

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil Action No.
)	H80-559
COISINARTS, INC.,)	
)	Filed: December 19, 1980
Defendant.)	Entered: March 26, 1981

STIPULATION

It is stipulated by and between the undersigned parties by their respective attorneys, that:

1. The parties consent that a Final Judgment, in the form attached to this Stipulation, may be filed and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. § 16(b)-(n)), without further notice to any party or other proceedings, provided that plaintiff has not withdrawn its consent, which it may do at any time before entry of the proposed Final Judgment by serving notice thereof on defendant and by filing that notice with the Court.

2. In the event plaintiff withdraws its consent or if the proposed Final Judgment is not entered pursuant to this Stipulation, this Stipulation shall be of no effect

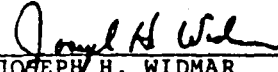
whatever and the making of it shall be without prejudice to any party in this or any other proceeding.


Dated: December 19, 1980

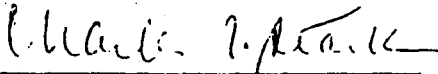
FOR THE PLAINTIFF:

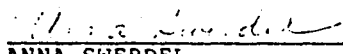

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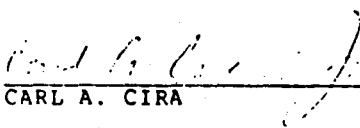
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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA,)	
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Plaintiff,)	
)	Civil Action
v.)	No. HJ0-559
)	
CUISINARTS, INC.,)	File: December 19, 1980
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Defendant.)	Entered: March 26, 1981
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FINAL JUDGMENT

Plaintiff, United States of America, having filed its Complaint herein on September 17, 1980, and plaintiff and Defendant, Cuisinarts, Inc., 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 admission by any party with respect to any issue of fact or law herein;

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 of the subject matter of this action and 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:

"Food processor" means an electric appliance for use in home kitchens, that combines in a single unit the functions, among others, of shredding, chopping, slicing, and grating food.

III.

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

IV.

Defendant is enjoined and restrained from entering into, adhering to, maintaining, furthering, enforcing or claiming any right under any contract, agreement, understanding, plan or program with any distributor, sales representative, retail dealer or other person to:

(A) Fix, stabilize, or maintain the prices, margins, or mark-ups at which food processors sold or distributed by defendant may be sold or offered for sale by any retail dealer; or

(B) Limit or restrict the persons to whom food processors sold or distributed by defendant may be sold by any retail dealer.

V.

Defendant is enjoined and restrained from reducing, suspending, terminating, or threatening to reduce, suspend, or terminate shipments of food processors sold or distributed by defendant to any retail dealer, or from penalizing or threatening to penalize in any other way any such dealer, because of:

(A) The prices, margins, or mark-ups at which such dealer has sold, offered for sale, or communicated an intention to sell food processors sold or distributed by defendant; or

(B) The persons to whom such dealer has sold, offered for sale, or communicated an intention to sell food processors sold or distributed by defendant.

VI.

Defendant is enjoined and restrained from requiring or attempting to require, as a condition of sale or in any other way, any retail dealer to maintain, establish, modify, or advertise any price, margin, or mark-up at which food processors sold or distributed by defendant are sold or offered for sale.

VII.

(A) For a period of one year beginning on the date of entry of this Final Judgment, defendant is enjoined and restrained from suggesting retail prices, margins, or mark-ups for food processors sold or distributed by defendant and sold by retail dealers, and from publishing, disseminating, or communicating any such suggested retail prices, margins, or mark-ups; and

(B) If suggested retail prices, margins, or mark-ups for food processors are published, disseminated, or communicated after the end of the one-year period referred to in the preceding subparagraph, every such publication, dissemination, or communication including or referring to such suggested retail prices, margins, or mark-ups shall clearly and conspicuously identify such prices as "suggested," and state that each retail dealer is free to sell such food processors at whatever price, margin, or mark-up it may choose.

VIII.

Except as provided in paragraphs IV, V, and VI, nothing contained in this Final Judgment shall be deemed to limit defendant's rights to:

(A) Select retail dealers or limit the number of such dealers; or

(B) Reduce, suspend, or terminate shipments to any retail dealer.

IX.

Defendant is ordered and directed to:

(A) Send a written notice, in the form attached as Appendix A to this Final Judgment, within sixty (60) days of the entry of this Final Judgment, to each retail dealer who has purchased food processors from the defendant within the year preceding entry of this Final Judgment;

(B) Send the notice described in subparagraph IX(A) hereof to each retail dealer that subsequently purchases food processors from defendant and that was not previously given such notice. Such notice shall be sent within thirty (30) days of the date of receipt of such purchaser's order; and

(C) Maintain files containing the names and addresses of retail dealers to which defendant suspends or terminates shipments of food processors and the reasons for such suspensions or terminations.

X.

Defendant is ordered and directed to:

(A) Furnish a copy of this Final Judgment within thirty (30) days of entry of the Final Judgment to each of its officers and directors and each of its employees, representatives, or agents whose duties include supervisory or direct responsibility for sale or advertising of food processors, except those employees whose functions are purely clerical or manual, and to secure and retain a signed acknowledgment from each such person that he or she has read the Final Judgment and is familiar with and understands its provisions;

(B) Furnish a copy of this Final Judgment to each successor to those persons described in subparagraph X(A) hereof within sixty (60) days after each such successor is employed, and to secure and retain a signed acknowledgment from each such person that he or she has read it and is familiar with and understands its provisions;

(C) Initiate and maintain a program to ensure compliance with this Final Judgment which shall include at a minimum the following with respect to each of the persons described in subparagraphs X(A) and (B) hereof, as well as all employees whose functions involve sales, advertising, or the handling of orders for food processors or who have direct contact with retail dealers or sales representatives with respect to sales, orders, or deliveries of defendant's food processors:

(i) The annual distribution of a written directive setting forth defendant's antitrust compliance program with such directive to include: (a) a statement that non-compliance will result in appropriate disciplinary action by defendant, and (b) advice that supervisory personnel or legal advisors are available at all reasonable times to confer about compliance questions or problems;

(ii) The holding of one or more meetings each year at which the terms and obligations of this Final Judgment and the defendant's antitrust compliance program are reviewed and explained;

(iii) The imposition of a requirement that a responsible officer of the defendant sign and retain during the term of the judgment an acknowledgment that the requirements of subparagraph X(C)(i) and (ii) have been fulfilled, which acknowledgment shall include a list of the names of all individuals who have

received the written directive described above and the names of all individuals who have attended the meetings described above; and

(D) within ninety (90) days after entry of this Final Judgment, and annually thereafter on the anniversary date of this Final Judgment, defendant shall serve upon the plaintiff an affidavit setting forth the fact and manner of compliance with paragraphs IX and X.

XI.

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 the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendant made to its principal office, be permitted:

(i) Access during the office hours of defendant who may have counsel present, to inspect and copy all books, ledgers, accounts, correspondence, memoranda, files, and other records and documents in the possession or under the control of defendant relating to any matters contained in this Final Judgment; and

(ii) Subject to the reasonable convenience of defendant and without restraint or interference by it, to interview officers, employees, and agents of defendant, who may have counsel present, regarding any such matters;

(B) Upon the written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division made to defendant's principal office, defendant

shall submit such written reports with respect to any of the matters contained in this Final Judgment as from time to time may be requested;

(C) No information or documents obtained by the means provided in this Final Judgment 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; and

(D) 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 of 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' written notice shall be given by plaintiff to defendant prior to divulging such materials in any legal proceeding (other than a grand jury proceeding) to which defendant is not a party.

XII.

Defendant shall require, as a condition of the sale or other disposition of all, or substantially all, of the assets of its food processor business, that the acquiring party agree to be bound by the provisions of this Final Judgment. The acquiring party shall file with the Court and serve upon the plaintiff its consent to be bound by this Final Judgment.

XIII.

Jurisdiction is retained by this Court for the purpose of enabling any of the parties 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 of any of its provisions, for the enforcement of compliance with it, or for the punishment of any violation of it.

XIV.

Except to the extent otherwise provided by its terms, this Final Judgment shall be in effect for the period of ten (10) years following the date of its entry.

XV.

Entry of this Final Judgment is in the public interest.

/s/ Jose A. Cabranes
Jose A. Cabranes
J.S. District Judge

Entered On: March 26, 1981