

IN THE MATTER OF
UNITED FISHERMEN OF ALASKA ET AL.¹

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 6368. Complaint, June 27, 1955—Decision, Dec. 17, 1956

Orders requiring a union of workers in the king crab fishing industry in the waters adjacent to Kodiak, Alaska—including fishermen and “shore” workers in canneries, etc.—a cooperative association of boat owners and captains, and a canner of crab meat, to cease agreeing on and fixing the price of king crab and king crab meat; requiring the union and association to cease coercing buyers or sellers to maintain fixed prices and preventing any person from accepting or retaining employment in a competing cannery which did not maintain their fixed prices; and requiring the cannery to cease authorizing any union or association to negotiate as to the prices of king crab meat.

Mr. Fletcher G. Cohn, Mr. Lewis F. Depro, and Mr. John J. McNally for the Commission.

Bassett, Geisness & Vance, of Seattle, Wash., for United Fishermen of Alaska and Kodiak Fish Producers Ass’n, and various officers thereof.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

1. The complaint in this case charges a combination in restraint of trade in the king crab fishing industry in the Kodiak, Alaska, area. The respondents include a labor union and a fishermen’s cooperative and their respective officers and members, and three business concerns engaged in processing, canning and selling king crab meat. As to two of these concerns, the case has already been disposed of by means of a consent order. The third has failed to answer the complaint or to appear at any of the hearings, and a decision based upon such default is being issued as to this respondent contemporaneously with the present decision. With respect to the remaining respondents (the union and cooperative and their officers and members) hearings have been held and evidence received both in support of and in opposition to the complaint. Proposed findings and conclusions have been filed and the case is now before the hearing examiner for final consideration.

2. (a) Respondent United Fishermen of Alaska (hereinafter frequently referred to as the “Union”) is an unincorporated association

¹ A consent order was entered on May 3, 1956, disposing of the case as to the other two canners, i.e., Island Seafoods, Inc., and King Crab, Inc., 52 F.T.C. 1240.

which is an affiliate or constituent unit of the Seafarers International Union of North America (American Federation of Labor). Among its members are fishermen who fish for king crab in the waters bordering Western and Northwestern Alaska, including the waters adjacent to Kodiak, Alaska. The Union also numbers among its members "shore" workers who work in canneries and other plants engaged in processing king crab and king crab meat. The principal office and place of business of the Union is in Kodiak, Alaska, its mailing address being P.O. Box 501-A, Kodiak, Alaska.

(b) Respondent Eldon Lester was at the time of the issuance of the complaint president of the Union.

(c) Respondent John Anderson, formerly vice-president of the Union, has not been served with process in the proceeding and the complaint is therefore being dismissed as to him.

(d) Respondent P. J. Kerrigan is now and for a number of years has been secretary and treasurer of the Union.

(e) Respondents Charles Warren, Russell Attwood and Alfred Levine composed the executive board or committee of the Union at the time the complaint was issued.

(f) The president, secretary-treasurer and members of the executive board formulate the policies of the Union and direct and control its activities.

(g) All of the individuals referred to in this paragraph are joined as respondents in the proceeding as individuals, as officers of the Union, and as representative of all members of the Union.

3. (a) Respondent Kodiak Fish Producers Association (hereinafter frequently referred to as the "Association") is a nonprofit organization, organized early in 1954 under the laws of the Territory of Alaska and under the provisions of an Act of Congress of June 25, 1934, known as The Fishermen's Cooperative Marketing Act (15 U.S.C.A., Sections 521 and 522). Its membership comprises some one hundred boat owners or captains who are engaged in fishing for king crab. The Association was created ostensibly to function as a fish marketing cooperative for its members. The principal office and place of business of the Association is in Kodiak, Alaska.

(b) Respondents W. A. Cannon and A. J. Cichoski are, and for some three years have been, directors of the Association. Respondents Dal Valley, Barney Corgatelli, Ray Heinrichs and Thomas Clampffer were directors of the Association from the date of its organization until March 1955. The directors of the Association formulate its policies and direct and control its activities.

(c) Respondent Jack Warren, formerly a director of the Association, has not been served with process in the proceeding and the complaint is therefore being dismissed as to him.

(d) All of the individuals referred to in this paragraph are joined as respondents in the proceeding as individuals, as officers of the Association, and as representative of all members of the Association.

4. (a) Respondent Island Seafoods, Inc., is a corporation organized under the laws of the Territory of Alaska, with its principal office and place of business at 66 Marion Street, Seattle, Washington. It maintains a packing plant at Kodiak, Alaska.

(b) Respondent King Crab, Inc., is a corporation organized under the laws of the Territory of Alaska, with its principal office and place of business at Kodiak, Alaska.

(c) Respondents Walter Muller and Mildred D. Muller are individuals composing a partnership, which trades as Kodiak Sea Foods Packing Company and has its principal office and place of business at Kodiak, Alaska.

(d) Each of the respondents named in this paragraph (the three being frequently referred to hereinafter as the "respondent Cannery" or as the "Cannery") is engaged in the business of processing, packing and canning crab meat obtained from king crabs caught in the Kodiak, Alaska, fishing area and selling such crab meat at wholesale.

5. In the course and conduct of their respective businesses, the respondent Cannery purchase within the Territory of Alaska substantial quantities of king crab from the members of the Union and the Association. After the meat obtained from such crab has been processed by the Cannery, it is sold and shipped by them to purchasers in various states of the United States. All of the respondents are engaged in commerce as defined in the Federal Trade Commission Act.

6. Except insofar as competition has been restrained by the acts and practices hereinafter described, respondent Cannery are in competition with one another and with others engaged in the purchase of king crab in the area here involved and in the sale of king crab meat. And, subject to such exception, respondent members of the Union and the Association are in competition with one another and with others engaged in the catching and selling of king crab in such area.

7. The fishing area here involved comprises the waters bordering Western and Northwestern Alaska, including the waters adjacent to Kodiak, Alaska. The king crab industry is relatively new, and insofar as this area is concerned the industry had its beginning some five years ago. The industry, however, has had a rapid growth. The wholesale value of the crab meat packed in the Kodiak

area runs between \$2,000,000.00 and \$3,000,000.00 annually. Compared with other crabs, the outstanding characteristic of the king crab is size, the weight of such crabs ranging from some 8 pounds to 20 pounds. There are two seasons each year for king crab fishing: the spring season, which begins about March 1 and extends through May; and the fall season, which begins about August 1 and extends through November.

8. Most of the fishing for king crab in the Kodiak area is done through the use of devices known as "traps" or "pots." These traps are in the nature of cages, the framework of which is usually of iron or steel construction. Bait is placed in the traps and they are then sunk to the bottom of the sea. The traps are so constructed that once crabs have entered them it is practically impossible for the crabs to escape. Attached to the trap is a long line which is attached to a buoy or float on the surface of the water. This buoy serves as a marker for the fisherman, indicating to him the location of the trap. Periodically the traps are raised and the crabs collected. The crabs are then taken to a cannery and sold at so much per pound.

9. Practically all of the king crab caught in the Kodiak area are purchased by the respondent Cannery and another canning company, Wakefield Fisheries. When purchased the crabs are placed in "live tanks," that is, tanks of water to keep them alive, after which they are butchered and the meat extracted. Some of the meat is frozen in blocks and sold in that condition, while some is packed in small cans. King Crab meat is regarded as a delicacy and is rather expensive, a case of 48 1/2-pound cans selling at wholesale for approximately \$30.00.

10. In each of the years 1952 and 1953, respondent Union entered into identical written agreements with respondent Cannery, covering the prices to be paid the members of the Union for all king crab purchased during each of those years. It was left to each member of the Union to sell his crab to which ever of the three Cannery he wished, either with or without prior arrangement with the Cannery, but regardless of the Cannery to whom he sold, the price was exactly the same, having been fixed by the agreements.

11. During this period the membership of the Union included boat owners and captains as well as members of the fishing crews, no distinction being made between the two groups. As a result, however, of the action of the Federal Trade Commission in another case (Alaska Salmon Industry, Docket No. 6141, in which respondent Union was a party), it was decided by the Union early in 1954 that the two groups would have to separate. Respondent Association

was therefore organized, and the Union transferred to the Association one-third of all of its assets, including a one-third interest in Union Hall, the headquarters of the Union, and in the land on which the hall stands. Respondents W. A. Cannon, A. J. Cichoski and Barney Corgatelli, who were boat owners or captains and who were officers of the Union, resigned their offices and were immediately elected directors of the Association. Other members of the Union who were boat owners or captains also joined the Association. The Association members, however, were not required to sever entirely their relationship with the Union. Under changes made in the Union's constitution, boat owners and captains may remain members of the Union, but they are known as "restricted" members. The restrictions are that they may not hold office nor may they participate in Union affairs relating to the fixing of the share of the catch to be received by members of the boat crews as compensation for their work.

12. Beginning in 1954 the agreements with the Canners covering crab prices have been made by the Association, although the agreements have been verbal, rather than written. The price agreed upon in September 1954 and continued through 1955 was 9½ cents per pound of live crab. Wakefield Fisheries, the other canner referred to above, also paid 9½ cents in 1954, but in January 1955 announced that its price would be 8 cents.

13. Almost immediately there were reactions from the Union and the Association. In the latter part of January 1955, respondents W. A. Cannon, then president of the Association, and Eldon Lester, then president of the Union, made a trip together to the Port Wakefield, Alaska, plant of Wakefield Fisheries, where Cannon talked with Lloyd Powell, superintendent of the plant. Cannon expressed himself as being disturbed about the reduction in price by Wakefield, and stated that Wakefield would not be able to obtain any crab for 8 cents—that none of the fishermen would fish for crab at that price. Powell's reply in substance was that he was without authority in the matter—that Cannon would have to take it up with the company's main office in Seattle.

14. Immediately upon his return to Kodiak, Cannon telephoned Lowell Wakefield, general manager of Wakefield Fisheries, in Seattle. Lowell Wakefield testified that Cannon asked him whether Wakefield Fisheries was going to sign up with the Association on prices; that upon receiving Wakefield's answer in the negative, Cannon said that unless the company signed up with the Association and paid 9½ cents for crab the company would not be allowed to operate; that Wakefield Fisheries would not get any crab for 8 cents; that

there would be no 8 cent crab run in the Kodiak area; that anyone who tried to do so would get into a lot of trouble and would have to take the consequences; that he (Cannon) would make trouble for the company with the labor unions; and that the company would have trouble with its gear.

(The "gear" on a king crab fishing boat is its traps, buoys, buoy lines, etc. It appears that one of the easiest and most effective ways to cause trouble and heavy financial loss to a king crab fisherman is to cut his buoy lines or so damage the buoys that they will not float. When this happens the traps cannot be located and are lost, together with the buoys and lines and any crabs which may be in the traps. The gear represents a substantial investment, each trap, buoy and line having a value of some \$125.00.)

15. While Cannon in his testimony denied the making of any threats to Wakefield, stating that he told Wakefield only that his company would not be able to buy any crab from Association members for less than 9½ cents, Wakefield's version of the conversation is accepted as the more reasonable and probable. There would have been little or no occasion for Cannon to make the call at all if its only purpose had been to inform Wakefield that the Association members would not sell their crab for less than a certain price. Whatever Cannon's exact words may have been, it seems clear that the call was for the purpose of coercing Wakefield Fisheries into paying the higher price and that it was so interpreted by the company.

16. Cannon also interviewed the captain of a boat who, up until the time of the interview, had intended to fish for crab for Wakefield during that season. Before actually beginning fishing operations, Kenneth Wood, the captain of the boat, took it to Kodiak to take on fuel and also to try to obtain some additional crew members. Shortly after the boat's arrival (in late February or early March 1955) Cannon came on board. Cannon told Wood that "the local fishermen here in Kodiak would not go for less than nine and a half cents" and that Wood would probably get in trouble with his own Union (Alaska Fishermen's Union, not the respondent Union) if he went ahead and fished for Wakefield. Cannon referred to the Wakefield company as a "scab outfit." Upon contacting his union headquarters in Seattle, Wood found that there would be no difficulty from that source. However, because he did not wish to become involved in the controversy, particularly as some of the members of his family, as well as some of his friends, were members of respondent Union, he asked Wakefield to relieve him of the assignment, which was done.

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17. In March 1955 respondent A. J. Cichoski, a director of the Association, and Alfred Levine, a member of the executive board of the Union, went together to the Port Wakefield plant of Wakefield Fisheries. There is uncontradicted testimony from three witnesses that on this visit Cichoski stated to officials of the company that unless the company would agree to pay the 91½-cent price, the Association would do all it could to see that the company did not operate; that the Association would see to it that no boats fished for the company or sold crab to it; that no local people worked for it; and that accidents could easily happen to the gear of boats which undertook to fish for the company.

18. Although Cichoski testified in the proceeding, he did not deny making the statements attributed to him by the other witnesses. His position appears to be that in going to Port Wakefield and making the statements in question he was acting on his own behalf and not as an official of the Association; that for many years he had been on very friendly terms personally with certain officials of the Wakefield company; and that it was his thought that because of that relationship he might be able to bring about a settlement of the controversy. And this appears also to be the position of the Association, which denies responsibility for Cichoski's actions and statements. This contention is rejected as untenable. At the time in question, Cichoski was a director of the Association and very active in the management of its affairs, and the matter (crab prices) on which he went to Port Wakefield was unquestionably Association business and within the scope of Cichoski's duties. Clearly in such circumstances the Association cannot escape responsibility for his actions.

19. On the question of the extent to which the actions of the Union and the Association actually affected Wakefield's supply of crab during this season, the record is not sufficiently clear to warrant a definite finding. There is no doubt that it was the desire and intention of the two organizations to cut off the supply, nor is there any doubt that the amount of crab received by Wakefield during the season was much less than normal. But it is difficult to say that the short supply was due to respondents' actions rather than to other causes, including the disinclination of boat owners and captains to sell to Wakefield for a lower price than they could obtain elsewhere. While there is some evidence that boat owners and captains who had intended to fish for Wakefield refrained from doing so because of fear of reprisals from respondents, such evidence falls short of constituting substantial evidence warranting a finding to that effect.

20. There is, however, no doubt that respondents were successful in harrasing and handicapping Wakefield Fisheries considerably insofar as its shore or cannery workers were concerned. On March 22, 1955, respondent P. J. Kerrigan, secretary-treasurer of the Union, sent to Alfred Nelson, Jr., its delegate at Port Bailey, Alaska, the following telegram:

Please advise fishermen and cannerie workers that Port Wakefield crab operation is a nonunion enterprise and difficulties may arrise advise members in Afognak if at all possible. (Com. Ex. 6)

Upon receipt of the telegram, Nelson went to the Port Wakefield plant. At that time the plant was short handed, only a few persons being employed, and practically all of those employed had been brought by the company from Seattle. There were, however, two local persons employed in the plant, these being Walde Alho and his wife Virginia Alho. Mrs. Alho was a member of respondent Union, although she was delinquent in her dues. Mr. Alho had formerly been a member, but he is a boat owner, and when the Association was organized he joined that organization and discontinued his Union membership. Nelson told the Alhos about the telegram and also mentioned the dispute as to crab prices, whereupon the Alhos quit their jobs, although they were entirely satisfied with the wages and working conditions. Several months later, after Wakefield had increased its price, the Alhos returned to work at the plant without any objection on the part of the Union, respondent Kerrigan stating to them that there had never been any dispute about conditions in the plant, that it was the crab price which had caused the trouble.

21. In April 1955 the Port Wakefield plant still was short of cannery workers, and two officials of the company went to the village of Afognak, Alaska, a few miles away, and tried to get several of the local people (members of respondent Union) to accept employment, the persons interviewed having previously worked for the company. The efforts were unsuccessful. The individuals were willing to accept the jobs, but feared that if they did so they would incur the displeasure of the Union.

22. Shortly thereafter the Wakefield officials, still trying to obtain workers for the plant, called on respondent Kerrigan at the Union Hall in Kodiak. Again the effort failed. Although there were a large number of the cannery worker members of the Union who were not employed at that time, Kerrigan declined to permit them to work for Wakefield unless the company would come to terms with the Association, that is, agree to pay 9½ cents per pound for crab.

23. It is apparent from these incidents that the difficulty between

the Wakefield company and respondents was in no sense a "labor dispute," involving wages, hours, working conditions, etc. Rather, the entire controversy revolved around the matter of crab prices. Unquestionably it was solely because of Wakefield's refusal to pay the fixed price of 91½ cents that the Union was seeking to handicap the company by depriving it of workers.

24. From a practical viewpoint, it is difficult to distinguish between the Union and the Association, to determine just where one ends and the other begins. As has been seen, practically all of the members of the Association were, until 1954, members of the Union, and many of them still are members of the Union for limited purposes. Moreover, there is constant shifting of members back and forth between the two organizations as the status of the various members changes from that of fisherman (crew member) to that of boat owner or captain, and vice versa. The principal officers of the Association were formerly the principal officers of the Union. Insofar as crab prices are concerned, the Association appears to operate exactly as the Union did before it; that is, it agrees with canners on a uniform price and each member of the Association then proceeds to sell his own crab to which ever canner he prefers, provided the uniform price is maintained. The price negotiations for the Association have for the most part been carried on by the same individuals who formerly negotiated for the Union. And the secretary-treasurer of the Union, who participated in the price negotiations by the Union, has been present during negotiations by the Association and to some extent at least has joined in the discussions. Also of significance is the fact that on both of the occasions on which officials of the Association went to the Port Wakefield plant of Wakefield Fisheries they were accompanied by officials of the Union. It is difficult to escape the impression that the purported separation of boat owners and crew members was more technical than real; that actually the Union is continuing to fix prices, using the Association as a means to that end.

25. In any event, it is apparent that the Union and the Association have entered into and maintained agreements and understandings between themselves and with others to fix the prices of king crab, and that they have sought to coerce a third party into paying such prices. The right of the Union and the Association freely to pursue their proper functions is in no way involved. What is involved is a price fixing combination and attempts to maintain and enforce such combination through coercion.

26. Clearly such agreements and understandings, and the things done in furtherance thereof, have the capacity and tendency sub-

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stantially to restrain competition in the sale and purchase of king crab caught in the area in question; to restrict the catching of such crab; and to enhance the prices at which such crab is bought and sold and the prices paid by the consuming public for crab meat obtained from such crab.

27. The proceeding, being directed against a combination in restraint of trade, is in the public interest. The acts and practices of respondents as herein found are to the prejudice of the public and of respondents' competitors, and constitute unfair methods of competition and unfair acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER

It is ordered, That respondents United Fishermen of Alaska and Kodiak Fish Producers Association, and their respective members and officers, and respondents Eldon Lester, P. J. Kerrigan, Charles Warren and Alfred Levine, individually and as officers of respondent United Fishermen of Alaska, and respondents W. A. Cannon, Dal Valley, Barney Corgatelli, A. J. Cichoski, Ray Heinrichs and Thomas Clampffer, individually and as officers and directors of respondent Kodiak Fish Producers Association, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the sale or offering for sale in commerce, as "commerce" is defined in the Federal Trade Commission Act, of king crab, do forthwith cease and desist from entering into, continuing, cooperating in or carrying out any planned common course of action, understanding or agreement between or among said respondents, or between any of said respondents and any of the other respondents in this proceeding, or between any of the respondents named in this order and others not parties to this proceeding, to do any of the following things:

1. Fixing, establishing, adopting, maintaining or adhering to, or attempting to fix, establish, adopt, maintain or adhere to, by any means or method, any price at which king crab or king crab meat is to be purchased or sold.

2. Jointly or collectively negotiating, bargaining or agreeing, by any means or method, as to any price at which king crab or king crab meat is to be purchased or sold.

3. Coercing or compelling, or attempting to coerce or compel, by any means or method, purchasers or prospective purchasers or sellers or prospective sellers of king crab or king crab meat to maintain or adhere to any price for such products.

4. Preventing or attempting to prevent, by any means or method,

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any person or persons from accepting or retaining employment in any cannery or other establishment handling or processing king crab or king crab meat, with the purpose or effect of causing such cannery or establishment to maintain or adhere to any particular price or prices for such products.

Provided, however, That nothing herein shall be construed or interpreted as preventing or prohibiting any respondent, individually, from purchasing or selling or bargaining for the purchase or sale of king crab or king crab meat with any canner or processor or other single buyer or seller.

Provided further, That nothing herein shall be construed or interpreted as preventing or prohibiting any association of bona fide fishermen, acting pursuant to or in accordance with the provisions of the Fishermen's Cooperative Marketing Act (15 U.S.C.A., Sections 521 and 522), from performing any of the acts and practices permitted by said Act.

Provided further, That nothing herein shall prevent collective bargaining between respondent United Fishermen of Alaska and any employer with respect to wages, hours and working conditions of any employee members of said Union.

It is further ordered, That the complaint be, and it hereby is, dismissed as to respondents John Anderson and Jack Warren.

ORDER DENYING MOTION TO MODIFY INITIAL DECISION; AND
DECISION OF THE COMMISSION AS TO CERTAIN RESPONDENTS

The Commission, by order entered November 15, 1956, having stayed until further notice the date on which the hearing examiner's initial decision, filed August 23, 1956, directed to respondents United Fishermen of Alaska, the Kodiak Fish Producers Association, and their respective officers, agents and members, would otherwise have become the decision of the Commission; and

It appearing that said respondents, through counsel, have, under date of November 5, 1956, requested modification of the initial decision by inclusion in the order to cease and desist of a proviso expressly excluding from operation of the order the lawful activities of respondent United Fishermen of Alaska as permitted by the Labor Management Relations Act, 1947 (29 U.S.C.A. 141, et seq.), and that counsel supporting the complaint have filed answer to said request; and

The Commission being of the opinion that the complaint herein should be dismissed as to respondent Russell Attwood, no service of process of the initial decision having been secured as to him:

It is ordered, That the respondents' request of November 5, 1956, for modification of the initial decision be, and it hereby is denied.

It is further ordered, That the aforesaid initial decision be, and it hereby is, modified so as to dismiss the complaint as to Russell Attwood and that, as so modified, it is adopted as the decision of the Commission.

It is further ordered, That respondents, United Fishermen of Alaska and Kodiak Fish Producers Association, and respondents, Eldon Lester, P. J. Kerrigan, Charles Warren and Alfred Levine, individually and as representatives of all members of respondent United Fishermen of Alaska, and respondents, W. A. Cannon, Dal Valley, Barney Corgatelli, A. J. Cichoski, Ray Heinrichs and Thomas Clampfer, individually and as representatives of all members of respondent Kodiak Fish Producers Association, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist contained in the aforesaid initial decision, as modified.

IN THE MATTER OF
TRAVELERS HEALTH ASSOCIATION

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 6252. Complaint, Oct. 14, 1954—Decision, Dec. 20, 1956

Order requiring an insurance company doing an interstate business by mail from its home office in Omaha, Nebr., to cease misrepresenting in pamphlets and form letters the terms and conditions of its health insurance policies.

Before *Mr. J. Earl Cox*, hearing examiner.

Mr. William A. Somers for the Commission.

Fraizer & Fraizer, of Lincoln, Nebr., for respondent.

FINDINGS AS TO THE FACTS, CONCLUSIONS AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on October 14, 1954, issued and subsequently served its complaint upon the respondent, Travelers Health Association, a corporation, charging it with the use of unfair and deceptive acts and practices in commerce in the sale of health insurance policies in violation of the provisions of the Federal Trade Commission Act. After the filing of answer, hearings were conducted at which evidence in support of and in opposition to the allegations of the complaint was introduced before a hearing examiner of the Commission. On March 29, 1956, the hearing examiner filed his initial decision in which it was held that certain of the complaint's charges were sustained by the greater weight of the evidence and that other allegations, as there designated, were not so supported by the record, respecting which latter category of charges the initial decision's order provided for dismissal.

Within the time permitted by the Commission's Rules of Practice, counsel in support of the complaint and counsel for the respondent filed their respective appeals from the initial decision, and the Commission after considering said appeals and the record herein, including the briefs filed in support of and in opposition to the appeals and the oral arguments of counsel, has rendered its decision granting the appeal of counsel supporting the complaint and denying the appeal of the respondent; and the Commission being now fully advised in the premises, makes the following findings as to the facts, conclusions drawn therefrom, and order, which together with the Commission's aforesaid decision ruling on the appeals shall be in lieu of the initial decision of the hearing examiner.