



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice today filed a civil antitrust suit against three chemical manufacturers and the owner of patents on chemical products.

Attorney General John N. Mitchell said that the complaint was filed in the United States District Court in Washington, D.C., against Hercules Incorporated; Stauffer Chemical Company; their jointly-owned subsidiary, Texas Alkyls, Inc.; and Karl Ziegler, a German national and the owner of various United States patents relating to the manufacture of chemical products known as aluminum trialkyls.

According to the complaint, aluminum trialkyls are compounds used as chemical intermediates, as catalysts, as chemical reducing agents and jet fuels, and in the production of synthetic rubber.

The complaint alleges that the defendants combined and conspired in unreasonable restraint of trade in aluminum trialkyls and to monopolize the sale of aluminum trialkyls, in violation of the Sherman Act. According to the complaint, aluminum trialkyls are unpatented products which have been known for many years, and the Ziegler patents cover the only commercial processes for making them. It is alleged that the defendants acted unlawfully by using the patent monopoly over the process for making

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the unpatented products, to control the sale and distribution of the end products, which are themselves unpatented.

According to the complaint, the effect has been to extend the patent monopoly unlawfully to a monopoly over the sale of the unpatented products of the patented processes, thereby depriving the public of the benefits of free and open competition in the sale and distribution of aluminum trialkyls. The effect is also alleged to have been to confer upon the corporate defendants a dominant position in the sale of the product.

The complaint seeks an injunction against defendants' attempting in any way to interfere with the sale by others of aluminum trialkyls, or from attempting in any way to interfere with the use or disposition by any person of the unpatented product of a patented process. The complaint additionally seeks reasonable royalty licensing of patents and know-how relating to aluminum trialkyls.

Richard W. McLaren, Assistant Attorney General in charge of the Antitrust Division, said the complaint was filed under the theory, which has been upheld in the courts, that licensors of patented machines have no right to interfere with free competition in the sale of unpatented products manufactured by those machines.