

terms as said respondent gives to any other dealer or dealers, by reason of the fact that said first-named dealer or dealers has resold sheet music purchased from respondent at prices not satisfactory to said respondent.

FEDERAL TRADE COMMISSION *v.* AUTO STROP SAFETY RAZOR CO.

COMPLAINT IN THE MATTER OF THE ALLEGED VIOLATION OF
SECTION 5 OF THE ACT OF CONGRESS APPROVED SEPTEMBER 26,
1914, AND THE ALLEGED VIOLATION OF SECTION 2 OF THE ACT
OF CONGRESS APPROVED OCTOBER 15, 1914.

Docket No. 172.—April 15, 1919.

SYLLABUS.

Where a manufacturer of razor blade strops, safety razors, and razor blades—

(a) Sold the same to jobbers, wholesalers, and retailers and indicated the resale prices at which the same should be resold, and endeavored to have such prices maintained; and,

(b) Refused to sell its products to those who resold the same below indicated prices:

Held, That a scheme of resale price maintenance, substantially as described, constituted an unfair method of competition, in violation of section 5 of the act of September 26, 1914.

COMPLAINT.

I. The Federal Trade Commission, having reason to believe from a preliminary investigation made by it, that the Auto Strop Safety Razor Co., hereinafter referred to as the respondent, has been and is using unfair methods of competition in interstate commerce in violation of the provisions of section 5 of the 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 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 respondent, Auto Strop Safety Razor Co., is now, and was at all times hereinafter mentioned, a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, having its principal office and place of business located at the city of New York, in said State, and is now and for more than two years last past has been engaged in the business of selling razor blade strops, safety razors, and razor blades throughout the various States of the United States, the Territories thereof, and the District of Columbia, in direct competition with other persons, firms, copartnerships, and corporations similarly engaged.

PAR. 2. That in the conduct of its business the respondent company moves and distributes its razor blade strops, safety razors, and razor blades to, from, and among the State of New York and other States and Territories of the United States, and there is continuously and has been at all times hereinafter mentioned a constant current of trade and commerce in such razor blade strops, safety razors, and razor blades between and among the various States of the United States, the Territories thereof, and the District of Columbia.

PAR. 3. That with the intent, purpose, and effect of stifling and suppressing competition in the marketing, selling, and reselling of its razor blade strops, safety razors, and razor blades, and as a means of securing the trade of jobbers, wholesalers, and retailers, and of enlisting their active cooperation in enlarging the sale of its razor blade strops, safety razors, and razor blades, to the prejudice and injury of its competitors; and with the purpose of eliminating competition in the selling price among the various dealers in these razor blade strops, safety razors, and razor blades, and thereby depriving the dealers of their freedom to sell razor blade strops, safety razors, and razor blades at prices which in their judgment would be warranted by trade conditions, and for the purpose of preventing competitors of the dealers who purchase its razor blade strops, safety razors, and razor blades from entering into free competition in the sale and distribution of products sold and distributed by the Auto Strop Safety Razor Co., and for other purposes, the respondent, Auto Strop Safety Razor Co., has adopted and maintained a system of fixing prices at which its products should be resold by its jobbers, wholesalers, and retailers, and for the purpose of maintaining such standard resale prices, and of maintaining and promoting its system of price fixing, and of inducing and compelling its customers to maintain and keep such prices and system of price fixing and for the purpose of preventing those who do not maintain such prices and system of price fixing from entering into free and regular, unsuppressed, and unhindered competition with purchasers who do maintain such standard prices and system of price fixing, the respondent for more than six months last past has required its purchasers to agree to maintain such standard selling prices and system of price fixing, and has refused, and is still refusing, to sell these products to customers or dealers who do not agree to maintain such standard prices and system of price fixing or who do not resell such products at the specified standard prices which are fixed and determined by the respondent as aforesaid.

II. The Federal Trade Commission having reason to believe, from a preliminary investigation made by it, that the Auto Strop Safety Razor Co., hereinafter referred to as respondent, has been, and is violating the provisions of sec-

tion 2 of the act of Congress approved October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," issues this complaint, stating its charges in that respect, on information and belief as follows:

PARAGRAPH 1. That the respondent, the Auto Strop Safety Razor Co., is a corporation organized and existing under and by virtue of the laws of the State of New York, having its principal office and place of business in the city of New York, in said State, and is now, and was at all times hereinafter mentioned, engaged in selling razor-blade strops, safety razors, and razor blades, and in the shipment of such commodities to persons, copartnerships, and corporation in other States, Territories, and the District of Columbia.

PAR. 2. That the respondent, Auto Strop Safety Razor Co., for more than six months last past, in the course of interstate commerce, has discriminated in price, and is now discriminating in price, between different purchasers of its razor-blade strops, safety razors, and razor blades, which products are sold for use, consumption, or resale within the United States, and the Territories thereof, or the District of Columbia, and that the effect of such discrimination may be and is to substantially lessen competition or tend to create a monopoly.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER.

The Federal Trade Commission having issued and served its complaint herein, wherein it is alleged that it had reason to believe that the above-named respondent, Auto Strop Safety Razor Co., has been and now is 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 has been and is violating the provisions of section 2 of an act of Congress approved October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," and fully stating its charges in that respect, and the respondent

having entered its appearance by Walter H. Liebmann, its attorney, and having filed its answer denying the various allegations of the complaint, and having signed and filed an agreed statement of facts, wherein and whereby it was stipulated and agreed that the Commission shall forthwith proceed upon such agreed statement of facts to make and enter its report stating its findings as to the facts, 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, the Commission now makes its report and findings as to the facts and conclusions.

FINDINGS AS TO THE FACTS.

PARAGRAPH 1. That respondent, the Auto Strop Safety Razor Co., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at the city of New York, State of New York, and is now, and for more than two years last past has been, engaged in the business of manufacturing and selling razor-blade strops, safety razors, and razor blades throughout the various States, Territories, and the District of Columbia, of the United States, in direct competition with other persons, firms, co-partnerships, and corporation similarly engaged.

PAR. 2. That in the conduct of its business the respondent company moves and distributes its razor blade strops, safety razors, and razor blades to, from, and among the several States, Territories, and the District of Columbia, of the United States, and that there is continuously, and has been at all the times hereinafter mentioned, a constant current of trade and commerce in such razor blade strops, safety razors, and razor blades between and among the several States, Territories, and the District of Columbia, of the United States.

PAR. 3. That the quantity of razor blade strops, safety razors, and razor blades sold and distributed as aforesaid by respondent has been and is substantially, and that the same forms, an important item of commerce among the several States, Territories, and the District of Columbia, of the United States.

PAR. 4. That respondent sells and distributes its products directly through jobbers, wholesalers, and retailers, and maintains no distributing agencies.

PAR. 5. That for more than one year prior to the 16th day of July, 1918, respondent in selling its said products to such jobbers, wholesalers, and retailers, indicated the resale prices at which same should be resold and endeavored to have those prices maintained.

PAR. 6. That for more than one year prior to the 16th day of July, 1918, respondent refused to sell and did not sell its said products to jobbers, wholesalers, or retailers who resold the same below such indicated prices.

CONCLUSIONS.

That the methods of competition set forth in the foregoing findings as to the facts are, under the circumstances herein set forth, unfair methods of competition in interstate commerce and 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, and the respondent having entered its appearance by Walter H. Liebmann, its attorney, and having filed its answer and agreed statement of facts, wherein it was stipulated that the Commission shall forthwith proceed upon said agreed statement of facts to make and enter its report stating its findings as to the facts 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 the respondent has 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 part hereof: Now, therefore,

It is ordered: That respondent, The Auto Strop Safety Razor Co., of New York, and its officers, directors, agents, servants, and employees, cease and desist from, directly or indirectly—

- (1) Indicating to dealers the prices for which its razor blade strops, safety razors, and razor blades shall be resold;
- (2) Refusing to sell to jobbers, wholesalers, and retailers who fail to adhere to such prices;
- (3) Carrying out a price maintenance policy by any other means.

FEDERAL TRADE COMMISSION *v.* GENEVIEVE
SYMONDS, SOLE TRADER UNDER THE NAME
AND STYLE OF AUTO SURPLUS STOCK CO.