusions:

FINDINGS AS TO THE FACTS.

1. That the respondents, Blakely Printing Co., Chicago Railway Printing Co., Excelsior Printing Co., Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co., are corporations organ-

ized. existing, and doing business under and by virtue of the State of Illinois, having their principal offices and places of business located in the city of Chicago, in said State, and that Walter E. Faithorn is a resident of the State of Illinois, having his principal office and place of business located in the city of Chicago, in said State, doing business under the trade name and style of Faithorn Co., that all of said respondents are now and for more than one year last past have been engaged in the business of printing and selling railway tariffs, schedules, and other printed matters in interstate commerce throughout the States and Territories of the United States in direct competition with other persons, firms, copartnerships, and corporations similarly engaged.

2. That in the course of their business of printing and selling railway tariffs, schedules, and other printed matter in commerce as aforesaid the respondents, Blakely Printing Co., Chicago Railway Printing Co., Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co., during the year 1914 and a portion of the year 1915, and the respondent, Excelsior Printing Co., for more than one year prior to the 18th day of July, 1918, entered into, engaged in, carried out, and conducted a combination, conspiracy, understanding, or "pool" among themselves to keep and maintain a fixed price on printed railway tariffs, schedules, and other printed matter.

3. That in the course of their business of printing and selling railway tariffs, schedules, and other printed matter in commerce as aforesaid the respondents, Blakely Printing Co., Chicago Railway Printing Co., Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co., during the year 1914 and a portion of the year 1915, and the respondent, Excelsior Printing Co., for more than one year prior to the 18th day of July, 1918, entered into, engaged in, carried out, and conducted a combination, conspiracy, understanding, or "pool" among themselves as to which of said respondents should receive particular printing contracts submitted to them or brought to their attention for the purpose of their bidding on

the same and for formulating their respective bids so that the selected member of said "pool" would receive the business.

4. That for more than one year prior to the 18th day of July, 1918, the respondents gave and offered to give employees of both its customers and prospective customers as an inducement to influence their employers to purchase or contract to purchase from the respondents printed railway tariffs, schedules, and other printed matter, or to influence such employers to refrain from dealing or contracting to deal with competitors of respondent, without other consideration therefor, gratuities consisting of liquors, meals, valuable presents, and entertainments.

CONCLUSIONS.

That the methods of competition set forth in the foregoing findings as to the facts in paragraphs 2, 3, 4, and each and all of them are under the circumstances therein set forth unfair methods of competition in interstate commerce in violation of the provisions of section 5 of an act of Congress approved September 26, 1914, entitled, "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

ORDER TO CEASE AND DESIST.

The Federal Trade Commission, having issued and served its complaint herein, the respondent Excelsior Printing Co., having entered its appearance by Charles R. Whitman, its attorney, duly authorized to act in its premises, and having filed its answer admitting that the matters and things alleged in the said complaint are true in the manner and form therein set forth, and the respondent Blakely Printing Co., Chicago Railway Printing Co., James Clark Printing House, Excelsior Printing Co., Walter E. Faithorn, Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co., having entered their appearance by Arthur B. Hayes, Esq., their attorney, duly authorized to act in the premises, and having filed their

answers admitting that the matters and things alleged in paragraphs 1 and 4 of said complaint are true in the manner and form therein set forth and admitting that the matters and things alleged in paragraphs 2 and 3 of said complaint were true in the manner and form alleged for a period of time prior to and including the year 1914 and a portion of the year 1915, but not true at the time of the filing of the complaint herein and for a long period prior thereto, and all of said respondents in their answers having agreed and consented that the Commission shall forthwith proceed to make and enter its report stating its findings as to the facts and its conclusions and its order disposing of this proceeding without the introduction of testimony in support of the same, and waiving any and all right to the introduction of such testimony, and the Commission having made and filed its report containing its findings as to the facts and its conclusions, that these respondents have violated section 5 of an act of Congress, approved September 26, 1914, entitled, "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," which said report is hereby referred to and made a part hereof: Now, therefore,

It is ordered, That the respondents, Blakely Printing Co., Chicago Railway Printing Co., James Clark Printing House, Excelsior Printing Co., Walter E. Faithorn, Gunthorp-Warren Printing Co., W. J. Hartman Co., Hillison & Etten Co., F. J. Riley Printing Co., The Henry O. Shepard Co., and Edward Keogh Printing Co., and their officers, directors, agents, representatives, servants, and employees cease and desist from directly or indirectly:

1. Entering into, engaging in, carrying out, or conducting any combination, conspiracy, understanding, or "pool" whatsoever to keep and maintain a fixed price, or prices, at and for which railway tariffs, schedules, or any other similar matter whatsoever shall be printed.

2. Entering into, engaging in, carrying out, or conducting any combination, conspiracy, understanding, or "pool" whatsoever as to who shall receive particular printing contracts submitted or brought to their attention for the purposes of their bidding on the same.

3. Entering into, engaging in, carrying out, or conducting any combination, conspiracy, understanding, or "pool" whatsoever for making, formulating, arranging, or submitting bids for any printing contract in such form, shape, or manner that a selected member of said "pool" or combination shall receive the contract.

4. Giving or offering to give employees of their customers and prospective customers or those of its competitors' customers, or prospective customers, as an inducement to influence their employers to purchase or to contract to purchase from the respondents' printed railway tariffs, schedules, and other printed matter or to influence such employers to refrain from dealing or contracting to deal with competitors of respondents without other consideration therefor, gratuities consisting of liquor, meals, valuable presents, and entertainments.

ORDERS OF DISMISSAL.

It appearing to the Commission that the respondent named in the complaint as Faithorn Co. is one and the same as the respondent Walter Faithorn also named in the complaint, and that the said Walter Faithorn is doing business under the firm name and style of Faithorn Co.; and it appearing to the Commission that the respondent James H. Walden is doing business under the trade name and style of Chicago Railway Printing Co., and as such is not engaged in the business of printing or selling railroad tariffs, as charged in the complaint; and it further appearing that the respondent James Clark is not as an individual engaged in the business of printing and selling railroad tariffs, as charged in the complaint; and it further appearing that the respondent Stromberg, Allen & Co. is not engaged in the business of printing and selling railroad tariffs, as charged in the complaint, now therefore:

It is ordered, That the complaint herein be, and the same is hereby, dismissed as to the respondents, Faithorn Co., James H. Walden, Walden Typesetting Co., James Clark, and Stromberg, Allen & Co.

FEDERAL TRADE COMMISSION *v.* CONSOLIDATED OIL CO., NATHAN WEISENBERG AND A. BERNSTEIN, COPARTNERS, DOING BUSINESS UNDER THE FIRM NAMES AND STYLES OF STANDARD LINSEED CO., MANCHURIAN