



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice filed a civil antitrust suit today charging Industrial Electronic Engineers, Incorporated of Van Nuys, California with monopolizing the manufacture and sale of miniature instruments used to monitor electronic equipment.

Attorney General Elliot L. Richardson said the suit, which charged a violation of Section 2 of the Sherman Act, was filed in U.S. District Court in Los Angeles.

The instruments -- called rear projection read-out devices -- are used in sophisticated electronic equipment, such as computers, to display messages to an operator or monitor of the equipment.

Such messages, in the form of numbers, letters, or other symbols, provide information on the condition of the equipment being operated or events being monitored, and are displayed on instrument panels such as those of aircraft, sophisticated medical equipment, and stock quotation devices.

Assistant Attorney General Thomas E. Kauper, in charge of the Antitrust Division, said that the suit alleged that the defendant has:

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-- sought to eliminate and has eliminated competition by acquiring or attempting to acquire the business, patents, designs, trademarks or brand names of competitors;

-- threatened to file, or has filed, patent infringement suits for the purpose of imposing a financial burden upon competitors and to injure their business reputation;

-- manufactured a particular model rear projection read-out and sold it at extremely low prices (sometimes below total cost) to customers considering purchasing from a competitor, with the purpose of depriving the competitor of any rear projection read-out business, but has not generally promoted the sale of the product; and

-- employed a propaganda campaign to discredit and injure competitors.

According to the complaint, Industrial Electronic Engineers is the largest manufacturer in the United States of rear projection read-outs, having produced and sold in excess of 85 percent of all rear projection read-outs domestically manufactured in each year since 1958. For the fiscal year ending 1972, defendant's sales of rear projection read-outs amounted to approximately \$5,600,000.

The suit asks that the defendant be perpetually enjoined from continuing the acts and conduct alleged in the complaint and from engaging in any practices having a similar purpose or effect.

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The complaint also asks that the Court order the defendant to take such action with respect to its rear projection read-out patents as is necessary to restore competitive conditions, and further seeks an injunction -- for a period to be determined later -- against acquisitions by the defendant which could prevent actual or potential competition.