and intricate statutory construction in order to reach those in control of a corporation. A statute which defines a crime that may possibly be committed by a corporation should sharply distinguish: (1) the punishment of the entity by a fine; (2) the punishment of the directors, active or passive, by fine or imprisonment; (3) punishment of the stockholders by imprisonment or fine that operates *directly* rather than *indirectly* by a *pro rata* diminution of corporate assets; (4) the punishment of the employee personally guilty of the wrongful act or omissions. See Lee, Corporate Criminal Liability, 28 Col. L. Rev. 181, 189 (1928). It may be noted that the employee as such will seldom be actually punished. See *State v. Parsons*, 12 Mo. App. 205 (1882); *United States v. Mullen*, 53 Fed. 229 (D.C. Kan. 1892). Since the primary purpose of penal provisions is to deter violations of the law, they should be concentrated upon directors and officers whose control enables them to prevent corporate criminality. The imposition of criminal liability upon the directors exclusively would have two beneficial effects: (1) It would relieve the stockholders from what is, in effect, vicarious criminal liability. In view of the increasing separation between ownership and control, such stockholder immunity seems highly desirable. (2) It would enable courts to imprison culpable directors even though they could not solve the long-standing riddle of how to imprison the jural entity.

Equity—Trade Regulations—Price Fixing by Equitable Decree—[Illinois].—Members of the plaintiff association, comprising most of the cleaners and dyers of Chicago, agreed to maintain a minimum price list. The association attempted to persuade independent cleaner shops outside the association to maintain the same list price or sell out to the association. The defendants, independent cleaners and dyers, cut prices. Racketeering and reduction in wages for workers in the industry resulted. The plaintiff association seeks to enjoin the defendants from cutting prices. From decree enjoining the defendants and plaintiffs from selling their services for less than a fixed price, the defendants appeal. *Held*, decree reversed. Price-cutting does not, of itself, constitute unfair competition; and equitable relief from the consequences of fair competition will not be granted. *Cleaning and Dyeing P. O. Ass'n v. Sterling Cleaners and Dyers et al.*, 2 N.E. (2d) 149 (Ill. 1936).

Members of the plaintiff association, comprising most of the barbers of Chicago, agreed to maintain a minimum price list. The defendants, independent barbers as well as members of the association, cut prices. Racketeering and reduction in wages for workers in the industry resulted. The plaintiff seeks to enjoin the defendants from cutting prices. *Held*, decree granted. Price-cutting below a fixed minimum will be enjoined to protect industry from ruinous practices. *Master Barbers' Ass'n v. Baiata et al.*, Chicago Daily Tribune, July 30, 1936, p. 3.

Price-cutting *per se* has never been regarded as unfair competition. See *School Master's Case*, Y.B. 11 Hen. IV 47 (1410); *U.S. v. Sutherland*, 9 F. Supp. 204, 206 (Mo. 1934); Nims, Unfair Competition § 300 (3d ed. 1929). But price-cutting effected under varying conditions has been so regarded. For price-cutting incidental to temporary competition which is designed to injure others rather than to promote the defendant's economic interests, liability has been imposed. *Tuttle v. Buck*, 107 Minn. 145, 119 N.W. 946 (1909) (banker entered barber business for sole purpose of eliminating plaintiff and retired after its withdrawal); *Dunshee v. Standard Oil Co.*, 152 Iowa 618, 132 N.W. 371 (1911) (wholesaler entered retail business for the sole purpose of driving out retailer who refused to buy from him). Under the anti-trust acts the lowering of local prices by a national company in order to eliminate competition and create a monopoly while absorbing temporary resultant losses by higher prices in other areas, has been enjoined. *United States v. Great Lakes Towing Co.*, 217 Fed. 656 (D.C. Ohio 1914); see Nims, Unfair Competition § 301 (3d ed. 1929). Although courts have not so held, economists have suggested that the practice of selling loss leaders should be deemed unfair competition. Seligman and Love, Price-Cutting and Price Maintenance, c. 19 (1932). See Rogers, Predatory Price-Cutting as Unfair Trade, 27 Harv. L. Rev. 139 (1913).

There is a clear-cut distinction between these proscribed practices and the price-cutting in the instant cases: Where price-cutting has been held unfair, it has eliminated competitors by means other than greater productive efficiency. Consequently, it could not bring about the social benefits said to justify competition, *i.e.*, the elimination of inefficient enterprises and the furnishing to society of the maximum utility at the minimum cost. See Stevens, Unfair Competition 16–18 (1917); Seligman and Love, Price-Cutting and Price Maintenance 141, 458 (1932). In the instant cases, however, the competition was competition of productive efficiency which was designed to increase volume by reducing prices and which might ultimately increase want satisfaction. Under prevailing assumptions, such competition is socially desirable despite the evils incidental to it. See *National Cotton Oil Co. v. Texas*, 197 U.S. 115, 129 (1904). But it has been suggested that competition demoralizing to industry should be curbed despite temporary resultant benefits to consumers. Gaskill, Price Control in the Public Interest 58, 65, 101 (1931). Even under this view, it is questionable whether injunctive relief was proper. Police measures and collective bargaining respectively might be used to combat the evils of racketeering and low wages. Should these measures prove ineffectual, a statute fixing minimum prices and establishing an administrative board would more effectively protect the public interest than a decree granted at the request of a monopolistic trade association. However, the enforcement of such a statute would probably involve administrative difficulties. See Terborgh, Price Control Devices in NRA Codes (1934). Moreover, its constitutionality would be questionable. The *Nebbia* case, involving a statute fixing the price of milk, announced that the test of the constitutionality of such regulation would be its reasonableness. *Nebbia v. New York*, 291 U.S. 502, 536 (1934). Application of this test to cases involving minimum price statutes for the cleaning, barber and similar industries has resulted in a preponderance of decisions holding the regulation unreasonable and the statute unconstitutional. *Becker v. State*, 185 Atl. 92 (Del. 1936); *Kent Stores of New Jersey v. Wilentz*, 14 F. Supp. 1 (1936) (cleaning); *State ex rel. Fulton v. Ives*, 167 So. 394 (Fla. 1936) (barbers); *Rohrer v. Milk Control Board*, 121 Pa. Super. 281, 184 Atl. 133 (1936) (milk). See *Royce v. Rosasco*, 287 N.Y.S. 692 (N.Y. 1936); *Albert v. Milk Control Board*, 200 N.E. 688 (Ind. 1936) (milk); *In re State ex rel. Attorney General*, 264 N.W. 633 (Wis. 1936), noted in 11 Wis. L. Rev. 430 (1936) (Wisconsin Recovery Act making it the duty of the governor to prescribe reasonable codes of fair competition upheld). In view of these decisions, the price fixing decree may present the phenomenon of a court regulating matters which a legislature may not constitutionally regulate.

Evidence—Burden of Proving Bona Fide Purchase—[New York].—A grantor having delivered a deed in escrow for the plaintiff, executed a deed of the same land to the