

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Ilco Corp., U.S. District Court, D. Connecticut, 1969 Trade Cases ¶72,904, (Oct. 6, 1969)

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United States v. Ilco Corp.

1969 Trade Cases ¶72,904. U.S. District Court, D. Connecticut. Civil No. 13261 Entered October 6, 1969. Case No. 2060 in the Antitrust Division of the Department of Justice.

Sherman Act

Conspiracy—Customers, Markets or Territories—Master Key Systems—Consent Decree.—A manufacturer of master key systems was barred by a consent decree from allocating territories and customers for the sale of master key systems and extensions of such systems, imposing limitations or restrictions respecting distributors' customers or territories, and from refusing to sell, or discriminatorily selling, systems or extensions to resellers because of the reseller's customers or territory.

For the plaintiff: Richard W. McLaren, Asst. Atty. Gen., Antitrust Division, Allen A. Dobey, W. D. Kilgore, Jr., Charles L. Beckler, Arthur A. Feiveson and Ernest S. Carsten, Attys., Dept. of Justice.

For the defendant: Charles Donelan, of Bowditch, Powetz and Lane.

Final Judgment

BLUMKNEFELD, D. J.: Plaintiff, United States of America, having filed its complaint herein and the plaintiff and the defendant 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 by any party hereto with respect to any such issue;

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 as aforesaid, it is hereby;

Ordered, Adjudged and Decreed, as follows:

I

[Jurisdiction]

This Court has jurisdiction of the subject matter of this action and of the defendant named herein under Section 4 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209, as amended (15 U. S. C. Sec. 4), commonly known as the Sherman Act, and the Complaint states a claim upon which relief may be granted against the defendant under Section 1 of said Act (15 U. S. C. Sec. 1), as amended.

II

[Definitions]

As used in this Final Judgment:

- (A) "Person" means any individual, partnership, corporation, or association, or other business or legal entity;
- (B) "Master key systems" means lock and key systems manufactured by the defendant and designed specifically for a particular building or complex of buildings in accordance with a plan for limiting access to specified areas within such buildings; normally such a system provides a key for each door, each of which is keyed differently; one or a series of master keys which will lock and unlock a certain group of doors; one or a series of grand

master keys which will lock and unlock two or more groups of doors; and a great grand master key which will lock and unlock all doors in the system;

(C) "Distributor" means any person who buys master key systems for resale.

III

[Applicability]

The provisions of this Final Judgment applicable to the consenting defendant shall also apply to each of its officers, directors, agents, and employees and to each of its 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

[Master Key Systems-Customers and Territories]

The consenting defendant is enjoined and restrained from directly or indirectly:

(A) Entering into, continuing, maintaining, or renewing any contract, agreement, understanding, plan or program to allocate, divide or assign customers, territories or markets for the distribution or sale of master key systems and extensions to such master key systems;

(B) Imposing or attempting to impose any limitations or restrictions respecting the territories in which, or the persons to whom any distributor may sell master key systems and extensions to such master key systems;

(C) Refusing to sell or refusing to offer to sell, or threatening to refuse to sell or threatening to refuse to offer to sell master key systems or extensions to such master key systems or discriminating in the sale or shipment of any master key systems or extension to such master key systems to any reseller because of the person to whom or territory in which said reseller sells, intends to sell, or has sold any master key systems or extensions to such master key systems.

V

[Notice to Distributors]

The defendant is ordered and directed to advise its distributors within thirty (30) days from the date of this Final Judgment, of the entry of the Judgment, and that they are free to resell master key systems and extensions to such master key systems in such areas as they may desire, and to such persons as may desire to purchase same.

VI

[Inspection and Compliance]

For the purpose of determining or securing compliance with this Final Judgment, duly authorized representatives of the Department of Justice, upon written request of the Attorney General, or the Assistant General in charge of the Antitrust Division, and on reasonable notice to the consenting defendant, made to its principal office, shall be permitted, subject to any legally recognized claim of privilege, (a) Access during the office hours of said defendant to those parts of the books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession, custody or control of said defendant which relate to any matters contained in this Final Judgment, and (b) subject to the reasonable convenience of said defendant and without restraint or interference from it, to interview officers or employees of said defendant, who may have counsel present regarding such matters.

Upon the written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, the consenting defendant shall submit such reports in writing with respect to any of the matters contained in this Final Judgment as from time to time may be requested.

No information obtained by the means provided in this Paragraph VI 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 plaintiff, 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 by law.

VII

[*Jurisdiction Retained*]

Jurisdiction is retained for the purpose of enabling either 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, for the modification of any of the provisions contained herein, for the enforcement of compliance therewith, and the punishment of the violation of any of the provisions contained herein.