

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

UNITED STATES OF AMERICA,)
)
) Plaintiff)
)
) vs.) Civil Action)
)
)) No. W-655)
))
)) Entered February 7, 1956)
)
)
) Defendants)

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on August 28, 1953; the defendants having appeared herein and filed their answers to said complaint on October 22, 1953 and their amended answer on April 15, 1954; and this cause having come on for trial March 7, 1955, and said trial having been completed March 16, 1955; and the Court having filed its findings of fact and conclusions of law on July 2, 1955.

NOW THEREFORE, it is hereby ORDERED, ADJUDGED AND DECREED as follows:

I

This Court has jurisdiction of the subject matter hereof and of the parties hereto. The complaint states a cause of action against the defendants and each of them under Section 1 of the Act of Congress of the 2nd of July 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," commonly known as the Sherman Act, as amended.

II

As used in this Final Judgment:

(A) "One-way trailers" means any two or four-wheel trailers of various sizes suitable and intended for use with passenger automobiles,

to transport personal goods and other property from one place to another. One-way trailers do not include housetrailers.

(B) "One-way trailer rentals" means rentals of trailers made under terms and conditions which enable the renter to surrender the trailer to an operator at a designated station in the city of the renter's destination.

(C) "Operators" means owners of one-way trailers who operate lots at which one-way trailers are rented or returned.

(D) "Class C stations" means individuals, firms or corporations not owning any one-way trailers but conducting a trailer rental business as a subsidiary station or agent of an operator who is a member of defendant Nationwide.

(E) "Nationwide" means Nationwide Trailer Rental System, Inc., a defendant in this cause.

III

The defendants, and each of them, have violated and are now violating Section 1 of the Act of Congress of July 2, 1890 (26 Stat. 209, 15 U.S.C. Sec. 1) entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," as amended, commonly known as the Sherman Act, by engaging in a combination and conspiracy to restrain competition in the trade and commerce among the several States of the United States in one-way trailer rentals.

IV

The provisions of this Final Judgment applicable to defendant Nationwide shall apply to that defendant and to the officers, directors, agents, members, employees, successors and assigns of said defendant.

V

The defendant Nationwide is enjoined and restrained from:

(A) Adopting, continuing, enforcing or adhering to any by-law, regulation, instructions, rule, requirement, understanding, plan or program which, directly or indirectly, requires or suggests that any

operator shall follow or adhere or conform to any list or schedule of rental rates or of suggested rental rates for one-way trailers, or by any other means fixing, determining, suggesting or maintaining rates or other terms or conditions for rental of one-way trailers; provided, however, that any one-way trailer operator, as to trailers owned by him, may determine and communicate to other one-way trailer operators the rate or rates at, and the terms and conditions under which such one-way trailers may be rented or the rentals divided between the owner and the renter of such trailers; and provided, further, that the defendant Nationwide may provide that each member receiving rentals for one-way trailers owned by any other member or by any non-member shall pay a certain, uniform part or percentage of such rentals to the trailer owner;

(B) Establishing or allocating exclusive territories or exclusive locations for one-way trailer operators, or in any other manner restricting, or preventing, or attempting to restrict or prevent any persons from engaging in the trade of one-way trailer rentals at any place or places of his choosing;

(C) Restricting or preventing, or attempting to restrict or prevent any person from dealing with any other person or group of persons engaged in the trade of one-way trailer rentals;

(D) Hindering, restricting, or preventing any person from joining or remaining a member of any association or organization of one-way trailer operators.

VI

Defendant Nationwide is ordered and directed to:

(A) Grant uniform and non-discriminatory membership in Nationwide, upon written application therefor, to any one-way trailer operator; provided that the applicant;

(1) agrees to meet and meets his financial obligations to defendant Nationwide, to members of said defendant, and to the public; and

(2) agrees to maintain and maintains adequate standards for the safety of one-way trailers.

(B) Provide in its by-laws that any member of Nationwide may be expelled only upon substantial proof to the Board of Directors of defendant Nationwide that such member:

(1) substantially violated the lawful by-laws of Nationwide; or

(2) failed to fulfill his financial obligations to Nationwide or its members.

(C) Provide in its by-laws that a member may be suspended temporarily by the Board of Directors and expelled by a majority of the members present at a meeting; provided that such member be given notice, a hearing, and the right to appeal from a suspension, and that, upon his request, the Board of Directors shall put the matter of his expulsion on the agenda of the first membership meeting following such request;

(D) Within 120 days after the date of entry of this Final Judgment, to amend its by-laws so as to bring them into conformity with this Final Judgment;

(E) Within 60 days after the date of entry of this Final Judgment to eliminate from its Rules, Lease Forms, and Rental Instructions any provisions that are inconsistent with the provisions of this Final Judgment;

(F) Within 30 days from the date of entry of this Final Judgment to mail to each of its present members and to each existing Class C station a copy of this Final Judgment;

(G) For a period of five years commencing on the date of entry of this Final Judgment, to mail a copy of this Final Judgment to each new member and to each newly created Class C station.

VII

For the purpose of 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 upon reasonable notice to the principal office of defendant Nationwide, be permitted, subject to any legally recognized privilege:

(A) access, during the office hours of said defendant, to all books, ledgers, accounts, correspondence, memoranda, minutes, and other records and documents in the possession or under the control of said defendant relating to any of the matters contained in this Final Judgment, and

(B) subject to the reasonable convenience of the said defendant and without restraint or interference from it, to interview officers and employees of said defendant, who may have counsel present, regarding such matters.

VIII

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to the 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 amendment, modification or termination of any of the provisions hereof, for the enforcement of compliance therewith and for the punishment of violation thereof.

IX

Judgment is entered against the defendants for all costs to
be taxed in this proceeding.

Dated February 7, 1956.

/s/ Delmas C. Hill
United States District Judge