IN THE MATTER OF

GABRIEL ABEL, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket C-1378. Complaint, July 16, 1968—Decision, July 16, 1968

Consent order requiring a New York City manufacturing furrier to cease misbranding and falsely invoicing its fur products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Gabriel Abel, Inc., a corporation, and Gabriel Abel, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Gabriel Abel, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Gabriel Abel is an officer of the said corporate respondent. He formulates, directs and controls the acts, practices and policies of the said corporate respondent including those hereinafter set forth.

Respondents are manufacturers of fur products with their office and principal place of business located at 330 Seventh Avenue, New York, New York.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the introduction into commerce, and in the manufacture for introduction into commerce, and in the sale, advertising and offering for sale in commerce, and in the transportation and distribution in commerce, of fur products; and have manufactured for sale, sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of furs which have been shipped and received in commerce, as the terms "commerce," "fur" and "fur

product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled to show that fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed to disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored when such was the fact.

PAR. 5. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on labels in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) Required item numbers were not set forth on labels, in violation of Rule 40 of said Rules and Regulations.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced by the respondents in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products covered by invoices which failed to disclose that the fur contained in the fur products was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 7. Certain of said fur products were falsely and deceptively invoiced in that said fur products were invoiced to show that the fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 5(b)(2) of the Fur Products Labeling Act.

PAR. 8. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and

Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on invoices in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair methods of competition and unfair and deceptive acts and practices in commerce under the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Fur Products Labeling Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Acts, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Gabriel Abel, Inc., is a corporation organized,

existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 330 Seventh Avenue, New York, New York.

Respondent Gabriel Abel is an officer of said corporation and his address is the same as that of said corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Gabriel Abel, Inc., a corporation, and its officers, and Gabriel Abel, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4 (2) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on a label that the fur contained in any fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Setting forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form on a label affixed to such fur product.

4. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in

words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(b) (1) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on an invoice that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Setting forth information required under Section 5(b) (1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

4. Failing to set forth on an invoice the item number or mark assigned to such fur product.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

BALDWIN-LIMA-HAMILTON CORPORATION

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

Docket C-1379. Complaint, July 19, 1968—Decision, July 19, 1968

Consent order requiring a Chicago, Ill., railroad equipment manufacturer to cease paying secret or confidential rebates in the sale of its railroad specialty products.

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof, and hereinafter more particularly designated and described, has violated the provisions of subsection (a) (1) of Section 5 of the Federal Trade Commission Act (38 Stat. 719 (1914), as amended, 15 U.S.C. § 45 (1964)) hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Baldwin–Lima–Hamilton Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 401 North Wabash Avenue, Chicago, Illinois. Prior to June 24, 1965, respondent was a corporation organized, existing, and doing business as Baldwin–Lima–Hamilton Corporation under and by virtue of the laws of the Commonwealth of Pennsylvania, with its office and principal place of business located at 2232 Philadelphia National Bank Building, Philadelphia, Pennsylvania, and with personnel, assets, and operations essentially identical to its present personnel, assets, and operations. On or about July 2, 1965, one hundred percent (100%) of the voting stock in respondent corporation was acquired by Armour & Company, a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 401 North Wabash Avenue, Chicago, Illinois.

Standard Steel Division is, and has been at all times mentioned herein, an unincorporated operating division of respondent Baldwin–Lima–Hamilton Corporation, with its office, manufacturing facilities, and principal place of business located in the town of Burnham, Mifflin County, Commonwealth of Pennsylvania.

PAR. 2. Respondent, through its Standard Steel Division, has been, and is now engaged in the manufacture, sale and distribution of railroad car wheels and axles. Respondent, through its Standard Steel Division, has also been engaged in the manufacture, sale and distribution of railroad car coil springs, the manufacture, sale and distribution of such product being discontinued sometime during the year 1965. All of these products are built to standard specifications and requirements prescribed by the Association of American Railroads, are interchangeable with the corresponding component parts of other manufacturers, and, along with other such standardized component parts, are commonly referred to collectively as railroad specialty products. Respondent sells and distributes its railroad specialty products directly to a large number of customers located in various sections of the United States, who purchase such products for use or consumption in the construction, conversion, or repair of railroad cars. Respondent's domestic sales of its railroad specialty products are substantial, exceeding $11,000,000 during the calendar year 1962, and exceeding $12,000,000 during the calendar year 1963.

PAR. 3. Respondent sells and causes its railroad specialty products to be transported from its place of business in the Commonwealth of Pennsylvania to purchasers located in other States of the United States and in the District of Columbia. There has been at all times mentioned herein a continuous course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of its business in commerce, respondent is now, and has been at all times mentioned herein, in substantial competition with other corporations, partnerships, and firms engaged in the manufacture, sale and distribution of railroad wheels, axles, and springs.

PAR. 5. In the course and conduct of its business in commerce, and particularly during the period September 1961, through July 1963, respondent paid, granted, or allowed secret or confidential rebates or allowances to the Southern Railway System, Washington, D.C., on sales of its railroad specialty products to independent railroad car builders constructing, converting, or repairing railroad cars for that railroad. All such secret or confidential rebates or allowances were paid directly to the Southern Railway System, without disclosing the fact or existence of such rebates or allowances to said independent railroad car builders. All such secret or confidential rebates or allowances were paid, granted, or allowed to the Southern Railway System for the purpose of causing that railroad to influence independent railroad car builders to purchase respondent's railroad specialty products by specifying the use of said products in contracts with said independent railroad car builders.

PAR. 6. The foregoing acts and practices of respondent in paying, granting, or allowing secret or confidential rebates or allowances directly to a railroad in connection with the sale and distribution of its railroad specialty products, may have and have had the effect of hindering, lessening, restricting, restraining, suppressing, eliminating, and destroying competition in the sale and distribution of railroad car wheels, axles, and springs to railroad companies and railroad car building companies; and may have and have had a tendency to unduly lessen competition or to create and promote a monopoly in the sale and distribution of such products.

PAR. 7. The acts and practices of respondent, as alleged herein, constitute unfair methods of competition or unfair acts or practices in commerce within the intent and meaning of Section 5, of the Federal Trade Commission Act, and are in violation thereof.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondent named in the caption hereof with violation of the Federal Trade Commission Act, and the respondent having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of 30 days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Baldwin–Lima–Hamilton Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 401 North Wabash Avenue, in the city of Chicago, State of Illinois.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Baldwin–Lima–Hamilton Corporation, a corporation, and its officers, agents, representatives, or employees, directly or through any corporate or other device, in connection with the sale of railroad car wheels, axles, springs, or any other railroad specialty products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Paying, granting, or allowing, directly or indirectly, to any railroad, or to anyone acting for or in behalf of any

railroad, anything of value as a secret or confidential rebate, discount, or allowance in connection with the sale of said products to such railroad, or in connection with the sale of said products to any other buyer for use in the construction, conversion, or repair of railroad cars for such railroad.

(2) Paying, granting, or allowing, directly or indirectly, to any railroad, or to anyone acting for or in behalf of any railroad, anything of value as a refund, rebate, discount, or allowance, in order to induce such railroad to influence railroad car builders to purchase, or contract to purchase said products, unless such refunds, rebates, discounts, or allowances are defensible under subsections (a) or (b) of Section 2 of the Clayton Act, as amended.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with its order.

IN THE MATTER OF

W. H. MINER, INC.

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

Docket C-1380. Complaint, July 19, 1968—Decision, July 19, 1968

Consent order requiring a Chicago, Ill., distributor of draft gears, handbrakes and other railroad equipment to cease paying secret or confidential rebates in the sale of its railroad specialty products.

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof, and hereinafter more particularly designated and described, has violated the provisions of subsection (a) (1) of Section 5 of the Federal Trade Commission Act (38 Stat. 719 (1914), as amended, 15 U.S.C. § 45 (1964)), hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent W. H. Miner, Inc., is a corporation organized, existing, and doing business under, and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 209 South LaSalle Street, Chicago, Illinois.

PAR. 2. Respondent has been, and is now, engaged in the sale and distribution of railroad car draft gears, handbrakes, and various other railroad car component parts, which are manufactured for respondent on a contract basis by other independent companies. All of these products, like many other railroad car component parts, are built to standard specifications and requirements prescribed by the Association of American Railroads, are interchangeable with the corresponding component parts of other manufacturers, and, along with such other standardized component parts, are commonly referred to collectively as railroad specialty products. Respondent sales and distributes its railroad specialty products directly to a large number of customers located in various sections of the United States, who purchase such products for use or consumption in the construction, conversion, or repair of railroad cars. Respondent's domestic sales of its railroad specialty products are substantial, exceeding $10,000,000 during the calendar year 1964.

PAR. 3. Respondent sells and causes its railroad specialty products to be transported from its place of business in the State of Illinois, or from other places than said State, to purchasers located in other States of the United States and in the District of Columbia. There has been at all times mentioned herein a continuous course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of its business in commerce, respondent is now, and has been at all times mentioned herein, in substantial competition with other corporations, partnerships, and firms engaged in the manufacture, sale and distribution of railroad car draft gears, handbrakes, and various other railroad specialty products.

PAR. 5. In the course and conduct of its business in commerce, and particularly during the five year period November 1959, through November 1964, respondent paid, granted, or allowed secret or confidential rebates or allowances to the Southern Railway System, Washington, D.C., on sales of respondent's draft gears and handbrakes to independent railroad car builders constructing, converting, or repairing railroad cars for that railroad. All such secret or confidential rebates or allowances were

paid directly to the Southern Railway System, without disclosing the fact or existence of such rebates or allowances to said independent railroad car builders, and were paid, granted, or allowed in the various forms of credit allowances, direct payments, and free merchandise. All such secret or confidential rebates or allowances were paid, granted, or allowed to the Southern Railway System for the purpose of causing that railroad to influence independent railroad car builders to purchase respondent's draft gears and handbrakes by specifying the use of said products in contracts with said independent railroad car builders.

PAR. 6. The foregoing acts and practices of respondent in paying, granting, or allowing secret or confidential rebates or allowances directly to a railroad in connection with the sale and distribution of its railroad specialty products, may have and have had the effect of hindering, lessening, restricting, restraining, suppressing, eliminating, and destroying competition in the sale and distribution of railroad car draft gears and handbrakes, and other railroad specialty products to railroad companies and railroad car building companies; and may have had a tendency to unduly lessen competition or to create and promote a monopoly in the sale and distribution of such products.

PAR. 7. The acts and practices of respondent, as alleged herein, constitute unfair methods of competition or unfair acts or practices in commerce within the intent and meaning of Section 5 of the Federal Trade Commission Act, and are in violation thereof.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Restraint of Trade proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent W. H. Miner, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 209 South LaSalle Street, in the city of Chicago, State of Illinois.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent W. H. Miner, Inc., a corporation, and its officers, agents, representatives, or employees, directly or through any corporate or other device, in connection with the sale of railroad car draft gears, handbrakes, or any other railroad specialty products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Paying, granting, or allowing, directly or indirectly, to any railroad, or to anyone acting for or in behalf of any railroad, anything of value as a secret or confidential rebate, discount, or allowance in connection with the sale of said products to such railroad, or in connection with the sale of said products to any other buyer for use in the construction, conversion, or repair of railroad cars for such railroad.

(2) Paying, granting, or allowing, directly or indirectly, to any railroad, or to anyone acting for, or in behalf of, any railroad, anything of value as a refund, rebate, discount, or allowance, in order to induce such railroad to influence railroad car builders to purchase, or contract to purchase said products, unless such refunds, rebates, discounts, or allowances are defensible under subsections (a) or (b) of Section 2 of the Clayton Act, as amended.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating

divisions.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

IN THE MATTER OF

MORTON MANUFACTURING COMPANY

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SECTION 2(c) OF CLAYTON ACT AND THE FEDERAL TRADE COMMISSION ACT

Docket C-1381. Complaint, July 19, 1968—Decision, July 19, 1968

Consent order requiring a Chicago, Ill., manufacturer of locomotive footboards, freight car running boards and other railroad equipment to cease paying illegal brokerage or secret rebates in the sale of its railroad specialty products.

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof, and hereinafter more particularly designated and described, has violated the provisions of subsection (c) of Section 2 of the Clayton Act, as amended (38 Stat. 730 (1914), as amended, 15 U.S.C. § 13 (c) (1964)), and subsection (a)(1) of Section 5 of the Federal Trade Commission Act (38 Stat. 719 (1914), as amended, 15 U.S.C. § 45 (1964)) hereby issues its complaint, stating its charges with respect thereto as follows:

COUNT I

PARAGRAPH 1. Respondent Morton Manufacturing Company is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Illinois, with its office and principal place of business located at 5125 West Lake Street, Chicago, Illinois.

PAR. 2. Respondent has been, and is now, engaged in the manufacture, sale, and distribution of fabricated steel and aluminum products, including various railroad products, such as locomotive footboards, freight car running boards, crossover steps and brakeman's steps, and passenger car doors and vestibule

diaphragms. All of these products are built to standard specifications and requirements prescribed by the Association of American Railroads, are interchangeable with corresponding parts of other manufacturers, and, along with many other such standardized railroad locomotive and car component parts, are commonly referred to as railroad specialty products. Respondent sells and distributes its railroad specialty products through its unincorporated Transportation Division to a large number of customers located in various sections of the United States, who purchase such products for use or consumption in the construction, conversion, or repair of railroad locomotives and cars. Respondent's sales of said products are substantial, exceeding one million dollars ($1,000,000) during each of the years 1963, and 1964, and exceeding two million dollars ($2,000,000) during the year 1965.

PAR. 3. Respondent sells and causes its railroad specialty products to be transported from its manufacturing facilities located in the State of Illinois to purchasers located in other States of the United States and in the District of Columbia. There has been at all times mentioned herein a continuous course of trade in said products in commerce, as "commerce" is defined in the Clayton Act, as amended.

PAR. 4. In the course and conduct of its business in commerce, respondent is now, and has been at all times mentioned herein, in substantial competition with other corporations, partnerships, and firms engaged in the manufacture, sale, and distribution of fabricated steel and aluminum railroad specialty products, such as locomotive footboards, freight car running boards, crossover steps and brakeman's steps, and passenger car doors and vestibule diaphragms.

PAR. 5. In the course and conduct of its business in commerce, and particularly during the period July 1959, through October 1963, respondent paid commission fees, brokerage, or allowances in lieu thereof, to a certain purchaser, or agent of said purchaser, of its railroad specialty products.

For example, when respondent employs manufacturer's representatives in negotiating sales of its railroad specialty products, respondent ordinarily compensates such representatives with a commission fee computed at the rate of five percent (5%) of gross billings on sales of freight car running boards, crossover steps and brakeman's steps, and ten percent (10%) of gross billings on sales of all other railroad specialty products. During the period July 1959, through October 1963, respondent, in addi-