

IN THE MATTER OF
ST. REGIS PAPER COMPANY, ET AL.

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

Docket 6476. Complaint, Dec. 7, 1955—Decision, Apr. 11, 1959

Order dismissing without prejudice as to the two remaining respondents, complaint charging 21 leading paper bag manufacturers with using the same pricing formula to quote identical delivered prices to customers regardless of their location or freight costs.

On Feb. 12, 1959, the Commission approved a consent order requiring 17 of the manufacturers to discontinue said activities (p. 1162 herein) and in 1956 had dismissed the complaint as to two respondents who had ceased to manufacture the products concerned.

Mr. Andrew C. Goodhope, Mr. Ross D. Young, Jr., and Mr. John Perechinsky, supporting complaint.

Lamb & Long, by *Mr. George P. Lamb*, of Washington, D.C., for Fulton Bag and Cotton Mills; and *Kriesel, Lessall & Dowling*, of New York, N.Y., for Equitable Paper Bag Co.

Before *Mr. John Lewis*, hearing examiner.

INITIAL DECISION AS TO REMAINING RESPONDENTS
FULTON BAG AND COTTON MILLS
AND EQUITABLE PAPER BAG CO.

The Federal Trade Commission issued its complaint against the above-named respondents on December 7, 1955, charging them with the use of unfair methods of competition, in commerce, in violation of the Federal Trade Commission Act, by entering into a combination or conspiracy to hinder, lessen, restrict and restrain competition in price in the sale and distribution of multi-wall paper shipping sacks. After being served with said complaint, respondents appeared by counsel and filed their separate answers thereto. Thereafter, by orders dated respectively, February 20, 1956, and November 9, 1956, the complaint herein was dismissed as to respondents Raymond Bag Company and Thomas Phillips Company on the ground, substantially, that said respondents had ceased engaging in the manufacture and sale of multi-wall paper shipping sacks. Subsequently the remaining respondents, except Fulton Bag and Cotton Mills, and Equitable Bag Co., entered into separate but identical agreements, dated

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December 8, 1958, containing a consent order to cease and desist purporting to dispose of all of this proceeding as to all remaining respondents, except Fulton Bag and Cotton Mills, and Equitable Bag Co. The undersigned filed his Initial Decision, based on said agreements, on December 22, 1958, disposing of this proceeding as to all remaining respondents except Fulton Bag and Cotton Mills, and Equitable Paper Bag Co. Said Initial Decision became the decision of the Commission by Decision and Order issued February 12, 1959.

There are now before the undersigned for disposition motions which have been filed to dismiss this proceeding as to the remaining respondents, Fulton Bag and Cotton Mills, and Equitable Paper Bag Co. Counsel for respondent Fulton Bag and Cotton Mills have moved to dismiss the complaint as to it on the ground, substantially, that it has disposed of its multi-wall paper bag operations and that the matters asserted in the complaint against it are now moot. The facts with respect to said respondent's disposition of its multiwall paper bag business are set forth in the affidavit of its acting president, attached to said motion. Counsel supporting the complaint have filed answer to said motion stating that they do not oppose the granting thereof. Counsel supporting the complaint have themselves moved to dismiss the complaint as to the respondent Equitable Paper Bag Co., on the ground, substantially, that it will be the only respondent remaining in the proceeding, and that it would not be in the public interest to expend the time and money which would be necessary in order to proceed against said respondent in view of the fact that the order agreed to by the other respondents will effectively deal with the acts and practices charged in the complaint.

The undersigned is of the opinion, based on the facts set forth in the affidavit attached to the motion of respondent Fulton Bag and Cotton Mills, and the lack of opposition by counsel supporting the complaint, that this proceeding may appropriately be dismissed as to said respondent, without prejudice. The undersigned is further of the opinion that this proceeding may also appropriately be dismissed as to respondent Equitable Paper Bag Co., as the only respondent as to whom this proceeding would otherwise remain undisposed of in view of the approval by the Commission of the aforementioned agreements containing consent order to cease and desist.

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55 F.T.C.

This proceeding having now come on for final consideration as to respondents Fulton Bag and Cotton Mills, and Equitable Paper Bag Co., on motions to dismiss as to said respondents, and said motions to dismiss being unopposed, and it not appearing that the public interest requires a continuation of this proceeding as to said respondents,

It is ordered, That the complaint herein be, and the same hereby is, dismissed as to respondents Fulton Bag and Cotton Mills, and Equitable Paper Bag Co., without prejudice to the right of the Commission to issue a new complaint or to take such further action against the said respondents at any time in the future as may be warranted by the then existing circumstances.

DECISION OF THE COMMISSION

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 11th day of April 1959, become the decision of the Commission.

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IN THE MATTER OF
RONAY, INC., ET AL.

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

Docket 7337. Complaint, Dec. 16, 1958—Decision, Apr. 11, 1959

Consent order requiring a manufacturer in Long Island City, N.Y., to cease describing falsely as "wicker" on invoices to dealers, handbags actually made of paper fibers.

Mr. Alvin D. Edelson for the Commission.

Paul, Weiss, Rifkind, Wharton & Garrison, of New York, N.Y., by *Mr. H. Russell Winokur*, for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter, issued December 16, 1958, charged respondents with violation of the Federal Trade Commission Act in connection with the sale and distribution of ladies' handbags. An agreement has now been entered into by respondents and counsel supporting the complaint which provides, among other things, that respondents admit all of the jurisdictional allegations in the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; that the complaint may be used in construing the terms of the order; and that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

The hearing examiner having considered the agreement and proposed order and being of the opinion that they provide an adequate basis for appropriate disposition of the proceeding, the