

IN THE MATTER OF
JOSEPH WEIDENHOFF, INC.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 2675. Complaint, Dec. 31, 1935—Decision, Jan. 31, 1938

Where a corporation engaged in manufacture of electrical devices and automobile motor-testing devices, together with accessories, and constituting largest manufacturer and distributor of such devices in the United States, and in selling and shipping its various products among the various States to customers consisting generally of wholesale automotive supply dealers, for resale to purchasing public; following purchase of patent on vacuum gauge which it included as one of numerous parts made use of in its manufacture of certain testing devices or motor analyzers, and which (1) was only part therein so patented, (2) constituted only a small and minor part thereof in cost, in relative value, and in functioning of the complete device, and (3) was unrelated to many of the other unpatented parts included therein as aforesaid; and in competition with others likewise engaged in manufacturing, assembling, and selling in commerce similar testing devices consisting of a large number of separate and unrelated parts and items assembled as aforesaid—

- (a) Entered into and carried out agreements and understandings between itself and other manufacturers or distributors of such devices to fix and maintain prices to be exacted from purchasers thereof through the medium of license agreements or contracts negotiated by it through threatened infringement suits based on said patented vacuum gauge; and
- (b) Coerced, intimidated, and induced competitor manufacturers and distributors of such devices to raise and change their quoted prices to uniform prices fixed by understanding and agreement between it and them through such threatened suits based on presence of such small and relatively unimportant patented item in its said devices, and without confining itself in its said agreements to the use of said gauge as described and covered by its said patent or confining same to gauge itself, but including complete device with all its separate and unrelated parts and items in no way covered by its said patent;

With result that it was enabled, through said unlawful plan and scheme to control and restrain interstate commerce in such devices extending far beyond limits of its rights as owner of patent on specified use of said gauge, to control and restrain, as aforesaid, competition in commerce in such devices, and particularly and to a substantial extent, prices paid and to be paid for such devices by purchasers thereof, and to bring about an enhancement of such prices over those prevailing prior to said unlawful acts, and which, but therefor, would have continued to prevail, competitors were coerced and compelled by such acts to enter involuntarily into agreements restricting and preventing sales of such devices as aforesaid in free and open competition with each other or otherwise than at stipulated and fixed minimum prices, and there was a tendency to restrain, suppress, and unduly hamper and restrict free flow of said motor-testing devices in commerce among the various States and in said District, and otherwise to prejudice and injure

Complaint

said competitors, purchasers of such devices, and public generally, caused thereby to pay price therefor higher than would have been price under conditions of free and open competition:

Held, That such acts and practices were to the prejudice of the public and competitors and constituted unfair methods of competition.

Before *Mr. W. W. Sheppard*, trial examiner.

Mr. Joseph C. Fehr for the Commission.

Mr. C. C. Batz of Chritton, Wiles, Davies, Hirschl & Dawson, of Chicago, Ill., for respondent.

COMPLAINT

Pursuant to the provisions of an Act of Congress, approved September 26, 1914, and entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the Federal Trade Commission, having reason to believe that Joseph Weidenhoff, Inc., a corporation, hereinafter referred to as respondent, has been and is using unfair methods of competition in commerce as "commerce" is defined in said act of Congress, and it appearing to said Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent is a corporation, organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its principal place of business at Chicago in said State. Respondent is now and for a number of years last past has been engaged in the business of manufacturing, selling, and distributing certain devices used by garage owners and others in testing the functioning and efficiency of automobile motors, various parts thereof and accessories thereto. Respondent utilizes for this purpose wholesale automotive supply dealers and also employs a certain number of salesmen. About 5 percent of respondent's business is conducted direct with large garages. Respondent manufactures and sells approximately \$450,000 of these testing devices annually, being considerably the largest manufacturer and distributor of testing devices of that and similar character in the United States. Respondent manufactures said devices in the State of Illinois and sells them not only in said State but in other States of the United States and throughout the Nation and in the course of its said business, ships or causes its said products to be shipped from its place of business in the State of Illinois to the purchasers located in States of the United States other than the State of Illinois. The principal portion of said business of respondent is in commerce between and among the various States of the United States.

Complaint

26 F. T. C.

There are, in all, in the United States, five other manufacturers of the same or substantially similar and competing testing devices as those manufactured by respondent, three of said five manufacturers being licensees of respondent under formal written license agreements with respondent, which stipulate the terms and conditions of the sale of said testing devices by said three other manufacturers. Respondent has made several attempts to negotiate with the fourth competitor a similar price-fixing agreement providing for minimum price increases of more than 70 percent on the testing devices manufactured by it but no agreement has yet been consummated with this manufacturer. The remaining manufacturer in the United States has refused to enter into any agreement whatever with respondent regarding the manufacture of testing devices but has temporarily discontinued manufacturing such testing devices.

Respondent has been and is in competition in interstate commerce with each and all of said five manufacturers in all respects as regards the manufacture, sale, distribution, shipment, and servicing of their respective testing devices, except that respondent is not in competition in interstate commerce as to price with two of said manufacturers because they have entered into license agreements with respondent to sell their products at not less than certain stated prices stipulated and fixed in said license agreements.

PAR. 2. In connection with and in the conduct of its said business and in furtherance of a plan and scheme of respondent to control and restrain free and open competition in interstate commerce in automobile motor-testing devices of the same or of a substantially similar and competing kind as those manufactured by respondent, respondent has done and committed and does commit the following acts and things which form successive and integral parts of its said plan and scheme:

Respondent in 1932 purchased a certain patent issued by the United States on December 2, 1919, for the use of a vacuum gauge "in combination with an internal combustion engine * * * as an indicator of the load factor and relative fuel economy in the motor," together with all the rights of the owner under such a patent, which will expire in or about the year 1936.

Following such purchase respondent began to manufacture and has manufactured and does manufacture certain testing devices consisting of a large number of separate and unrelated parts and items which respondent assembles into a single, complete testing device of various types and kinds and models which respondent thereupon has sold and sells in interstate commerce at prices ranging from \$175 to \$1,000 per device. Such complete device is used not only for testing the

load factor and relative fuel economy in automobile motors, but also for testing other independent parts of automobiles, such as spark plugs, ignition, condensers, voltmeters, ammeters, etc., which were and are nonessential to the use of the said vacuum gauge. One alone of said large number of separate and unrelated parts and items so assembled into single, complete testing devices of said various types and kinds and models is the said vacuum gauge, which itself is not patented, only the use of which as above described being covered by said letters patent purchased and owned by respondent. Said vacuum gauge is only a small and minor part in cost, in relative value, and in functioning of each such complete testing device. None of the remaining large number of said separate and unrelated parts and items so assembled into single complete testing devices is protected by patent or otherwise, but each is an item which can be freely and without any restraint whatever purchased by respondent's said competitors in the ordinary course of trade and commerce in the United States. The complete assembled device is called a motor analyzer and is not itself patented.

Following such purchase of said patent covering the use of said vacuum gauge as above described and nothing else and in 1933, respondent, either directly or through one, National Patent Corporation, which for a consideration insured respondent's said patent rights and acted in respect of the matters and things herein alleged as the agent of respondent, has threatened in the case of three, and has actually commenced against one, of respondent's five competitors above-mentioned suits to recover damages for the alleged infringement of said patent so purchased by respondent, the basis of such suit being that said competitor had embodied and comprised said vacuum gauge in testing devices manufactured by said competitor, when in fact said devices contain many other and different parts and items of construction from those used by respondent in his said complete testing devices. One of the competitors of respondent so threatened with an infringement suit, rejected a proposition of respondent to accept a license agreement with a stipulated minimum price increase of more than 80 percent in the testing devices manufactured by it and, in order to avoid such litigation temporarily ceased to manufacture testing devices. In the suit actually commenced, and in each of the other two threatened suits, the competitor sued by respondent has claimed and claims that, in order to avoid the expense of such litigation, it was compelled to and did involuntarily and under such coercion and compulsion, compromise and settle such suit and negotiate and effect the withdrawal of such threatened suits by entering into an agreement with respondent under the terms of which respond-

Complaint

26 F. T. C.

ent purported to issue to said competitor a license for the manufacture, use, and sale of automobile motors testing devices embodying and comprising said vacuum gauge claimed by respondent to be covered by its said patent as one of its parts and features, but all on the distinct understanding and condition that said competitor and licensee would not sell testing devices or any one of them at less than the certain stated prices for each type and kind and model of testing devices stipulated and fixed in said agreement, and limiting the license strictly to testing devices sold by said competitor at not less than such minimum prices, on the penalty of an admitted violation of the license and infringement of said patent and termination of the license by the respondent. Each of said license agreements, in addition to containing the aforesaid price-fixing provisions, did not confine itself either to the use of the said vacuum gauge in the manner above described and covered by respondent's said patent or to the vacuum gauge itself, but included the complete testing devices with all of their separate and unrelated parts and items in no way covered by respondent's said patent.

Since respondent and its three competitors above mentioned entered into said license agreements the catalog prices of the testing devices of said three competitors have been substantially advanced over the prices quoted by said competitors on the same type and kind and model of testing devices manufactured and distributed by said competitors prior to the making of said license agreements, such increases being approximately 25 percent of the preagreement prices, which themselves carried a profit to said competitors.

Respondent purchased said patent covering the use of said vacuum gauge as above described for the purpose of unlawfully restraining interstate trade and commerce, and combined said vacuum gauge in single, complete testing devices as above stated for the same unlawful purpose, and did all of the acts and things above described among others as integral parts of its said plan and scheme unlawfully to control and restrain interstate commerce in said testing devices.

PAR. 3. By means of said unlawful plan and scheme to control and restrain interstate commerce in said testing devices, which extended far beyond the limits of respondent's rights as owner of the patent on the specified use of said vacuum gauge, respondent has been and is enabled to control and to restrain competition in interstate commerce in said testing devices and particularly to control, to a substantial extent, the prices paid and to be paid for said testing devices by the purchasers thereof and to bring about an enhancement of such prices over those that prevailed prior to said unlawful acts of respondent and that would have prevailed and would continue to prevail except

for said unlawful acts of respondent and if there had been a continuation of free and open competition in said testing devices, and by and from such unlawful acts of respondent injury has resulted to the purchasers of such devices and to the public.

The aforesaid unlawful acts of respondent have had the capacity and tendency to cause and have caused the purchasing public to pay a higher price for the testing devices purchased than would have been the price under conditions of free and open competition, and the public receiving services from such devices to pay a higher price for such services than would have been the price had the testing devices been purchased under conditions of free and open competition.

PAR. 4. There were and are, among the competitors of respondent as above stated in paragraph 1, other manufacturers of the same or substantially similar and competing automobile motor-testing devices, who have been coerced and compelled by said unlawful acts of respondent to enter involuntarily into agreements restricting and preventing sales of said testing devices in interstate commerce in free and open competition, or otherwise than at stipulated and fixed minimum prices; and one of said competitors has actually been driven temporarily by respondent's said unlawful acts out of the business of manufacturing said testing devices, thereby interfering with the free flow of interstate commerce in the shipment of testing devices which otherwise would have been manufactured by one of said competitors. Consequently, said unlawful acts of respondent have tended and do tend to restrain, prevent, and suppress the interstate commerce of respondent's said competitors in the testing devices which were and are or would otherwise be manufactured and shipped by said competitors in interstate commerce and have tended and do tend otherwise to prejudice and injure said competitors and the public.

PAR. 5. The above acts and practices of respondent are to the injury and prejudice of the public and of competitors of respondent in interstate commerce within the meaning and intent 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."

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions 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," the Federal Trade Commission, on December 31, 1935, issued, and on January 2, 1936, served, its complaint in this proceeding upon respondent Joseph Weidenhoff, Inc., a corporation, charging it with

Findings

26 F. T. C.

the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint (respondent having filed no answer), testimony and other evidence in support of the allegations of said complaint were introduced by Henry Junge, attorney for the Commission, before W. W. Sheppard, an examiner of the Commission theretofore duly designated by it, and in opposition to the allegations of the complaint by C. C. Batz, attorney for the respondent; and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, testimony, and other evidence, and brief in support of the complaint (brief on behalf of respondent not having been filed and oral argument not having been requested by counsel for respondent), and the Commission having duly considered the same, and being now fully advised in the premises, finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Joseph Weidenhoff, Inc., is an Illinois corporation, having its principal office and manufacturing plant located at 4344 West Roosevelt Road, Chicago, Ill. Respondent is, and for a number of years has been, engaged in the business of manufacturing electrical devices and automobile motor-testing devices, together with all accessories.

PAR. 2. In the course and conduct of said business, respondent causes the products which it manufactures to be sold and shipped in commerce between and among the various States of the United States to customers, generally wholesale automotive supply dealers, located in various parts of the United States, who resell said products to members of the purchasing public. The volume of respondent's business in the manufacture, sale, and distribution of these automobile-testing devices amounts annually to approximately \$450,000. Respondent is the largest manufacturer and distributor of automobile testing devices in the United States. The principal portion of respondent's business is in commerce between and among the various States of the United States. For the purpose of effectuating sales, respondent utilizes wholesale automotive supply dealers and also employs a number of salesmen. In the conduct of its business, respondent has been, and is, in competition with each and all of five manufacturers as regards the manufacture, sale, distribution, shipment, and servicing of their respective automobile-testing devices.

PAR. 3. On or about December 19, 1932, the respondent purchased from one Edward R. Hewitt, an inventor and engineer of Washington, D. C., a patent (carrying patent No. 1,323,531) issued by the United States Patent Office on December 2, 1919, pertaining to a vacuum gauge used "in combination with an internal combustion engine * * * as an indicator of the load factor and relative fuel economy in the motor," together with all the rights of the owner under said patent. This said patent expired on December 2, 1936.

PAR. 4. Following the purchase of this patent, respondent began to manufacture, and continues to manufacture, certain testing devices consisting of a large number of separate and unrelated parts and items which are assembled into a single complete testing device in various types and models. Respondent has sold these assembled devices in interstate commerce at prices ranging from \$175 to \$1,000 per device. Such completely assembled device contains not only a vacuum gauge used to measure the suction in the manifold of internal combustion engines, but also devices used in testing other parts of the engine, such as spark plugs, igniters, condensers, and batteries. Such devices consist of coil heater, ammeter, condenser tester, voltmeter, comparative coil tester, time clock, compression gauge, spark gap, etc., each one of these testing devices being separate and unrelated to the vacuum gauge. The completed testing device consists of a steel bench mounted on rollers. The various testing devices and gadgets are attached to the bench. There are also various odds and ends of wires, lights, and other accessories fastened to the bench and in the drawers, but said vacuum gauge is only a small and minor part in cost, in relative value, and in functioning of each such complete testing device. Only the vacuum gauge was patented. None of the remaining large number of said separate and unrelated parts and items so assembled into single complete testing devices is protected by patent, or otherwise, but each is an item which can be freely and without any restraint whatever purchased by respondent's said competitors in the ordinary course of trade and commerce in the United States. The complete assembled device is called a motor analyzer and is not itself patented.

PAR. 5. Respondent had, and still has, several competitors, all of whom likewise manufacture, assemble, and sell in commerce among and between the various States of the United States and in the District of Columbia similar testing devices consisting of a larger number of separate and unrelated parts and items assembled into a single and complete testing device having different sizes of completed devices and different models.

PAR. 6. After purchasing the aforesaid patent, the respondent directly, or through one National Patent Corporation, which, for a consideration, insured respondent's said patent rights and from time to time acted as the agent of respondent, endeavored to induce respondent's competitors to enter into license agreements whereby, among other things, said competitors were to agree as to the selling price of their respective testing devices and to pay respondent royalties. The inducement was negotiated by threatening infringement suits. As a result of these negotiations an infringement suit was filed in the United States District Court for the Southern District of Michigan, against the Allen Electric and Equipment Company, of Kalamazoo, Mich., one of respondent's competitors. This suit was later withdrawn. Subsequently a license agreement was entered into between said Allen Electric and Equipment Company and respondent, which contained no mention of selling price.

PAR. 7. Respondent did succeed in inducing the Electric Heat Control Company of Cleveland, Ohio, a competing manufacturer of internal combustion engine testers, of which the vacuum gauge is one of the several testing devices assembled into the completed device, to enter into a license agreement, which set forth prices that were substantially 25 percent higher than said company's previously published prices. The largest testing machine made by said Electric Heat Control Company was sold at a price of \$340, and the vacuum gauge used in this device cost less than \$1.00 to manufacture. Respondent also entered into a similar license agreement with the Sun Manufacturing Company of Chicago, Ill., another competitor, whereby said company, a partnership, agreed to pay royalties to the respondent to cover the use of a vacuum gauge in connection with its testing apparatus, and agreed to maintain a certain price schedule on its testers in the sale of them to the trade. Among the conditions which were made a part of such license agreements was in each instance one relating to the price or prices at which the licensee's products should be sold. The following provision from respondent's said license agreement with the aforesaid Electric Heat Control Company is typical of these agreements:

The foregoing license is expressly limited to the sale by the licensee of machines, coming within the terms of this license agreement, for a price of not less than thirty dollars (\$30) each at retail on the 1st named machine in paragraph (2) one hundred dollars (\$100) each at retail on the 2nd named machine in paragraph (2); one hundred and seventy-five dollars (\$175) each at retail on the 3rd named machine in paragraph (2) and three hundred dollars (\$300) each at retail on the 4th named machine in paragraph (2), and any sale for less than said sum shall be a violation of this license and an infringement of said Letters Patent.

The Stromberg Motor Corporation of Chicago, Ill., also a competitor, refused to enter into any license agreement, and continued to operate its business as a manufacturer and vendor of engine-testing devices containing the vacuum gauge with other apparatus, regardless of respondent's threats of infringement suits.

PAR. 8. Each of said license agreements, in addition to containing price-fixing provisions, except for the license agreement which the Allen Electric and Equipment Company entered into with respondent, did not confine itself either to the use of the said vacuum gauge in the manner above described and covered by respondent's said patent or to the vacuum gauge itself, but included the complete testing devices with all of their separate and unrelated parts and items in no way covered by respondent's said patent.

PAR. 9. The aforesaid license agreements entered into between the respondent and its various competitors were kept in effect for some time, and the licensees sold their respective testing devices at the stipulated prices until on or about January 1, 1936. Said license contracts terminated on December 2, 1936, with the death of the aforesaid patent (patent No. 1,323,531). The record does not indicate that since that time respondent has entered into other or similar agreements with any of the said licensees, or other competitors for the purpose of stipulating the terms and conditions of the sale of automobile-testing devices by such competitors.

PAR. 10. By means of said unlawful plan and scheme to control and restrain interstate commerce in said testing devices, which extended far beyond the limits of respondent's rights as owner of the patent on the specified use of said vacuum gauge, respondent has been enabled to control and to restrain competition in interstate commerce in said testing devices, and particularly to control, to a substantial extent, the prices paid, and to be paid, for said testing devices by the purchasers thereof, and to bring about an enhancement of such prices over those that prevailed prior to said unlawful acts of respondent and that would have continued to prevail, except for said unlawful acts of respondent. By such unlawful acts of respondent injury has resulted to the purchasers of such devices and to the public. Further, said unlawful acts of respondent have caused the purchasing public to pay a higher price for the testing devices purchased by them than would have been the price under conditions of free and open competition.

PAR. 11. There were, and are, among the aforesaid competitors of respondent, other manufacturers of substantially similar and competing automobile motor-testing devices, who have been coerced and compelled by said unlawful acts of respondent to enter involuntarily

into agreements restricting and preventing sales of said testing devices in commerce among and between the various States of the United States and in the District of Columbia in free and open competition with each other or otherwise than at stipulated and fixed minimum prices. Said unlawful acts of respondent have tended to restrain, suppress, and unduly hamper and restrict the free flow of said motor-testing devices in commerce among and between the various States of the United States and in the District of Columbia, and have tended otherwise to prejudice and injure said competitors and the public generally.

CONCLUSION

The aforesaid acts and practices of the respondent, Joseph Weidenhoff, Inc., are to the prejudice of the public and of respondent's competitors, and constitute unfair methods of competition in commerce, within the intent and meaning 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

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission (to which respondent filed no answer), testimony and other evidence taken before W. W. Shepard, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, and brief for the Commission filed herein (respondent having filed no brief and having not requested oral argument), and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions 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."

It is ordered, That the respondent, Joseph Weidenhoff, Inc., a corporation, its officers, representatives, agents, and employees, in connection with the sale of electrical devices and automobile testing devices, together with accessories thereto, in interstate commerce and in the District of Columbia, do forthwith cease and desist from:

1. Entering into and carrying out any agreement, combination, or understanding between itself and any other manufacturer or distributor of electrical devices and automobile testing devices, through the use of license agreements and contracts, or otherwise, to fix and maintain prices, whether enhanced or otherwise, to be exacted by

them or by any of them from the purchasers of electrical devices and automobile testing devices;

2. Coercing, intimidating, and inducing any of its competitors who manufacture and distribute electrical devices and automobile testing devices to raise or change the prices quoted by them to uniform prices fixed by an understanding and agreement between the respondent and any of them.

It is further ordered, That the said respondent shall within 60 days from the date of service upon it of this order file with this Commission a report in writing setting forth the manner and form in which it shall have complied with this order.

IN THE MATTER OF
AMERICAN CRAYON COMPANY, ET AL.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 2967. Complaint, Nov. 4, 1936—Decision, Jan. 31, 1938

Where some 14 corporations engaged in manufacture of chalk and wax crayons, water colors, tempera colors, and other items of school supplies, and in the sale and distribution thereof to the same trade and with the same customers or potential customers in the various States and in the District of Columbia, and representing practically the entire source of supply of such products in the United States, and, prior to the organization of their industry into an association in 1933 and subsequent activities of said association and its later successor institute, in competition with one another as to price—

- (a) Discussed and compared prices, terms, and discounts at which they were offering and selling their said products and prices at which they were suggesting resale thereof, at meetings held from time to time and at various places, and thereby came to an agreement and understanding to fix prices, terms, and discounts at which they would offer and sell their said products and, to a substantial extent, did thereafter so offer and sell same at prices substantially uniform as among themselves, and with substantially uniform resale price schedules therefor, and did thereafter, in pursuance of their said understanding, make substantially uniform changes in their said prices and resale price schedules; and
- (b) Reported to their said association and its successor institute information as to prices, suggested resale prices, and terms of sale and discounts subject to change without notice, at which they were selling their said various products; and

Where aforesaid association and its successor institute—

- (c) Cooperated with aforesaid corporations through holding meetings for them to enter into such agreements as aforesaid, and through acting as a clearing house for the exchange of information submitted by said corporations as to such prices, terms, and discounts fixed by such agreements, and duly disseminating such information to the members;

With result of causing them, and tending to cause them, to offer and sell their said competitive chalk and wax crayons, water colors, tempera colors, and other items of school supplies at prices substantially uniform among themselves, fixing and maintaining substantially uniform resale price schedules thereof, and substantially restricting price competition among and between them, and keeping prices at an artificial level:

Held, That such acts and practices were to the prejudice of the public and competitors and constituted unfair methods of competition.

Mr. Reuben J. Martin for the Commission.

Wise, Whitney & Canfield, of New York City, for respondents; along with *Wall, Haight, Carey & Hartpence*, of Jersey City, N. J., for Joseph Dixon Crucible Co.;