

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

SOCIETY OF AUTHORS' REPRESENTATIVES, :

Defendant. :

Civil Action No.

82-CIV-4445

Filed: July 8, 1982

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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 and complains and alleges as follows:

I

DEFINITIONS

1. As used herein:

(A) "Person" means any individual, partnership, corporation, association or other legal entity;

(B) "Rates" means remuneration or reimbursement, including commissions, fees, or other charges, for any service rendered by any member of the Society of Authors' Representatives.

II

JURISDICTION AND VENUE

2. This complaint is filed and this action is instituted under Section 4 of the Sherman Act, 15 U.S.C. § 4, in order to prevent and restrain the continuing violation by the defendant, as hereinafter alleged, of Section 1 of the Sherman Act, 15 U.S.C. § 1.

3. The Society of Authors' Representatives maintains an office, transacts business and is found in the Southern District of New York.

III

THE DEFENDANT

4. The Society of Authors' Representatives ("SAR") is made a defendant herein. The SAR is organized under the provisions of the New York Not-For-Profit Corporation Law, and has its office in New York City. It is an association of approximately 54 literary agencies which have their principal places of business in New York City. Its members include some of the leading literary agencies in the country.

IV

CO-CONSPIRATORS

5. Various persons not made defendants herein participated as co-conspirators in the violation alleged herein and performed acts and made statements in furtherance thereof. They include members and officers of the SAR during all or part of the period covered by this complaint.

V

TRADE AND COMMERCE

6. The primary services offered by a literary agency are the negotiation of the sale of rights to an author's work and the collection of money due the author.

7. The clients of literary agencies are authors of material for publication in books and magazines or for presentation in theaters, motion pictures and on television. The authors represented by the members of the SAR are located throughout the United States and in foreign countries.

8. The purchasers of literary material to whom the members of the SAR sell their clients' works include publishers of books and magazines, theatrical producers and motion picture and television studios. They are located throughout the United States and in foreign countries.

9. The activities of the SAR and co-conspirators which are the subject of this complaint are within the flow of and have substantially affected interstate commerce in the provision of services by literary agencies, including the sale of rights to authors' works.

VI

VIOLATION ALLEGED

10. Beginning at least as early as 1976 and continuing until the filing of this complaint, the defendant and co-conspirators engaged in a continuing combination and conspiracy in unreasonable restraint of the aforesaid trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. The unlawful combination and conspiracy may continue unless the relief prayed for is granted.

11. The aforesaid combination and conspiracy has consisted of a continuing agreement between and among the defendant and co-conspirators, the substantial terms of which have been and are:

- (a) to fix the rates charged by members of the SAR;
- (b) to prohibit advertising by members of the SAR; and
- (c) to prohibit members of the SAR from soliciting each other's clients.

12. In formulating and effectuating the aforesaid combination and conspiracy, the defendant and co-conspirators have done those things which they have combined and conspired to do.

VII

EFFECTS

13. The aforesaid combination and conspiracy has had, and is continuing to have, the following effects, among others:

- (a) competition among literary agencies has been restrained; and

- (b) authors seeking and using the services of literary agencies have been deprived of the benefits of free and open competition.

PRAYER

WHEREFORE, the plaintiff prays:

1. That the Court adjudge and decree that the defendant and co-conspirators have engaged in an unlawful combination and conspiracy in restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act.

2. That the defendant, its successors, transferees, assigns, and officers, directors, agents, and employees, and every other person acting or claiming to act on its behalf, be enjoined and restrained from, in any manner, directly or indirectly:

- (a) continuing, maintaining, or renewing the combination and conspiracy alleged herein, or from engaging in any other combination or conspiracy having a similar purpose or effect, or from adopting or following any practice, plan, program, or device having a similar purpose or effect; and
- (b) entering into any agreement, arrangement, or understanding with any person engaged in the business of providing the services of a literary agency to fix rates, or to restrict advertising or the solicitation of clients by literary agencies.

3. That the Court order the defendant to send a copy of the Final Judgment entered in this action to each of its members and, for a period of ten years after entry of a Final Judgment in this action, to furnish a copy of such Final Judgment to every person who becomes a member of the defendant.

4. That the plaintiff have such other relief as the case may require and the Court may deem just and proper under the circumstances.



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