

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Civil Action No. 78-3656
)	
v.)	
)	
ROCKWELL INTERNATIONAL CORPORATION;)	Filed: November 1, 1978
THE SINGER COMPANY; and)	
TEXTRON INC.,)	
)	(15 U.S.C. § 1)
Defendants.)	

COMPLAINT

The United States of America, plaintiff herein, 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 defendants named herein, and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed and these proceedings are instituted under Section 4 of the Sherman Act (15 U.S.C. § 4), in order to prevent and restrain the violation by the defendants, as hereinafter alleged, of Section 1 of said Act (15 U.S.C. § 1).

2. Each of the defendants transacts business and is found within the Eastern District of Pennsylvania.

II

THE DEFENDANTS

3. The corporations named below are made defendants herein. Each of said corporations is organized and exists

under the laws of the state, and has its principal place of business in the city indicated below:

<u>Corporation</u>	<u>State of Incorporation</u>	<u>Principal Place of Business</u>
Rockwell International Corporation	Delaware	Pittsburgh, Pennsylvania
The Singer Company	New Jersey	New York, New York
Textron Inc.	Delaware	Providence, Rhode Island

During all or part of the time period covered by this Complaint, said defendants engaged in the business of manufacturing and selling gas meters in various states of the United States.

III

CO-CONSPIRATORS

4. Various persons not made defendants in this Complaint participated as co-conspirators with the defendants in the violation alleged herein and performed acts and made statements in furtherance thereof.

IV

TRADE AND COMMERCE

5. The defendant corporations are the leading manufacturers in the United States of the types and sizes of gas meters commonly used by public utility companies, and commercial and industrial concerns. Rockwell International Corporation makes and sells gas meters under the "Rockwell" name. The Singer Company and Textron Inc. make and sell gas meters through divisions called American Meter Company, and Sprague Meter Company, respectively.

6. The defendant corporations have accounted for approximately 98 percent of total sales in the United States of such gas meters. During the period of time covered by this Complaint the total sales of such gas meters by the defendants amounted to approximately 5.9 million units valued at approximately \$231 million.

7. During the period of time covered by this Complaint defendant corporations sold substantial quantities of such gas meters in a continuous and uninterrupted flow of interstate commerce to customers located in states other than the states in which such gas meters were manufactured and to customers who used such meters in conducting business in interstate commerce.

V

VIOLATION ALLEGED

8. Beginning in or about May 1973, the exact date being unknown to the plaintiff, and continuing thereafter until November 1977, the defendants and co-conspirators engaged in a continuous 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 aforesaid unlawful combination and conspiracy will continue or may be renewed unless the relief hereinafter prayed for is granted.

9. The aforesaid combination and conspiracy consisted of a continuing agreement, understanding and concert of action among the defendants and co-conspirators, the substantial terms of which were to fix, raise, maintain and stabilize the prices of gas meters.

10. For the purpose of forming and effectuating the aforesaid combination and conspiracy the defendants and co-conspirators have done those things which they combined and conspired to do, including, among other things, the following:

(a) agreed to increase the prices of gas meters;

(b) published price lists and adopted pricing schedules in accordance with agreements reached;

(c) agreed to maintain published prices of gas meters;

(d) exchanged price lists and sales data for gas meters;

(e) telephoned or otherwise contacted one another to coordinate prices to be bid on the sale of gas meters;

(f) telephoned or otherwise contacted one another to police the agreement and secure adherence to agreed upon increased prices;

(g) met periodically at hotels, motels, restaurants and airports and at the occasion of meetings of the American Gas Association, Institute of Gas Technology, Guild of Ancient Supplers and other industry trade groups, and discussed pricing strategy including the coordinated increase of prices for gas meters and the curtailment and elimination of price cutting and discount practices; and

(h) agreed to coordinate bids so as to divide business and obtain either alternate awards or split awards of orders for gas meters.

VI

EFFECTS

11. The aforesaid combination and conspiracy has had the following effects, among others:

(a) prices of gas meters throughout the United States have been raised to and maintained and stabilized at artificial and non-competitive levels;

(b) buyers of gas meters throughout the United States have been deprived of free and open competition in the purchase of gas meters; and

(c) price competition among the defendants in the sale of gas meters throughout the United States has been restrained, suppressed and eliminated.

PRAYER

WHEREFORE, the plaintiff prays:

1. That this Court adjudge and decree that the defendants, and each of them, have engaged in an unlawful combination and conspiracy in unreasonable restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act.

2. That each of the defendants, its successors, assignees, subsidiaries, and transferees, and the respective officers, directors, agents, and employees thereof, and all persons acting or claiming to act on behalf thereof, be perpetually enjoined and restrained from, directly or indirectly:

(a) continuing, maintaining, or renewing, directly or indirectly, the combination and conspiracy hereinbefore alleged, 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;

(b) entering into any combination, conspiracy, agreement, arrangement, understanding or concert of action to fix, raise, stabilize or maintain prices, discounts, or terms or conditions of sale of gas meters to any third person; and

(c) communicating any information concerning prices, bids, discounts or terms or conditions of sale of gas meters to any other person engaged in the manufacture and sale of gas meters except in connection with a bona fide purchase or sales transaction between the parties to such communications.

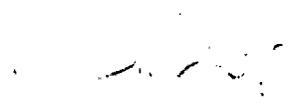
3. That the Court order each defendant periodically to advise each of its officers, directors and employees of the provisions of any judgment entered by this Court, and of its and their duties and obligations under that judgment and under the antitrust laws, and to file with the Court and with plaintiff reports setting forth the steps each defendant has taken to comply with that order.

4. That plaintiff have such other, further and different relief as this Court may deem just and proper.

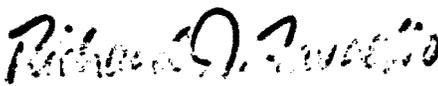
5. That plaintiff recover the cost of this suit.



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