

## **Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. National Wrestling Alliance., U.S. District Court, S.D. Iowa, 1956 Trade Cases ¶68,507, (Oct. 15, 1956)**

United States v. National Wrestling Alliance.

1956 Trade Cases ¶68,507. U.S. District Court, S.D. Iowa, Central Division. Civil Action No. 3-729. Filed October 15, 1956. Case No. 1303 in the Antitrust Division of the Department of Justice.

### **Sherman Antitrust Act**

**Combinations and Conspiracies—Monopolies—Consent Decree—Practices Enjoined— Trade Association—Exclusion from Trade—Bookers and Promoters of Professional Wrestling.**—An association of bookers and promoters of professional wrestlers and consenting members of the association were prohibited by a consent decree from entering into any understanding having the purpose or effect of (1) recognizing any booker or promoter as the exclusive booker or promoter in a designated territory, (2) preventing any booker or promoter from doing business in any territory, (3) restricting the promotion or booking of wrestling exhibitions to related promotions or to promoters or bookers who are members of the association, (4) requiring any booker to book wrestling exhibitions only through promoter members or to discriminate in favor of promoter members, (5) requiring any promoter to promote wrestling exhibitions only through the services of booker members or to discriminate in favor of booker members, (6) requiring any person to refuse to promote or book any wrestler, or (7) preventing any wrestler, booker, or promoter from participating in studio exhibitions. Also, the association and consenting members were each prohibited from refusing to book for any promoter any wrestler who is available and is being booked by the association or a consenting member. The association was prohibited from fixing any term or condition, including performance payments, under which promoters or bookers should promote or book any championship or other wrestling exhibition.

**Department of Justice Enforcement and Procedure—Consent Decrees—Specific Relief —Association Rules and Membership—Enforcement Provision.**—An association of bookers and promoters of professional wrestlers was required by a consent decree to cancel all of its existing regulations and by-laws; to adopt and enforce by-laws consistent with the decree; to include in such new by-laws a provision requiring the expulsion of any member who violates the consent decree or violates any by-law designed to comply with the decree; to admit to membership upon nondiscriminatory terms and conditions any booker or promoter having certain qualifications; and to give each new member a copy of the decree and to instruct each existing and future member that continuation of membership in the association is dependent upon compliance with the terms of the decree.

For the plaintiff: Victor R. Hansen, Assistant Attorney General; Roy L. Stephenson, United States Attorney; and James M. McGrath, Stanley E. Disney, W. D. Kilgore, Jr., and Charles F. B. McAleer, Attorneys, Department of Justice.

For the defendant: Harry N. Soffer, St. Louis, Mo.; John M. Ferguson, East St. Louis, Ill.; Baker, Kagy & Wagner, East St. Louis, Ill., of counsel; and Bernard J. Connolly, Des Moines, Ia., Local Counsel.

### **Final Judgment**

WILLIAM F. RILEY, District Judge[ *In full text*]: Plaintiff United States of America having filed its Complaint herein on October 15, 1956; defendant having filed its answer to the complaint denying the material allegations thereof; and plaintiff and defendant by their 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 evidence or an admission in respect to any such issue;

Now, therefore, before any testimony has been taken herein, and without trial or adjudication of any issue of fact or law herein, and upon consent as aforesaid of each party hereto, it is hereby Ordered, adjudged and decreed as follows:

I.

[ *Sherman Act*]

The Court has jurisdiction of the subject matter of this action and of the parties hereto, and the complaint states a claim upon which relief can be granted against defendant under Sections 1 and 2 of the Act of Congress dated July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," commonly known as the Sherman Act, as amended.

II.

[ *Definitions*]

As used in this Final Judgment:

- (A) "Defendant" means defendant National Wrestling Alliance, a membership corporation organized under the laws of the State of Iowa;
- (B) "Consenting member" means any member of defendant who submits to the jurisdiction of this Court and executes its consent to be bound and obligated by the terms of this Final Judgment;
- (C) "Promoter" means any person engaged in sponsoring and presenting professional wrestling exhibitions;
- (D) "Promoter-member" means any promoter who is a member of defendant;
- (E) "Booker" means any person who, for a fee or commission, arranges with a promoter or promoters for the performance of wrestlers in professional wrestling exhibitions;
- (F) "Booker-member" means any booker who is a member of defendant;
- (G) "Studio exhibition" means any professional wrestling exhibition at which revenue is derived primarily from the television broadcast or filming thereof;
- (H) "Related promotion" means any professional wrestling exhibition in which a booker also acts as a promoter or has a financial interest in addition to a claim for a booking fee or commission;
- (I) "Person" means an individual, partnership, firm, corporation, association or other business or legal entity.

III.

[ *Additional Parties—Applicability of Judgment*]

- (A) It appearing to this Court, pursuant to Section 5 of the Sherman Act, that the ends of justice require that all members of the defendant be brought before this Court, the members of the said defendant, as consenting members, hereby appear as additional parties waiving the necessity of being summoned and agree to be bound by the provisions of this Final Judgment;
- (B) The provisions of this Final Judgment applicable to defendant or to any consenting member shall apply to such defendant or such consenting member, its officers, agents, servants, employees, subsidiaries, successors and assigns and to every person in active concert or participation with any of them who receives actual notice of this Final Judgment by personal service or otherwise.

IV.

[ *Membership in Association*]

Defendant is ordered and directed:

- (A) To forthwith cancel and void all its existing rules, regulations, and bylaws;
- (B) To forthwith adopt and enforce bylaws consistent with the terms of this Final Judgment.



(C) To include in any such new bylaws a provision requiring the expulsion of any member who violates this Final Judgment, engages in activities enumerated in any of the paragraphs of Section V of this Final Judgment or violates any rule, regulation or bylaw of defendant designed to comply with this Final Judgment;

(D) To admit to membership upon nondiscriminatory terms and conditions any booker or promoter if the applicant (1) has engaged in the business of booking or promoting wrestling exhibitions for two years or has promoted at least ten exhibitions in one year, (2) is financially responsible, (3) is licensed by any appropriate licensing authority or, where no licensing authority has jurisdiction, is of good moral character and (4) agrees in writing to be bound by the terms of this Final Judgment;

(E) To give to each new member a copy of this Final Judgment, and to specifically instruct each existing and future member that continuation of membership in defendant is dependent upon compliance with the terms of this Final Judgment.

## V.

### [ Prohibited Practices]

(A) Defendant and consenting members are each jointly and severally enjoined and restrained from entering into, adhering to, promoting or following any course of conduct, practice or policy, or any agreement or understanding, having the purpose or effect of:

(1) Recognizing, approving or designating any booker or promoter as the exclusive booker or promoter in a designated area or territory;

(2) Preventing, restricting or impeding any booker or promoter from doing business in any area or territory;

(3) Restricting or limiting the promotion or booking of wrestling exhibitions to related promotions or to promoters or bookers who are members of defendant, or requiring, requesting or inducing any person so to do;

(4) Requiring, requesting or inducing any booker to book wrestling exhibitions only through promoter-members or to discriminate in favor of promoter-members;

(5) Requiring, requesting or urging any promoter to promote wrestling exhibitions only through the services of booker-members or to discriminate in favor of booker-members;

(6) Requiring, requesting or inducing any person to refuse to promote or book any wrestler;

(7) Preventing, restricting or impeding any wrestler, booker or promoter from participating in studio exhibitions or discriminating against any wrestler, promoter or booker because such person participated in the booking or promotion of studio exhibitions.

(B) Defendant and consenting members are each enjoined and restrained from refusing to book for any promoter any wrestler who is available (taking into consideration travel time and costs) and is being booked by such defendant or such consenting member.

Nothing in this Section V shall obligate defendant or any consenting member to book any wrestler for any promoter (1) who is not duly licensed as such by the appropriate licensing authority or, (2) in the case of a promoter where there is no licensing authority, who is not financially responsible.

## VI.

Defendant is enjoined and restrained from:

(A) Except as required by Section IV herein, fixing, establishing maintaining or adhering to any term or condition, including specifically any term or condition stipulating performance payments, under which promoters or bookers shall promote or book any championship or other wrestling exhibition; provided that this subsection (A) shall not prevent defendant from charging promoters of championship wrestling exhibitions, if defendant is requested by the champion to book for him, a certain fixed percentage of the gross receipts of such wrestling exhibitions;

(B) Requiring, requesting, urging, advising or assisting any member of engage in any activity prohibited in any of the paragraphs herein.

## VII.

### [ *Inspection and Compliance* ]

For the purpose of securing compliance with this Final Judgment and for no other purpose, and subject to any legally recognized privilege, 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 or any consenting member made to its principal office, be permitted (A) access during the office hours of such defendant or consenting member to all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of such defendant or consenting member relating to any of the subject matters contained in this Final Judgment, and (B) subject to the reasonable convenience of such defendant or consenting member and without restraint or interference from it to interview officers or employees of such defendant or consenting member who may have counsel present, regarding any such matters; and upon such request defendant or any consenting member shall submit such reports in writing to the Department of Justice with respect to matters contained in this Final Judgment as may from time to time be necessary to the enforcement of this Final Judgment. No information obtained by the means provided in this Section VII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Department except in the course of legal proceedings to which the United States of America is a party for the purpose of securing compliance with this Final Judgment or as otherwise required by law.

## VIII.

### [ *Jurisdiction Retained* ]

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