

FEDERAL TRADE BODY LOSES

Court Denies Commission Right to Examine Millers' Federation Books.

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WASHINGTON, Sept. 22.—The Federal Trade Commission will be enjoined from inspecting the books and records of the Millers' National Federation of Chicago, a non-profit organization composed of the bulk of the big milling and baking concerns of this country.

Justice James F. Smith of the District of Columbia Supreme Court handed down a memorandum opinion today, stating that the federation was entitled to such an injunction, for which it had petitioned.

This is the third defeat the commission has suffered in its attempts to investigate various phases of the industrial life of the nation in response to Senate resolutions.

Two other injunction cases have been won by steel and coal interests, who charged the commission with being too inquisitive in trying to commandeer books and records in violation of the constitutional rights of the owners.

In his memorandum opinion Justice Smith said: "No mere administrative agency, acting as such, has any right to invade the privacy of business, except as prescribed by law, and then only within constitutional limitations.

"Indeed, so far as natural persons or private corporations are concerned, it is certain that Congress cannot give administrative officials authority to rummage through their papers without their consent in the hope that evidence may be discovered useful for a public purpose."