

October 4, 1916. No meeting held.

October 5, 1916. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

October 6, 1916, 3:00 P. M.

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

The Secretary called attention to the fact that the Department of Commerce had renewed its request for the space now occupied by the Commission; and also presented a report stating that the building, known as the Builders & Manufacturers Exchange Building, 711 Thirteenth Street, N.W., and the apartment house adjacent thereto on the South, were available for the use of the Commission. No action taken.

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The Secretary also called attention to the necessity of preparing the estimates of appropriations for the fiscal year 1918, and having the same approved by the President and in the hands of the Secretary of the Treasury on or before October 15th. The Secretary was instructed to consult with the heads of the different divisions and prepare such estimates.

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Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Saturday, October 7, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. L. Bracken*  
Secretary.

October 7, 1916. No meeting held.  
 October 8, 1916. Sunday.  
 October 9, 1916. No meeting held.  
 October 10, 1916. No meeting held.  
 October 11, 1916. No meeting held.  
 October 12, 1916. No meeting held.  
 October 13, 1916. No meeting held.  
 October 14, 1916. No meeting held.  
 October 15, 1916. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

October 16, 1916, 3:30 P. M.

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

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

WHEREAS, Certain employees of the Commission desire to go home to vote on November 7th next, and while there may be official business that might be incidentally attended to on such a trip, or public business so arranged as to make the prevate matter incidental thereto, it is the sense of the Commission that such procedure is subject to grave criticism,

THEREFORE, BE IT RESOLVED: That the Secretary of the Commission is hereby directed to grant such necessary and allowable annual leave to all employees who desire to vote on November 7th as may be required to visit their respective voting places and return to Washington and not to permit the same to be any part of a trip made on official business.

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Thereupon, at the hour of 4:00 p. m., the Commission adjourned to meet Tuesday, October 17, at 10:30 a. m.

Attest:  Secretary.  
 Acting Chairman.

## MEETING OF FEDERAL TRADE COMMISSION

October 17, 1916, 11:00 A. M.

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

The report of the Secretary, in reference to the availability of the Builders & Manufacturers Exchange Building, and the apartment house adjacent thereto on the South, was considered, and the following resolution adopted:

ORDERED: That a temporary Board consisting of the Secretary of the Commission, the Chairman of the Advisory Economic Board, the Chairman of the Law Board of Review, the Acting Solicitor, and the Chief of the Division of Mails and Files be directed to forthwith prepare tentative plans for the arrangement of rooms and specifications for such changes as may be necessary to make available for use by the Commission of the buildings known as Builders Exchange and the five-story apartment house adjacent thereto on the South, on Thirteenth Street, Northwest, between G and H Streets, and to report the same to the Commission, together with definite statements as to the basis of annual rentals of said buildings.

(a) For the unexpired portion of the current fiscal year, including such costs of changes and furnishings as the owners of the building will not provide without reimbursement and which may properly be included in the rental arrangement for the current fiscal year; and

(b) Basis of rental option for succeeding fiscal years.

The Board is authorized to secure the advice of Government architects of the Treasury Department to the end that plans and specifications may be attached to forms of lease or leases to be submitted for the consideration of the Commission.

The Board is also directed to make approximate estimates of the cost of moving, including such new furniture and fixtures as may not be properly included in the current year's rental.

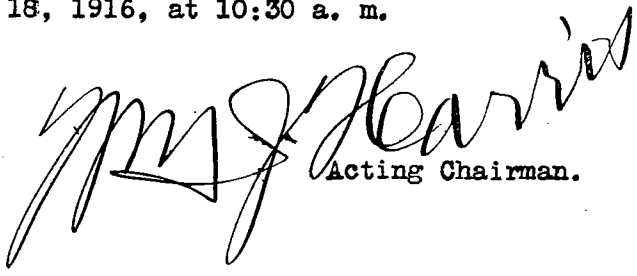
It is the intent of this order that the Board hereby created shall have full power to conduct preliminary negotiations for leases and to make plans as above indicated or as in its judgment may be deemed advisable and to submit the same to the Commission in form for final action.

The following resolution was unanimously adopted:


ORDERED: That until otherwise directed all three members of the Advisory Economic Board shall be ex-officio members of the Joint Board of Review.

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Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Wednesday, October 18, 1916, at 10:30 a. m.

  
Acting Chairman.

Attest:

  
Secretary.

October 18, 1916. No meeting held.

October 19, 1916. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

October 20, 1916, 3:30 p. m.

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

A letter from Secretary Redfield, together with a copy of letter to him from Dr. Pratt, (8146-4-1) criticising the Commission's Report on Cooperation in American Export Trade, was presented, considered, and after discussion the members of the Advisory Economic Board, together with Messrs. Morrow and Durand, were called into the room, and after discussion it was unanimously agreed that the Advisory Economic Board, together with Messrs. Morrow and Durand, should confer with Dr. Pratt and his associates, with the view of having such report conform, if possible, to the suggestions of the Secretary.

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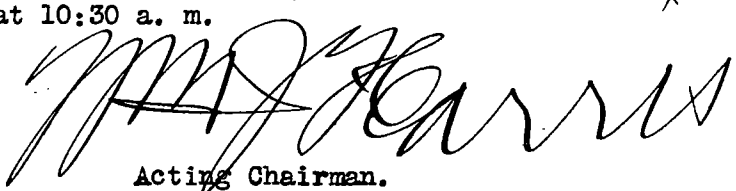
Mr. Gilbert H. Montague, attorney for the Standard Oil Company of New Jersey, appeared, and discussed certain questions involved in the Commission's investigation of gasoline prices. Messrs. Walker, Haney, Gordon, Walsh, McDonald and Carroll were present at the hearing.

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Mr. Davies presented a report, in re case of the Federal Trade Commission v. A. Theo. Abbott & Co. (Docket No. 2), recommending the final dismissal of the same, which, after discussion, was approved, and the case disposed of by consent finding and order.


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Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet Saturday, October 21, 1916, at 10:30 a. m.



Acting Chairman.

Attest:



Secretary.

- October 21, 1916. No meeting held.
- October 22, 1916. Sunday.
- October 23, 1916. No meeting held.
- October 24, 1916. No meeting held.

## MEETING OF FEDERAL TRADE COMMISSION

October 25, 1916, 11:00 A. M.

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

The Secretary presented a letter prepared by the Advisory Economic Board to Secretary Redfield, advising him that the Commission had availed itself of the suggestions contained in his letter of October 18th, in regard to the Commission's report on Cooperation in American Export Trade. Letter approved, and the Secretary directed to sign such letter and forward same to Secretary Redfield.

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At 12:00 Noon a recess was taken until 4:00 p. m.

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

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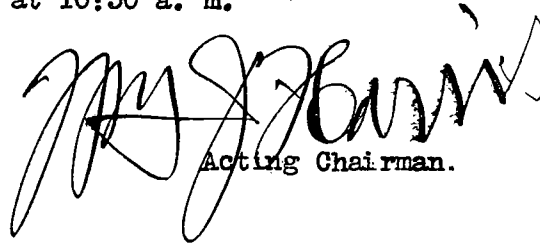
The Commission reassembled at the hour of 4:00 p. m.

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The Advisory Economic Board, together with Dr. Merchant, were called into a conference, and the Commission's investigation into the news-print paper industry was fully discussed.

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Thereupon, at the hour of 5:30 p. m., the Commission adjourned to meet Thursday, October 26, 1916, at 10:30 a. m.

  
 Acting Chairman.

Attest:

  
 Secretary.

## MEETING OF FEDERAL TRADE COMMISSION

October 26, 1916, 10:00 A. M.

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

It was moved by Mr. Parry, and seconded by Mr. Davies, that the Advisory Economic Board prepare a statement for publicity covering the present status of the news-print paper investigation, including a statement of facts in reference to the cost of the manufacture of paper, etc. Motion carried.

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Letter from Mr. Timothy T. Ansberry, dated October 16, (File 8508-584-1) asking for a hearing on the report of the Commission on the news-print paper industry, was presented. It was agreed that before such report is issued a public hearing would be held, at which the paper manufacturers, and publishers, would be requested to appear, and testify.

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A letter from Congressman M. E. Burke, calling attention to the prospective shortage of coal in Wisconsin and other Northwestern States, on account of the alleged lack of cars, was presented, and after discussion it was unanimously agreed that inasmuch as this matter is being investigated by the Interstate Commerce Commission, a conference be held with that Commission, and that the Secretary arrange for such conference.

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The following resolutions were unanimously adopted:

WHEREAS, The nature of the work of the Commission has rendered inadequate the present system of cost accounting, and

WHEREAS, An accurate knowledge of the cost of carrying on the work of the Commission is essential to its efficient management,

RESOLVED: That the Secretary is hereby directed to put into effect November 1st, a cost accounting system which will show the cost of conducting economic investigations, disposing of complaints and carrying on the other work of the Commission in such detail as the Secretary may deem desirable for the efficient conduct of the work of the Commission.

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WHEREAS, An accurate report of the work done by each employee is essential to any adequate cost system,

RESOLVED: That from and after November 1st, every employee of the Commission, except the Secretary, and such employees as may be excepted by him, shall turn in daily a report of his work on the forms and in the manner prescribed by the Secretary.

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Thereupon, at the hour of 12:00 Noon, the Commission adjourned to meet Friday, October 27, 1916, at 10:30 a. m.

  
Acting Chairman.

Attest:



Secretary.

October 27, 1916.	No meeting held.
October 28, 1916.	No meeting held.
October 29, 1916.	Sunday.
October 30, 1916.	No meeting held.
October 31, 1916.	No meeting held.
November 1, 1916.	No meeting held.
November 2, 1916.	No meeting held.
November 3, 1916.	No meeting held.
November 4, 1916.	No meeting held.



- November 5, 1916. Sunday.
- November 6, 1916. No meeting held.
- November 7, 1916. No meeting held.
- November 8, 1916. No meeting held.
- November 9, 1916. No meeting held.
- November 10, 1916. No meeting held.
- November 11, 1916. No meeting held.
- November 12, 1916. Sunday.
- November 13, 1916. No meeting held.
- November 14, 1916. No meeting held.
- November 15, 1916. No meeting held.
- November 16, 1916. No meeting held.
- November 17, 1916. No meeting held.
- November 18, 1916. No meeting held.
- November 19, 1916. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

November 20, 1916, 11:00 A. M.

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

The following resolution, in reference to granting Henry Rees and Edgar H. Gerber, clerks of the Commission, and now serving in the U. S. Army, annual leave, was unanimously adopted:

WHEREAS, Henry Rees and Edgar H. Gerber, clerks in the Commission at \$900 per annum each, were mustered into the United States Service as second lieutenants of infantry on June 28, 1916, and

WHEREAS, the full thirty days annual leave with pay could not be granted them at that time by reason of the construction placed upon Section 6 of the Act of May 10, 1916, by the Comptroller of the Treasury, said section prohibiting the payment of two salaries when the combined amount exceeds \$2,000.00 per annum, and each of their combined salaries did exceed such a sum, and

WHEREAS, a proviso in the later act of August 29, 1916 (Public No. 241, page 30) provides

That no such retired officer, officer or enlisted man shall be denied or deprived of any of his pay, <sup>as such, or of any other salary or compensation</sup> salary or compensation for services heretofore rendered by reason of any decision or construction of said section six, and

WHEREAS, The Comptroller of the Treasury in construing the proviso above referred to has in a case similar to the cases of Rees and Gerber allowed payment for a full thirty days annual leave.

THEREFORE, BE IT RESOLVED: That Henry Rees and Edgar H. Gerber, clerks at \$900 per annum each, now on indefinite leave of absence without pay, be each granted the full annual leave with pay allowed by law -- thirty days -- from which will be deducted, respectively, 17 days, 6 hours, and 30 minutes, and 19 days, 4 hours, and 15 minutes, the amount of annual leave with pay which was respectively allowed them prior to their muster into the United States service June 28, 1916.

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It was unanimously agreed that a committee, consisting of attorneys and economists of the Commission, be appointed to prepare a plan for the proposed hearing on the news-print situation, the Secretary to select the members of such committee.

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The following resolution, offered by Mr. Parry, in regard to the print-paper investigation, under Senate Resolution No. 269, was unanimously adopted:

WHEREAS, pursuant to Senate Resolution No. 269, directing the Federal Trade Commission to investigate the increases in the prices of various kinds of paper required for printing and binding, the Advisory Economic Board has, with the approval of the Commission, but without formal action being taken thereon, begun an investigation of the book paper industry, assigning examiners and special agents to study the work as fast as they can be released from the news-print investigation, and has also sent out to manufacturers and jobbers of print paper schedules calling for certain information of a general nature which will be of assistance in planning the investigation,

NOW, THEREFORE, BE IT RESOLVED, that the action of the Advisory Economic Board in assigning men to this investigation and in sending out the schedules is hereby approved and said Board is further directed to prosecute the investigation called for under Senate Resolution No. 269, or such parts thereof as may be practicable with the limited number of men available for that purpose. Said Board is directed to report to the Commission the plan and scope of the investigation as outlined by it, together with its recommendations in reference thereto.

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Report of Mr. Davies, in re request for ruling by United Cigar Stores Company, file No. 2-20, adopted, and the papers transferred from the Docket Division to the Division of Mails and Files.

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A motion by Mr. Harris, seconded by Mr. Parry, that consideration of the gasoline report be made a special order of business at 11 o'clock a. m., November 21st, was unanimously carried.

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Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Tuesday, November 21, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. L. Buckner*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

November 21, 1916, 10:30 a. m.

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

The members of the Advisory Economic Board, together with Messrs. Gordon, Wing, and Carroll, were called into the meeting, and a general conference regarding the various points of difference concerning the gasoline report was indulged in. It was agreed that certain points of difference as to the correctness of certain tables respecting costs, be submitted by Messrs. Walker and Haney to accountants Belt and Hoover,

for consideration, and that said Belt and Hoover report to the Commission regarding the said points of difference. After further consideration of the report, the Commission decided to omit from the report the chart indicating the cost of shares of stock, but to state in the text of the report the facts covered by said chart.

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A recess was taken at 1:00 o'clock p. m.

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

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

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The Commission gave further consideration to the matter of holding hearings in regard to certain features of the news-print investigation, and a resolution offered by Mr. Parry, seconded by Mr. Harris, was unanimously adopted, as follows:

WHEREAS, A public hearing on the news-print situation with a view to ascertaining what, if any, artificial restraints are responsible for or have contributed to the present shortage in supply and increase in price of news print, at which those who are known or supposed to have information concerning the subject shall be examined under oath, is contemplated by the Commission;

NOW, THEREFORE, BE IT RESOLVED: That a special board, consisting of Assistant Counsel T. M. Gordon, John Walsh, and W. T. Chantland, and Economists Robertson and Merchant, is hereby appointed to prepare plans for such hearing and lists of witnesses to be subpoenaed, and to report such plans and recommendations in relation thereto as they may deem advisable, said report to be made to the Commission at a meeting to be held on November 22, 1916, at 11:00 o'clock a. m.

The law members of said special board shall consider and report to the Commission on the question as to whether witnesses testifying under oath at said proposed hearing will be given immunity from prosecution for violation of law by reason of giving testimony under oath.

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Thereupon, at the hour of 5:00 p. m. the Commission adjourned to meet  
Wednesday, November 22, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*L. A. Baehner*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

November 22, 1916, 10:30 A. M.

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

The Secretary again called attention to the matter of quarters for the Commission, and it was unanimously decided to postpone action until a definite proposition was received from Messrs. Davidson & Davidson.

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The Commission then went into conference with Messrs. Frank P. Glass, L. B. Palmer, and A. G. McIntyre, representatives of newspaper publishers, and the matter of a hearing with parties interested in the news-print paper investigation was considered, Messrs. Walsh, Gordon, Chantland, Robertson, and Merchant of the Commission being present during the discussion.

Mr. McIntyre made a long statement of the situation in reference to the manufacture of news-print paper from the manufacturer's standpoint. After considerable discussion it was decided to have Mr. McIntyre continue his statement before the members of the staff of the Commission above-mentioned,

and the Commissioners retired to Mr. Parry's room, where a further discussion of the paper inquiry and proposed hearing was continued.

Mr. Hurley stated that he had discussed certain facts connected with our investigation into the news-print paper industry with the Attorney General, whereupon it was suggested by Mr. Davies that a letter be prepared, advising the Attorney General that we were conducting such investigation, and that upon its completion the Commission would furnish his Department with such information as would seem to contravene the laws coming within the jurisdiction of his department.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet at 3:00 p. m.

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

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

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Mr. Parry was authorized to subpoena Mr. R. B. Swayne to appear in Washington in the matter of the application of R. B. Swayne, Inc., for the issuance of a complaint against the Western Electric Co.

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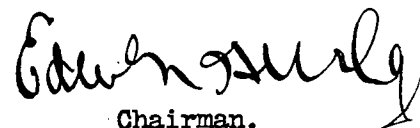
The Commission then entered upon a further discussion of the news-print paper situation, and it was decided to send representatives of the Commission to New York to subpoena Mr. George Chahoon, and also to make inquiries in regard to certain reported facts.

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Thereupon, at the hour of 4:45 p. m. the Commission adjourned to meet Thursday, November 23, 1916, at 10:30 a. m.

Attest:

  
Secretary.

  
Chairman.

MEETING OF FEDERAL TRADE COMMISSION

November 23, 1916, 10:30 A. M.

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

ORDERED, That John L. Simpson be relieved from reporting for duty until March 1, 1917.

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The matter of quarters for the Commission was again considered, and a written proposition from Messrs. Davidson & Davidson, to erect a building at the corner of 15th and K Streets., N.W., presented, and after discussion it was decided to enter into negotiations with said firm for the construction of a building, provided satisfactory arrangements could be made with the Department of Commerce to allow the Commission to remain in its present quarters until the proposed building is constructed.

The Commission as a whole thereupon conferred with Secretary Redfield in his office, who very generously agreed that the Commission remain in the Commerce Building until the proposed building is erected.

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

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

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

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Mr. Davies was authorized to confer with Messrs. Arthur E. Wright, Harry Thalheimer, and W. C. Powers, while in New York, in regard to the news-print paper investigation.

*Handwritten scribbles*

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November 23, 1916.

The committee heretofore appointed to prepare a plan for conducting the hearing in connection with the news-print paper investigation reported that they had considered the matter, but had not had time to reduce a plan to writing. It was decided, however, to hold such hearing on December 12, 1916.

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On motion of Mr. Davies, seconded by Mr. Harris, Mr. Parry was directed to attend the fourth annual National Conference on Marketing and Farm Credits, in Chicago, December 4-9th, 1916.

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On motion of Mr. Davies, seconded by Mr. Parry, Mr. Harris was authorized to go to Canada and investigate certain conditions connected with the news-print paper investigation.

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Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet Friday, November 24, 1916, at 10:30 a. m.

*E. W. Guley*  
Chairman.

Attest:

*L. H. Buehler*  
Secretary.

November 24, 1916. No meeting held.

November 25, 1916. No meeting held.

November 26, 1916. Sunday.



## MEETING OF FEDERAL TRADE COMMISSION

Held at the Knickerbocker Hotel,  
New York City, November 27, 1916,  
at 10 o'clock a. m.

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

Mr. Parry was appointed to act as Secretary during this meeting and adjourned meetings thereof held in the City of New York.

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Mr. Davies reported the results of certain conferences held by him, which led him to believe it to be desirable to make further investigation of the correspondence files of the International Paper Company, Incorporated, and of its officers; and also of the correspondence files of the News Print Manufacturers Association, and of its officers. He recommended that attorneys and examiners of the Commission be authorized and directed to make such an examination, and that in anticipation of refusal on the part of the officers of the International Paper Company, and the News Print Manufacturers Association, that the Attorney General be asked to direct the United States District Attorney, in the City of New York, to cooperate with the Commission in procuring a writ of mandamus from the United States District Court enforcing the demands and orders of the Commission.

Mr. Parry reported a telephonic message transmitted to him by Mr. Walter Twombly from the Chairman of the Commission in Washington, to the effect that he desired action deferred until his arrival in New York on November 27, 1916. Thereupon it was ordered that action be deferred as requested by the Chairman, and that such preliminary tentative steps be taken as might be deemed advisable.

It was ordered that the Secretary of the Commission confer with the Attorney General, with a view to securing his cooperation in the event that it should be found necessary or desirable to secure a writ of mandamus commanding any corporation or association to comply with the order of the Commission, made in pursuance of Section 9 of the Trade Commission Act.

November 27, 1916.  
November 28, 1916.

It was also ordered that Special Counsel T. M. Gordon be directed to report to the Commission in New York at once.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Tuesday, November 28, 1916, at 10:00 a. m.

  
Acting Chairman.

Attest:

Acting Secretary.

MEETING OF FEDERAL TRADE COMMISSION

Held at the Knickerbocker Hotel,  
New York City, November 28, 1916,  
at 10 o'clock a. m.

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

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

RESOLVED: In an investigation now being conducted by the Federal Trade Commission pursuant to Senate Resolution No. 177, of the Sixty-fourth Congress, first session, adopted April 24th, 1916, in words as follows:-

"Resolved, That the Trade Commission is hereby requested to inquire into the increase of the price of print paper during the last year and ascertain whether or not the newspapers of the United States are being subjected to unfair practices in the sale of print paper.-"

and pursuant to Senate Resolution No. 269 adopted September 7th, 1916, as follows:-

"Resolved, That the Federal Trade Commission be, and the same is hereby, directed to investigate the increase in the prices of the various kinds of paper required for printing and binding during the last year, and to ascertain and report, at as early a date as practicable, whether there have been any violations of the antitrust Acts by any corporation in connection with such advance in prices, with special reference to the prices demanded for paper necessary for the public printing and binding, and also whether or not the paper so used was manufactured in the United States or imported from the Dominion of Canada," -

That pursuant to the provisions of Section Nine (9) of the Federal Trade Commission Act, T. M. Gordon, William T. Chantland, W. T. Kelley and W. C. Reeves, Attorneys of the Commission, are hereby designated as the duly authorized Agents of the Commission to examine and copy any and all documentary evidence of whatever character, within the scope of said Resolution, of the News Print Manufacturers Association, the International Paper Co., Inc., and of any of their officers, agents or employees.

Resolution adopted by the Federal Trade Commission at a session held in New York, November 28, 1916.

Mr. Parry was authorized and directed to sign and attest resolutions as Acting Secretary, and to sign such notices or other papers as counsel for the Commission might find necessary to carry the purposes of the Resolution into effect.

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At 1 o'clock p. m. a recess was taken until 5 o'clock p. m.

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

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The Commission reassembled at the hour of 5 o'clock p. m.

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Counsel for the Commission reported, by telephone, that the President of the International Paper Co., Inc., was not inclined to permit them to examine certain confidential files of correspondence in his office, and had requested that the examination be postponed until the following morning, and that he be permitted meanwhile to remove from the files such letters

November 28, 1916.  
November 29, 1916.

as he might consider as confidential and not bearing on the subject of the investigation. After discussion of this request by the Commission, counsel for the Commission were instructed not to accede to Mr. Philip T. Dodge's demand, whereupon counsel for the Commission arranged with Mr. Dodge that the correspondence files should be securely sealed and left in the office of the International Paper Co. until the following morning, and that the examination should then proceed, which action was reported to the Commission by telephone, and approved.

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Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet Wednesday, November 29, 1916, at 10:00 a. m.

*Edwin Hurley*  
Chairman.

Attest:

Acting Secretary.

MEETING OF FEDERAL TRADE COMMISSION

Held at the Knickerbocker Hotel,  
New York City, November 29, 1916,  
at 10 o'clock a. m.

Joseph E. Davies  
Will H. Parry

Counsel for the Commission reported that the examination of correspondence files in the offices of the International Paper Co., Inc., was proceeding without objection on the part of the officers of that company.

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There being no quorum, the Commission adjourned.

Attest: Acting Secretary.

*Joseph E. Davies*  
Commissioner.

December 2, 1916.

November 30, 1916. No meeting held.

December 1, 1916. No meeting held.

## MEETING OF FEDERAL TRADE COMMISSION

December 2, 1916, 10:30 a. m.

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

The matter of the hearing in re the news-print paper investigation, set for December 12, 1916, was called up, and after discussion it was agreed that the committee heretofore appointed be directed to prepare a specific plan for such hearing, and present the same to the Commission on December 4th.

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A request from Mr. S. O. Swayne, General Counsel for the Standard Oil Co. of New Jersey, for a hearing before the Commission on the question of permitting inspection of certain records of said company, was presented, and the Secretary directed to advise Mr. Swayne that his request to appear before the Commission had been granted, and that he would be heard at 10:30 a. m., December 4th.

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The report and plan of the Advisory Economic Board, in regard to investigation of anthracite coal prices, in response to Senate Resolution No. 217, was presented, discussed, and upon motion by Mr. Harris, seconded by Mr. Parry, adopted, with the addition that the anthracite coal investigation be given precedence over the bituminous coal investigation.

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The resignations of Messrs. D. A. Morrow, and W. H. England, were presented, and accepted.

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ORDERED, that Homer F. Phillips, and Simon Schwartz, be employed as clerks, Class 1, at \$1200 each per annum.

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The matter of granting leave to Mr. L. F. Caswell, head of the Stenographic Division, was considered, and upon motion of Mr. Davies it was unanimously agreed that Mr. Caswell be granted leave of absence for four months, without pay.

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ORDERED, that F. X. Patterson be transferred from the statutory roll to the lump-sum roll, with the title of Special Agent, at a salary of \$2,000 per annum, and that Mr. Patterson become the Chief of the Stenographic Division in the place of Mr. Caswell.

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It was unanimously agreed that Mr. Timothy T. Ansberry, attorney for the News-Print Manufacturers' Association, be advised by letter of the time and scope of the Commission's hearing in connection with the news-print paper investigation.

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The following resolution, concerning the news-print paper hearing, was offered by Mr. Parry, and unanimously adopted:

RESOLVED, (1) That the hearing in re news-print, on December 12th, is for the purpose of receiving the voluntary statements of publishers, news-print manufacturers and others who may desire to appear; but the Commission reserves its right to place any witness under oath and to make such inquiries as may be deemed advisable.

(2) That the Advisory Economic Board be instructed to prepare a statement as to facts and conclusions so far arrived at in the investigation as may be deemed advisable to disclose for discussion at said hearing, and to report such statement to the Commission.

(3) That special agents be forthwith assigned to examine the correspondence of such manufacturers, officers of Associations, or others, and that a special examiner be assigned to investigate the stock-market activities of the International Paper Company.

(4) That the special board heretofore created to make recommendations concerning the news-print investigation be continued, with full power to put into effect the provisions of paragraph 3 of this resolution. Said special board is also directed to make plans for the hearing on December 12th, and to report the same to the Commission.

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The report of the Advisory Economic Board, regarding cooperation with the Interstate Commerce Commission respecting prices of water-borne anthracite coal shipped to New England in 1913, was adopted.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Monday, December 4, 1916, at 10:30 a. m.

  
Acting Chairman.

Attest:

  
Secretary.

December 3, 1916. Sunday.  
December 4, 1916. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

December 5, 1916, 10:30 A. M.

Edward N. Hurley, Chairman  
Joseph E. Davies  
Will H. Parry

The matter of the Commission's action in deciding as to whether or not the anthracite coal investigation should be given precedence over the bituminous coal investigation was called up and discussed.

Mr. Hurley suggested that it was important to consider the matter of a cost system for the bituminous coal operators before entering upon a general investigation in response to H. R. No. 352. It was finally concluded to hold the matter in abeyance until the Commissioners had an opportunity to confer with

the Advisory Board, and Messrs. Wing and Gardiner.

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Mr. Davies called attention to the fact that certain accounting systems had been approved by the Chairman without being presented to the Commission for action, and after discussion the following order, at the suggestion of the Chairman, was unanimously adopted:

ORDERED, That hereafter no form of accounting presented to the Commission for approval shall be passed upon by any individual Commissioner; but in the event a system of accounting is presented to the Commission for approval, it shall be presented to the Commission in regular session, together with report and recommendations from the Commission's accounting experts, and the same considered in the regular way by the Commission.

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It was further ordered that the Accounting Division make a full report to the Commission regarding all the systems of accounting that have been heretofore approved by Mr. Hurley.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Wednesday, December 6, 1916, at 10:30 a. m.

  
Chairman.

Attest:



Secretary.



## MEETING OF FEDERAL TRADE COMMISSION

December 6, 1916, 11:30 a. m.

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

Messrs. George W. Anderson, and Edward A. Adler, Special Assistants to the Attorney General of the United States, assigned by the Department of Justice to make an investigation into the causes of the high cost of living, appeared before the Commission for the purpose of discussing information possessed by the Commission on such subject. It was agreed that the Commission would assist the Department of Justice in any way that it could in such investigation.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Thursday, December 7, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. L. Brachman*  
Secretary.

December 7, 1916. No meeting held.

December 8, 1916. No meeting held.

## MEETING OF FEDERAL TRADE COMMISSION

December 9, 1916, 11:00 A. M.

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

The members of the Advisory Economic Board, together with Messrs. Wing, Gardiner, and Belt, were called into a conference with the Commission in regard to the practicability of conferring with the bituminous coal operators, in reference to a uniform system of accounts. After discussion it was decided to invite Mr. F. C. Honnold, representing certain bituminous coal operators' associations, to appear before the Commission and discuss his system of uniform accounting for bituminous coal operators.

Thereupon, at the hour of 12:00 o'clock, the Commission adjourned to meet Monday, December 11, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. L. Breckin*  
Secretary.

December 10, 1916. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

December 11, 1916, 3:00 p. m.

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

The committee in charge of the news-print paper hearing met with the Commission, and the general plan for such hearing was discussed and approved by the Commission.

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Thereupon, at the hour of 5:00 p. m., the Commission adjourned to meet Tuesday, December 12, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. L. Biachery*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 12, 1916, 10:30 A. M.

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

The Commission met in the little ball-room of the Willard Hotel, Washington, D. C., and conducted a hearing in connection with the news-print paper investigation.

See stenographic report (File A-24022).

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Thereupon, at the hour of 5:00 p. m., the Commission adjourned to meet Wednesday, December 13, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*L. L. Bracken*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 13, 1916, 10:30 A. M.

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

Commissioner Parry presented a report, and suggested ruling, in re the application of R. B. Swayne, Inc., for the issuance of a complaint against the Western Electric Co., et al (File 1-106).

Report ordered filed, and ruling adopted.

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Thereupon, at the hour of 11:00 a. m., the Commission adjourned to meet Thursday, December 14, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*L. L. Bracken*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 14, 1916, 3:00 p. m.

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

The Commission met with the committee in charge of the news-print paper hearing and discussed plans for the further hearing on that subject, to be held on December 16, 1916.

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Mr. Davies reported, in connection with the application of J. R. Hartline for the issuance of a complaint against the Coca Cola Company (1-136), that the Commission had obtained possession of certain information that might be valuable to the Department of Justice, which is also conducting an investigation appertaining to the Coca Cola situation.

By unanimous agreement Mr. Davies was authorized to communicate to the Department of Justice the fact that the Commission's files in connection with this subject are available for it, if that Department cares to consider them.

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Thereupon, at the hour of 4:30 o'clock p. m., the Commission adjourned to meet Friday, December 15, 1916, at 10:30 a. m.

  
Chairman.

Attest:

  
Secretary.

December 15, 1916. No meeting held.

## MEETING OF FEDERAL TRADE COMMISSION

December 16, 1916, 11:00 A. M.

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

The Commission again met in the little ball-room of the Willard Hotel, and resumed the hearing in connection with the news-print paper investigation. (See stenographic report, File ).

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

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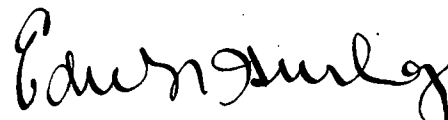
Edward N. Hurley, Chairman  
William J. Harris, Vice Chairman  
Joseph E. Davies  
Will H. Parry

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At 2:30 p. m. the hearing was resumed in the cabinet room of the Willard Hotel.

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Thereupon, at the hour of 6:30 p. m., the Commission adjourned to meet Monday, December 18, 1916, at 10:30 a. m.

  
Chairman.

Attest:

  
Secretary.

December 17, 1916. Sunday.

MEETING OF FEDERAL TRADE COMMISSION

December 18, 1916, 10:30 A. M.

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

The committees appointed by the several groups interested in the news-print paper investigation met with the Commission and discussed a plan for obtaining further information in connection with the paper situation.

On motion, the committees were instructed to confer with the Advisory Economic Board, for the purpose of devising a plan for further consideration by the Commission.

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

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

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

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The motion of the respondents to exclude certain evidence in the case of the Commission v. A. B. Dick Company of New Jersey, et al, was set for 10:00 o'clock a. m., December 20, 1916.

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Mr. Davies offered a resolution in reference to continuing the hearing in connection with the news-print paper investigation. Said resolution, after discussion, was laid on the table.

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The Secretary called attention to the fact that the Commission's expenditures were exceeding its appropriation, and after discussion it was agreed that

an estimate for a deficiency appropriation be prepared and transmitted to Congress through the usual channels.

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The news-print paper inquiry was further considered, and the following order unanimously adopted:

ORDERED, That the news-print paper investigation be taken in hand by the Advisory Economic Board, and handled in a most vigorous manner. That such investigation be given precedence over all other economic work of the Commission, and that a plan be devised at once by such board to secure information regarding the present supply, cost, and demand for news-print paper.

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Mr. Davies stated that he had heard it rumored that a movement was on foot to make the Secretary of Commerce an ex-officio member of the Trade Commission, and the permanent Chairman thereof. He further stated that the Commission ought to know all facts that any member of the Commission had in that connection.

The Chairman then stated that he had discussed the matter with Secretary Redfield in an informal manner, and that the Secretary had called attention to the fact that many of the functions of the Department of Commerce had been taken from it, and that much of the work now done by the Department of Commerce is being duplicated by the Federal Trade Commission and other departments.

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The Advisory Economic Board, and the committees from the various groups interested in the news-print paper investigation, reported that telegrams had been prepared to be sent to newspapers, jobbers, and manufacturers, for the purpose of securing further information.

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Thereupon, at the hour of 6:00 p. m., the Commission adjourned to meet  
Tuesday, December 19th, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*J. A. Boucher*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 19, 1916, 11:00 A. M.

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

Letter from Representative William P. Borland, dated December 16,  
together with House Resolution No. 389, was presented, and referred to the  
Secretary and the Advisory Economic Board for consideration.

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

BE IT RESOLVED, that the Advisory Economic Board  
be directed to undertake the work of examining the facts  
as to alleged increases of cost in the manufacturing  
of print paper from June 1st to the present time, by  
taking such steps as it may deem necessary, and particu-  
larly by sending accountants to the representative mills  
forthwith, with directions that the results thereof shall  
be reported to the Commission, by telegraph if need be,  
not later than Tuesday, December 26.

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By unanimous consent it was decided to send telegrams to the  
Minister of Finance, and also to the Commissioner of Taxation, of Canada,

asking whether or not the price of print paper had been fixed by agreement between the Canadian Government and the paper manufacturers.

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

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

The Commission reassembled at the hour of 2:30 p. m.

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Mr. Parry reported the following interviews, which were adopted, and the Secretary directed to circulate the same among the Commissioners:

Report of Robert E. Belt of interview with the Kansas City Lumber Trade Exchange.

Report of Mr. Parry concerning an interview with Mr. H. C. Kingsbury.

Report of Mr. Parry concerning conference with Mr. G. Harold Powell.

Report of Mr. Parry concerning interview with Mr. E. O. Selfridge.

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Mr. Parry also presented a report of a conference held with Mr. H. Oldenburg. The Secretary was directed to refer the same to the legal department.

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Mr. Parry presented a report regarding a conference held by him in Chicago, concerning an investigation into the cold storage business. Upon motion the matter was referred to the Advisory Economic Board for recommendations and report.

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Mr. Parry presented a report regarding the present status of all cases coming under his supervision.

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Report of the Advisory Economic Board, in regard to the Report on Industries, was presented, and the Secretary directed to circulate the same among the Commissioners.

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A draft of rules governing employees when traveling on official business, and instructions for rendering vouchers, was presented by the Secretary, who was directed to circulate the same among the Commissioners.

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Request of Dr. Haney, for permission to appear before the House Committee on Interstate and Foreign Commerce, was presented, and it was determined that it would be contrary to the policy of the Commission to consent to his testifying as an expert before such committee.

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The letter of the Senate Sub-committee on Agriculture and Forestry, requesting the Commission to gather certain facts in reference to the Yucatan sisal situation, was presented, and the matter referred to the Chairman, with directions to confer with Senator Joseph E. Ransdell, Chairman of such sub-committee. The Chairman stated that he had conferred with Secretary Redfield and Secretary Houston, in regard to the sisal situation.

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On motion, it was unanimously agreed that a formal complaint should be issued in the case of Fosston Manufacturing Co. v. J. L. Owens Co. (File 1-96).

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On motion, it was unanimously agreed that a formal complaint should be issued in the case of J. L. Owens Co. v. Fosston Manufacturing Co. (File 1-97).

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

Applications for complaints:

- File 1-133: Coal Operators' Traffic Bureau of St. Louis v. St. Louis and O'Fallon Coal Company and Anheuser-Busch Brewing Co. Resolution adopted, providing that no further action be taken by the Commission for the present, and that the application for the issuance of a complaint be continued.
- File 1-238: W. D. Creasey's Sons v. The Cudahy Packing Co. Resolution adopted, providing that the application be considered with that of the J. M. Anderson Grocer Co. v. The Cudahy Packing Co. (1-10) and that the files of these two applications be consolidated.
- File 1-269: Consumers' Compressed Yeast Co. v. The Fleischmann Co. Resolution adopted, providing that this application be consolidated with other pending applications against The Fleischmann Co., namely, 1-16, 1-120, 1-134, and that the allegations herein be considered in connection with these other cases.
- File 1-247: Stransky Manufacturing Co., Inc. v. National X-Ray Reflector Co. Ordered, that it be referred to the other Commissioners for consideration before final action by the Commission.
- File 1-208: Murray & McLean v. Stacy-Bismarck Co. and Gamble-Robinson Fruit Co. Ordered, that it be referred to the other Commissioners for consideration before final action by the Commission.
- File 1-231: Louis J. Dodd v. General Roofing Co. Ruling adopted -- application denied.
- File 1-47: Pill Brothers Co. v. Wholesalers and Jobbers. Ordered, that it be referred to the other Commissioners for consideration before final action by the Commission.
- File 1-177: Indiana Quartered Oak Co. v. Unnamed Atlantic steamship companies. Resolution adopted -- dismissing application.
- File 1-152: Van Emon Elevator Co. v. Elevator Supply and Repair Co. Ordered, that it be referred to other Commissioners for consideration before final action by the Commission.
- File 1-124: S. D. Sejler and S. DeSayda, in re protection of the name of "The Norwegian Correspondence School." Ordered, that it be assigned to a Commissioner in rotation.
- File 1-137: Electrical Merchants and Manufacturers Association v. Telephone Operating Companies (American Telephone & Telegraph Co., Western Electric Co., Chicago Telephone Co., and New York Telephone Co.). Resolution adopted, - dismissing application. Files ordered withdrawn from the Docket Division and transferred to the Division of Mails and Files.

File 1-210: Sonora Phonograph Corporation v. Thomas A. Edison, Inc.  
Resolution adopted -- dismissing application.

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Mr. Davies mentioned the importance of consolidating all cases in which complaints are contemplated involving price discriminations, and after discussion, by unanimous consent, the Secretary was instructed to advise the Board of Review to assemble all such cases, and to present them to the Commission for action.

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

WHEREAS, The enforcement of compliance with Sections 7 and 8 of the Clayton Act is expressly lodged in the Commission, except where applicable to banks and common carriers, and

WHEREAS, The past year has been characterized by an unusual number of consolidations of industrial enterprises, some of which may be in violation of said sections, and

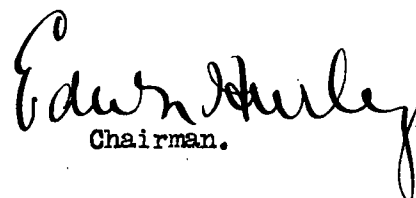
WHEREAS, It is desirable that the Commission should have accurate information as to such consolidations, and also exact information as to the directorates of these corporations, which said sections apply to, and

WHEREAS, The old Bureau of Corporations, had completed up to March 14, 1915, a card index giving exact information as to said directorates which is still available

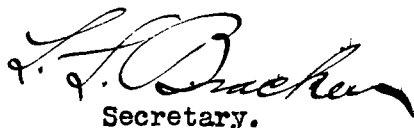
BE IT RESOLVED, That the Division now working on the Report of Industries be directed under the supervision of the Economic Board of Review to procure and complete such information as may be necessary for the Commission to have to enable it to properly enforce compliance with said sections of the Clayton Act.

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Thereupon, at the hour of 6:45 o'clock p. m., the Commission adjourned to meet Wednesday, December 20, 1916, at 10:30 a. m.

  
Chairman.

Attest:

  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 20, 1916, 11:00 A. M.

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

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Mr. Samuel Owen Edmonds, counsel for the respondents, in the case of Federal Trade Commission v. A. B. Dick Company of New Jersey, et al, was heard by the Commission on a motion to strike from the record certain testimony concerning cost of supplies to persons and concerns other than respondents. Mr. Chantland appeared as counsel for the Commission.

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Mr. Ralph Crews, an attorney of Chicago, appeared before the Commission with a number of clients, engaged in the ice industry in Chicago, and presented a proposed plan of cooperation among ice manufacturers in Chicago.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Thursday, December 21, 1916, at 10:30 a. m.

*Edward N. Hurley*  
Chairman.

Attest:

*L. A. Drachman*  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 21, 1916, 12:00 M

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

On motion by Mr. Davies, seconded by Mr. Harris, it was decided to send

a telegram to Mr. R. W. Braedner, Commissioner of Taxation, at Ottawa, Ontario (Canada), and Mr. John G. Foster, United States Consul General, Ottawa, Ontario, requesting them to advise the Minister of Finance that the Federal Trade Commission had not in any way agreed with the manufacturers of news print paper regarding price, nor had it stated what would be considered a reasonable price for paper.

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Mr. Davies filed reports disposing of the following cases:

File 1-220, Application of The National Association of Piano Merchants of America for issuance of a complaint against Profit Sharing Piano Company. Report approved and resolution adopted.

File 1-234, Application of A. B. Kirschbaum Company for issuance of a complaint against Chicago Woolen Mills. Report approved and ruling adopted.

File 1-207, Application of George Talbot Odell for the issuance of a complaint against the North American Construction Company. Report approved and resolution adopted.

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At 1:00 p. m. the Commission adjourned to meet at 3:30 p. m.

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

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The Commission reassembled at 3:30 o'clock p. m.

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A resolution, offered by Mr. Davies on December 18th, and laid on the table, was ordered taken from the table, and after discussion was unanimously adopted:

December 21, 1916.

WHEREAS, Tuesday, December 12, was set for a day for the hearing by the Commission of matters which the manufacturers of print paper or others might wish to suggest in connection with statistical data then furnished, appertaining to the cost of print paper and conditions with reference to supply and demand in the industry; and

WHEREAS, on that day, prior to the consideration of the facts in connection with costs, the proposition was made by the manufacturers of print paper, and acquiesced in by the publishers and jobbers, that committees of each be appointed to confer with the Federal Trade Commission with a view to affording some practical relief to publishers in the unusual situation that obtains; and

WHEREAS, such committees have been appointed, and have conferred with the Federal Trade Commission; and

WHEREAS, on the 16th day of December in a conference with these committees the manufacturers made a proposition looking to the creation of a pool of an amount of paper amounting to 5 per cent, more or less, of the total which the large publishers of the country had already contracted for, out of which the smaller publishers of the country might be furnished paper at an average price based upon all contracts entered into for the year 1917 and existing at the present time; and

WHEREAS, it was contemplated that such 5 per cent would furnish sufficient free tonnage to relieve small publishers who were alleged to be in a position where they could not get any tonnage of paper at all, or if they did procure such paper that it would be at extortionate prices; and

WHEREAS, the proposition as developed by these committees and presented to the Federal Trade Commission presents only the question of distribution; and

WHEREAS, the question of price is of vital consequence to publishers both large and small; and

WHEREAS, it is alleged that the prices which are now being quoted by the manufacturers of print paper are extortionate, and will operate to the great disadvantage and possible ruin of many publishers of the country; and

WHEREAS, time is the essence of relief in this situation, inasmuch as many publishers maintain that they have not an adequate supply of paper for the months of January, February and March; and

WHEREAS, the acceptance of the proposition made by the manufacturers to the Federal Trade Commission involves the approval by the Commission of an average price to the small publishers, which is based upon the prices now made by the manufacturers and which are alleged to be extortionate; and

WHEREAS, it may develop that in the report of the Federal Trade Commission to the Senate in response to Senate Resolution the Commission may be required to set forth facts as to costs of print paper which will lead to the inevitable conclusion that the prices now made by the manufacturers are unwarranted; and



WHEREAS, it is desirable that these matters affecting costs should be considered at the same time that the committees heretofore appointed and cooperating with the Federal Trade Commission are procuring facts with reference to possible distribution, so that the least possible time may elapse before either relief is afforded through some practical suggestions or, if that be impossible, before the report be made by the Federal Trade Commission to the Senate or to such other department of the Government as may be necessary; now, therefore,

BE IT RESOLVED, That the Federal Trade Commission do hereby set Thursday, December 28, 1916, as a date for the continuance of the hearing on costs and other matters which were to have been heard on Tuesday, December 12th.

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Report of the Advisory Economic Board, regarding Gibson R. Warthen, together with a letter from Mr. Warthen's father, was presented, and on motion the matter was referred to the Advisory Economic Board with full power to act, Mr. Harris stating, however, that he was in favor of giving Warthen one more chance, with the understanding that his resignation should be requested if he failed in his duties in any particular.

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Letter from Mr. R. L. Welch, general counsel, Western Petroleum Refiners' Association, dated December 8, 1916, relating to the importance of the issuance of the gasoline report, was presented, and after discussion it was unanimously agreed that January 5th be fixed as the date on which the report is to be taken up and considered continuously until a final conclusion shall be reached.

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Hon. G. Carroll Todd, Assistant to the Attorney General, met with the Commission and discussed certain phases of the news-print paper inquiry, especially regarding the feasibility of the Department of Justice proceeding prior to the completion of the investigation on the part of the Commission.

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ORDERED, That J. G. Sutherland be subpoenaed to appear before the Commission in reference to the investigation into the print-paper situation, on December 27th, at 10 o'clock a. m., and the Secretary is directed to serve such subpoena.

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Thereupon, at the hour of 6:30 p. m., the Commission adjourned to meet Friday, December 22, 1916, at 10:30 a. m.

  
Acting Chairman.

Attest:

  
Secretary.

MEETING OF FEDERAL TRADE COMMISSION

December 22, 1916, 11:00 A. M.

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

The matter of the further continuance of the Commission's complaint against The Shredded Wheat Company was considered, and it was determined to continue the hearing to January 22, 1917.

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The following resolution, offered by Mr. Davies, as amended on motion by Mr. Parry, was unanimously adopted:

RESOLVED, That the Federal Trade Commission adopt the following course with reference to the conduct of the news-print investigation: First, that the consideration of the proposals of the manufacturers looking to the distribution of a part of the supply to the relief of the small publishers and the conferences with their committees and the committees of the publishers be expedited and be disposed of at the earliest possible time, and that such proposals shall be disposed of in some manner prior to January 1st; second, that the hearing on cost statistics, etc., set for December 12th, and which is now set for December 29th, be concluded prior to January 1st; third, that the Federal Trade Commission prepare and send to the Senate an interim report setting forth the salient facts in the situation, together with such recommendations as we can offer, and that such report be prepared immediately and be ready for transmittal to the Senate not later than January 5th, 1917; fourth, that the Commission prepare a statement and brief upon the facts which have been elicited by the investigation in so far as they appertain to violations of the Sherman law, and be prepared to send the same, together with our recommendations, to the Department of Justice not later than January 5, 1917.

The following amendment to the above resolution, offered by Mr. Parry, was also adopted:

BE IT ALSO RESOLVED, That if the Department of Justice shall desire to have access to any information in the files of the Commission relating to the investigation of the news print situation, such access shall be granted, and the Department of Justice shall be so advised.

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

That the members of the committee of the news print manufacturers be called to appear before the Commission on December 28, 1916, for the purpose of devising a plan for revision of prices of news print, and for an equitable distribution of same.

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Thereupon, at the hour of 12:30 p. m., the Commission adjourned to meet Saturday, December 23, 1916, at 10:30 a. m.

*W. J. Harris*  
Acting Chairman.

Attest:

*F. H. Becker*  
Secretary.

December 23, 1916. No meeting held.

December 24, 1916. Sunday.

December 25, 1916. No meeting held.

December 26, 1916. No meeting held.

MEETING OF FEDERAL TRADE COMMISSION

December 27, 1916, 11:00 A. M.

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

The following resolution offered by Mr. Davies, and seconded by Mr. Parry, with reference to the news-print paper investigation, was adopted:

WHEREAS, A meeting between the Federal Trade Commission and a committee representing the manufacturers of news print paper of the United States and Canada has been set for Thursday, December 28, 1916, and

WHEREAS, It is desirable that the general position of the Commission with reference to its attitude in the news print investigation should be clearly defined so that there should be unanimity of opinion in conducting negotiations with manufacturers of news print paper; therefore be it

RESOLVED: That the Commission shall make the following statement as to its position to the said manufacturers at said meeting:

1. That the Commission has practically completed its investigation of the news print paper situation as called for by Senate Resolutions, and that immediately upon receipt of criticisms as to its statistical data from the manufacturers or others it will be prepared to finally formulate a report pursuant to said Resolutions.

2. That it has been the desire of the Commission, while proceeding with this investigation, to aid in effecting, if possible, some practical changes in distributive methods and policies in the industry with a view to bringing some immediate and practical relief to the large number of consumers of print paper who are threatened with serious disaster unless conditions are remedied, and with a view of placing the industry upon a more permanent and safe competitive basis.

3. That the Commission, with this in view, has tentatively entertained (as a measure of relief as to one pressing phase of the situation) a plan proposed by the manufacturers looking to the distribution of a part of the print paper supply to the smaller publishers and which said plan need not here be fully set forth.

4. That upon information now before it the Commission would not be warranted in placing its approval upon current prices now charged for news print paper, as is contemplated by the plan of distribution proposed by the manufacturers.

5. That the Commission, from the information it now has at hand, is of the opinion that the prices currently charged are unwarranted by present costs, or probable future costs, in the industry, and are prohibitive as to most consumers, and that the exercise of good judgment and a fair regard of the public interest would require their substantial reduction.

6. That the Commission believes that if, in its effort to serve the industry and afford some practical

relief to the consuming public, it shall be unable to bring about results, that it should terminate its efforts and make its report within such time as will enable some other agency of Government to apply its effort with a view to bringing relief in the situation before the emergency has passed.

7. That by reason of that fact the Commission has determined upon the following plan with reference to its conduct of this investigation:

That it will submit its report upon this investigation, with such recommendations as it may deem wise in the situation, to the Senate and to such other agency of Government as in its judgment is necessary, not later than January 5, 1917.

8. That the Commission will entertain any proposition which the manufacturers of news print paper may submit looking to a practical solution of this situation both as to affording some relief through reduction in price, as well as looking to some means for providing a more equitable distribution of paper to consumers, and will cooperate in every way with the manufacturers of news print paper and consumers thereof to bring that situation about.

9. That the Federal Trade Commission recognizes the difficulties which beset manufacturers of news-print paper in trying to effect any concerted action to bring some relief to this situation, and in view of that fact is ready and willing to cooperate with the manufacturers with a view to a possible practical solution of this problem in the interest of the consuming public and in the interest of the industry itself, and the establishment of such industry upon a competitive basis that is wholesome and protective of the public interest.

10. That the Commission feels that it is fair to the manufacturers to advise them of its plan, so that they may take any such action with reference thereto as may seem to them wise.

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ORDERED, That the salary of D. Paul Smelser, Examiner, be increased from \$1500.00 to \$2,000.00 per annum, the same to be effective as of January 1, 1917.

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ORDERED, That the salary of John Temple Graves, Jr., Special Expert, be increased from \$1500.00 to \$1800.00 per annum, the same to be effective as of January 1, 1917.

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ORDERED, That the salary of Randell J. Larson, Special Agent, be increased from \$1320.00 to \$1620.00, the same to be effective as of January 1, 1917.

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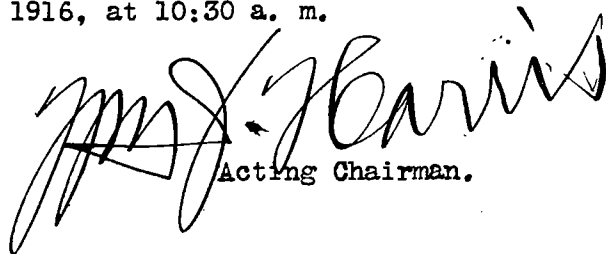
ORDERED, That the designation of G. Edwin Rowland be changed from clerk to that of Examiner.

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By unanimous consent the Secretary was directed to further reply to the letter dated August 25, 1916, from a sub-committee of the Committee on Agriculture and Forestry of the United States Senate, assuring them that the Commission will, within a few days, reach a decision as to whether or not it can secure for the use of said Senate committee the information requested in said letter, concerning the production of sisal and substitutes therefor available for use in the manufacture of binder twine.

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Thereupon, at the hour of 1:00 p. m., the Commission adjourned to meet Thursday, December 28, 1916, at 10:30 a. m.

  
Acting Chairman.

Attest:



Secretary.

December 28, 1916. No meeting held.

## MEETING OF FEDERAL TRADE COMMISSION

December 29, 1916, 10:30 A. M.

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

The public hearing, in reference to the news-print paper investigation, was continued at the Willard (see stenographic report No. A-24504).

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

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

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The Commission reassembled at 2:30 p. m. and resumed the hearing, which was concluded at 3:00 p. m.

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The Commission resumed its session at its office at 4:00 p. m.

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The report of a plan, submitted by the Advisory Economic Board, in reference to the anthracite coal investigation, was presented to the Commission, and after due consideration approved. (See File .)

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The Commission then conferred with members of the Advisory Economic Board, and Dr. Merchant, in reference to further action in the news print paper investigation, and it was unanimously agreed to prepare an interim report, to be transmitted to the Senate in response to Senate Resolution No. 177, said report to be prepared, and considered by the Commission on January 3d, and sent to the Senate on or before January 5th, if possible.

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Thereupon, at the hour of 5:40 p. m. the Commission adjourned to meet Tuesday, January 2, 1917, at 10:30 a. m.

*W. J. Harris*  
Acting Chairman.

Attest:

*L. A. Becker*  
Secretary.

December 30, 1916. No meeting held.

December 31, 1916. Sunday.

January 1, 1917. No meeting held.

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: *L. A. Becker*  
Secretary.

*W. J. Harris*  
Acting Chairman.