UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF OHIO WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

THE MEAD CORPORATION,

Defendant.

Civil Action

No. 3576

Entered: May 14, 1970

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on July 8, 1968, and defendant having appeared and filed its answer to the complaint denying the substantive allegations thereof; and the plaintiff and the defendant, by their respective attorneys, having severally consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting any evidence against or any admission by any party hereto with respect to any such issue of fact or law.

NOW, THEREFORE, before the taking of any testimony, without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby

ORDERED, ADJUDGED AND DECREED as follows:

I.

This Court has jurisdiction of the subject matter of this action and of the parties hereto. The complaint states a claim upon which relief may be granted against the defendant under Section 7 of the Act of Congress of October 15, 1914 (15 U.S.C. § 18), commonly known as the Clayton Act, as amended.

II.

As used in this Final Judgment:

- (A) "Person" means any individual, corporation, partnership, association, firm or other legal entity.
- (B) "Fine paper" means printing and writing papers sold in the United States at wholesale to commercial printers.
- (C) "Acquired merchant houses" means each of the merchant houses owned, whether in whole or in part, by The Mead Corporation (hereinafter "Mead") on the date of this Final Judgment at each of the following locations:

Detroit, Michigan (Chatfield and Woods) Jackson, Michigan (Chatfield and Woods) Cleveland, Ohio (Cleveland Paper Company) Atlanta, Georgia Birmingham, Alabama Bristol, Tennessee Columbia, South Carolina Greenville, South Carolina Knoxville, Tennessee Los Angeles, California San Diego, California Salt Lake City, Utah Albuquerque, New Mexico Billings, Montana Boise, Idaho El Paso, Texas Grand Junction, Colorado Pueblo, Colorado Amarillo, Texas Lubbock, Texas Baltimore, Maryland

and, at Mead's option, either:

Denver, Colorado Colorado Springs, Colorado

or:

Wichita, Kansas
Dayton, Ohio
New York, New York
Des Moines, Iowa
Grand Rapids, Michigan
Miami, Florida

III.

The provisions of this Final Judgment shall apply to Mead, its officers, directors, agents and employees, and to Mead's subsidiaries, successors and assigns, and to each of their respective officers, directors, agents and employees; and to all other persons in active concert or participation with Mead who receive actual notice of this Final Judgment by personal service or otherwise.

- (A) Mead is ordered and directed, within three (3) years from the date of entry of this Final Judgment, to divest each of the said "acquired merchant houses" on such basis as would permit said "acquired merchant houses", to the extent possible, to be maintained as operating businesses in competition with other paper merchant houses.
- (B) Mead shall make known the availability of the "acquired merchant houses" for sale by ordinary and usual means for a sale of a business. Mead shall furnish to bona fide prospective purchasers on an equal and non-discriminatory basis all necessary information, including business records, regarding the "acquired merchant houses", and shall permit them to have such access to and make such inspections of said "acquired merchant houses" as are reasonably necessary for the above purpose.
- (C) Prior to the closing of any sale hereunder, Mead shall furnish in writing to the Assistant Attorney General in charge of the Antitrust Division complete details of the proposed transaction. Within thirty (30) days of the receipt of these details, the Assistant Attorney General may request supplementary information concerning the transaction, which shall also be furnished in writing. If plaintiff objects to the proposed sale, it shall notify Mead in writing within forty-five (45) days of receipt of the supplementary information submitted pursuant to

plaintiff's last request for such information made pursuant to this paragraph, or within forty-five (45) days after the receipt of a statement from Mead, if applicable, that it does not have some or all of the requested supplementary information.

If no request for supplementary information is made, said notice of objection shall be given within forty-five (45) days of receipt of the originally submitted details concerning the transaction. In the event of such notice of objection by the plaintiff, the sale shall not be closed unless approved by the Court or unless plaintiff's objection is withdrawn.

- (D) Following the entry of this Final Judgment and continuing until the divestiture of the "acquired merchant houses", Mead shall
 - (1) Render reports to the Assistant
 Attorney General in charge of the Antitrust
 Division every ninety (90) days, outlining in detail
 the efforts made by it to accomplish said
 divestiture. The first such report shall
 be rendered within ninety (90) days after
 the entry of this Final Judgment; and
 - (2) Report promptly to the Assistant
 Attorney General in charge of the Antitrust
 Division the name of any person making inquiry whom Mead does not believe to be a

bona fide prospective purchaser as contemplated by paragraph IV(B).

V.

The divestiture ordered and directed by this Final Judgment, when made, shall be made in good faith and shall be absolute and unqualified and the divested houses shall not be reacquired by Mead; provided, however, that Mead may acquire and enforce any bona fide lien, mortgage, deed of trust or other form of security on all or any of the paper merchant houses divested given for the purpose of securing to Mead payment of any unpaid portion of the purchase price thereof or performance of the sale transaction, and may also enforce any other terms and conditions of the sale transaction as therein provided or as provided by law. In the event that Mead, as a result of the enforcement of any bona fide lien, mortgage, deed of trust or other form of security, reacquires possession of any of the divested paper merchant houses, Mead shall notify plaintiff in writing of any such repossession within thirty (30) days of such repossession. Within thirty (30) days of the date of such notification, Mead shall offer any such repossessed paper merchant house for sale in accordance with all the terms of this Final Judgment; and Mead shall, within two (2) years thereafter, effect divestiture of such repossessed house as a viable paper merchant house, subject to the prior approval of the plaintiff.

VI.

Mead is enjoined and restrained, for a period of

ten (10) years from the effective date of this Final Judgment, from acquiring, without prior approval of plaintiff, (1) the capital stock, (2) assets (except products purchased in the normal course of business), (3) business, or (4) goodwill, of any paper merchant house having sales of fine paper, during the preceding twelve-month period, in excess of either (i) \$50,000 or (ii) 20% of its total paper sales, whichever is less.

VII

- (A) For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognizable privilege, duly authorized representatives of the Department of Justice shall, upon written request of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Mead made to its principal office, be permitted (1) reasonable access, during the office hours of Mead, to all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of Mead relating to any of the matters contained in this Final Judgment, and (2) subject to the reasonable convenience of Mead and without restraint or interference from Mead, to interview officers or employees of Mead, each of whom may have counsel present, regarding any such matters.
- (B) Mead, upon such written request of the Attorney
 General or the Assistant Attorney General in charge of the Antitrust Division, shall submit such reports in writing to the

Department of Justice with respect to matters contained in this Final Judgment as may from time to time be requested. No information obtained by the means provided in this Section VII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Executive Branch of the plaintiff, except in the course of legal proceedings to which the United States of America is a party for the purpose of determining and securing compliance with this Final Judgment or as otherwise required by law.

VIII.

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification or termination of any of the provisions hereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.

/s/ CARL A. WEINMAN
United States District Judge

Dated: May 14, 1970