

**FEDERAL BUREAU OF INVESTIGATION  
FREEDOM OF INFORMATION/PRIVACY ACTS SECTION**

**COVER SHEET**

**SUBJECT: NATIONAL RIFLE ASSOCIATION**

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Rosen

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DATE: Feb. 3, 1955

G. I. R. - 3

FROM :

[Redacted] b7c

SUBJECT:

DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS ANTITRUST

*File*

This is to advise that the Antitrust Division by memorandum dated January 31, 1955, has requested investigation of alleged activities in the captioned matter. The investigation requested involves contact with several well known sportsmen's magazines as well as contact with five companies engaged in manufacturing rifle scopes and mounts.

The investigation is based on the allegation that certain manufacturers of rifle scopes and mounts have conspired with the publishers of several sporting magazines to control prices at which these products are distributed and sold to the public. It is alleged that the magazine publishers, acting in collusion with the manufacturers, have refused to accept advertising of those firms which attempt to sell these products at cut prices. Such concerted action to boycott advertising of price cutting retailers would apparently constitute a violation of the Sherman Act.

The Department has requested that we contact the following magazines, and their publishing companies:

- Field and Stream, Hugh Grey, Editor, published by Henry H. Holt and Company, New York City
- Outdoor Life, William E. Roe, Editor, published by Popular Science Publishing Company, New York City
- Hunting and Fishing, Bob Becker, Editor, published by Hunt and Fishing Publishing Corporation, Chicago
- Sports Afield, Ted Hesting, Editor, published by The Hearst Corporation, New York City
- Fur-Fish-Game (Harding's Magazine), A. V. Harding, Editor, published by A. R. Harding Publishing Co., Columbus, Ohio

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In addition to the above-named magazines, we are contacting five companies engaged in the manufacture and distribution of rifle scopes and mounts. At all these companies, the investigation is directed to the purpose of locating any evidence that the magazines and their publishers have conspired to boycott the advertising of price cutting retailers.

JKP:ige

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Memorandum to Mr. Rosen

ACTION

This is submitted for your information.

Copies of the Antitrust Division request are being prepared and appropriate instructions will be forwarded to the field immediately.

*JKP*  
*CPW*

60-4616 -

FEDERAL BUREAU OF INVESTIGATION

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Form No. 1

THIS CASE ORIGINATED AT NEW YORK

PAN

REPORT MADE AT BUFFALO	DATE WHEN MADE 3/8/55	PERIOD FOR WHICH MADE 2/10, 14, 15, 23; 3/2, 3/55	REPORT MADE BY [REDACTED] b7C
TITLE DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS		CHARACTER OF CASE ANTITRUST	

SYNOPSIS OF FACTS:

[REDACTED] and [REDACTED] Bausch and Lomb Optical Co., made available annual reports showing financial statements, asset value and quantum of business transacted annually by this company from 1949 through 1954 as well as information showing the proportion of business in scopes and mounts compared to total business transacted during those years. According to these individuals, scopes and mounts form a relatively small portion of their total business. Price list was furnished by B and L Company for scopes and mounts as well as conditions of sale. Statistical data was obtained reflecting number and dollar value of scopes and mounts sold in 1949 through 1954. Bausch and Lomb Optical Co. does not "fair trade" these products. [REDACTED] Bausch and Lomb Optical Co., advised that he attended the meeting held at National Rifle Association Headquarters, Washington, D. C., on 4/20/53, at which time other manufacturers issued complaints that the American Rifleman was relaxing its long established policy of protecting its readers from false claims in advertising. [REDACTED] claims meeting had no effect in the attitude or performance by Bausch and Lomb Optical Co., and further that no conclusions were reached and no actions were decided upon as a result of this meeting to his knowledge.

1 CC ANTITRUST DIVISION with [REDACTED]  
MAR 22 1955 JKB - RUC -

60-4616-22

APPROVED AND FORWARDED: [Signature]	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 3 - Bureau (Encls. 13) ENCL. 2 - New York 1 - Buffalo (60-200)		60-4616-22 RECORDED - 24 MAR 23 1955 [REDACTED] b7C
COPIES DESTROYED MAR 24 1955		

BU 10-100

DETAILS:

AT ROCHESTER, NEW YORK

[REDACTED]

Bausch and Lomb Optical Company, advised that the amount of business transacted by his company in scopes and mounts is relatively small as compared with the overall quantum of business transacted annually. [REDACTED] was interviewed on March 2, 1955.

He made available annual reports of the Bausch and Lomb Company for the years 1949, 1950, 1952, 1953 and 1954. He stated that the copies of the annual report for 1951 are not available, however, the annual report for 1952 does include the financial status including the assets and the sales for the year 1951.

These annual reports are being furnished as enclosures with this report to the Bureau.

The total asset value of the Bausch and Lomb Company as well as sales for the years 1949 through 1954 are set out:

<u>Year</u>	<u>Sales</u>	<u>Total Assets</u>
1949	\$35,307,100	\$39,195,535
1950	\$38,027,193	\$40,443,023
1951	\$48,530,912	\$43,660,298
1952	\$52,150,812	\$43,498,758
1953	\$51,077,282	\$43,097,805
1954	\$48,927,947	\$43,580,364

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b7c  
[REDACTED], made available a copy of a publication of the Bausch and Lomb Optical Company, entitled, "Facts About Hunting Sights" which is described as a manual of technical and practical information on the design and construction of telescopic hunting sights and their performance and dependability. He described this publication as the best descriptive information of the various types of rifle scopes and mounts produced by the Bausch and Lomb Optical Company.

This manual is being forwarded as an enclosure with this report to the Bureau.

On February 14, 1954, [REDACTED] Bausch and Lomb Optical Company, advised that because of the relatively small amount of business transacted by this company in scopes and mounts, no separate files are maintained on the competitors of the Bausch and Lomb Optical Company in this field. He stated that any correspondence relating to any of the competitors would be contained in the general files and because of the small amount of correspondence he does not feel that a general file review would be feasible.

[REDACTED] made available the files concerning the National Rifle Association of America, 1600 Rhode Island Avenue, Washington 6, D. C., which include a letter dated April 7, 1953 from MERRITT A. EDSON, Executive Director of the National Rifle Association of America to [REDACTED] requesting that he attend a meeting on April 20, 1953 at 10:00 a.m., "to explore all the factors involved in our advertising policy as it pertains to enforcing the provisions of the several Fair Trade Acts."

In this file there is contained a letter

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dated Apr  
accepting  
but point  
does not  
In this  
American  
mediums  
scopes,  
discussio  
magazine.

to [redacted] from [redacted]  
[redacted] to attend the above meeting,  
at the Bausch and Lomb Company  
[redacted] deals contracts with its dealers.  
[redacted] states, "however, since the  
[redacted] is one of the principal advertising  
[redacted] binoculars, rifle sights, and spotting  
[redacted] is definitely interested in any general  
[redacted] of the advertising policies of the

file also is a letter dated April 13,  
[redacted] PERSON, Executive Director,  
[redacted] Association of America to [redacted],  
[redacted] the above meeting.

made available [redacted] copies of these letters were  
[redacted] and are being forwarded  
as enclosure [redacted] the bureau.

March 3, 1955, [redacted] made  
available [redacted] list by models of scopes and mounts  
dated March 3. According to [redacted], these  
prices [redacted] effect since January 1, 1949 and are  
still [redacted]. He stated that with this price list,  
form [redacted] also sent to dealers and prospective  
dealers [redacted] the conditions of sale.

[redacted] of the above price list and form  
letter [redacted] being forwarded as an enclosure.

January 23, 1955, [redacted]  
advise [redacted] statistics are not available as to the  
partic [redacted] els produced and sold by units from the  
years [redacted] igh 1954. He made available the total  
number [redacted] and the dollar amount of rifle scopes  
which [redacted] by the Bausch and Lomb Optical  
Comper [redacted] e sights and mounts for the years 1949  
throu:

b7c

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The following chart sets forth the number of units, the dollar value of sales of these items during those years

SALES OF RIFLE SIGHTS AND MOUNTS  
FOR YEARS 1949 THROUGH 1954

RIFLE SIGHTS \*

<u>Year</u>	<u>DOMESTIC</u>		<u>EXPORTS</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
1954	1747	84,302.70	6	325.00
1953	2162	105,620.89	8	437.00
1952	3095	154,443.11	7	414.25
1951	3672	184,673.20	10	498.87
1950	3294	168,039.74	21	1,165.36
1949	3315	167,267.99	--	----

MOUNTS

<u>Year</u>	<u>DOMESTIC</u>		<u>EXPORTS</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
1954	1947	31,482.40	8	134.59
1953	2723	44,141.92	9	166.71
1952	3047	49,152.69	8	147.35

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MOUNTS

Cont'd

<u>Year</u>	<u>DOMESTIC</u>		<u>EXPORTS</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
1951	4625	65,142.86	9	146.25
1950	3748	60,129.52	23	391.25
1949	2958	48,076.95	--	---

\* EXCLUDES IRON RIFLE SIGHTS

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On February 15, 1955, [REDACTED] Bausch and Lomb Optical Company, advised that he was invited by General EDSON to a meeting held at the National Rifle Association Headquarters in Washington, D. C., on April 20, 1953. He stated that from his files he recalls that he received a letter dated April 7, 1953 from General EDSON, Executive Director of the National Rifle Association of America, inviting him to the meeting to explore all the factors involved in the advertising policies of the National Rifleman as it pertains to the enforcing and provisions of the Fair Trade Acts. He stated that he accepted the invitation on behalf of Bausch and Lomb Optical Company with reservation and pointing out that the Bausch and Lomb Company does not have Fair Trade contracts with its dealers. He stated that the meeting was apparently motivated by the W. R. Weaver Company, which does have Fair Trade contracts with its dealers and

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[REDACTED] of the W. R. Weaver Company, felt that the American Rifleman should not accept the advertising which offered Weaver products at less than the Fair Trade prices. He stated that the other manufacturers entered complaints that the American Rifleman was relaxing its long existing policy of protecting its readers from false claims in advertising and the like. He recalls that Gen. EDSON pointed out that the National Rifle Association people could not possibly undertake to check all ads to make sure that the prices for Weaver scopes were within the Fair Trade contracts and it was up to the W. R. Weaver Company to enforce the contracts by direct action with the individual dealers. They argued on the other hand that they could show a very good record of having taken immediate action on any complaints received from readers concerning false claims and other types of dishonest advertising. He stated that to the best of his knowledge no conclusions were reached and no actions were decided upon. He stated that to the best of his knowledge, nothing was accomplished except it gave the individual advertisers a chance to make known their complaints. He added that to the best of his knowledge the meeting resulted in no conclusions and no action of any kind was taken as a result of this meeting. [REDACTED] stated that he could say with certainty that this meeting had no effect in the attitude or performance of the Bausch and Lomb Company.

[REDACTED] stated that to the best of his knowledge or observation there never has been any kind of an understanding between the manufacturers in the scope and mount field on any subject. He pointed out that the rifle sight manufacturing field is known for the complete isolation of each manufacturer on all matters. He stated that he has no correspondence with the other manufacturers in this field and his only source of information concerning their activities comes from [REDACTED] salesmen

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and [redacted] sales outlets. [redacted] also pointed out that the American Rifleman is the best source of advertising by a manufacturer of scopes and mounts, and for this reason he does not think it would be probable that any manufacturer would refuse or threaten to refuse to advertise in this publication. He stated that this would also be true to a lesser degree in all outdoor type publications and added he knows of no threats by manufacturers to withhold advertising from any magazine because of retail prices quoted on scopes and mounts in the retail advertisements of periodicals. He added that except for the incident that occurred on April 23, 1953, he knows of no complaints or objections made by any of the five manufacturers or by any distributor to a magazine because that magazine was carrying retail advertisements which offered to sell scopes and mounts at cut prices.

[redacted] stated that because of the highly competitive field, he knows of the existence of no contracts or understandings between any of the five manufacturers and distributors or retailers of scopes and mounts which relate to:

- (a) Division of sales territories.
- (b) Price fixing or resale price maintenance.
- (c) Exclusive dealerships.
- (d) Other regulations of business activities conducted by independent resellers.

[redacted] stated that he is not in

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possession or does he know of any documents relating or referring to scopes and mounts which disclose refusals by any of the five manufacturers to sell or deliver their products upon order of any distributor or the discontinuance of supplies to distributors or resale outlets or the reinstatement of retail outlets subsequent to termination of distributorships.

[redacted] stated that he knows of no general understandings between magazine publishers or publishers and manufacturers *that* a particular course of action in the form of boycott was being pursued with regard to cut rate advertising of rifle scopes and mounts.

On March 3, 1955, [redacted] made available a memorandum prepared by [redacted] to him concerning his recollection of the meeting held at the National Rifle Association Headquarters in Washington, D. C., on April 20, 1953. This memorandum is dated February 22, 1955 and is being forwarded as enclosure.

The following exhibits were obtained and are being forwarded with this report as enclosures:

- Exhibit I Annual report of the Bausch and Lomb Optical Company, 1949
- Exhibit II Annual report of the Bausch and Lomb Optical Company, 1950
- Exhibit III Annual report of the Bausch and Lomb Optical Company, 1952
- Exhibit IV Annual report of the Bausch and Lomb Optical Company, 1953

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- Exhibit V Annual report of the Bausch and Lomb Optical Company, 1954
- Exhibit VI A manual of technical and practical information on the design and construction of telescopic hunting sights ... their performance and dependability
- Exhibit VII Bausch and Lomb Rifle Sight price list dated May 22, 1954
- Exhibit VIII Form Letter #86 of the Specialty Sales Department
- Exhibit IX Chart of sales of Rifle Sights and Mounts for years 1949 through 1954
- Exhibit X Letter of Major General MERRITT A. EDSON to [REDACTED] Bausch and Lomb Optical Company
- Exhibit XI Letter dated April 15, 1953 from [REDACTED] to Gen. M. A. EDSON, Executive Director, National Rifle Association of America
- Exhibit XII Letter dated April 13, 1953 to [REDACTED] from Maj. Gen. MERRITT A. EDSON
- Exhibit XIII Memo of [REDACTED] to [REDACTED] dated February 22, 1955

BU 60-200

ADMINISTRATIVE

REFERENCE

Bureau letter to New York dated 2/6/55 - 4616 = 22  
Buffalo airtel to the Bureau, dated 3/2/55.

FEDERAL BUREAU OF INVESTIGATION

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Form No. 1  
THIS CASE ORIGINATED AT NEW YORK

REPORT MADE AT SAN FRANCISCO	DATE WHEN MADE 3/24/55	PERIOD FOR WHICH MADE 3/18, 21/55	REPORT MADE BY [REDACTED] b7c
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DISTRIBUTION AND RETAIL ADVERTISING  
OF RIFLE SCOPES AND MOUNTS

CHARACTER OF CASE  
ANTITRUST

SYNOPSIS OF FACTS:

[REDACTED] San Francisco, Calif., advertised rifle scopes and mounts in the American Rifleman from about Dec., 1951 to April, 1953 at cut rate prices. June, 1953 advertising rejected about April, 1953 by letter in which it was indicated rejection for reason that magazine did not feel advertising was in best interests of sportsmen. In May, 1953, Weaver Company obtained injunction at San Francisco enjoining [REDACTED] from selling or advertising for sale rifle scopes and mounts at less than certain prices. [REDACTED] continued advertising in American Rifleman through Oct., 1953 using full prices but discontinued as business declined to point where they discontinued entirely the handling of these products. No knowledge any collective action in this matter by manufacturers and publishers.

-RUC-

DETAILS:

AT SAN FRANCISCO, CALIFORNIA:

On March 21, 1955, [REDACTED], advised that in December, 1951 [REDACTED] a mail order business in scopes and mounts. [REDACTED] advertised

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APPROVED AND FORWARDED: [REDACTED] SPECIAL AGENT IN CHARGE

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- 3-New York (60-1007)
- 2-San Francisco (60-473)

APR 14 1955

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29 MAR 1955	INDEXED-27

MJL:mef  
SF 60-473

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in the American Rifleman [redacted] advertisements always list under those suggested by the manufacturers. [redacted] until May, 1953 when the W. R. Weaver Company obtained an [redacted] in Superior Court, San Francisco, California, which enjoined selling or advertising for sale at less than prices stated in [redacted] injunction certain rifle scopes and mounts. There was a hearing on this injunction [redacted] attempt to fight it and [redacted] could not sell weaver products at less than the fair trade price.

[redacted] advised that prior to the above mentioned [redacted] [redacted] received a letter from the American Rifleman magazine [redacted] they had indicated that they were not going to run [redacted] ad in the June, 1953 issue as they did not feel that to do so was in the best interests of sportsmen. [redacted]

b7c [redacted] stated that after receiving this rejection [redacted] following the injunction obtained by Weaver they placed new advertisements with the American Rifleman for the months of July through October, 1953 in which the established retail prices were quoted. They discontinued these after October, 1953 as they received very few responses and their sales fell off to the point where they could not continue this business entirely and they have not resumed it. [redacted] had to write back to their customers and tell them that they could not sell them at a discount and they soon lost all of the business.

[redacted] advised that the above is the only trouble [redacted] had while [redacted] refused to sell [redacted] merchandise but bought only from the distributors and not directly from any manufacturer. [redacted] never received any suggestions, or explanation from any publisher regarding advertisements to [redacted] had no contacts with the manufacturer.

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MJL:maf  
SF 60-473

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and few contacts with other dealers in this equipment and had no knowledge of any collective action on the part of manufacturers and publishers with respect to the maintenance of retail prices on this equipment. [REDACTED] had only attempted to advertise in the one magazine.

b7c [REDACTED] and  
that he has had no similar experience with this business.

-RUC-

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W.L.maf  
SP 60-473

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ADMINISTRATIVE PAGE

REFERENCE:

Bulet to New York dated 2/15/55

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# FEDERAL BUREAU OF INVESTIGATION

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Form No. 1  
THIS CASE ORIGINATED AT **NEW YORK**

REPORT MADE AT <b>SPRINGFIELD</b>	DATE WHEN MADE <b>3-30-55</b>	PERIOD FOR WHICH MADE <b>3-23-55</b>	REPORT MADE BY <b>SA [REDACTED] b7c</b>
TITLE <b>DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS</b>			CHARACTER OF CASE <b>ANTI-TRUST</b>

**SYNOPSIS OF FACTS:**

[REDACTED] interviewed at Springfield, Illinois, on 3-23-55 and signed statement obtained in which he advised he has been unable to have advertising inserted in "The American Rifleman" since April, 1953, with one exception which was apparently due to an error. Several pertinent items of correspondence obtained from the files of [REDACTED] in which the "Rifleman" states the ads were refused because they were "not in the best interests of the National Rifle Association, or shooting in general"; also because "it is our feeling that offerings of shooting equipment at less than established retail prices are detrimental to the orderly movement of such merchandise through regular retail channels, are a disturbing factor in the friendly relationships between established distributors and the National Rifle Association, and are otherwise contrary to the best interests and objectives of the Association, and shooting in general". [REDACTED] says "I believe that the 'American Rifleman' was forced to not accept my advertising because of pressure put on the publication by large manufacturers and jobbers of scopes and mounts. However, I am unable to prove this by any documentary evidence."

-RUC-

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4-11-55

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APPROVED AND FORWARDED: <b>[REDACTED]</b>	SPECIAL AGENT IN CHARGE	<b>ENCLOSURE</b> DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 328 APR 28 1955 ③ - Bureau (60-4616) (Enc. 18) (R.M.) (AMSD) 2 - New York (60-1107) 1 - Springfield (60-154)		RECORDED-96 INDEXED-96 EX-112 b7c [REDACTED]

**BEST COPY AVAILABLE**DETAILS: AT SPRINGFIELD, ILLINOIS

[REDACTED] Illinois (permanent address [REDACTED] Illinois) was interviewed on March 23, 1955. At that time he furnished the following signed statement:

"Springfield, Ill.  
March 23, 1955.

"I, [REDACTED], voluntarily give the following statement to [REDACTED] who has identified himself to me as a Special Agent of the Federal Bureau of Investigation, U. S. Department of Justice. No threats or promises have been made to cause me to give this statement.

"I am [REDACTED] years of age having been born on [REDACTED] at [REDACTED] Illinois. I can read and write the English language. I consider my permanent residence to be [REDACTED] Illinois but also reside at [REDACTED] Illinois. I am presently employed as [REDACTED] at [REDACTED], Illinois.

"Since the latter part of 1947 I have been operating a small mail order business buying and selling telescopic sights and mounts for guns. In furtherance of this business, I regularly advertised in 'The American Rifleman', the official monthly magazine of the National Rifle Association. My ads were not too big, usually, and were placed in the classified ad section of the magazine.

"Most of the ads placed in the 'American Rifleman' were under the name of [REDACTED] or [REDACTED]. This was a firm name I adopted for the following reasons: (1) To keep the W. R. Weaver Company, El Paso, Texas (from whom I was purchasing scopes and mounts) from knowing that their customer, [REDACTED], was in turn selling their product at less than their established list prices through the use of the name [REDACTED]; (2) I considered [REDACTED] to be a good name to sell under inasmuch as it is easy to remember, at least much easier than [REDACTED].

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"In June, 1950 I received a letter from Mr. F. A. Moulton of 'The American Rifleman' stating that they would no longer accept advertising from me inasmuch as they had received information from 'reliable sources' that I was operating a number of supply businesses under the names of several different individuals and firms. The letter stated further that 'we do not feel that it is in the best interests of the Association and its members for us to continue to accept advertising for the Rifleman from anyone who consistently operates under a number of aliases.'

"After several letters back and forth I managed to explain, apparently to the satisfaction of the 'American Rifleman', that I had from time to time used other names and addresses in carrying on my business but that practically all my advertising in the 'American Rifleman' had been under the name of [REDACTED] as that was the name I wanted to build up.

"In September, 1950 I received a letter from Mr. L. F. Lucas, Business Manager, National Rifle Association of America, in which he advised the 'American Rifleman' would again accept my advertising, beginning with the November, 1950 issue, provided I would advertise only under the name of [REDACTED] and that I would 'remodel' a portion of my selling practices in order to meet requirements of Fair Trade Laws.

" Things went along smoothly from that point until May, 1953 when the American Rifleman again refused to accept my advertising stating: 'The advertisement outlined in your letter of April 30th is not in the best interests of the National Rifle Association, or shooting in general.'

"When I asked for more specific details as to why my advertising was unacceptable to the magazine I received another letter from Mr. F. A. Moulton of the 'American Rifleman' in which he stated:

'As to the reasons for our letter to you of May 5th, it is our feeling that offerings of shooting equipment at less than established retail prices are detrimental to the orderly movement of such merchandise through regular retail channels, are

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'a disturbing factor in the friendly relationships between established distributors and the National Rifle Association, and are otherwise contrary to the best interests and objective of the Association, and shooting in general.'

"I thereafter sent in several ads to be placed in 'The American Rifleman' but they were all returned, with one exception which apparently was an oversight on the part of someone. On May 3, 1954 I received another letter from Mr. Moulton in which he reiterated the policy of not accepting advertising from anyone who sold at less than established retail prices. A paragraph is quoted from this letter:

"However, if we continue to make special exceptions to our current general policy of not accepting any advertisements in the Rifleman offering scopes at less than established retail prices we shall always be running into special circumstances such as outlined in your letter'. I have not been able to advertise in this magazine since then.

"The American Rifleman' was the ideal medium for me to reach potential customers for my scopes and mounts since it has the widest circulation among the gun enthusiasts who might be in the market for scopes and mounts. Therefore, when the magazine refused to take my advertising any longer, a great percentage of my potential customers, possibly as much as 90%, were cut off from contact with me. As a result I have been caught with a considerable number of scopes and mounts which I have been unable to sell and which are rapidly becoming obsolete. This has caused me considerable financial loss.

"I believe that the 'American Rifleman' was forced to not accept my advertising because of pressure put on the publication by large manufacturers and jobbers of scopes and mounts. However, I am unable to prove this by any documentary evidence. The 'American Rifleman' files will no doubt reveal correspondence from the W. R. Weaver Company, El Paso, Texas in which that company objects to my selling their product below their established

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"list prices. I have every reason to believe the objections filed by the W. R. Weaver Company with the 'American Rifleman' were the prime factors in the decision of the magazine not to accept my advertising any more. I recall a conversation I had in approximately 1951 with an official of the Morehouse and Wells company of Decatur, Illinois in which this official stated in substance that he had been instructed by the W. R. Weaver Company not to sell me any more Weaver scopes as I had been cutting the price below the established list price. I cannot recall the name of this official of the Morehouse and Wells firm.

"I have read the above statement consisting of this page and three other pages and it is true.

"Witness:

[REDACTED], Special Agent, FBI, Springfield, Illinois  
 [REDACTED], Special Agent, F.B.I. Springfield, Illinois"

The original of this statement is being retained in the Springfield file on this matter.

[REDACTED] said he became involved in the mail order business of buying and selling scopes and mounts quite by accident. He explained that some time in [REDACTED] he wanted a scope for his own rifle and sent an inquiry for a price list direct to the W. R. Weaver Company, El Paso, Texas. When he received the price list he noted that the price per unit for three scopes was less than the price for one; that the price per unit for an order of eighteen scopes was even less. He therefore conceived the idea of ordering eighteen scopes with the thought in mind that [REDACTED] would probably buy one of the scopes and the rest could be sold, probably at a profit, through the classified advertising section of "The American Rifleman".

[REDACTED] related this idea worked out even better than expected inasmuch as he was able to sell all of the eighteen scopes which he obtained from the Weaver Company and, in fact, received orders for more scopes than the eighteen he had advertised. He, therefore, ordered more scopes to fill these excess orders and again advertised these and others in the "Rifleman". From that point his business "snowballed".

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to the point where he was regularly running an ad every month in the "Rifleman" until the difficulties arose outlined in the above statement.

██████████ said he realized that if he advertised scopes as "brand new" and at less than the established retail prices the manufacturers would soon refuse to sell to him any more. Therefore, he adopted the subterfuge of using "aliases" in ordering his scopes from the manufacturers.

In addition, he advertised most of his stock as "used, perfect" and then quoted a price a few dollars less than the established list price for a similar "brand new" scope. Actually, however, he filled the orders for "used, perfect" scopes from his "brand new" stock in most cases as he was still able to realize a satisfactory profit by this method of operation.

However, Weaver apparently found out what ██████████ was doing and began returning his purchase orders unfilled but with no explanation as to why his business was being refused. Not long after this he began to have his first difficulties with the "Rifleman".

██████████ was unable to locate any of the orders he had sent to Weaver which had been returned unfilled nor could he locate any correspondence with Weaver on this matter. However, ██████████ said he distinctly recalled receiving a letter at one time from Weaver's attorneys asking him in effect to cease and desist his "unfair practices".

██████████ had a file of correspondence he has had back and forth with the "Rifleman" which file dates back to 1950. Pertinent documents from this file were photostated and are enclosed as exhibits with copies of this report going to the Bureau. It is noted ██████████ did not desire to relinquish possession of the original documents at this time:

Exhibit  
Number

Description

- |   |   |
|---|---|
| 1 | Letter to ██████████ from "The American Rifleman" dated June 2, 1950 beginning: "Information has been submitted to us. . . ." This letter refuses to handle any more of ██████████ advertisement because of his use of aliases. |
|---|---|

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SI 60-154

Exhibit  
Number

Description

- 1-A Copy of "ad for July, 1950 - 'The American Rifleman'" which was refused by the magazine.
- 2 Five page handwritten letter to Mr. FRED A. MCULTON from [REDACTED] dated June 29, 1950, beginning: "In reply to your letter of June 2, I wish to say..." In this letter [REDACTED] offers explanation as to his use of "aliases" in carrying on his business.
- 2-A "Ad for August, 1950 issue of 'The American Rifleman'" publication of which was refused.
- 3 Letter from National Rifle Association of America to [REDACTED] dated July 6, 1950, which begins: "Mr. Moulton has passed along to me your friendly letter of June 29th as it involves a matter of policy..." In this letter additional explanation is requested of [REDACTED] as to why he used "aliases" in the operation of his business.
- 4 *b7D* Letter from "The American Rifleman" to [REDACTED] [REDACTED] dated July 31, 1950, which begins: "Although we recently received a very fine and interesting report from [REDACTED]....." This letter encourages [REDACTED] to write concerning "the questions raised in [REDACTED] letter to you of the 6th".
- 5 Four page handwritten letter to Mr. FRED A. MCULTON from [REDACTED] dated August 31, 1950, beginning: "This refers to [REDACTED] letter of July 6 and to your letter of July 31....." In this letter [REDACTED] offers further explanation as to his use of "aliases" in the operation of his business.
- 6 Letter from National Rifle Association of America to [REDACTED] dated September 18, 1950, which begins: "Your file pertaining to advertising in 'The American Rifleman' under the names of several different individuals and firms...." This letter

**BEST COPY AVAILABLE**Exhibit  
NumberDescription

- states in substance that further advertising will be accepted from [REDACTED] since he had agreed to "remodel" a portion of his selling practices in order to meet requirements of Fair Trade laws.
- 7 One page handwritten letter to Mr. FRED A. MOULTON from [REDACTED] dated April 30, 1952 and which begins: "Attached is my ad for June, 1952....."
- 7-A "Ad for June, 1952, 'The American Rifleman'". This is considered as a typical example of the type of advertisement acceptable to the "American Rifleman".
- 7-B Postal card dated May 5, 1952 showing acceptance of this ad by the "Rifleman".
- 8 One page handwritten letter from [REDACTED] to Mr. FRED A. MOULTON dated March 29, 1953 which begins: "Attached is my ad for May, 1953...."
- 8-A "Ad for May, 1952 'The American Rifleman'". This is considered another typical example of the type of ad acceptable to the "Rifleman".
- 8-B Postal card dated April 2, 1953 showing acceptance of this ad by the "Rifleman".
- 9 One page handwritten letter to Mr. FRED A. MOULTON from [REDACTED] dated April 30, 1953, which begins: "Attached is my ad for June, 1953..." Written across this is the word "Refused".
- 9-A "Ad for June, 1953, 'The American Rifleman'". Written across this is the word "Refused".
- 10 Letter from "The American Rifleman" to [REDACTED] dated May 5, 1953 beginning: "The advertisement outlined in your letter of April 30th is not in the best interests of the National Rifle Association, or shooting in general." It is noted, according to [REDACTED] the rate card mentioned in the letter was not enclosed as indicated.

60-4616 = 41

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- | Exhibit Number | Description   |
|----------------|---|
| 11             | Two page typewritten letter to "The American Rifleman" from [REDACTED] dated May 9, 1953 and beginning: "When I returned from a field trip today I found your letter of May 2, 1953,....." In this letter [REDACTED] requests "...just what way may I word my advertising to be acceptable by the 'American Rifleman'".   |
| 12             | One page typewritten letter from "The American Rifleman" to [REDACTED] dated May 15, 1953 which begins: "we are extremely sorry for omission of copy of our current rate card from our letter to you of May 5th...." The second paragraph of this letter states: "As to the reasons for our letter to you of May 5th, it is our feeling that offering of shooting equipment at less than established retail prices are detrimental to the orderly movement of such merchandise through regular channels, are a disturbing factor in the friendly relationships between established distributors and the National Rifle Association, and are otherwise contrary to the best interests and objectives of the Association, and shooting in general." |
| 12-A           | Letter from F. A. MCULTON to [REDACTED] dated May 12, 1953 beginning: "Purely on a personal basis I am inclined to believe that the manufacturers of the scopes you still have on hand, in new factory condition, would be willing to purchase these scopes from you at exactly what you paid for them....."  |
| 13             | One page handwritten letter to "The American Rifleman" from [REDACTED] dated May 30, 1953 which begins: "Attached is my check, amt. \$13.00 for small July ad, 1953".   |
| 13-A           | "AD for July, 1953, 'The American Rifleman'". This ad was enclosure to exhibit #12 and was refused by the magazine.   |
| 14             | One page typewritten letter from National Rifle Association to [REDACTED] dated July 2, 1953  |

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Exhibit  
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Description

which begins: "Your letter of May 30th, together with copy of an advertisement....." This letter reiterates that "the acceptance of your advertisements for 'The American Rifleman' is not in the best interests of the National Rifle Association."

15 One page handwritten letter to The Arms Chest, "The American Rifleman" from [redacted] dated July 31, 1953 which begins: "Enclosed is my check, amount \$10.80, for ad below, for Sept. issue."

15-A Postal card dated August 11, 1953 showing acceptance of this ad for the September issue of the "Rifleman". [redacted] thinks somebody erred in accepting this ad.)

16 One page typewritten letter from "The American Rifleman" to [redacted] dated September 2, 1953 which begins: "In line with General Edson's letter to you of July 2, indicating that the acceptance of your advertisements for the 'American Rifleman' is not in the best interests of the National Rifle Association, we are omitting....."

16-A Copy of the "Ad for October, 1953, 'The American Rifleman'" which ad was refused per the above letter (Exhibit #16).

17 Four page handwritten letter to "The American Rifleman" from [redacted] dated April 29, 1954 which begins: "I am attaching a small ad with this letter...." In this letter [redacted] pleads to have an ad run in the "Rifleman" "just for the one issue, if not two issues....."

17-A "Arms Chest Ad for June, 1954".

18 One page typewritten letter from "The American Rifleman" to [redacted] dated May 3, 1954 which begins:

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Exhibit  
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Description

"I can assure you that we are fully appreciative of the circumstances...." The second paragraph of this letter states: "However, if we continue to make special exceptions to our current general policy of not accepting any advertisements in 'The Rifleman' offering scopes at less than established retail prices we shall always be running into special circumstances such as outlined in your letter."

b7c [redacted] said that the only other magazine he had advertised in was [redacted] but had had very little response from these ads and so discontinued them. He also found ads run in other sporting magazines were unprofitable. He never had an ad refused by any magazine, however, except "The American Rifleman".

[redacted] also advised he now stood to lose a good deal of the money he had invested in his scope stock and there appeared to be little chance of selling these scopes since the readers of "The American Rifleman" were his principal, and, in fact, his only sales outlet.

ENCLOSURES TO BUREAU: Exhibits numbers 1 through 18, as above described.

-RUC-

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SI 60-154

ADMINISTRATIVE PAGE

REFERENCE:

Bureau letter to New York dated 3-10-55.  
Springfield letter to Bureau dated 3-23-55.

# FEDERAL BUREAU OF INVESTIGATION

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No. 1  
THIS CASE ORIGINATED AT NEW YORK

REPORT MADE AT <u>SAN ANTONIO, TEXAS</u>	DATE WHEN MADE <u>6/14/55</u>	PERIOD FOR WHICH MADE <u>6/8-10/55</u>	REPORT MADE BY [REDACTED] <b>b7c</b> Lmj
TITLE <u>DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS</u>			CHARACTER OF CASE <u>ANTITRUST</u>

**SYNOPSIS OF FACTS:**

[REDACTED] of WATT ADVERTISING AGENCY, San Antonio, Texas, which company handles advertising for STITH SCOPES & MOUNTS, advised he had no knowledge of any agreements by STITH with other manufacturers regarding cut rate advertisers; also states had no direct knowledge of policies of AMERICAN RIFLEMAN. Photostatic copies of pertinent correspondence obtained.

- RUC -

**DETAILS: AT SAN ANTONIO, TEXAS**

On June 8, 1955, [REDACTED] of WATT ADVERTISING AGENCY, 101 Navarro Street, [REDACTED] his file with respect to the STITH SCOPES AND MOUNTS. [REDACTED] been handling the advertising for this concern for the last five or six years.

After reviewing this file, the following correspondence was photostated and a copy of each is being enclosed with this report to be transmitted to the Department of Justice:

1. Copy of a letter to [REDACTED], dated September 10, 1952, from HUNTING AND FISHING magazine, regarding STITH mounts, beginning, "You will be interested in the following excerpt from a memorandum of instructions from our publisher, L. F. McCLURE, to our classified advertising, editorial and production departments."

*See Antitrust file 4/23/55 w/ encls rec'd in SA [REDACTED] 6/14/55 - 60*

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 3 - Bureau (60-1616) (encl. 1) 2 - New York (60-1107) 1 - San Antonio (60-133)		RECORDED EX-126 JUN 23 1955 [REDACTED]

**b7c**

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2. Letter to [REDACTED] dated September 30, 1952, from [REDACTED] beginning, "Your policies regarding cut-rate advertising are your own business, but who will place our client's adverts [REDACTED] definitely our business."
3. Letter to [REDACTED] dated April 17, 1953, from [REDACTED] beginning, "I am opposed to our advertising in magazines which carry "cut-rate" copy for the following reasons:"
4. Letter to [REDACTED] dated November 5, 1953, from [REDACTED] ARIZONA WILDLIFE SPORTSMAN, beginning, "Please refer to your letter of October 29th in regards to [REDACTED] cooperating in [REDACTED] advertising."
5. Letter to [REDACTED] dated November 19, 1953, from [REDACTED] of SMITH SCOPES AND MOUNTS, beginning, "Your letter directed to the Wyatt Advertising Agency is before me."
6. Letter to [REDACTED] dated November 19, 1953, from [REDACTED] ARIZONA WILDLIFE SPORTSMAN, beginning, "I am enclosing copy of my reply to [REDACTED] of SMITH who wrote me in the 16th re tie-ins."

570

With respect to the above-listed correspondence, [REDACTED] stated he was opposed to advertising in magazines which carried cut-rate advertising from strictly an advertising man's point of view. He pointed out that advertising fell short of its mark when it was carried in a publication which carried advertising of a similar line of merchandise quoting prices at less than [REDACTED] client's prices. He said that in such a case, naturally the interests [REDACTED] client were not best served because the reader of the magazines could compare the prices and, naturally, would buy from the company listing the cheaper price. He said that he did not know of any agreements between [REDACTED] of the [REDACTED] SCOPES AND MOUNTS with any other manufacturers with respect to policies to be followed by the manufacturers and/or the magazines with respect to persons and companies who listed their products at a price less than that suggested by the manufacturer. He said he did know, however, that [REDACTED] also felt very strongly about this subject and [REDACTED] was strongly opposed to cut-rate advertisers.

With respect to the letter of September 10, 1952, from HUNTING AND FISHING magazine [REDACTED] said that [REDACTED] was an unsolicited letter.

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With respect to his letter of September 30, 1952, to F. A. WOLTON of the AMERICAN RIFLEMAN, [redacted] said that this letter was written by him from strictly an advertising point of view. He said that the quarter-page ad referred to in his letter was placed in the magazine on exactly the same page as a [redacted] advertiser's ad which listed Scopes. He said that the advertising of his client, the [redacted] SCOPES AND MOUNTS, listed a price which was higher than that listed by the competitor advertiser. For this reason, he protested the placing of the ad and not the carrying of [redacted] advertiser's ad in the AMERICAN RIFLEMAN.

With regard to correspondence to and from the AMERICAN WILDERNESS SPORTSMAN, [redacted] said that this correspondence related to the showing of the [redacted] advertising in that magazine which included a small cut of the STW trademark. He said that this is the policy generally followed by manufacturers when other companies are carrying the manufacturer's advertisement within their own advertisement. He said that this had no relation to whether or not [redacted] was trying to help any particular advertisers.

In this connection, [redacted] said that he did not know directly of any of the contents of the AMERICAN RIFLEMAN except that on reading [redacted] the magazine carried cut-out [redacted]. He pointed out that this was [redacted] which anyone could have obtained from the AMERICAN RIFLEMAN, and that [redacted] of any [redacted] be [redacted].

REFERENCES:

610  
16-16

SA 60-133

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REFERENCE

Report of SA [REDACTED] dated 3/28/55 at San Antonio

Enlet to San Antonio dated 5/11/55

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60-4616-54 60

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FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE

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Transmit the following Teletype message to:

FBI, DETROIT (60-433) 6/30/55

DIRECTOR, FBI (60-4616)

DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS; ANTI-TRUST

Re Minneapolis airtel to New York, 23 instant, cc Bureau and Detroit.

*z*  
Investigation at [redacted] Michigan. This company is a partnership consisting of [redacted] which does not manufacture any rifle scopes but does manufacture such items as scope mounts, receiver sights, open sight bases and gun cleaning equipment. They also operate as jobbers of rifle scopes, guns, ammunition, and other items to make up a complete line of shooting accessories.

They have a mailing list of approximately 10,000 dealers, among the estimated 17,000 dealers in these lines in the U.S., selling both to jobbers and dealers.

*b7c*  
[redacted] handles scopes of Weaver, Stith, Lyman, and Unertal. Preliminary investigation reflects no pertinent data re alleged anti-trust violation; however, time available prior to Buded 7/1/55 not sufficient to search 24 drawers of correspondence. It is estimated that this can be done and report submitted 7/14/55.

Re paragraph 3 of letter from Precision Tool and Gun Company, to Conner Shooters Supplies, dated 5/24/55 [redacted]

[redacted] for approximately 400 dealers, at which program included no discussion of price fixing.

AIR MAIL  
GPD:EAE  
(5)  
CC: New York 60-1107

RECORDED - 7  
AIRTEL  
60-4616-69  
60-4616-4616

RECEIVED

FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE-----  
Transmit the following Teletype message to:

PAGE TWO

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He recalls [redacted] mentioning in casual conversation discount selling by [redacted] and [redacted] Company but states that [redacted] made no agreement to cease doing business with them.

b7c [redacted] states no orders have been received from [redacted] but [redacted] has been and continues to be a customer of [redacted] exhibited ledger sheets showing 24 shipments of orders from [redacted] between 4/15/55 and 6/28/55.

[redacted]

60-4616 - 60

Approved \_\_\_\_\_

Special Agent in Charge

Per \_\_\_\_\_

FEDERAL BUREAU OF INVESTIGATION

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Form No. 1  
THIS CASE ORIGINATED AT NEW YORK

REPORT MADE AT HOUSTON	DATE WHEN MADE 6/24/55	PERIOD FOR WHICH MADE 6/20, -23/55	REPORT MADE BY [REDACTED] (A)
TITLE <u>DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS</u>		CHARACTER OF CASE ANTITRUST	

SYNOPSIS OF FACTS:

[REDACTED] of the [REDACTED], Houston, advised he had been d/b/a [REDACTED] since around [REDACTED]. Manufacturers of rifle scopes and mounts supplying [REDACTED] set forth. [REDACTED] denied receiving orders for scopes from any "so-called price cutting retailers". The Lyman Gun Sight Corp. is the only manufacturer requesting the [REDACTED] to adhere to suggested list prices. [REDACTED] denied having any fair trade agreements with manufacturers, or having received any warnings from manufacturers that the [REDACTED] or its customers were selling below manufacturers' suggested list prices. Files of the [REDACTED] for the years 1954 and 1955 were made available, were reviewed, and correspondence deemed pertinent set forth.

- RUC -

DETAILS: AT HOUSTON, TEXAS

Efforts were made to contact and interview [REDACTED] of the [REDACTED] Houston, on June 20, 21, and 22, 1955, without results. On June 23, 1955, [REDACTED] advised that he would be available for interview at 4:30 PM that day. It is to be noted that there

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RUC*

60-4616

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EX-100

APPROVED AND FORWARDED: [Signature]	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 2 Bureau (60-4616) (encls. 24) 2 New York (60-1107) 1 Houston (60-126)		ENCL. 13 JUN 28 1955 RECORDED 3 103

JUL 18 1955

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was no listing in the telephone directory for the [redacted] however, it was determined that this organization was [redacted] at [redacted] Houston, Texas.

On June 23, 1955 [redacted] was contacted at [redacted] by SA's [redacted] and [redacted]

[redacted] stated that [redacted] the [redacted], and that the business known as the [redacted] was started sometime around [redacted]. He advised that he had been collecting guns, scopes, mounts, etc. as a hobby prior to [redacted]. It is to be noted that [redacted] is employed by the [redacted] Houston, Texas, and [redacted] the [redacted]. He also stated his business was on a nationwide scale, but that only about 30% of his business was obtained outside of a hundred mile radius of Houston, Texas. [redacted] stated most of his business was obtained through personal contacts, and that he had previously advertised in the American Rifleman and the Sporting Goods Dealer, but that he had voluntarily withdrawn his advertising about a year ago because marital difficulties had arisen [redacted]

[redacted] advised that [redacted] for the following manufacturers of rifle scopes, and furnished the following approximate percentage of each brand sold to the total of all brands:

The Lyman Gun Sight Corporation - - - - 80%  
Middlefield, Connecticut

The Pecar Gun Sight - - - - 5%  
(Through [redacted]  
Sumpter, South Carolina)

Hy-Score Arms Company - - - - 10%  
25 Lafayette Street, Brooklyn 1, N.Y.

D. P. Bushnell & Company, Inc. - - - - 5%  
260 Bushnell Building, Pasadena, Calif.

Unertl Optical Company - - - - Only one  
3551 East Street sold in  
Pittsburgh, Pennsylvania year

60-4616-571

b7c

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[redacted] advised that of the above mentioned rifle scope manufacturers, only the Lyman Gun Sight Corporation and the D. P. Bushnell and Company, Inc. are competitive price-wise. He stated the "Hy-Score" scope is a higher priced scope and that "Pecar" scope is of German manufacture, is of a different type of construction, and is therefore not competitive with the others.

[redacted] further advised the following manufacturers of scope mounts were [redacted] suppliers and gave the following approximate percentages of sales:

[redacted] ----- 50%  
Orinda, California

[redacted] (Echo mounts) ----- 5%  
Boise, Idaho

[redacted] Gun Sight Company ----- 14%  
Davison, Michigan

[redacted] ----- 10%  
Jenkintown, Pennsylvania

[redacted] denied receiving orders for scopes from any of the following "so-called price cutting retailers":

[redacted]

Scope Company

Signal Supply and Savings Company

He denied that he has ever refused to sell scopes to any retailer because that dealer was selling or advertising at prices below those suggested by the manufacturer.

[redacted] denied having any fair "trade agreements" with any of the aforementioned manufacturers, who supply him with scopes and mounts. He stated that all of his manufacturers furnished him with a suggested list price either by stating the actual suggested list price, or showing the retail price, less the jobber's discount. However, the D. P. Bushnell & Company, Inc. does not have a jobber's discount and he [redacted] therefore pays the same for the Bushnell scopes as the [redacted] does.

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██████████ stated that at this time only the Lyman Gun Sight Corporation would require adherence to the suggested list price. This opinion of ██████████ was based on the fact that he heard the Peden Iron and Steel Company, Houston, which deals in hardware and sporting goods, complained to the Lyman Gun Sight Corporation when he ██████████ was given a Lyman distributorship. He further stated the Lyman Gun Sight Corporation informed him that if he were to sell at less than the suggested list price which the Peden Iron and Steel Company was following, they would have to withdraw their dealership rather than lose the Peden account. ██████████ further stated he had heard rumors, the source of which he does not recall, that Peden and other jobbers have sold at less than list price on several occasions.

██████████ advised that resale prices are subject to mutual understanding and there are no agreements with the manufacturers to control resale prices.

██████████ stated the ultimate resale price to retailers is conveyed to them by the manufacturers' consumers price lists, and when specifically asked by the retailer, he ██████████ would tell them what the consumer's price should be.

b7c ██████████ does not "police" retailers' prices. He maintained that if retailers ██████████ sold at less than list price, he would tell them they were silly to do so because they were losing money, and that they should limit their competition to services rendered. He further stated he would not take any action, and amplified this remark by saying, in the past it has been brought to his attention that retailers have sold at lower than list price and when he received this information, he did not take any action nor did he report it to the manufacturer.

██████████ denied he has ever been warned by the manufacturer that the ██████████ or its customers were selling below the manufacturer's list price. He denied corresponding with manufacturers regarding retailers selling "off list", and he also denied that any understandings exist between the ██████████ and the manufacturers that the jobbers will not resell to retailers who deviate from the manufacturers' suggested list prices.

██████████ stated the following manufacturers have refused to give ██████████ for their products:

Redfield Gun Sight Company, 6315 Gilpin Street,  
Denver 5, Colorado. 80-4616 71



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He stated that the reason given for refusal to permit [redacted] for this company was that in May, 1955, they informed him that they felt they were adequately represented [redacted] stated, However, that in February, 1955, he had received correspondence from the Redfield Gun Sight Company in which they stated they were not satisfied with the present distribution of their products in the Houston area. He was unable to explain their sudden change in plans.

Fachmeyer Gun Works, 1220 South Grant Avenue,  
Los Angeles, California

This company refused to sell to [redacted] as a jobber, and would only sell to him as a dealer. [redacted] was at a loss to understand this viewpoint since he deals strictly on a wholesale basis.

W. R. Weaver Company  
El Paso, Texas

The reason given by the Weaver Company for refusing [redacted] was that they had sufficient distributors in the Houston area.

At this point [redacted] made available for review, his files for the years 1954 and 1955. The correspondence contained in those files which was deemed pertinent to this investigation is set forth as enclosures herewith.

ENCLOSURES: TO BUREAU - Photostatic copies of the following:

Six (6) letters from the Redfield Gun Sight Company to the Texas Gun Clinic dated 9/3/52; 7/8/54; 9/8/54; 1/31/55; 2/9/55; 5/13/55.

Eleven (11) letters from [redacted] to the Redfield Gun Sight Company dated 6/25/54; 7/28/54; 9/3/54; 1/3/55; 1/21/55; 3-page letter 2/5/55; 2/25/55 (and attached list of lines handled by the [redacted] on a jobbing basis); 3/18/55; 4/21/55; 5/14/55; 6/16/55.

One (1) 6-page petition circulated by [redacted] during the month of June, 1955. **60-4816 - 71**

HO 60-126

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Houston area re availability of Redfield Gun Sig  
products in the Houston area; availability of pr [redacted] bed  
by the [redacted] and opinions of the ret  
Redfield products were jobbed by the Texas Gun C

Three (3) letters from W. R. Weaver Co. [redacted]  
dated 9/4/52; 7/1/54; 1/31/55.

Three (3) letters from the [redacted]  
W. R. Weaver Company dated 6/25/54; 12/10/54; 1/

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60-48

71

HO 60-126

REFERENCES

Bureau letter to New York, 6/13/55

Bureau airtel to New York, 6/22/55

ADMINISTRATIVE PAGE

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# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK**

REPORT MADE AT <b>MILWAUKEE, WIS.</b>	DATE WHEN MADE <b>6-27-55</b>	PERIOD FOR WHICH MADE <b>6-15, 20, 21-55</b>	REPORT MADE BY [REDACTED] <b>b7c</b>
TITLE <b>DISTRIBUTION AND RETAIL ADVERTISING OF RIFLE SCOPES AND MOUNTS</b>		CHARACTER OF CASE <b>ANTITRUST</b>	

**SYNOPSIS OF FACTS:**

[REDACTED] ARMS CO., Milwaukee, are authorized jobbers for the Lyman scope and the Norman Ford, but obtains Weaver scopes for its retail trade from an authorized Weaver jobber in Red Wing, Minn. Weaver scopes comprise 95% of sales; Lyman 4% and Norman Ford 1%. [REDACTED] has no knowledge that his retailers engage in cut-price sales. [REDACTED] has no agreement with manufacturers, and manufacturers have placed no restrictions on him. [REDACTED] has no knowledge that retailers have been refused advertising in sports magazines. No evidentiary correspondence obtained.

- RUC -

**DETAILS:**

AT MILWAUKEE, WISCONSIN

By letter dated June 13, 1955 the Bureau transmitted a copy of a memorandum dated June 9, 1955 from the Antitrust Division of the U. S. Department of Justice, which requested that certain information and evidentiary material be obtained from a jobber or dealer in rifle scopes, inasmuch as allegations have been made that possible violations of the antitrust laws may exist in connection with the distribution and advertising of rifle scopes by five of the largest manufacturers of such rifle scopes.

cc AT D  
4-11-55

60-4616 - 73

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<p><b>228 APR 19 1976</b></p> <p>3 - Bureau (60-4616)</p> <p>2 - New York (60-1107)</p> <p>1 - Milwaukee (60-180)</p> <p><b>58 JUL 8 1955</b></p>	<p><b>60-4616</b></p> <p><b>27 JUN 21 1955</b></p> <p><b>b7c</b></p>	<p><b>73</b></p> <p><b>RECORDED-35</b></p>	<p>[REDACTED]</p>

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On 21, 1955, [redacted] ARMS CO. [redacted] advised that he [redacted] in the sporting goods business and the firearms business for approximately 15 years. He previously had his shop at 4435 W. [redacted] Ave., but has been at his present location since April 1, [redacted]

[redacted] stated that he has been authorized jobber and dealer for Lyman scopes for approximately three years, and an authorized dealer for the Norman Ford (Texan scopes) for approximately [redacted] years. He stated that he also handles the Weaver scopes, but on a direct basis nor as an authorized factory dealer. He stated that he obtains his Weaver scopes from the [redacted] Red Wing, Minn., the latter being an authorized [redacted]

[redacted] stated that he has an understanding with [redacted] so that [redacted] furnishes him with as many Weaver scopes as he desires, and [redacted] furnishes [redacted] with as much loading equipment as he requires. He stated that [redacted] charges him the same price that the factory charges him [redacted]

[redacted] stated that he applied to the Weaver Corp. to become an authorized jobber, but the Weaver Corp. refused him a dealerships, at [redacted] their output was not big enough to add additional jobbers. [redacted] stated that [redacted] bills him for the Weaver scopes [redacted] through the Weaver Co. would bill him, and that he bills [redacted] the same as though the Lyman Co. would bill him for the loading [redacted]

[redacted] stated that he acts in the dual capacity of jobber and dealer in the scopes line.

The [redacted] are the answers as requested from questions outlined on page [redacted] of the memo of the Attorney General:

1. [redacted] the Lyman, the Weaver and the Norman Ford rifle scopes. [redacted] stated that 95% of his scope sales is the Weaver brand, [redacted] the Lyman brand, and 1% the Norman Ford brand. [redacted] stated that about one year ago the Lyman Co. [redacted] the market with their "All American" scope for \$49. [redacted] order to meet Weaver competition. He stated that the [redacted] Ford and the Lyman rifle scopes are considered comparable [redacted] price-wise, in the 2.5 and the 4.00 power scopes.

The present retail list of the scopes which he handles is as follows:

80-4616 = 73

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