Seymour H. Dussman Antitrust Division U.S. Department of Justice Washington, D. C. 20530 Telephone: 739-4629

Earl J. Silbert
United States Attorney
3rd Street and Constitution
Avenue, N.W.,
Washington, D. C. 20001
Telephone: 426-7511

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Plaintiff,

Civil Action No. 76-1182

v.

Filed: 6-25-76

AMERICAN BAR ASSOCIATION,

Defendant.

Defendant.

### COMPLAINT

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, brings this civil action to obtain equitable relief against the above-named defendant and complains and alleges as follows:

Τ\_

# JURISDICTION AND VENUE

- 1. This Complaint is filed under Section 4 of the Act of Congress of July 2, 1890, as amended (15 U.S.C. §4), commonly known as the Sherman Act, in order to prevent and restrain the continuing violation by the defendant, as hereinafter alleged, of Section 1 of said Act (15 U.S.C. §1).
- 2. The defendant, American Bar Association, maintains an office, transacts business, and is found within the listrict of Columbia.

### DEFENDANT

3. The American Bar Association (hereinafter referred to as "ABA") is made the defendant herein. ABA is an unincorporated association having its principal place of business in Chicago, Illinois. The ABA's membership consists primarily of attorneys.

#### III.

## CO-CONSPIRATORS

4. Various persons and organizations, not made defendants herein, have participated as co-conspirators in the violation of Section 1 of the Sherman Act hereinafter alleged and have performed acts and have made statements in furtherance thereof. Such co-conspirators include, but are not limited to, members of defendant ABA.

TV.

# TRADE AND COMMERCE

- 5. The ABA's membership includes approximately 200,000 lawyers located throughout the United States. These lawyers provide legal services to individuals, corporations, and other legal entities located throughout the United States and in foreign countries. These legal services facilitate, direct, and shape the conduct of interstate and international business and contribute directly to the flow of persons, money, goods, and services in interstate commerce.
- 6. ABA members provide legal services to individuals, corporations, and other entities in states other than the one in which the member maintains his principal place of business. ABA members also provide legal services to individuals, corporations, and other entities who negotiate and

otherwise deal with persons situated in states other than the one in which the member maintains his principal place of business. In the course of providing legal services, members of the ABA often travel from state to state and make substantial use of interstate mail and wire services in the transport of funds, documents, contracts, memoranda, and other communications throughout the United States.

7. The activities of the defendant and its members, as described herein, are within the flow of interstate commerce, and have a substantial effect upon interstate commerce.

٧.

# VIOLATION ALLEGED

- 8. For many years past, and continuing up to and including the date of the filing of this Complaint, the defendant and co-conspirators have been engaged in a combination and conspiracy in unreasonable restraint of the aforesaid trade and commerce in violation of Section 1 of the Sherman Act. Said unlawful combination and conspiracy is continuing and will continue unless the relief hereinafter prayed for is granted.
- 9. The aforesaid combination and conspiracy has consisted of a continuing agreement, understanding and concert of action among the defendant and co-conspirators, the substantial terms of which have been and are:
  - (a) That the defendant adopt, publish and distribute a Code of Professional Responsibility containing provisions prohibiting lawyers from engaging in price advertising and other advertising about the availability and cost of legal services;

- (b) That the members of the ABA abide by said provisions of the Code of Professional Responsibility;
- (c) That the defendant and co-conspirators police said provisions of the Code of Professional Responsibility.
- 10. For the purpose of effectuating the aforesaid combination and conspiracy, the defendant and co-conspirators have done those things which, as hereinbefore alleged, they agreed to do.

#### VI.

## **EFFECTS**

- 11. The aforesaid combination and conspiracy has had the following effects, among others:
  - (a) Price competition in the provision of legal services has been restrained;
  - (b) Purchasers and potential purchasers of legal services have been deprived of the opportunity to obtain information about the cost and availability of legal services;
  - (c) Purchasers of legal services have been deprived of the benefits of free and open competition in the sale of such services;
  - (d) Lawyers have been restained in their ability to make legal services readily and fully available to consumers.

#### PRAYER

WHEREFORE, plaintiff prays:

1. That the Court adjudge and decree that the defendant has engaged in an unlawful combination and conspiracy in restraint of the aferesaid trade and commerce in violation of Section 1 of the Sherman Act.

- 2. That the defendant, its officers, governors, agents, employees, and all other persons acting or claiming to act on its behalf be enjoined and restrained from continuing, maintaining or renewing the aforesaid combination and conspiracy, and from entering into, maintaining, or participating in any agreement, understanding, plan; program or other arrangement having the purpose or effect of continuing, maintaining or renewing such combination and conspiracy.
- 3. That the defendant be required to cancel those provisions of its Code of Professional Responsibility and every other rule, opinion, resolution, or statement of policy which have the purpose or effect of suppressing or restricting advertising by lawyers.
- 4. That the plaintiff have such other and further relief as the nature of the case may require and the Court may deem just and proper under the circumstances.
  - 5. That the plaintiff recover the costs of this suit.

THOMAS E. KAUPER
Assistant Attorney General

Cotrace Old Olat

BRUCE B. WILSON

JOE SIMS

BADDIA J. RASHID

Seymour H. DUSSMAN

DAN W. SCHNEIDER

Attorneys, Department of Justice

MILLIAM E CHODE

KENNETH C. ANDERSON
Attorneys, Department of Justice

EARL J. SILDERT : United States Attorney

T