

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
) Plaintiff,)

v.)

TECHNICAL TAPE, INC.;)
TECHNICAL TAPE CORPORATION;)
STEADLEY COMPANY, INC.;)
NACHMAN CORPORATION; HALFRED,)
INC. and LAWRENCE N. HURWITZ,)
)
) Defendants.)

CIVIL ACTION

NO. 72 C 1602

Entered: August 28, 1973

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on June 29, 1972 against the defendants Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc. and Nachman Corporation, and the Complaint having been amended to add Halfred, Inc. and Lawrence N. Hurwitz as defendants on March 13, 1973, and plaintiff and defendants, Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc., Halfred, Inc. and Lawrence N. Hurwitz, by their respective attorneys, having each 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;

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 as aforesaid, 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 consenting hereto. The complaint states a claim upon which relief may be granted against the defendants 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, partnership, firm, corporation, association or other business or legal entity.

B. "Financial interest" means any legal or equitable ownership; any income, pension, employment or creditor interest; or any other monetary interest, whether absolute, conditional, beneficial, direct or indirect, except such interest as arises out of a bona fide purchase or sale of products or services in the ordinary course of business.

C. "Gerald Sprayregen" means the individual who is Chairman of the Board of both the defendant Technical Tape, Inc. and of The Stratton Group, Ltd.

D. "Nachman Corporation" means the corporation named as a defendant in the complaint and its successors and assigns.

E. "Consenting defendants" means Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc., Halfred, Inc. and Lawrence N. Hurwitz.

F. "Innerspring" means a non-upholstered wire unit which consists, essentially, of a number of connected high carbon steel coil springs tied together with and in a border of high carbon steel wire.

G. "Box spring" means a non-upholstered wire unit which consists, essentially, of a number of connected high carbon steel coil springs tied together with and in a border of low carbon steel wire. Box springs may be either mounted in a wood frame or unmounted.

III

The provisions of this Final Judgment applicable to any consenting defendant shall apply to each such defendant, to its subsidiaries, successors and assigns, to each of their respective officers, directors, agents, servants, and employees, and to all persons in active concert or participation with any such defendant who shall have received actual notice of this Final Judgment by personal service or otherwise.

IV

The defendant Technical Tape, Inc., is ordered and directed:

A. To interpose no objection to the sale, pledge, transfer or assignment of all or any part of the

stock of Nachman Corporation which was transferred to Halfred, Inc., by Technical Tape, Inc., pursuant to the sales agreement of December 18, 1972, to any financially able person who is willing to assume payments due, or to become due to Technical Tape, Inc., from Halfred, Inc. under said agreement;

- B. To refrain from acquiring or retaining any financial interest in Nachman Corporation or any person having a financial interest in Nachman Corporation.

V

Defendant Steadley Company, Inc. and Technical Tape Corporation are jointly and severally ordered and directed to refrain from acquiring or retaining any financial interest in Nachman Corporation or any person having a financial interest in Nachman Corporation.

VI

Defendant Lawrence N. Hurwitz is ordered and directed:

- A. To sell within 12 months from the date of this Final Judgment all financial interest in The Stratton Group, Ltd. and Sprayregen & Company; and to refrain from voting any Stratton stock as long as Lawrence N. Hurwitz or any nominee of Halfred, Inc. is a director, officer, or employee of Nachman Corporation or may otherwise exercise control or substantial influence over the operations of the Nachman Corporation;

- B. To notify in writing the Assistant Attorney General in charge of the Antitrust Division of any default by Halfred, Inc. in payments to Technical Tape, Inc., pursuant to the sales agreement of December 18, 1972, and to resign as an officer, director or employee of the Nachman Corporation, if requested to do so by the Assistant Attorney General;
- C. To condition the designation of any nominee of Halfred, Inc. to serve as an officer, director, or employee of Nachman Corporation that such nominee notify in writing the Assistant Attorney General in charge of the Antitrust Division of any default by Halfred, Inc. of payments to Technical Tape, Inc., pursuant to the sales agreement of December 18, 1972, and to resign if requested to do so by the Assistant Attorney General;
- D. To refrain from acquiring any financial interest or from retaining any future financial interest in Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc., The Stratton Group, Ltd., or Sprayregen & Company, or any parent or subsidiary thereof, or engage in any business operation as a partner or business associate with any officer, director or employee of any of the aforesaid persons as long as Lawrence N. Hurwitz or any nominee of Halfred, Inc. is an officer, director or employee of Nachman Corporation or may otherwise exercise control or substantial influence over the operations of Nachman Corporation.

VII

Defendant Halfred, Inc. is ordered and directed:

- A. To notify in writing the Assistant Attorney General in charge of the Antitrust Division of any default in payments by Halfred, Inc. to Technical Tape, Inc., pursuant to the sales agreement of December 18, 1972;
- B. To condition the designation of any nominee of Halfred, Inc. to serve as an officer, director, or employee of Nachman Corporation that such nominee notify in writing the Assistant Attorney General in charge of the Antitrust Division of any default by Halfred, Inc. of payments to Technical Tape, Inc., pursuant to the sales agreement of December 18, 1972, and to resign if requested to do so by the Assistant Attorney General;
- C. To refrain from acquiring any financial interest in Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc., The Stratton Group, Ltd., or Sprayregen & Company, or any parent or subsidiary thereof or engage in any business operation as a partner or business associate with any officer, director or employee of any of the aforesaid persons as long as Lawrence N. Hurwitz or any nominee of Halfred, Inc. is an officer, director or employee of Nachman Corporation or may otherwise exercise control or substantial influence over the operations of Nachman Corporation.

VIII

Except as may be provided in the sales agreement of December 18, 1972, as limited by this Final Judgment, or as may be permitted by this Final Judgment, defendants Technical Tape, Inc., Technical Tape Corporation and Steadley Company, Inc. are severally and jointly enjoined from retaining or acquiring any financial interest in Nachman Corporation, Halfred, Inc., National Computer Corporation, Computer Power International Corporation or Nachman Power, Inc., or any parent or subsidiary thereof, or be associated in business with any such person or with Lawrence N. Hurwitz as long as any such person or Lawrence N. Hurwitz has a financial interest in Nachman Corporation.

IX

Except as may be provided in the sales agreement of December 18, 1972, as limited by this Final Judgment, or as may be permitted by this Final Judgment, defendants Lawrence N. Hurwitz and Halfred, Inc. are jointly and severally enjoined from retaining or acquiring any financial interest in Technical Tape, Inc., Technical Tape Corporation, Steadley Company, Inc., The Stratton Group, Ltd., Sprayregen & Company or any parent or subsidiary thereof, or be associated in business with any such person or with Gerald Sprayregen as long as any such person or Gerald Sprayregen has a financial interest in Steadley Company, Inc.

X

Defendants Technical Tape, Inc., Technical Tape Corporation and Steadley Company, Inc. are jointly and severally enjoined, for a period of five (5) years from the date of entry of this Final Judgment, from acquiring all or any part of the stock or assets, other than goods or services in the normal course of business, of any person engaged in the manufacture, distribution or sale of innersprings or box springs except upon sixty (60) days prior written notice to the plaintiff and full disclosure of the facts with respect to each such proposed acquisition and the reasons therefor.

XI

Provided that nothing contained in this Final Judgment constitutes a waiver or release of any claim or cause of action between or among any consenting party hereto or other persons relating to any financial interest of any person in any other person.

XII

For the purpose of determining or securing compliance with this Final Judgment and for no other purpose, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to any consenting defendant made to its principal office, be permitted, subject to any legally recognized privilege: (a) reasonable access during the office hours of such defendant to all books,

ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of such defendant relating to any matters contained in this Final Judgment, and (b) subject to the reasonable convenience of such defendant and without restraint or interference from it, to interview officers, directors, agents, servants or employees of such defendant, who may have counsel present, regarding any such matters. Any consenting defendant, upon such written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, made to its principal office, shall submit such reports in writing with respect to any of the matters contained in this Final Judgment as may from time to time be requested. No information obtained by the means provided in this Section XII shall be divulged by any representative of the Department of Justice to any person other than a fully 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 for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

XIII

Jurisdiction is retained 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 or directions as may be necessary or appropriate for the construction or the carrying out of this

Final Judgment, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations hereof.

Dated: August 28, 1973

/s/ PHILIP W. TONE
United States District Judge