

UNITED STATES DISTRICT COURT
NORTHEAST DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

ALTON BOX BOARD COMPANY,)
et al.,)

Defendants.)

Civil Action No.
76 C 597

Filed: June 28, 1979

Entered: 9/26/79

STIPULATION

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

1. The parties consent that a Final Judgment in the form hereto attached 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Act (15 U.S.C., §16), and without further notice to any party or other proceedings, provided that Plaintiff has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on Defendants and by filing that notice with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 this Stipulation shall be without prejudice to any party in this or any other proceeding.

Dated: June 28, 1979

FOR THE PLAINTIFF:

/s/ JOHN H. SHENEFIELD
Assistant Attorney General

/s/ D. BRUCE PEARSON

/s/ WILLIAM E. SWOPE

/s/ BARBARA A. McANINCH

/s/ CHARLES F.B. McALEER

/s/ JOSEPH M. GENSHEIMER

/s/ GERALD A. CONNELL

Attorneys, United States
Department of Justice

Attorneys, United States
Department of Justice
Antitrust Division
Washington, D. C. 20530

FOR THE DEFENDANTS:

/s/ Roger Harris

ALTON BOX BOARD COMPANY

/s/ J. Randolph Wilson

AMERICAN CAN COMPANY

/s/ David P. List

BROWN COMPANY

/s/ Edward F. Fitzpatrick

BURD & FLETCHER COMPANY

/s/ John E. Burke

F. N. BURT COMPANY, INC.

/s/ Irving H. Goldberg

CHAMPION INTERNATIONAL
CORPORATION

/s/ Michael H. King

CONSOLIDATED PACKAGING
CORPORATION

/s/ Glenn W. McGee

CONTAINER CORPORATION OF
AMERICA

/s/ Bruce A. Hecker

DIAMOND INTERNATIONAL
CORPORATION

/s/ James G. Hiering

EASTEX PACKAGING, INC.

/s/ William A. Montgomery

FEDERAL PAPER BOARD COMPANY,
INC.

/s/ Charles E. Hanger

FIBREBOARD CORPORATION

/s/ Asa Rountree

THE A. L. GARBER COMPANY,
INC.

/s/ Irving H. Goldberg

HOERNER WALDORF CORPORATION

/s/ Henry L. King

INTERNATIONAL PAPER COMPANY

/s/ Robert W. Gettleman

INTERSTATE FOLDING BOX
COMPANY

/s/ Alan Wiseman
THE MEAD CORPORATION

/s/ E. Houston Harsha
PACKAGING CORPORATION OF
AMERICA

/s/ John P. Ryan, Jr.
POTLATCH CORPORATION

/s/ R. Bruce MacWhorter
REXHAM CORPORATION

/s/ Kimba W. Lovejoy
ST. REGIS PAPER COMPANY

/s/ Donald G. Kempf, Jr.
WEYERHAEUSER COMPANY

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

ALLEN BOX BOARD COMPANY,
et al.,)

Defendants.)

Civil Action No.
76 C 007

Filed: June 28, 1979

Entered: September 26, 1979

FINAL JUDGMENT

Plaintiff, United States of America, having filed its Complaint herein on February 18, 1976, and the Plaintiff and the Defendants, by their respective attorneys, having consented to the entry of this Final Judgment, without trial or adjudication of, or finding on, 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 such issue:

NOW, THEREFORE, before any testimony has been taken herein, and without trial or adjudication of, or finding on, any issue or issues of fact or law herein, and upon the consent of the parties hereto, IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

I.

This Court has jurisdiction of the subject matter herein and of the parties hereto. The Complaint states a claim upon which relief may be granted against the Defendants under Section One of the Sherman Act, 15 U.S.C., §1.

II.

As used in this Final Judgment:

(A) "Person" shall mean any individual, partnership, corporation, firm, association or other business or legal entity; and

(B) "Folding cartons" shall mean folding cartons made principally from the category of paperboards referred to as bending box board. "Folding cartons" do not include milk cartons.

III.

The provisions of this Final Judgment are applicable to all Defendants herein and shall also apply to each of said Defendants' officers, directors, agents and employees, subsidiaries, successors and assigns, and to all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise; provided, however, that this Final Judgment shall not apply to

transactions or communications solely between a Defendant and its officers, directors, employees, agents, or to transactions or communications between or among a Defendant and its parent company, subsidiaries or companies more than fifty percent (50%) owned by the Defendant or its parent, or to activities outside the United States which do not affect the commerce of the United States.

IV.

(A) Each Defendant is enjoined and restrained from directly or indirectly entering into, adhering to, maintaining, furthering, enforcing or claiming any rights under any contract, agreement, arrangement, understanding, plan, program, combination or conspiracy with any other manufacturer or seller of folding cartons to:

(1) Raise, fix, maintain or stabilize the price or other terms or conditions for the sale of folding cartons to any third person;

(2) Allocate, limit or divide territories, markets or customers for the sale of folding cartons;

(3) Submit noncompetitive, collusive, rigged or cover bids or quotations for the sale of folding cartons; and

(4) Refrain from submitting a bid for any sale of folding cartons.

(B) Each Defendant is enjoined and restrained from communicating to or requesting from any other manufacturer or seller of folding cartons the most recent price charged or quoted or the future price to be charged or quoted to a customer or potential customer with respect to a specific order for folding cartons, whether communicated in the form of a specific price or information from which such specific price may be computed.

(C) Each Defendant is enjoined and restrained from distributing to any manufacturer of folding cartons, except as permitted by Section V of this Final Judgment, any folding carton pricing manuals, price lists, or similar pricing material which is used, has been used or will be used in computing prices charged or to be charged for folding cartons.

V.

Nothing contained in this Final Judgment shall prohibit a Defendant's negotiations, arrangements or communications: (a) with any agent, broker, distributor or representative of such Defendant; or (b) with another manufacturer or seller of folding cartons or with any agent, broker, distributor or representative of such manufacturer or seller solely in connection with bona fide proposed or actual purchases or sales of folding cartons or any product or service relating to the manufacture of folding cartons such as board, ink, sheeting, coating or printing, from or to that manufacturer or seller.

VI.

(A) Within sixty (60) days after the date of entry of this Final Judgment, each Defendant herein shall furnish a conformed copy to:

- (1) Each of its own officers and directors;
- (2) Each officer and director of a domestic subsidiary engaged in the manufacture or sale of folding cartons;
- (3) Each of its own employees and managing agents who is engaged in, or has responsibility for or authority over the pricing or sale of folding cartons;
- (4) Each employee and managing agent of a domestic subsidiary engaged in the manufacture or sale of folding cartons who is engaged in, or has responsibility for or authority over the pricing or sale of folding cartons;

and shall advise and inform each such person that violation of this Final Judgment could result in a conviction for contempt of court and imprisonment and/or fine.

(B) Within ninety (90) days after the date of entry of this Final Judgment, each Defendant shall file with the Plaintiff an affidavit concerning the fact and manner of compliance with Paragraph (A) of this Section.

(C) Within thirty (30) days after each such person becomes an officer, director, employee or agent of the kind described in Paragraph (A), a Defendant shall furnish to him or her a copy of this Final Judgment together with the advice specified by said Paragraph (A).

VII.

(A) Each Defendant shall advise each of its officers who has management responsibility for the manufacture or sale of folding cartons, and each of its employees and managing agents who is engaged in the sale of or who has responsibility for or authority over the establishment of prices for folding cartons, of its and their obligations under this Final Judgment. For a period of ten (10) years from the entry of this Final Judgment, each Defendant shall maintain a program to insure compliance with this Final Judgment, which program shall include at a minimum the following with respect to each of the persons described immediately above:

(1) The annual distribution to them of this Final Judgment or a summary thereof;

(2) The annual submission to them of a written directive setting forth the Defendant's policy regarding compliance with the Sherman Act and with this Final Judgment, with such directive to include: (a) an admonition that

non-compliance with such policy and this Final Judgment will result in appropriate disciplinary action determined by the Defendant and which may include dismissal, and (b) advice that the Defendant's legal advisors are available at all reasonable times to confer with such persons regarding any compliance questions or problems;

(3) The imposition of a requirement that each of them sign and submit to his employer, once a year, a certificate in substantially the following form:

"The undersigned hereby (1) acknowledges receipt of a copy of the 1979 Folding Carton Final Judgment and a written directive setting forth the Company policy regarding compliance with the antitrust laws and with such Final Judgment, (2) represents that the undersigned has read and understands such Final Judgment and directive, (3) acknowledges that the undersigned has been advised and understands that non-compliance with such policy and Final Judgment will result in appropriate disciplinary measures determined by the Company and which may include dismissal, and (4) acknowledges that the undersigned has been advised and understands that non-compliance with the Final Judgment may also result in conviction for contempt of court and imprisonment and/or fine";

(4) The holding of one or more meetings with them to review the terms of this Final Judgment and the obligations it imposes, with such meetings to be arranged and conducted so that each of them attends at least one such meeting within a twelve (12) month period; and

(5) The imposition of a requirement that for a period of five (5) years from the entry of this Final Judgment each of them is, subject to a legally recognized privilege, to report to Company counsel in writing each communication of the type described in Paragraph IV(B), and not otherwise permissible under Section V of this Final Judgment, with an officer, director, representative or employee of any other Defendant or of any other company which manufactures folding cartons. Each of them is to meet this requirement by completing a written report of each such communication, within thirty (30) days of the communication, stating the date, time and place of the communication, the names of all individuals who participated in the communication, and the topics discussed during the communication. Any person required to complete reports of communications by this Paragraph and who completes no such reports during any twelve (12) month period must certify that he or she had no communications of

the type described in Paragraph IV(B) of this Final Judgment. Each Defendant shall include in its annual sworn statement required to be filed by Paragraph VII(B) of this Final Judgment, the name and address of each person, if any, who has failed to submit a report or certification required by this Paragraph during the twelve (12) month period preceding the filing of the Defendant's sworn statement and the reason given or privilege claimed by each such person for not filing a report or certification. The Defendants shall maintain for inspection by the Plaintiff all reports and certifications required by this Paragraph until the sixth (6th) anniversary date of entry of this Final Judgment.

(B) For a period of ten (10) years from the entry of this Final Judgment, each Defendant shall file with the Plaintiff, and under seal with the Court, on or before the anniversary date of this Final Judgment, a sworn statement, by a responsible official designated by the Defendant to perform such duties, setting forth all steps it has taken during the preceding year to discharge its obligations under this Section VII. This statement shall be accompanied by copies of all written directives issued by the Defendant during the prior year with respect to compliance with the antitrust laws and with this Final Judgment.

(C) Upon Order of the Court, on motion by the Plaintiff for good cause shown, the designated official shall appear before the Court to give sworn testimony on the manner of compliance with this Final Judgment.

(D) The Plaintiff may demand a more detailed statement of a Defendant's compliance with this Final Judgment if Plaintiff determines that such Defendant's annual compliance statement incompletely states the steps it has taken to discharge its duties under this Section VII.

VIII.

Each Defendant shall require, as a condition of the sale or other disposition of all, or substantially all, of the assets used by it in the design, printing, manufacture and sale of folding cartons, that the acquiring party agree to be bound by the provisions of this Final Judgment, and that such agreement be filed with the Court.

IX.

(A) For the purpose of determining or securing compliance with this Final Judgment, any duly authorized representative 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 Defendant made to its principal office, be permitted, subject to legally recognized privilege:

(1) Reasonable access during the office hours of such Defendant, who may have counsel present, to inspect and copy those parts of the 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

(2) Subject to the reasonable convenience of such Defendant and without restraint or interference from it, to interview officers or employees of such Defendant regarding any such matters; the officer or employee interviewed and the Defendant each may have its own counsel present.

(B) A Defendant, upon the written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, shall submit such reports in writing, under oath if requested, with respect to any of the matters contained in this Final Judgment as may from time to time be reasonably requested, subject to legally recognized privilege.

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.

If at any time information or documents are furnished by a Defendant to Plaintiff and such Defendant marks each pertinent page of such material "Confidential", then twenty (20) days notice shall be given by Plaintiff to such Defendant prior to divulging such material in any legal proceeding (other than a Grand Jury Proceeding) to which the Defendant is not a party or pursuant to a request under the Freedom of Information Act.

X.

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 or directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of violations hereof.

XI.

This Final Judgment will expire on the twenty-fifth anniversary of its date of entry or, with respect to any particular provision, on any earlier date specified.

XII.

Entry of this Final Judgment is in the public interest.

/s/ Hubert Will

UNITED STATES DISTRICT JUDGE

Dated: September 26, 1979