

MEETING OF FEDERAL TRADE COMMISSION

January 2, 1917, 11:00 A. M.

William J. Harris, Acting Chairman
Joseph E. Davies
Will H. Parry

The matter of the investigation of the sisal situation, as suggested by letter from a sub-committee of the Committee on Agriculture and Forestry of the United States Senate, was called up, and after discussion, upon motion by Mr. Parry, seconded by Mr. Davies, the following resolution was adopted:

RESOLVED: That a committee consisting of two members of the Commission be appointed to confer with the Secretary of State, to ascertain if there are any diplomatic or other reasons to prevent action on the part of the Commission; and

Further, That the Advisory Economic Board prepare a plan for investigation, as suggested by said letter.

By unanimous agreement, Messrs. Harris and Parry were directed to confer with the Secretary of State at once regarding the above matter.

Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Wednesday, January 3, 1917, at 10:30 a. m.

Attest:

J. L. Bracher
Secretary.

W. J. Harris
Acting Chairman.

January 3, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

January 4, 1917, 11:00 A. M.

- Edward N. Hurley, Chairman
- William J. Harris, Vice Chairman
- Joseph E. Davies
- Will H. Parry

A letter to the Attorney General, extending access to our files in connection with the paper investigation, was presented and approved.

Messrs. Robertson and Merchant appeared before the Commission and explained the present status of the news print paper investigation.

The matter of the Commission's participation in the sisal investigation, as requested by a sub-committee of the Senate Committee on Agriculture and Forestry, was again considered, and the Chairman was directed to write a letter to such sub-committee explaining the position and activities of the Commission in regard to such matter.

Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Friday, January 5, 1917, at 10:30 a. m.

Edward N. Hurley
 Chairman.

Attest:

L. H. Bracken
 Secretary.

January 5, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

January 6, 1917, 11:00 A. M.

William J. Harris, Acting Chairman
Joseph E. Davies
Will H. Parry

Hon. G. Carroll Todd, Assistant to the Attorney General, and Hon. Mark Hyman, Special Assistant to the Attorney General, Department of Justice, were present, and a plan for the cooperation of the Department of Justice and this Commission, in reference to further investigation into the print-paper situation, was discussed.

By unanimous consent it was agreed that Mr. Hyman be put in touch with Mr. Chantland, for the purpose of discussing in detail the data of importance to the Department of Justice; and that all material in the Commission's possession, which Mr. Hyman considered necessary in the investigation by the Department of Justice, be turned over to him.

Memorandum prepared by Mr. Walter B. Wooden in re lumber investigation was presented to the Commission, whereupon the following resolution, introduced by Mr. Davies, was adopted:

RESOLVED, That Part V on Lumber be transmitted formally to the Forest Service, with the statement that it was prepared by the Bureau of Corporations as a part of the lumber investigation, that its value is now historical, and that it has not yet been approved by the Trade Commission; that it is transmitted for the purpose of placing before the Forest Service certain facts in connection with the retail distribution of lumber for their consideration in connection with their present report.

The Commission considered a number of applications for the issuance of complaints, and the following action was taken:

File 1-120: Joseph Kay v. The Fleischmann Co.
File 1-16: Standard Compressed Yeast Co. v. The Fleischmann Co.
File 1-134: The Corby Co. v. The Fleischmann Co.

ORDERED, That the Joint Board of Review be directed to secure additional facts, as recommended in their report of August 5, 1916, and then report to the Commission.

File 1-313: The Silk Association of America v. S. M. Hexter & Co.

Because of similarity of this application with the application of The Silk Association of America v. A. Theo. Abbott & Co. et al (previously assigned to Mr. Davies), it was

ORDERED, that this application be assigned to Mr. Davies.

File 1-223: Paul A. Pouppeville v. Mutual Chemical Co. of America et al.

Recommendation contained in the report of the Joint Board of Review approved.

Resolution adopted, That no further action be taken until ordered by the Commission.

File 1-266: Golden & Company v. Ernest V. Owens.

Recommendation contained in the report of the Joint Board of Review approved.

Resolution adopted, denying the application.

File 1-272: Farmers Lumber Co. v. Plymouth Gypsum Co. et al.

Resolution adopted, directing that the complaint, and the data submitted in support thereof, be submitted to the Department of Justice.

File 1-248: The B. V. D. Company v. The MacDougall-Southwick Co., et al.

Recommendation contained in report of the Joint Board of Review approved.

Resolution adopted, denying application on ground that Commission had no jurisdiction.

File 1-254: Alex Hasler v. Larkin Co.

ORDERED, That this application be referred to the other Commissioners for further and separate consideration and recommendations.

File 1-208: Murray & McLean v. Stacy-Bismarck Co. and Gamble-Robinson Fruit Co.

Resolution adopted, and application referred to the Department of Justice for such action as the circumstances may dictate.

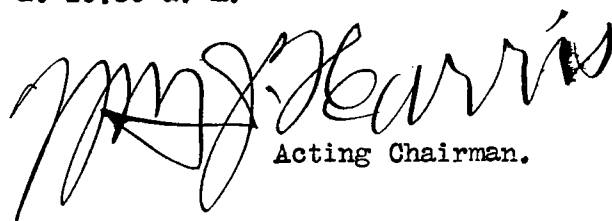
ORDERED, That the salary of Gerard C. Henderson be increased to \$1800.00 per annum, to become effective February 1, 1917.

Mr. Davies moved that the salaries of Messrs. Frank Jones, Adrien F. Busick, and M. Q. Macdonald be increased from \$2750.00 to \$3000.00 per annum, to become effective February 1, 1917.

Motion carried, Messrs. Davies and Parry voting in the affirmative, and Mr. Harris in the negative.

The matter of increasing the salary of Carlos C. Houghton was discussed, and the matter referred to the Advisory Economic Board for report and recommendations.

Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Monday, January 8, 1917, at 10:30 a. m.


Acting Chairman.

Attest:


Secretary.

January 7, 1917. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

January 8, 1917, 2:30 P. M.

Edward N. Hurley, Chairman
William J. Harris, Vice Chairman
Joseph E. Davies
Will H. Parry

The Commission entered upon the consideration of the preliminary report in the news print paper investigation, the members of the Advisory Economic Board, and Dr. Merchant, being present.

After the report, as prepared by Dr. Merchant and the Advisory Economic Board, was read, Mr. Davies presented an incomplete draft of recommendations in regard to possible remedial legislation. The substance of the report of the Advisory Economic Board was generally approved, but the report of Mr. Davies was laid on the table for future consideration.


The matter of preparing a reply to the letter of Senator Joseph E. Ransdell, chairman of the sub-committee of the Senate Committee on Agriculture and Forestry in re sisal investigation was again called up, and the Chairman stated that he would prepare a reply at once, setting forth fully the reasons why it was not deemed expedient for the Commission to send representatives to Yucatan, as requested by Senator Ransdell.

Thereupon, at the hour 3:30 p. m., the Commission adjourned to meet Tuesday, January 9, at 10:30 a. m.



Chairman.

Attest:



Secretary.

MEETING OF FEDERAL TRADE COMMISSION

January 9, 1917, 3:00 P. M.

William J. Harris, Acting Chairman
Joseph E. Davies
Will H. Parry

The following resolution, offered by Mr. Davies, was unanimously adopted:

RESOLVED, That the matter of reorganizing the Board of Review, and matters appertaining to the Advisory Economic Board, and the duties of the Chief Examiner, be referred to the Advisory Economic Board, to the Joint Board of Review, and to the Secretary, for them to report with recommendations.

Letter from Mr. Thurlow M. Gordon, recommending Mr. Robert Szold, of the Department of Justice, for a position in the legal department of the Commission, was presented.

Mr. Davies was directed to confer with Mr. Szold, and report to the Commission.

ORDERED, That Ralph W. Adamson be employed by the Commission as examiner, at a salary of \$2400.00 per annum, to become effective on his taking the oath of office and entering upon the discharge of his duties.

Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Wednesday, January 10, 1917, at 10:30 a. M.

W. J. Harris
Acting Chairman.

Attest: *W. H. Parry*
Secretary.

January 10, 1917. No meeting held.
 January 11, 1917. No meeting held.
 January 12, 1917. No meeting held.
 January 13, 1917. No meeting held.
 January 14, 1917. Sunday.
 January 15, 1917. No meeting held.
 January 16, 1917. No meeting held.
 January 17, 1917. No meeting held.
 January 18, 1917. No meeting held.
 January 19, 1917. No meeting held.
 January 20, 1917. No meeting held.
 January 21, 1917. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

January 22, 1917, 3:00 P. M.

Edward N. Hurley, Chairman
 William J. Harris, Vice Chairman
 Joseph E. Davies
 Will H. Parry

The news print paper report, as revised by the Advisory Economic Board, was read sentence by sentence, and discussed and criticised in detail.

The members of the Advisory Economic Board, and Messrs. Merchant, Chantland, Daly, Hawley and Stevens, were present.

It was agreed that consideration of the report be resumed at 10:30 a. m., January 23d.

Thereupon, at the hour of 5:30 p. m., the Commission adjourned to meet Tuesday, January 23, 1917, at 10:30 a. m.

Attest:

J. L. B. Fisher
 Secretary.

Edward Hurley
 Chairman.

MEETING OF FEDERAL TRADE COMMISSION

January 23, 1917, 10:30 A. M.

Edward N. Hurley, Chairman
William J. Harris, Vice Chairman
Joseph E. Davies
Will H. Parry

The invitation of Mr. George H. Mead, and Mr. L. B. Palmer, representatives of the newspaper manufacturers, and publishers, respectively, to attend a meeting of the news-print manufacturers and publishers, to be held in Chicago on January 26, 1917, was discussed, and upon motion of Mr. Harris it was unanimously agreed that the Commission attend such meeting; and further, that Messrs. Harris and Parry go to Canada and ascertain the situation existing between the Canadian Government and the manufacturers of paper before attending the meeting in Chicago.

The Secretary was instructed to advise Messrs. Mead and Palmer by wire that the Commission had accepted their invitation.

In connection with the news-print situation, Mr. Parry presented a letter from Mr. George H. Mead, concerning the hearing to be held in Chicago, which was received and ordered filed.

Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Wednesday, January 24, 1917, at 10:30 a. m.

Edward N. Hurley
Chairman.

Attest:

J. A. Dineen
Secretary.

January 24, 1917. No meeting held.
January 25, 1917. No meeting held.
January 26, 1917. No meeting held.
January 27, 1917. No meeting held.
January 28, 1917. Sunday.
January 29, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

January 30, 1917, 11:00 A. M.

William J. Harris, Acting Chairman
Joseph E. Davies
Will H. Parry

The matter of presenting an estimate, to be a part of the general deficiency appropriation bill, was presented, and after discussion it was unanimously agreed to file such estimate through the usual channels, in the amount of \$50,000.

It was also decided to include in such deficiency estimate the sum of \$94.65, the amount paid out by Special Disbursing Agent George Johannes for books and periodicals, which are held by the Auditor to be not allowable.

At 11:30 a. m. a recess was taken until 3:30 p. m.

William J. Harris, Acting Chairman
Joseph E. Davies
Will. H. Parry

The Commission reassembled at 3:30 p. m.

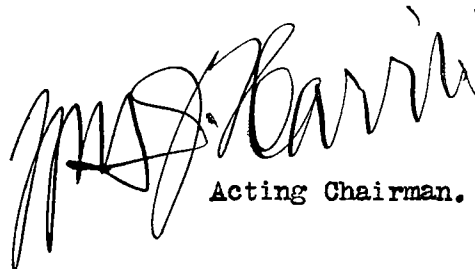
The matter of accepting a proposition of certain paper manufacturers for a quantity of paper to be distributed to publishers in urgent need of paper, under direction of the Commission, was called up and discussed,

January 30, 1917.
February 1, 1917.

and by unanimous consent the ~~matter~~ was laid on the table until the next meeting.

The matter of employing Francis J. Heney, of San Francisco, Cal., as special counsel to take charge of certain features developed by the Commission's investigation into the news-print paper situation, and other matters, was called up and discussed at length. It was decided to defer action until a future meeting.

Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet Wednesday, January 31, 1917.


Acting Chairman.

Attest:


Secretary.

January 31, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

February 1, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

ORDERED, That the Commission meet each morning at ten thirty o'clock, in executive session, and that during such session, or sessions, the members of the Commission shall not be accessible to anyone, and that the entire

time of such meetings be devoted to official matters.

Mr. Harris' motion, that the matter of cost accounting, and reports on industries, now being carried on by the Commission, be referred to the Department of Commerce, was laid on the table for future consideration.

The matter of distributing the reports on industries, prepared by the Commission, was called up, and after discussion it was unanimously agreed that it would be inadvisable to distribute such reports, or give publicity to any parts thereof.

Mr. Davies filed a report of a conference with Mr. Frank L. Brown, Secretary of the Mirror Manufacturers' Association, Cincinnati, Ohio, in reference to conditions obtaining in the manufacture of plate mirrors. (See file 8517-88.)

ORDERED, That W. T. Chantland be appointed Chief Examiner of the Commission, but not to serve on the Joint Board of Review.

Mr. Culbertson, whose place as Chief Examiner is taken by Mr. Chantland, is to continue as Special Counsel, and as a member of the Joint Board of Review.

ORDERED, That Francis J. Heney, of California, be employed by the Commission as Special Attorney, at a salary of \$5,000 per annum, such employment to take effect from this date.

At 1:00 p. m. the Commission adjourned to meet at 3:00 p. m.

The Commission reassembled at 3:00 o'clock p. m.

February 1, 1916.
February 2, 1916.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

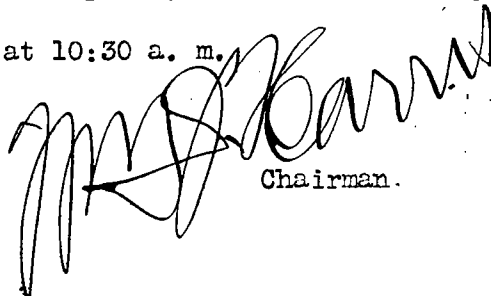
The following resolution, offered by Mr. Parry, was unanimously adopted:

WHEREAS, Information has been given to the Federal Trade Commission that practically all of the manufacturers of nails, tacks and eyelets used in the manufacture of shoes have been, or are about to be, consolidated into an organization known as the Diamond Tack & Nail Company; and

WHEREAS, It is reported that this consolidation will so control the market in its line of commerce that it will have the power to shut off supplies of nails, tacks and eyelets from certain independent shoe manufacturers.

NOW THEREFORE, Be it ordered that the Chief Examiner be instructed to assign an examiner of the Commission to make such investigation of the facts as will enable the Commission to arrive at a conclusion concerning the steps it should take in the matter.

Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Friday, February 2, 1917, at 10:30 a. m.



Chairman.

Attest:



Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 2, 1917, 10:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Congressmen Borland, Doolittle, and Kent, together with Mr. Walter Fisher, an attorney of Chicago, appeared before the Commission, and

Congressman Kent presented a letter, dated February 2, 1917, signed by himself, directed to the Commission, to which was attached a copy of a letter written by Edward N. Hurley, under date of January 16, 1917, directed to the President of the United States, in regard to the proposed investigation in response to H. R. No. 389, known as the Borland resolution. The copy of the letter of Mr. Hurley to the President was read, and after discussion each Commissioner stated that this was the first time that the matter had been brought to the attention of the Commission, or any member thereof, and that said letter did not express the views of the Commission, or any member thereof, as at present constituted.

The Commission expressed itself as being in entire accord with the investigation proposed by the Borland resolution, and in order to carry the same into effect ordered that an estimate be prepared for presentation to Congress through the usual channels, asking for an appropriation sufficient to initiate such investigation, and particularly, to carry out that part of the work directed by the Borland resolution referring to the cattle industry. (See file No. 8804).

Mr. Davies presented a report in regard to a resolution introduced by Congressman Treadway, asking the Commission whether or not the adoption of such resolution would in any way interfere with the Commission's investigation into the anthracite coal industry, and also asking for certain facts preliminary to the sending of our report on such investigation to Congress.

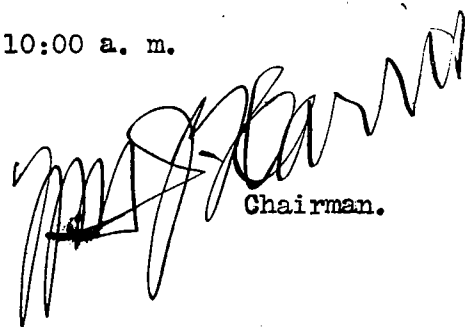
Mr. Davies was directed to state to Mr. Treadway that it would be inadvisable for the Commission to comply with his request. (See file 8546.)

The Secretary presented several requests for rulings involving the legality of trade associations. After discussion it was decided to consider such matters at a later date.

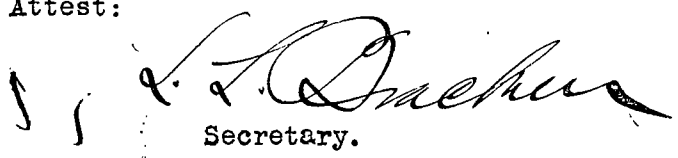
Mr. Parry presented a memorandum of the Advisory Economic Board, recommending an investigation of the legal phases of the cold storage business, and moved that the recommendations of such Board be adopted.

Motion carried, and the matter referred to the Chief Examiner, with directions to give the matter further attention according to the recommendations contained in report. (See file 8823-1.)

Thereupon, at the hour of 1:15 p. m., the Commission adjourned to meet Saturday, February 3, 1917, at 10:00 a. m.


Chairman.

Attest:


Secretary.

February 3, 1917. No meeting held.

February 4, 1917. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

February 5, 1917, 10:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Mr. Davies moved that a complaint be prepared and issued in the case of The Corby Company v. The Fleischmann Company, file 1-134.

Carried.

The action of the Commission in directing that complaints be issued in cases of Fosston Mfg. Co. v. J. L. Owens Company, file 1-96; J. L. Owens Company v. Fosston Mfg. Co., file 1-97, together with a letter from Mr. Hurley requesting that action on the part of the Commission in issuing complaints be reconsidered, was called up, and inasmuch as Mr. Hurley had not brought the matter further to the attention of the Commission, it was decided to proceed and issue complaints.

ORDERED, That Alexander M. Hamburg, now designated as Examiner, be appointed an attorney, but not to be assigned to the Legal Department as long as his services are needed in the Economic Department.

Thereupon, at the hour of 11:30 a. m., the Commission adjourned to meet Tuesday, February 6, 1917, at 10:30 a. m.

W. J. Harris
Chairman.

Attest:

L. S. Backus
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 6, 1917, 10:30 a. m.

William J. Harris, Chairman
Joseph E. Davies
Will H. Parry

A draft of the letter to the President, to accompany an estimate for an additional appropriation to be used in carrying on the investigation suggested by the Borland Resolution No. 389, was read and approved. (See file 8804)

Several matters in connection with the Division of Cost Accounting were called up, and after discussion it was agreed that such matters be laid on the table until a conference is held with the Secretary of Commerce, and a determination reached as to whether or not the Division of Cost Accounting shall be transferred to the Department of Commerce.

The following resolution, directing the issuance of a complaint in the case of the Federal Trade Commission v. The Fleischmann Company, was adopted:

WHEREAS, The Federal Trade Commission has reason to believe that The Fleischmann Company has violated, and is violating, the provisions of Section 5 of the Federal Trade Commission Act and Sections 2 and 3 of the Clayton Act, therefore be it

RESOLVED: That the Commission issue and serve upon said Fleischmann Company its complaint, stating its charges in that respect in substantially the form hereunto annexed, and be it

FURTHER RESOLVED: That notice be given to the said Fleischmann Company, as required by law, that the charges of said complaint will be heard by the Commission at its office in the Commerce Building, in the city of Washington, D. C., on the 31st day of May, 1917, at 10:30 o'clock in the forenoon of said day, or as soon thereafter as the same may be reached.

The matter of directing the distribution of paper to publishers in pressing need of same was discussed, and it was agreed to lay the matter on the table for consideration at a meeting to be held Friday, February 9, 1917.

At 1:00 o'clock p. m. the Commission took a recess until 3:30 p.m.

William J. Harris, Chairman
Joseph E. Davies
Will E. Parry

The Commission reassembled at 3:30 p. m.

The Commission conferred in regard to the report of the News-Print Paper Investigation, members of the Advisory Economic Board, Messrs. Chantland, Hawley, and Stevens being present.

It was decided to complete the report, and forward the same to the Senate at the earliest possible date.

Thereupon, at the hour of 5:45 o'clock p. m., the Commission adjourned to meet Wednesday, February 7, 1917, at 10:00 a. m.

W. J. Harris
Chairman.

Attest:

T. A. Ducker
Secretary.

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MEETING OF FEDERAL TRADE COMMISSION

February 7, 1917, - 10:30 a.m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

It was unanimously agreed that Mr. Davies, and the Secretary, appear before the Appropriations Committee to-day (February 7th), to explain the Commission's estimate for an appropriation, for printing and binding, for the fiscal year 1918.

ORDERED, That John L. Simpson be permitted to continue his services with the Commission for Relief in Belgium so long as necessary.

Mr. Davies reported the case of E. J. Smith Company for the issuance of a complaint against H. F. Hildreth, file 1-166.

Report approved, application denied, and file ordered transferred to the Department of Justice.

Thereupon, at the hour of 11:30 a. m., the Commission adjourned to meet Thursday, February 8, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 8, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

A letter from Mr. Percy W. Bidwell, (file 8102-275) dated February 6, 1917, asking whether or not he might expect future employment with the Commission, was presented, and the Secretary directed to refer the letter to the Advisory Economic Board for its recommendations.

The Secretary was further instructed to request the Advisory Economic Board to report to the Commission in regard to the qualifications of any applicants particularly fitted for work in the Economic Department.

The Secretary called attention to a promise on the part of the Commission to grant a hearing to the respondent before the issuance of a complaint in the case of The Corby Company v. The Fleischmann Company, file 1-134.

It was unanimously agreed to grant such hearing, the date to be fixed by the Secretary.

ORDERED, That all official mail of the Commission be signed by the Secretary, except correspondence especially referred to individual Commissioners, or matters coming within their particular knowledge or direction.

At 1:00 p. m. a recess was taken until 3:00 p. m.

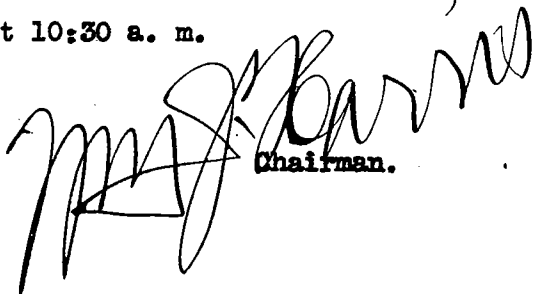
The Commission reassembled at the hour of 3:00 p. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Chairman Harris presented a letter from the President of the United States, dated February 7, 1917, directing an investigation by the Commission, in cooperation with the Department of Agriculture, into the production, cost and distribution of foodstuffs, etc., and asking the Commission to prepare an estimate for an appropriation, for submission to Congress, covering the cost of its part of such proposed investigation.

After due consideration, the Secretary was directed to prepare a letter, for the signature of the Chairman, advising the President that the Commission would gladly undertake the investigation as directed by him, and would immediately proceed to comply with his instructions in every detail. (See file 8804.)

Thereupon, at the hour of 5:30 p. m., the Commission adjourned to meet Friday, February 9, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

February 9, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION
February 10, 1917, - 11:00 a.m.

William J. Harris
Will H. Parry

Messrs. Harris and Parry conferred with the Secretary of Agriculture in reference to a plan of cooperation in conducting an investigation into the production, cost, and distribution of foodstuffs, as directed by the President. At such meeting it was agreed that a committee, selected by the Secretary of Agriculture from his department, would confer with a committee of the Federal Trade Commission, in order to work out the details of a plan for cooperation, and to agree upon an approximate estimate of the cost of such proposed investigation.

At 12:30 p. m. a recess was taken until 2:00 p. m.

William J. Harris
Will H. Parry

At 2:00 p. m. the meeting was resumed.

The committee selected by the Secretary of Agriculture conferred with the members of the staff of the Commission at its office, in regard to a plan for the conduct of the proposed investigation into the production, cost and distribution of foodstuffs, as directed by the President.

The question of the cost of such-investigation was also considered.

Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Monday, February 12, 1917, at 10:30 a. m.

Attest:

W. H. Parry
Secretary.

W. J. Harris
Chairman.

February 11, 1917. Sunday.

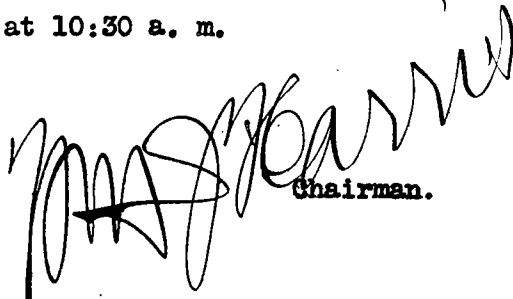
MEETING OF FEDERAL TRADE COMMISSION

February 12, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry

The Commission further considered an estimate for an appropriation necessary for the purpose of conducting the proposed investigation into the production, cost and distribution of foodstuffs, as directed by the President, and after discussion it was unanimously agreed that \$400,000 would be necessary to initiate such investigation; and it was further agreed that an estimate for an appropriation in this amount be transmitted to the President, for his approval and submission to Congress through the usual channels.

Thereupon, at the hour of 1:30 p. m., the Commission adjourned to meet Tuesday, February 13, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 13, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry

The Secretary presented to the Commission drafts of letters to the President, and the Secretary of the Treasury; also, an estimate of an appropriation for the initiation of the investigation into food-stuffs, as directed by the President.

Such letters, and estimate, were approved. (See file 8804.)

The following resolutions, offered by Mr. Parry, in reference to the special employment of Mr. John F. Bass, of Illinois, were adopted:
(See file 8101-4-230.)

WHEREAS, John F. Bass, of Illinois, who is now in Europe, has tendered his services to the Commission to collect in France and England authentic information as to the methods of industrial coordination and of industrial re-organization generally, including the study of working conditions, hours of labor, etc., which have been adopted by those countries for promoting efficiency in time of war; and

WHEREAS, Such information will be of great value to the Commission for its own uses under the powers conferred upon it by paragraph (h) of section 6 of the Federal Trade Commission Act, and also to other departments of the Federal Government in the event of war; and

WHEREAS, The Commission reposes trust and confidence in the integrity and judgment of John F. Bass and in his exceptional ability to gather and collate the information above referred to;

IT IS ORDERED, -

That John F. Bass, of Illinois, be and hereby is appointed as Special Agent of the Federal Trade Commission to collect in France and England authentic information as to the methods of industrial coordination and of reorganization generally which have been adopted by those countries to promote efficiency in time of war and to make report thereon to the Federal Trade Commission; provided, however, that this appointment

shall not become effective if the Secretary of State shall, in his wisdom, offer any objection thereto. In the event that the Secretary of State shall offer no objection to the appointment as herein provided, he is hereby requested to cable the Ambassador of the United States to the Republic of France to issue to John F. Bass on behalf of the Federal Trade Commission, to the end that said John F. Bass may immediately enter upon the discharge of his duties.

I offer the above resolution and move its adoption.

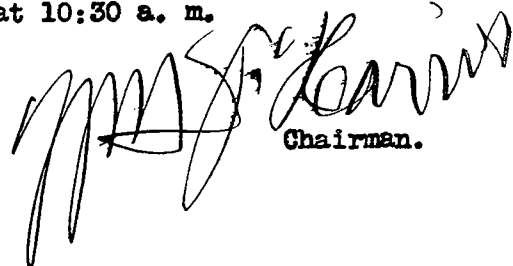
WHEREAS, The Federal Trade Commission has this Thirteenth Day of February, Nineteen Hundred and Seventeen, appointed John F. Bass, of Illinois, as Special Agent of the Commission to collect in France and England authentic information as to the methods of industrial coordination and of industrial reorganization generally which have been adopted by those countries to promote efficiency in time of war and to report thereon to the Commission (said appointment being made, however, subject to the approval of the Secretary of State);

IT IS ORDERED, -

That said appointment be made on the condition that the said John F. Bass shall receive the nominal compensation of One Dollar (\$1.00), said compensation to be in full reimbursement for all his expenses while acting as such Special Agent.

I offer the above resolution and move its adoption.

Thereupon, at the hour of 1:00 p.m., the Commission adjourned to meet Wednesday, February 14, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

February 14, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

February 15, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

ORDERED, That subpoenas be issued and served upon Willett Martin Co., Inc., and its officers; William A. Mehaffey; and Thorne, Neal & Co., Inc., and its officers, directing the production of certain books and records essential and material to the Anthracite Coal Investigation.

A written proposition (File No. 8813-1-1) of a number of news-print paper manufacturers to have the Commission find, fix, and determine a reasonable price for news-print paper, for the six months beginning March 1st, 1917, and ending September 1, 1917, was presented, and after consideration the following resolution was adopted: (See file 8813-3-1.)

WHEREAS, Manufacturers representing a considerable proportion of the tonnage of news-print paper consumed in the United States have agreed to accept a maximum selling price, and have requested the Commission to find, fix and determine forthwith what price per hundred pounds at the mill would be a fair and reasonable price for the sale of standard news-print paper for use in the United States during the period of time, from March 1, 1917, to September 1, 1917, taking into consideration the increased cost of production and other conditions affecting respective manufacturers which the Commission may deem pertinent at this time, -

NOW THEREFORE, Be it

ORDERED, That in order to determine these questions the Commission will hold a hearing in Washington on Friday, February 23rd, 1917, at 10:30 a. m., at which all companies are requested to appear before the Commission at that time and present such data, argument, etc., as will set forth their position regarding this proposition.

Thereupon, at the hour of 12:00 Noon, the Commission adjourned to meet Friday, February 16, 1917, at 10:30 a. m.

Attest: *J. E. Davies*
Secretary.

W. J. Harris
Chairman.

MEETING OF FEDERAL TRADE COMMISSION

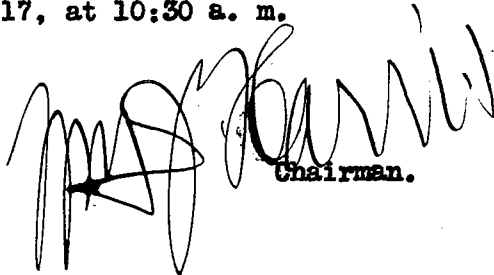
February 16, 1917, - 10:30 a. m.

William J. Harris, Chairman.
Will H. Parry
Joseph E. Davies

ORDERED, That a publicity statement be issued to-day (February 16, 1917) concerning the proposition of a number of news-print paper manufacturers to accept a maximum selling price for paper, as fixed by the Commission.

Commissioners Harris and Davies, and the Secretary, were directed to appear before the House Subcommittee on Appropriations to explain the Commission's estimate for a deficiency appropriation.

Thereupon, at the hour of 11:00 a. m., the Commission adjourned to meet Saturday, February 17, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 17, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The proposition submitted by several news-print paper manufacturers to have the Commission fix a maximum selling price for paper was called up and discussed. (See file 8813-1-1.)

Commissioners Harris and Davies were directed to appear before the House Committee on Appropriations and explain the Commission's estimate for an appropriation to carry out the work of investigating the price of foodstuffs, as ordered by the President.

Commissioner Parry filed a report of a conference with the Secretary of Agriculture in reference to the investigation into the prices of foodstuffs. Report approved. (See File 8517-89.)

A letter from Congressman Henry T. Rainey, dated February 12, 1917, in reference to the proposed investigation by the Commission into the prices of foodstuffs, was presented, and the Secretary directed to refer the same to the Chief Examiner for consideration. (File

Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Monday, February 19, 1917, at 10:30 a. m.

Attest:

J. L. Tucker
Secretary.

W. J. Harris
Chairman.

February 18, 1917. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

February 19, 1917, 10:30 A. M.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

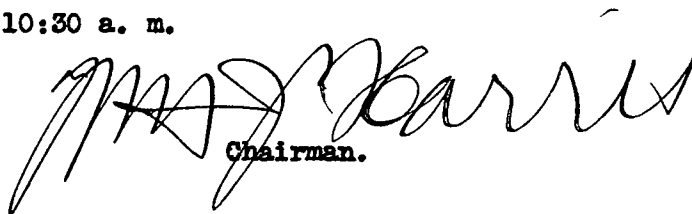
The Secretary presented a report of the Advisory Economic Board in regard to the employment of Mr. Percy W. Bidwell. The report was approved, and the Secretary directed to advise Mr. Bidwell that the matter of his appointment could not be definitely settled for the present. (See file 8102-275.)

Commissioners Harris and Davies submitted a report in the matter of establishing a civil service status for employees of the Commission, recommending that all new appointments be made from a roster which shall be made up by the Commission after having received a list of eligibles from the Civil Service Commission, which list shall be made up from those who have passed the nonassembled examinations, so-called. Report adopted. (See File 8178-1.)

The matter of reassigning cases heretofore allotted to Commissioners Rublee and Hurley was called up and, after discussion, the Secretary was directed to reassign such cases to the present Commissioners.

Mr. Francis J. Heney was called before the Commission, and after discussing a general plan for the proposed meeting with the news-print paper manufacturers it was decided to leave the perfecting of the details of the plan to Mr. Heney.

Thereupon, at the hour of 1:00 p.m., the Commission adjourned to meet Tuesday, February 20, 1917, at 10:30 a. m.


Chairman.

Attest:



Secretary.

February 20, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

February 21, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The following motion, made by Commissioner Davies and seconded by Commissioner Parry, was adopted:

That the Economic Advisory Board and the Chief Examiner be, and they are hereby, directed to confer and devise plans and carry out an investigation of the records and correspondence of the association among the book-paper manufacturers and of such manufacturers in said industry as may be deemed advisable, with a view to determining whether there have been violations of the antitrust laws or unfair practices. For the purpose of such investigation they are directed to use, as far as possible, the personnel engaged on the similar investigation in the case of the news-print industry because of their familiarity with such work, and they are also directed to make such examination, as nearly as may be, simultaneously.

Thereupon, at the hour of 11:00 a. m., the Commission adjourned to meet Friday, February 23d, 1917, at 10:30 a. m.

W. J. Harris
Chairman.

Attest:

L. D. Tucker
Secretary.

February 22, 1917. No meeting held.

MEETING OF THE FEDERAL TRADE COMMISSION

February 23, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The following officers and members of the American Newspaper Publishers Association appeared before the Commission:

Mr. H. L. Rogers, President,
Mr. L. B. Palmer, Manager.

Mr. F. P. Glass, Birmingham News, Chairman)
Mr. A. G. McIntyre, Representative) Members of Committee
Mr. Aug. F. Seested, Kansas City Star) appointed by the
Mr. E. H. Baker, Cleveland Plain Dealer) American Newspaper
Mr. E. M. Scholz, New York Evening Post) Publishers Associa-
Col. Robert Ewing, New Orleans Daily State) tion.

Mr. Rogers read a statement (See File 8337-1), after which there was a discussion of the general news-print paper situation.

Thereupon, at the hour of 12:30 p.m., the Commission adjourned to

meet Saturday, February 24th, 1917, at 10:30 a.m.

W. J. Harris
Chairman.

Attest:

L. A. Backus
Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

February 24, 1917, 9:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

It was moved by Commissioner Parry, duly seconded and carried, that an immediate inquiry be instituted in the District of Columbia into the prices of potatoes, cabbage, onions, and eggs; and that the Advisory Economic Board and the Chief Examiner be directed to cooperate in planning and carrying out such inquiry forthwith.

Thereupon, at the hour of 10:00 a.m., the Commission adjourned to meet Monday, February 26, 1917, at 10:30 a.m.

W. J. Harris
Chairman.

Attest:

L. A. Backus
Secretary.

February 25, 1917. Sunday.

MEETING OF THE FEDERAL TRADE COMMISSION

February 26, 1917, 10:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The Commission met at the Raleigh Hotel and held a conference with a large number of representatives of the principal newspapers published in the United States. (For list of appearances see File 8813-3-1.)

Mr. Francis J. Heney, of the Commission, reported the proposition which had been submitted to the Commission, under date of February 15, 1917, (See File 8813-1-1) by a number of news-print paper manufacturers, requesting the Commission to fix a fair and reasonable price for their product. He stated that the Commission had not as yet accepted this proposition, and that it would not do so unless the publishers were willing to cooperate by agreeing to reduce their consumption of news-print paper.

A number of the newspaper representatives were heard, after which Mr. F. P. Glass, Chairman of the Executive Committee of the General Committee of the American Newspaper Publishers Association, presented statements expressing the sense of the newspaper publishers present in reference to the efforts of the Commission to adjust the price of paper, and, further, that it was the judgment of those present that there should be no suspension or interruption of the investigation into the causes leading to the conditions now existing in the news-print paper trade now proceeding through the agency of the Department of Justice. (See file 8813-3-1.)

Mr. M. F. Hanson, Publisher, The Philadelphia Record, presented a communication from the Philadelphia publishers stating that they were opposed to the principle of fixing the price of news-print paper by the Commission. (See File 8813-3-1.)

Mr. F. P. Glass filed a brief, setting forth objections to the contract under the terms of which the publishers are now required to purchase news-print paper. (See File 8813-3-1.)

Thereupon, at the hour of 2:00 p. m. the Commission adjourned to meet Tuesday, February 27, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF FEDERAL TRADE COMMISSION

February 27, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Messrs. F. P. Glass and E. P. Stahlman appeared before the Commission and discussed the matter of adjusting the price of news-print paper between the manufacturers and publishers.

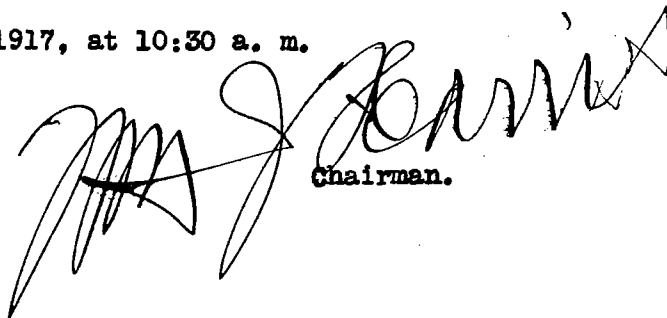
After the above gentlemen had retired, the Commission continued in conference with Mr. Francis J. Heney, and, upon motion, it was unanimously agreed that the leading jobbers in news-print paper be called to Washington, and that Mr. Heney be directed to confer with them with reference to a plan for the distribution of news-print paper, by them, to the smaller publishers.

The following resolution, offered by Commissioner Parry, was adopted:

WHEREAS, Mayor Mitchell of New York City has requested the Federal Trade Commission to send one of its members to attend a conference to be held in New York City, at which the present acute food situation will be discussed by representatives of various agencies of Federal, State, and Municipal Governments, the object of such discussion being to allay food riots by giving to the public information concerning the proposed activities of various agencies of the Government with respect to the food situation,-

NOW THEREFORE, Be it resolved that Commissioner Davies be requested to attend said conference as the representative of the Commission and to speak for it and to report to the Commission such information as he may be able to gather. He is also authorized to speak for the Commission at a public meeting, if such shall be held as a part of the conference.

Thereupon, at the hour of 12:30 p.m., the Commission adjourned to meet Wednesday, February 28, 1917, at 10:30 a. m.



Chairman.

Attest:



Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

February 28, 1917, 4:00 p. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The following persons, representing the paper publishers, appeared before the Commission and were heard with reference to the cost of producing news-print paper; Messrs. Francis J. Heney, L. H. Haney, and Dr. Merchant also being present. (See Stenographic File

Mr. P. T. Dodge, International Paper Co., New York City.
Mr. Owen Shepherd, International Paper Co., New York City.
Mr. Chester W. Lyman, International Paper Co., New York City.
Mr. Gilbert H. Montague, Spanish River Pulp & Paper Mills, Ltd., and the Laurentide Co., Ltd., New York City.
Mr. H. R. Weaver, International Paper Co., New York City.
Mr. Allen Curtis, International Paper Co., New York City.
Mr. W. N. Hurlbut, Spanish River Pulp & Paper Mills, Ltd., Sault Ste. Marie, Ontario.
Mr. John Barton Payne, International Paper Co., Chicago, Ill.

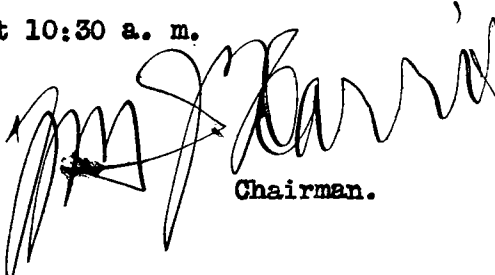
On motion of Mr. Harris, it was unanimously agreed that the consideration of the gasoline report be made the special order of business immediately following the completion of the news-print paper report.

At 6:25 p. m. a recess was taken until 8:00 p. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The Commission reconvened at 8:00 p. m. and resumed the discussion with the paper publishers.

Thereupon, at the hour of 10:00 p. m., the Commission adjourned to meet Thursday, March 1st, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

March 1, 1917. No meeting held.

March 2, 1917. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

March 3, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The Commission considered the proposition made on February 15, 1917, by a number of news-print manufacturers (See File 8813-1-1) and, after discussion, it was

ORDERED: In pursuance of the foregoing proposition, this Commission, through its economists and accountants, gathered evidence from the books of account and contracts of news-print manufacturers generally throughout the United States and Canada, as well as from other sources, and held public hearings at which appeared many publishers, both large and small, from every section of the United States; and held other public hearings at which appeared many jobbers, whose combined business covers all that part of the United States lying between Salt Lake City, Utah, and the Atlantic Ocean; and held other public hearings at which the foregoing signatory manufacturers with their attorneys appeared and presented evidence and made arguments; and after

full and careful consideration of all the evidence so secured and so heard this Commission finds as follows:

(1) That a fair and reasonable price for the sale of standard news-print paper in rolls by each of the aforesaid signatory manufacturers for use in the United States during the six months' period of time beginning March 1, 1917, and ending August 31, 1917, is the sum of \$2.50 per 100 pounds f.o.b. at the mill in carload lots and is the sum of \$2.75 per 100 pounds f.o.b. at the mill in less than carload lots.

(2) That a fair and reasonable price for the sale of standard news-print paper in sheets by each of the aforesaid signatory manufacturers for use in the United States during the aforesaid six months' period of time is the sum of \$3.25 per 100 pounds f.o.b. at the mill in carload lots and is the sum of \$3.50 per 100 pounds f.o.b. at the mill in less than carload lots.

(3) That no publisher or jobber who has an existing contract with any of the aforesaid signatory manufacturers for standard news-print paper at a higher price or prices than is hereby found to be fair and reasonable shall be entitled to receive or be given the benefit of such reduced prices unless he files with this Commission prior to March 20, 1917, his written agreement to waive and release for sale and distribution to publishers only who have no contracts 5 per cent of the total amount of tonnage specified in such contract.

(4) That if any extraordinary new conditions hereafter arise which make it unjust to the aforesaid signatory manufacturers to continue the aforesaid prices during the full period of said six months, this Commission will readjust the same for the whole or any remaining part of the three months commencing June 1 and ending August 31, 1917; provided that said signatory manufacturers file with this Commission their written request so to do; and provided further that, in the opinion of this Commission, the facts presented in such petition require such action in order to prevent plain injustice.

In the course of the discussion of the foregoing order, Commissioner Harris requested that the records show that he favored requiring the large publishers who would receive the benefit of the reduced price, as fixed in the findings of the Commission, to agree to release five per cent of their commitments of paper, if necessary, for the use of the small publishers. Commissioners Parry and Davies thought it unnecessary to insert this provision specifically because, in their opinion, the language of the

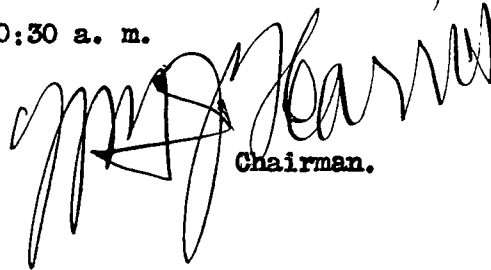
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findings covered the request of Mr. Harris.

The Letter of Submittal concerning the Commission's Report on the News-Print Paper Industry was considered and approved, and the Secretary was directed to transmit the same to the President of the Senate.

Recesses were taken from 2:00 to 3:00 p. m., and from 6:30 to 8:00 p. m., and at the hour of 12:00, midnight, the Commission adjourned to meet Tuesday, March 6, 1917, at 10:30 a. m.



Chairman.

Attest:



Secretary.

March 4, 1917. Sunday.

March 5, 1917. No meeting held.

March 6, 1917. No meeting held.

MEETING OF THE FEDERAL TRADE COMMISSION

March 7, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

A letter from Mr. C. H. Dennis, Manager of the Chicago Daily News, dated February 24th, in reference to the employment by the Commission of Mr. John F. Bass as special agent, was submitted, and referred to Commis-

sioner Parry, to be taken up with the State Department. (See file 8101-4-230.)

The following resolutions, offered by Commissioner Parry, were adopted:

WHEREAS, Because of the special investigations directed by Congress, the Commission has found it necessary and advisable in the public interest to expend from its lump-sum appropriation during the first eight months of the fiscal year an amount in excess of the pro rata allotment of said appropriation for said period; and

WHEREAS, The Deficiency Bill, which passed the House of Representatives and which allowed the sum of \$50,000 for the continuation of the work of the Commission for the remaining four months of the year upon the same scale as for the first eight months of the year, did not pass the Senate; and

WHEREAS, A deficiency actually exists which can be met only by a curtailment of salaries and expenses payable from the lump-sum roll;

NOW THEREFORE, Be it Ordered that the Secretary forthwith present to the Commission plans whereby it can complete the fiscal year 1917 within its appropriation for said year.

WHEREAS, The Sundry Civil Bill as passed by the House of Representatives and as reported by the Senate Committee, makes no provision for the work relating to uniform accounting heretofore carried on by the Commission; and

WHEREAS, No funds are now available therefor; and

WHEREAS, The Department of Commerce has indicated a desire to take over and continue this work;

NOW THEREFORE, Be it Ordered that a conference be requested with the Secretary of Commerce to arrange the details of transferring the work relating to uniform accounting, together with such employees as may be designated, to said Department.

The Secretary was directed to have printed a reasonable number of copies of the Letter of Submittal in reference to the investigation into the news-print paper industry.

Commissioner Parry was authorized to go to New York and confer with representatives of the manufacturers of news-print paper and publishers with reference to a plan for the distribution of news-print paper.

Messrs. Haney and Merchant were called into conference with the Commission with reference to devising a plan for the distribution of news-print paper to be released by publishers under the provisions of the proposition submitted by manufacturers of news-print paper under date of February 15th, and, after discussion, Messrs. Haney and Merchant were directed to prepare a tentative draft of a plan, and to submit same to the Commission for its approval.

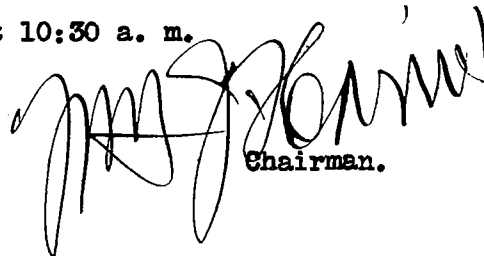
Thereupon, at the hour of 1:00 p.m., a recess was taken until 2:00 p.m.

The Commission reconvened at 2:00 p. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Messrs. Haney and Merchant appeared before the Commission and presented a tentative plan dealing with the distribution of news-print paper, and the formation of a committee to assist therein, which, after consideration, was approved. (See file 8813-1-1.)

Thereupon, at the hour of 5:00 p. m., the Commission adjourned to meet Thursday, March 8, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

March 8, 1917. No meeting held.

MEETING OF THE FEDERAL TRADE COMMISSION

March 9, 1917, 2:30 p. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The Commission heard Messrs. Gilbert H. Montague, Fleming Newbold, J. Raymond Hoover, and Ernest G. Smith, in reference to a plan for the distribution of the contemplated released tonnage of news-print paper and, after discussion, the Commission determined that it would be advisable to appoint a committee, consisting of representatives of the publishers, manufacturers, jobbers, and the Commission, for the purpose of handling the details of such matter.

Commissioner Parry and Special Counsel Francis J. Heney were directed to go to New York and confer with the publishers of the metropolitan papers of that city, with the view of persuading such publishers to reduce the consumption of news-print paper, and release such tonnage for the relief of the small publishers.

The following resolution, offered by Commissioner Parry, was adopted:

WHEREAS, It is currently reported as of this date (March 9, 1917) that the Canadian Government has notified certain Canadian manufacturers of news-print paper that they will not be permitted to renew contracts for the sale of news-print paper to those American publishers whose editorial policy is deemed to be opposed to and inimical to British interests; and

WHEREAS, This action, if true, will seriously hamper this Commission in adjusting the differences which now exist between the American publishers and the American manufacturers of news-print paper; and

WHEREAS, This action, if true, is "inconsistent with that true justice, sincere amity, and impartial fairness which should characterize the dealings of friendly governments with one another."

March 9, 1917.
March 10, 1917.

(Secretary Lansing's note on the British blacklist, July 26, 1916);
and

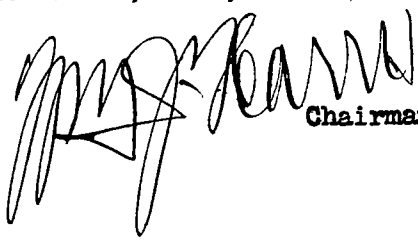
WHEREAS, This action, if true, is an unwarranted interference
by a foreign government with the American press and an unjustifiable
attempt to restrict freedom of speech;


NOW THEREFORE, Be it Resolved,-

(1) That the Commission make forthwith an investiga-
tion for the purpose of determining whether or not the Canadian
Government has in fact taken said action; and

(2) That, if it be found that said action has been
taken, this matter be taken up through the State or other Depart-
ments, with a view to correcting the evils arising from it.

Thereupon, at the hour of 4:20 o'clock p.m., the Commission
adjourned to meet Saturday, March 10, 1917, at 10:30 a. m.


Chairman.

Attest:

Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

March 10, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

The following resolution, offered by Commissioner Davies,
was adopted:

WHEREAS, It is apparent that there is need of a substan-
tial amount of tonnage of news-print paper to supply the im-
mediate needs of the small publishers of the country; and

WHEREAS, Through the efforts of the Commission, it may

be possible to procure from large publishers of metropolitan papers a relinquishment of some of their contract paper, if the situation and the necessities of the small publishers are clearly explained to them; and

WHEREAS, Commissioner Parry and Special Counsel Francis J. Heney have been delegated to meet with the publishers of New York City, on Monday, March 12th;

NOW THEREFORE, be it resolved,-

That if the results of this conference in New York City so justify, the Commission do make similar efforts in other metropolitan centers, and that a plan, with this object in view, be prepared by Doctors Haney and Merchant so that it may be available if the general plan proves acceptable.

Commissioner Parry presented a letter (file 8731-3-12) dated March 2d, signed by Mr. D. A. Morrow, Commissioner, Pittsburgh Coal Producers Association, requesting the Commission to petition the Interstate Commerce Commission to investigate the shortage of cars at the coal mines of the Pittsburgh District. After discussion, it was determined to first ascertain whether or not a compliance with Mr. Morrow's request would in any way embarrass the Department of Justice in its investigation of the activities of certain coal operators.

The matter of granting a hearing to anthracite coal operators before the Commission issued its report on the anthracite coal industry was brought up and, after discussion, it was unanimously determined to grant such hearing, the date thereof to be fixed later.

Thereupon, at the hour of 1:00 p.m., the Commission adjourned to meet Monday, March 12, 1917, at 10:30 a. m.

W. J. Harris
Chairman.

Attest: *V. A. Bacher*
Secretary.

- March 11, 1917. Sunday.
- March 12, 1917. No meeting held.
- March 13, 1917. No meeting held.
- March 14, 1917. No meeting held.
- March 15, 1917. No meeting held.

MEETING OF THE FEDERAL TRADE COMMISSION

March 16, 1917, 10:30 a. m.

William J. Harris, Chairman
 Will H. Parry
 Joseph E. Davies

Messrs. John Franklin Fort, and William B. Colver, duly appointed members of the Commission, were in attendance.

Mr. Joseph Pulitzer, Jr., representing the St. Louis Post Dispatch, St. Louis, Mo., appeared before the Commission and discussed the matter of signing the agreement recently sent out by the Commission, by the terms of which his paper would be given the benefit of the reduction in price of newsprint, in consideration of release of five per cent of the contracted paper.

Mr. Pulitzer stated that his paper had reduced its consumption of paper to the minimum, but that he would be willing to sign the agreement, with the understanding that he be permitted to go into the open market and purchase additional necessary requirements of paper. The Commission agreed to advise him whether or not his signing the agreement with the imposed conditions would be acceptable.

The matter of forming the committee to act in conjunction with the Commission in working out the details of the distribution of news-print

paper and related matters was taken up and discussed, and on motion of Mr. Davies, duly carried, the Secretary was directed to take steps to carry out the plans adopted by the Commission on March 7th and 9th, for the formation of such committee.

Mr. Parry presented a report of his conferences with newspaper publishers and representatives of manufacturers while in New York.

(See file 8813-3-1.)

The following resolution, offered by Mr. Davies, was adopted:

RESOLVED, That the form of agreement for publishers be modified so as to permit so-called class papers selling for three cents or more per copy to continue the privilege of returns up to a maximum of not over three (3) per cent of their circulation.

The matter of transferring the cost-accounting division to the Department of Commerce was again called up by the Secretary, and by unanimous agreement Mr. Harris was directed to take the matter up with Secretary Redfield, and report to the Commission.

Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Saturday, March 17, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

March 17, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
John F. Fort
William B. Colver

Letter dated March 2, 1917, from Mr. D. A. Morrow, Commissioner, Pittsburgh Coal Producers' Association, (See file 8731-3-12) calling attention to shortage of freight cars in the Pittsburgh coal-mining district, was again considered, and the Secretary directed to transmit such letter, with submitted data, to the Interstate Commerce Commission.

The matter of changing the form of the contract submitted to the newspaper publishers by the Commission was called up, and after discussion the matter was referred to Messrs. Parry and Colver for consideration and report.

Mr. Davies submitted a report in re the application for the issuance of complaint of the Multicolor Sales Co., Inc., v. The American Multigraph Sales Co. (file 1-268). Report approved, resolution adopted, dismissing application.

Report of Mr. Davies, in re the case of A. Theo. Abbott & Co. v. The Silk Association of America (file 1-255), approved, and rulings Nos. 49 to 55, inclusive, disposing of this matter, were adopted.

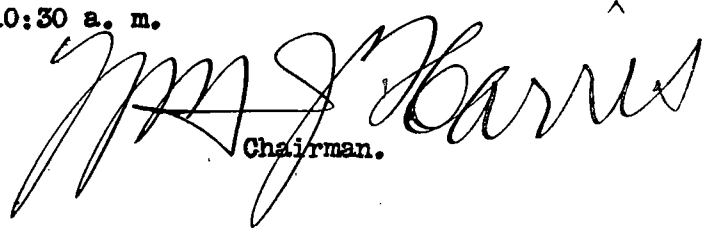
On motion of Mr. Davies, it was unanimously voted that every effort be made by the Commissioners, and the legal staff of the Commission, to

have prepared and ready for formal action by the Commission as many cases as practicable at the earliest possible moment.

Messrs. Parry, Fort, and Colver were authorized to attend a proposed meeting of the newspaper publishers, to be held in New York City on March 21, 1917.

In response to the resolution adopted by the Commission on March 7, 1917, the Secretary presented a report setting forth plans by which salaries and expenses of the Commission might be curtailed to meet the present status of the Commission's lump-sum appropriation for the present fiscal year. After discussion, on motion of Mr. Parry, which was duly carried, it was determined to submit copies of the report and resolution of March 7th to each Commissioner, and to make the consideration of such report a special order of business before the Commission until disposed of. (See file 8178-1.)

Thereupon, at the hour of 1:30 p. m., the Commission adjourned to meet Monday, March 19, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

March 21, 1917.

March 18, 1917. Sunday.
March 19, 1917. No meeting held.
March 20, 1917. No meeting held.

MEETING OF THE FEDERAL TRADE COMMISSION

March 21, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies

Messrs. William B. Colver and John Franklin Fort were present and took the oath of office as members of the Federal Trade Commission for the following terms, from September 26, 1914:

William B. Colver,	six years.
John Franklin Fort,	three years.

Mr. Davies submitted a report, in re file 1-275, application of National Oil & Supply Company, of Newark, N. J., for the issuance of complaint against the National Oil & Supply Co., Providence, R. I. Report approved, and ruling dismissing the application adopted.

The Commission considered the present phases of the news-print paper investigation, especially the attitude of the Department of Justice, and the steps necessary in the event that Department proceeded upon the lines indicated. At the close of the discussion Mr. Davies stated what he thought to be the consensus of opinion in regard to the attitude and procedure of the Commission toward the situation:

First: That a letter be directed to the Attorney General of the United States, setting forth in detail the steps taken by the Commission in its effort to remedy the situation growing out of the scarcity and high price of news-print paper; and also, what the Commission understood to be the attitude of the Department of Justice toward such efforts on the part of the Commission.

Second: That a further effort be made to secure the signatures of as many manufacturers as possible to the proposition heretofore submitted to the Commission by certain manufacturers, requesting it to find, fix, and determine a reasonable price for news-print paper, for the six months beginning March 1st, and ending September 1st, 1917.

Third: If possible, and necessary, issue a complaint under section 5 of the Federal Trade Commission Act against those manufacturers who refuse to permit the Commission to determine the price of print paper as aforesaid, on the ground that the exorbitant price charged for news-print paper constitutes an unfair method of competition.

Thereupon, at the hour of 1:15 p. m., the Commission adjourned to meet Thursday, March 22, 1917, at 10:30 a. m.

W. J. Harris
Chairman.

Attest: *L. S. Cooper*
Secretary.

March 22, 1917. No meeting held.

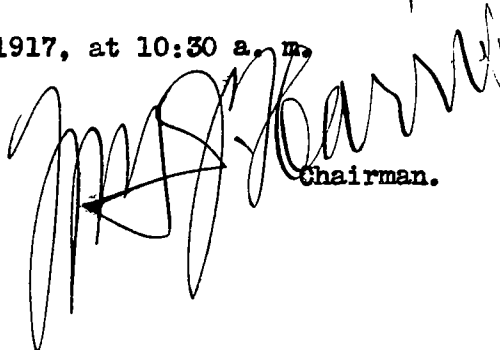
MEETING OF THE FEDERAL TRADE COMMISSION

March 23, 1917, 2:30 p. m.

William J. Harris, Chairman
 Will H. Parry
 Joseph E. Davies
 William B. Colver

The Commission discussed various phases of the news-print paper situation, and on motion Mr. Davies was authorized to confer with Mr. Todd, Assistant to the Attorney General, for the purpose of learning the attitude of the Department of Justice with reference to holding the criminal proceedings in abeyance until the Trade Commission had an opportunity to work out a constructive remedy for the situation.

Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Saturday, March 24, 1917, at 10:30 a. m.


 Chairman.

Attest:


 Secretary.

March 24, 1917. No meeting held.

March 25, 1917. Sunday.

MEETING OF THE FEDERAL TRADE COMMISSION

March 26, 1917, 12:00 M.

William J. Harris, Chairman ---
 Will H. Parry
 Joseph E. Davies
 William B. Colver
 John F. Fort ---

The following resolution, offered by Mr. Davies, was adopted:

WHEREAS, heretofore, to-wit, on the seventh day of February, nineteen hundred and seventeen, the President of the United States did by letter "direct the Federal Trade Commission, within the scope of its powers, to investigate and report the facts relating to the production, ownership, manufacture, storage, and distribution of food-stuffs and the products or by-products arising from or in connection with their preparation and manufacture; to ascertain the facts bearing on alleged violations of the antitrust acts, and particularly upon the question whether there are manipulations, controls, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law or the public interest;" and

WHEREAS, in the said communication the following language appeared: "I accordingly request that you furnish me at the earliest possible moment an estimate for an appropriation, if one is needed, to supplement existing appropriations, to enable you successfully to carry out the investigation;" and

WHEREAS, an estimate was duly prepared and transmitted; and

WHEREAS, the House of Representatives did by a majority vote make an appropriation in the sum of Four Hundred Thousand Dollars (\$400,000) to the Federal Trade Commission for such investigation, which said appropriation failed, along with other revenue bills, by reason of the fact that consideration could not be had upon them by the Senate of the United States, due to limitation of time prior to the fourth of March, last; and

WHEREAS, it is probable that some appropriation for this purpose will be made by the next Congress of the United States; and

WHEREAS, a large amount of information can be gathered together without the need of sending investigators into the field; and

WHEREAS, it is advisable that the Federal Trade Commission should be in a position to project this work, if such appropriation is made, as speedily as possible;

THEREFORE, BE IT RESOLVED, That the Economic Advisory Board be and are hereby directed to assign one or two men of the Economic Staff to engage upon a preliminary survey of such investigation, for the purpose of gathering such data as may be available from printed sources, as to the fundamental causes of the high prices of food, such as conditions of agricultural production in the United States and in the world, the short crop of wheat alleged to exist all over the world, the foreign demand for foodstuffs, the known wastes in distribution, the decreased purchasing power of money, and all factors, which have a fundamental relation to the problem; and

BE IT ALSO RESOLVED, That the Economic Advisory Board, on such basis of fact, prepare for the Commission a general plan of investigation which would be adapted for the accomplishment of the work should Congress make such an appropriation in the immediate future, and the Advisory Board is hereby directed to have a plan prepared to submit to the Commission not later than April 9th, 1917.

The news-print paper situation was again considered, and Mr. Davies reported that Messrs. Harris, Colver, and himself, had conferred with Mr. Todd, Assistant to the Attorney General, and that he (Mr. Todd) had stated that the matter of criminal proceedings against certain manufacturers of print paper would be held in abeyance until later in the week; and also, that he would arrange a meeting for the Commission with the Attorney General. (See file 8235-86.)

At 1:00 p. m. a recess was taken until 2:30 p. m.

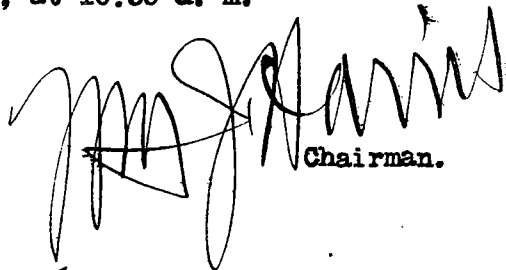
William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort.

The Commission reconvened at 2:30 p. m.

The Commission entered upon a further discussion of the news-print paper situation.

Chairman Harris reported that he had conferred with the Attorney General in reference to a meeting, and that he (the Attorney General) had suggested that the matter be taken up with Mr. Todd.

Thereupon, at the hour of 4:50 p. m., the Commission adjourned to meet Tuesday, March 27, 1917, at 10:30 a. m.


Chairman.

Attest: 
Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

March 27, 1917, 11:00 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort

Hon. G. Carroll Todd, Assistant to the Attorney General, conferred with the Commission and discussed the attitude of the Department of Justice in regard to holding criminal proceedings against certain manufacturers of print-paper in abeyance, and after stating what he understood to be the policy of the Department of Justice said that if the Commission had any request which it desired him to submit to the Attorney General, that he would gladly do so.

Mr. Todd was informed that the matter would be further considered, and that he would be advised of the desires of the Commission.

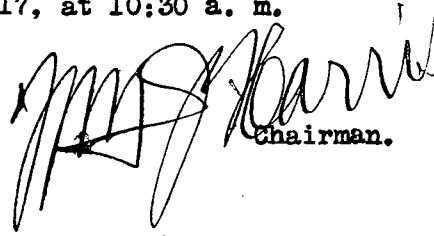
At 1:00 p.m. a recess was taken until 3:00 p.m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort

The Commission reconvened at 3:00 p. m.

The matter of presenting to the Attorney General the position of the Commission in regard to holding in abeyance criminal proceedings against certain news-print paper manufacturers was again discussed.

Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet Wednesday, March 28, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

March 28, 1917, 10:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort

The following resolution, in reference to the creation of a joint committee on forest industries, was unanimously adopted: (File 8821-1-1.)

Whereas, the Secretary of Agriculture of the United States Department of Agriculture has invited the Federal Trade Commission to join with the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Forest Service of the Department of Agriculture, in the formation of a Joint Committee on Forest Industries to facilitate the continued consideration of matters of public interest with respect to forest industries; and

WHEREAS, the Secretary of Agriculture has recommended that said Joint Committee shall designate representatives of forest industries to act as a Forest Industries' Advisory Council to confer and to advise with said Joint Committee with respect to such matters of public interest relating to the forest industries as they, or it may desire to have considered by said Joint Committee; and

Whereas, the Secretary of Agriculture has recommended that said Joint Committee on Forest Industries shall have and exercise no executive functions and that its establishment shall entail no

expense to the Federal Government and that said Forest Industries' Advisory Council shall have exclusively advisory powers and that its establishment shall entail no expense to the Federal Government; and

Whereas, the Secretary of Agriculture has given similar invitation and has made similar recommendations to the Department of Commerce; and

Whereas, the Secretary of Agriculture has recommended that the said Joint Committee on Forest Industries be composed of representatives of the Bureau of Foreign and Domestic Commerce and of the Forest Service and of the Federal Trade Commission, said representatives to be designated by the Secretary of Commerce, the Secretary of Agriculture and the Federal Trade Commission, respectively;

Therefore, It is ordered by the Federal Trade Commission:

That said invitation of the Secretary of Agriculture that the Federal Trade Commission join with the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Forest Service of the Department of Agriculture in the formation of a Joint Committee on Forest Industries be accepted by the Federal Trade Commission; and the same is hereby accepted; and

That each and all of the said recommendations of the Secretary of Agriculture with respect to the organization and functions of said Joint Committee on Forest Industries and said Forest Industries' Advisory Council be approved by the Federal Trade Commission; and the same are hereby approved; and

That Commissioner Will H. Parry be designated by the Federal Trade Commission to serve as its representative on said Joint Committee on Forest Industries; and said Commissioner Will H. Parry is hereby designated; and

That a copy of this order be sent to the Secretary of Agriculture and to the Secretary of Commerce.

The Secretary called the attention of the Commission to the importance of notifying publishers of the delay in putting into effect the award in reference to the price of news-print paper, and it was unanimously voted to lay the matter on the table until March 30th.

The reports of the Law Board of Review, and the Advisory Economic Board, respectively, in regard to hearings and investigations to be conducted in relation to matters arising under sections 7 and 8 of the Clayton Act, were presented, and it was unanimously voted to make such matters a special order of business for the meeting to be held April 3, 1917. (See file

The report of the Advisory Economic Board, in reference to accepting data from the Sun Oil Company upon the following conditions, was unanimously adopted: (File 7336-9.)

1. "That it is entirely willing to send in the data if they are to be used in connection with data from other companies to show averages, totals, etc."

2. "If the Commission shall determine that it should show separately the operations of the Sun Company, then these data are to be turned back to the Sun Company accompanied by a subpoena, upon which the data will be surrendered to the Commission."

The Secretary submitted report of John Walsh, Assistant Counsel, together with a draft of certain proposed rules intended to govern the taking of testimony in support of formal complaints issued by the Commission. (See file

Upon motion of Mr. Davies the matter was referred to Mr. Parry.

The following resolution offered by Mr. Parry was adopted:

WHEREAS, By letter, dated March 14, 1917, Jay H. Kregler, of the Great Western Publishing Co., of Seattle, Wash., has directed the attention of the Commission to a resolution of the Chicago Foundrymen's Association of February 15, 1917, and has requested to be advised what action the Commission will take in the premises; and

WHEREAS, It appears from the said resolution that there is concert of action among the foundrymen of Chicago in (1) refusing to assume risk for breakage of castings made by them, (2) refusing to accept orders except subject to a withdrawal of the prices at which they were accepted, and (3) warning the trade that the foundries in Chicago may shut down from time to time, and that prices may be raised at any moment; and

WHEREAS, It appears to the Commission that this concerted action may adversely affect the public interest; now, therefore, be it

RESOLVED, That it is the sense of the Commission that it has jurisdiction under Section 5 of the Trade Commission Act over the practices complained of by Mr. Kregler, that this is a proper case for action by the Commission, and that the matter, therefore, be referred immediately by the Docket Division to the Commissioner to whom it should go in the regular order for his consideration and report at the earliest practicable date.

At 1:00 o'clock p. m. a recess was taken until 2:30 p. m.

March 28, 1917.

165

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort

The Commission reassembled at 2:30 p. m.

The Secretary reported the necessity of purchasing three new "Millionaire" machines. After discussion the purchase of such machines was authorized.

Mr. Harris reported the case of (file 1-277) the application of the Madison Plow Co. for the issuance of a complaint against Commercial News, and upon motion the recommendation of the Joint Board of Review, recommending suspension of action in this case until the case of Hewitt-Lea-Funck v. the Mississippi Valley Lumberman, and others, has reached the stage of a formal complaint, was adopted.

The matter of reducing the salaries and expenses of the Commission to meet the deficit in the lump-sum appropriation was taken up as the unfinished business before the Commission, and after discussion it was unanimously agreed to transfer two employees now on the lump-sum roll to the vacancies existing in Class 4, on the statutory roll.

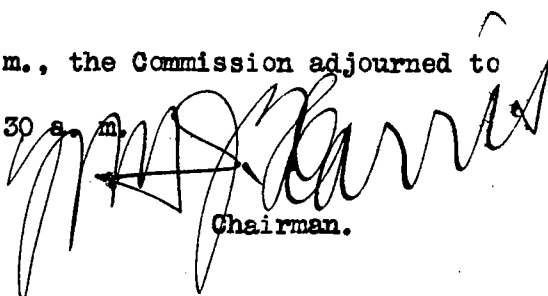
After further consideration of the matter Mr. Parry offered the following motion:

I move that the matter of reductions in expenses for the remainder of the fiscal year be continued as a special order for 2:30 p. m., March 29th.

Thereupon, at the hour of 5:30 p. m., the Commission adjourned to meet Thursday, March 29th, 1917, at 10:30 a. m.

Attest:


Secretary.


Chairman.

MEETING OF THE FEDERAL TRADE COMMISSION

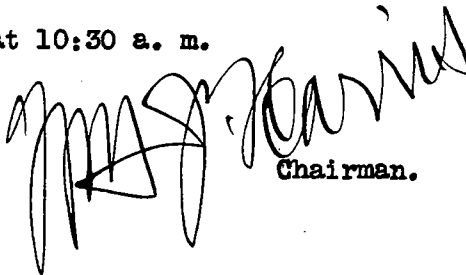
March 29, 1917, 9:30 a. m.

William J. Harris, Chairman
Will H. Parry
Joseph E. Davies
William B. Colver
John F. Fort

The Commission entered upon the consideration of the gasoline report, and after extended discussion the following order was adopted:

ORDERED: That the gasoline report, except Chapter VIII, go to page proof immediately, and that Chapter VIII go to galley proof, and that a copy of the complete report, including maps and exhibits, be furnished to each member of the Commission; also, that a sufficient number of additional copies be ordered so that the Department of Justice may be supplied with the same if the Commission so orders, and that the report be made a special order of business for 10:30 a.m. April 3, 1917.

Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Friday, March 30, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.

MEETING OF FEDERAL TRADE COMMISSION

March 30, 1917, 10:30 a.m.

William J. Harris, Chairman
Will H. Parry
William B. Colver

The following resolution, in reference to fixing a time for the taking of testimony in the case of the Federal Trade Commission v. Shredded Wheat Company, was adopted:

WHEREAS, In the proceeding of the Federal Trade Commission against the Shredded Wheat Co., now pending, counsel for the Commission has moved to strike from the answer of the respondent to the second amended complaint therein paragraph 32 thereof, and

WHEREAS, Counsel for the respondent did, upon the taking of the testimony, make certain motions concerning said testimony and the taking thereof, which motions were not determined by the Examiner presiding at the taking of such testimony, therefore be it

RESOLVED: That all of said motions be heard by the Commission at its office in the City of Washington, D.C., on the 12th day of April, A.D., 1917, at 10:30 o'clock in the forenoon, or as soon thereafter as counsel can be heard, and be it further

RESOLVED, That notice of the time and place of the hearing of said motions, as herein set forth, be given forthwith to counsel for respondent.

Mr. Frank A. Scott, Chairman of the Munitions Standards Board, Council of National Defense, appeared before the Commission and requested that the Commission consider and advise regarding the best methods for the Government to handle questions concerning prices to be paid for munitions of war, or the terms upon which manufacturing plants should be taken over for operation by the Government in the event of war. (See stenographic report, file 8508-586.)

March 31, 1917.

Thereupon, at the hour of 12:00 M., the Commission adjourned to meet Saturday, March 31st, 1917, at 10:30 a. m.

W. J. Harris
Chairman.

Attest:

L. S. D. [Signature]
Secretary.

MEETING OF THE FEDERAL TRADE COMMISSION

March 31, 1917, 10:30 a. m.

- William J. Harris, Chairman
- Will H. Parry
- Joseph E. Davies
- William B. Colver

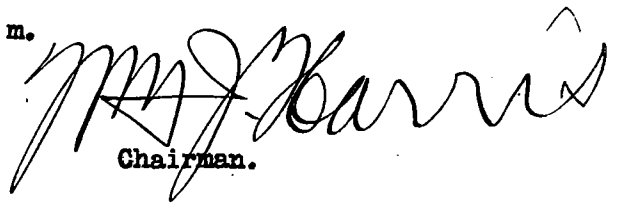
Messrs. Frank P. Glass, and H. L. Rodgers, appeared before the Commission and discussed the present status of the news-print paper situation.

Upon motion of Mr. Parry, the matter presented by Mr. Frank A. Scott, Chairman of the Munitions Standards Board, Council National Defense, requesting the Commission to consider and advise regarding the best methods for the Government to handle questions concerning prices to be paid for munitions of war, was referred to Mr. Colver. (File 8508-586

Mr. Heney reported in regard to a conference which Mr. Davies and himself had in New York with Messrs. Bainbridge Colby and Mark Hyman,

Special Assistants to the Attorney General, with reference to holding criminal proceedings against news-print manufacturers in abeyance.

Thereupon, at the hour of 1:45 p. m., the Commission adjourned to meet Monday, April 2, 1917, at 10:30 a. m.


Chairman.

Attest:


Secretary.