Provided, however, That as to such pumps and tanks and equipments as are now leased by respondent contrary to the orders contained in paragraphs 1 and 2 herein respondent shall have four months from the date hereof to enter into new contracts or agreements with respect to the same which shall not be incompatible with the spirit and intent of this order.

It is also ordered, Under and by virtue of the authority conferred on the Commission by paragraph B of section 6 of "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, that the said Sinclair Refining Co., respondent, shall within 20 days after the expiration of the time allowed within which respondent shall have fully complied with the order to cease and desist, herein above set forth, report in writing to the Federal Trade Commission, fully setting forth the nature of the changes made in the conduct of its business with respect to the subject matter involved in the order to cease and desist, and shall set forth in such report in complete detail the plan or plans adopted for the lease, loan, gift, or sale of any oil tanks and pumps for use in storing refined oil or gasoline, which plan or plans are in use or are proposed to be put in use, and also attach to such report any contracts used by the respondents in the conduct of such business.

FEDERAL TRADE COMMISSION

v.

ROYAL EASY CHAIR CO.

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

Docket 239.—November 17, 1919.

SYLLABUS.

Where a corporation engaged in the manufacture and sale of reclining chairs, gave and offered to give to employees of customers cash bonuses as an inducement to push the sale of its products with the purchasing public:

Held, That such gifts and offers to give, under the circumstances set forth, constituted an unfair method 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 Royal Easy Chair Co., hereinafter referred to as respondent, has been and 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 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, the Royal Easy Chair Co., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Michigan, having its principal office and place of business at the city of Sturgis, in said State, now and for more than one year last past engaged in manufacturing and selling reclining chairs and kindred products throughout the States and Territories of the United States and the District of Columbia, and that at all times hereinafter mentioned the respondent has carried on and conducted such business in direct competition with other persons, firms, copartnerships, and corporations similarly engaged.

PAR. 2. That, with the intent, purpose, and effect of stifling and suppressing competition in interstate commerce, in the manufacture and sale of reclining chairs and kindred products, the respondent, for more than one year last past has given and offered to give a cash bonus on each chair sold, to salesmen of retail merchants handling the products of the respondent and those of its competitors, as an inducement to push the sales of respondent's products, in preference to the products of its competitors.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER.

The Federal Trade Commission, having reason to believe that the above-named respondent, the Royal Easy Chair Co., has been for more than one year last past 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 that respect; and the respondent having entered its appearance by Channing L. Sentz, its attorney, duly authorized and empowered to act in the premises, and having filed its answer admitting that certain of the matters and things alleged in the said complaint are true in the manner and form therein set forth, and denying others therein contained, and thereafter having made and executed an agreed statement of facts which has been heretofore filed in which it is stipulated and agreed by the respondent that the Federal Trade Commission shall take such agreed statement of facts as evidence in this case and in lieu of testimony, and shall forthwith thereupon make its report stating its findings as to the facts, its conclusions, and its order disposing of this proceeding without the introduction of testimony or the presentation of argument, therefore the Federal Trade Commission now makes and enters this its report stating its findings as to the facts and its conclusion.

FINDINGS AS TO THE FACTS.

PARAGRAPH 1. That the respondent, the Royal Easy Chair Co., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Michigan, with its principal office and place of business located at the city of Sturgis, in said State; that the said respondent is now and for more than one year last past has been engaged in the manufacture and sale of reclining chairs among the several 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 the Royal Easy Chair Co., in the conduct of its business, manufactures such reclining chairs so sold by it in its factory located at the city of Sturgis, State of Michigan; that after said products are so manufactured they are continuously moved to, from, and among other States and Territories of the United States, and there is continuously and has been at all times a constant current of trade and commerce in the said reclining chairs between and among the various States of the United States, the Territories thereof, and the District of Columbia.

PAR. 3. That in the course of its business of manufacturing and selling reclining chairs in interstate commerce, the respondent, the Royal Easy Chair Co., within the year last past has given and offered to give employees and salesmen of dealers who handle and sell the products of respondent and those of certain of its competitors cash bonuses as an inducement to push the sale of respondent's products.

CONCLUSION.

That the methods of competition set forth in the foregoing findings as to the facts, under the circumstances therein set forth, are 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, and the respondent, the Royal Easy Chair Co., having entered its appearance by Channing L. Sentz, its attorney, duly authorized and empowered to act in the premises, and having filed its answer, and thereafter having made, executed, and filed an agreed statement of facts in which it stipulated and agreed that the Federal Trade Commission should take such agreed statement of

facts as the evidence in this case, and in lieu of testimony, and proceed forthwith upon the same, and to make and enter its report stating its findings as to the facts, its conclusions, and its order without the introduction of testimony, and waiving therein any and all right to require the introduction of testimony or the presentation of argument in support of the same, and the Federal Trade Commission having made and entered its report stating its findings as to the facts and its conclusion 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 a part hereof: Now, therefore,

It is ordered, That the respondent, its officers, agents, representatives, servants, and employees cease and desist from directly or indirectly giving or offering cash bonuses or prizes to employees or salesmen of dealers who handle and sell reclining chairs of the respondent and of one or more of the respondent's competitors, as an inducement to influence such employees to push the sale of the respondent's products.

FEDERAL TRADE COMMISSION

v.

BROWN PORTABLE CONVEYING MACHINERY CO.

COMPLAINT IN THE MATTER OF THE ALLEGED VIOLATION OF