UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,	:	
Plaintiff,	:	Civil No. 82-CIV-4445
v.	:	Filed: July 8, 1982
SOCIETY OF AUTHORS' REPRESENTATIVES,	:	Entered: December 3, 1982
Defendant.	:	

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FINAL JUDGMENT

Plaintiff, United States of America, having filed its Complaint herein on , 1982, and Defendant, the Society of Authors' Representatives, having appeared by its attorneys, and the parties hereto, by their respective attorneys, having 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 either party in respect to any such issue:

NOW THEREFORE, before the taking of any testimony and 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 over the subject matter of this action and of the parties hereto. The Complaint states a claim upon which relief may be granted against Defendant under Section 1 of the Sherman Act (15 U.S.C. § 1).

II

As used in this Final Judgment:

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

(B) "Rates" means remuneration or reimbursement, including commissions, fees, or other charges, for any service rendered by any member of Defendant.

(C) "Defendant" means the Society of Authors' Representatives.

III

This Final Judgment applies to Defendant and to each of its officers, directors, employees, agents, successors and assigns and to all other persons, including members, in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

IV

Defendant, whether acting unilaterally or in concert or agreement with any other person, is enjoined and restrained from:

(A) Fixing, establishing or maintaining any rates or schedule of rates.

(B) Urging, recommending or suggesting that any of its members adhere to any rates or to any schedule of rates.

(C) Including in any instructional course or any material published or distributed by Defendant any recommended or suggested rates or report on customary rates or ranges thereof.

(D) Threatening or taking any punitive action against any person where such action is based upon that person's failure or refusal to adhere to any rates or any schedule of rates.

Provided, however, that nothing in this Section IV shall be construed to prevent Defendant from requiring its members to charge no rates for reading and rendering an opinion on manuscripts.

And further provided, however, that nothing in this Section IV shall be construed to prohibit Defendant from entering into an agreement with the Writers' Guild of America or any other labor organization, within the meaning of Section 6 of the Clayton Act (15 U.S.C. § 7) and the Norris-LaGuardia Act (29 U.S.C. §§ 101-115), pursuant to which Defendant undertakes to recommend to its members that they enter into an agreement with any such labor organization if the terms of that agreement do not violate the federal antitrust laws by virtue of the exemption provided in Sections 6 and 20 of the Clayton Act and the Norris-LaGuardia Act.

V

Defendant, whether acting unilaterally or in concert or agreement with any other person, is enjoined and restrained from adopting, promulgating, publishing or seeking adherence to any constitutional provision, bylaw, rule, regulation, canon or code of ethics, statement of principle, contract, plan or program that prohibits or restricts or delineates as proper or improper:

(A) advertising or the content and form of advertising; or

(B) solicitation of any member's or any other person's clients.

Provided, however, that nothing in this Section V shall be construed to prevent Defendant from:

(1) prohibiting its members from engaging in false or misleading advertising or other advertising in violation of applicable state or federal law; or

(2) prohibiting its members from soliciting clients in violation of applicable state or federal law.

VI

Defendant is ordered and directed within ninety (90) days from the date of entry of this Final Judgment to:

(A) Amend its Canon of Ethics Nos. 8, 10 and 11 and the pamphlet published by it entitled "The Literary Agent" to

eliminate therefrom any language that is contrary to or inconsistent with any provision of this Final Judgment and amend such other of its statements of principles, contracts and material published or distributed by it that contain language that is contrary to or inconsistent with any provision of this Final Judgment to eliminate such language therefrom, and send copies of all such amended documents to each of its members and employees.

(B) Cause a copy of a letter in the form attached hereto as Exhibit A, covering at least one-fourth of the page in size, to be published in the Authors' Guild Bulletin and Dramatists' Guild Bulletin.

VII

Defendant is ordered and directed:

(A) Within sixty (60) days after the date of entry of this Final Judgment, to mail a copy of this Final Judgment to each of its members.

(B) To provide a copy of this Final Judgment to any person upon his application to Defendant to become a member.

(C) Within ninety-five (95) days from the date of entry of this Final Judgment, to file with this Court and serve upon Plaintiff an affidavit concerning the fact and manner of its compliance with Paragraph (A) of this Section VII.

VIII

For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognized privilege, from time to time:

(A) Duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendant made to its principal office, be permitted:

(1) Access during office hours to inspect and copy all books, ledgers, accounts, correspondence, memoranda and

other records and documents in the possession or under the control of Defendant, which may have counsel present, relating to any matters contained in this Final Judgment; and

(2) Subject to the reasonable convenience of Defendant, and without restraint or interference from it, to interview officers, directors, employees and agents of Defendant, who may have counsel present, regarding any such matters.

(B) Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division made to Defendant's principal office, Defendant shall submit such written reports, under oath if requested, with respect to any of the matters contained in this Final Judgment as may be requested.

No information or documents obtained by the means provided in this Section VIII 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 United States, except in the course of legal proceedings to which the United States is a party, or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

(C) If at the time information or documents are furnished by Defendant to Plaintiff, Defendant represents and identifies in writing the material in any such information or documents to which a claim for protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and Defendant marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure", then ten (10) days' notice shall be given by Plaintiff to Defendant prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which Defendant is not a party.

IX

This Final Judgment shall have full force and effect for a period of ten (10) years from the date of its entry. 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 direction as may be necessary or appropriate for the construction or carrying out of the Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.

X

Entry of this Final Judgment is in the public interest.

Entered: December 3, 1982

/s/ Judge Milton Pollack
UNITED STATES DISTRICT COURT JUDGE

EXHIBIT A

TO: Authors' Guild Bulletin and
Dramatists' Guild Bulletin

Gentlemen:

On , 1982, the Department of Justice filed United States v. Society of Authors' Representatives. No. , a civil antitrust action under Section 1 of the Sherman Act. The complaint alleges that the Society of Authors' Representatives ("SAR") has engaged in an agreement to eliminate competition by fixing the rates (commissions and other fees) its members charge authors, by prohibiting its members from advertising and by prohibiting its members from soliciting each other's clients.

Prior to the taking of any testimony and without admission by any party with respect to any issue, the SAR consented to the entry of a Final Judgment terminating the lawsuit. The Court found that the settlement was in the public interest and entered a Final Judgment on , 1982. A copy of the Final Judgment is available for inspection at the offices of the SAR.

In accordance with the provisions of the Final Judgment, we are informing interested parties that any previous announcements made by the SAR which eliminated competition in any of the above ways have been withdrawn. The judgment reaffirms that each of the SAR's members may charge any commission or fee it wishes. In addition, members may solicit each other's clients and may advertise. The judgment, however, does not preclude the SAR from requiring its members to charge no fees for reading and rendering opinions on manuscripts. Nor does the judgment prevent the SAR from prohibiting its members from engaging in false or misleading advertising or other advertising in violation of applicable state or federal law or from engaging in the solicitation of clients in violation of applicable state or federal law.

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