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MONOPOLY—EXCHANGE FOR TRADING IN FUTURES NOT A VIOLATION OF ANTI-TRUST ACTS.

United States v. New York Coffee & Sugar Exchange, U. S. Adv. Ops. Feb. 15, 1924, page 249:

Appeal by the United States from a decree of the U. S. District Court for the Southern District of New York, dismissing a petition filed to enjoin the maintenance of an alleged conspiracy in violation of the Anti-trust Acts. The position of the government charges that the Exchange was machinery for the promotion of gambling because its contracts for future sales contemplated no delivery and the exchange rules discouraged actual delivery. That the Exchange afforded gamblers the means of influencing the price of sugar, of establishing artificial prices not governed by the law of supply and demand, but based on speculative dealings not involving delivery of the quantities of sugar represented.

It was held that the mere fact of a violent rise in the price of sugar in sales for future delivery on exchange, without any economic justification, is not sufficient to establish a combination or conspiracy by the exchange and its members to restrain trade in sugar, in violation of the Anti-trust Acts.

An injunction will not lie against the exchanges merely because persons not identified with it use it for violation of Anti-trust Acts. The decree dismissing the petition for an injunction was affirmed.

MONOPOLY—SCHEME FOR ALLOTING LABOR TO FACTORIES IS NOT IN RESTRAINT OF TRADE.

National Association of Window Glass Manufacturers v. U. S., Adv. Ops. Jan., 1924, page 154:

This is an appeal from an injunction granted to the United States against the plaintiff-in-error. Defendants were all the manufacturers of hand-blown window glass, with some of their officers, and the National Window Glass Workers, a voluntary association, embracing all the labor to be had for this work in the United States. The defendants established a wage scale to be in effect for two periods of six months each. The object was to have this scale issued to one set of factories for the first period and to another set for the second period, so that no factory could get the scale for both periods. If a factory was without the scale, it had to stop work for lack of labor.

It was held that no combination in unreasonable restraint of trade in violation of the Sherman Act is affected by this arrangement between the manufacturers and labor. Because of the competition of machine-made glass, only a small portion of the products is hand-made. Since hand-workers are greatly reduced in numbers and are insufficient to man all of the factories at once, the arrangement

is intended to secure employment for all men and, at the same time, make an equitable distribution of labor among the factories.

The decree of the United States District Court of Northern Ohio was, therefore, reversed.

NATIONAL BANKS—EXTENT OF THEIR POWERS—STATE
STATUTE FORBIDDING NATIONAL BANKS FROM MAINTAIN-
ING BRANCHES.

First National Bank v. Missouri, U. S. Adv. Ops., page 235:

The State brought a proceeding in the nature of quo warranto against the bank in the State Supreme Court, to determine the bank's authority to establish and conduct a branch bank in the city of St. Louis, in violation of a State statute. The case was submitted on demurrer to the information, and the State court rendered judgment ousting the bank from the privilege of operating such or any other branch bank. On writ of error, the U. S. Supreme Court affirmed the judgment of the State court, holding that:

A national bank can rightfully exercise only such powers as are expressly granted by the National Banking Act, or such incidental powers as are necessary to carry on the business for which it is established.

The National Banking Act, properly construed, does not expressly authorize a national bank to establish and conduct branch banks, and the establishment of a branch is not within the operation of the provision of said Act vesting banks with all such incidental powers as shall be necessary to carry on the business of banking.

Prohibiting a national bank from maintaining branches does not frustrate the purposes for which the bank was created, or interfere with the discharge of its duties to the government, or impair its efficiency as a Federal agency.

Power to enforce a State statute forbidding national banks to operate branches rests with the State, and not with the national government.

Three members of the court dissented on the ground that the State is without capacity to bring or maintain the proceedings, and the State court is without authority to entertain it.