

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

Jan. 16, 1959

UNITED STATES OF AMERICA, )  
Plaintiff, )  
v. )  
MARYLAND STATE LICENSED )  
BEVERAGE ASSOCIATION, INC., )  
et al. )  
Defendants. )

CIVIL ACTION  
NO. 9122

FINAL JUDGMENT

The plaintiff, United States of America, having filed its complaint herein on September 11, 1956, and the defendants, The Maryland State Licensed Beverage Association, Inc. and John A. Menton, being in all respects in default herein;

NOW, THEREFORE, upon such default of those defendants, it is hereby ORDERED, ADJUDGED AND DECREED, as follows:

I

As used in this Final Judgment:

(A) "Person" means an individual, partnership, firm, corporation, association, trustee or any other business or legal entity, including County Liquor Control Boards and Departments of Liquor Control;

(B) "Alcoholic Beverage" means any whiskey, rum, gin, brandy, cordial, wine, cider, alcohol or any other spiritous, vinous, malt or fermented liquor, liquid or compound, by whatever name called, containing one-half of one per centum or more of alcohol by volume, which is fit for beverage purposes, except any brewed alcoholic beverage including beer, ale, porter, and stout;

(C) "Manufacturer" means a person who operates a plant within the United States for distilling, rectifying, blending, fermenting or bottling any alcoholic beverage, or imports into the United States any alcoholic beverage from outside the United States, or is a distributor selling to a wholesaler for resale to a retailer;

(D) "Wholesaler" means any person engaged in the business of purchasing or acquiring alcoholic beverages from manufacturers for resale or distribution to retailers or other purchasers for resale;

(E) "Retailer" means any person engaged in the business of selling alcoholic beverages to consumers;

(F) "Defaulting defendants" means the defendants The Maryland State Licensed Beverage Association, Inc. and John A. Menton and each of them;

(G) "Monopoly County" means any County Liquor Control Board or Department of Liquor Control selling alcoholic beverages under a county dispensary system in the State of Maryland.

II

The provisions of this Final Judgment applicable to any defaulting defendant shall apply to such defendant, its officers, agents, servants, employees, subsidiaries, successors and assigns, and to those persons in active concert or participation with such defendant who receive actual notice of this Final Judgment by personal service or otherwise. For the purpose of this Final Judgment, a defendant and its respective officers, agents, servants and employees shall be deemed to be one person.

### III

The defaulting defendants have violated Sections 1 and 2 of the Act of Congress of July 2, 1890, 15 U.S.C., entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," commonly known as the Sherman Act, as amended. Said violations have consisted of the defaulting defendants having unlawfully combined and conspired to restrain and to monopolize, and having unlawfully attempted to monopolize, interstate trade and commerce in the sale and distribution of alcoholic beverages within the state of Maryland.

### IV

(A) The defaulting defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, agreement, understanding, plan or program among themselves, or with any other person, to:

(1) Control, fix, adopt, stabilize or maintain prices, markups, margins of profit, terms or conditions at which alcoholic beverages are sold or offered for sale to third persons in the State of Maryland;

(2) Induce, compel or coerce, or attempt to induce, compel, or coerce, any person to establish, adopt, issue, adhere to, or to police or enforce adherence to prices, markups, margins of profit, terms or conditions at which alcoholic beverages shall be sold or offered for sale to third persons in the State of Maryland;

(B) The defaulting defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contact, agreement or understanding, plan or program among themselves, or with any other person to:

(1) Boycott or otherwise refuse to deal with, or threaten to boycott or otherwise refuse to deal with, any person engaged in the purchase, sale or distribution of alcoholic beverages in the State of Maryland;

(2) Induce, compel or coerce, or attempt to induce, compel or coerce, any person to boycott or otherwise refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages in the State of Maryland;

(3) Induce, compel or coerce, or attempt to induce, compel or coerce, any manufacturer to refuse to make sales of alcoholic beverages directly to any Monopoly County or to require sales to said Monopoly Counties to be made through wholesalers;

(4) Suggest, designate, prescribe or otherwise influence, or attempt to influence, the price or prices at which sales of alcoholic beverages shall be made by manufacturers or wholesalers to any Monopoly County;

(5) Induce, compel or coerce, or attempt to induce, compel or coerce, any manufacturer or wholesaler to make sales to any Monopoly County upon the condition or understanding that said Monopoly County resell alcoholic beverages at a suggested, prescribed or designated price or prices, or otherwise require said Monopoly County to resell at a suggested, prescribed or designated price or prices, or otherwise require said Monopoly

County to resell at a suggested, prescribed or designated price or prices.

Nothing in this Final Judgment shall be deemed to prohibit the said defaulting defendants from proposing or supporting legislation or the adoption of local, state or federal regulations, relating to the purchase, sale or distribution of alcoholic beverages or from individually taking action required by local, state or federal legislation or regulation.

#### V

Each of the defaulting defendants is enjoined and restrained from, directly or indirectly:

(A) Urging, compelling or coercing any manufacturer to establish, adopt, issue, adhere to, or police or enforce adherence to minimum or suggested resale prices, markups, margins of profit, terms or conditions of sale at which alcoholic beverages are sold or offered for sale in the State of Maryland;

(B) Communicating with any manufacturer, wholesaler or other person for the purpose or with the effect of urging, compelling or coercing any manufacturer or wholesaler to refrain from selling alcoholic beverages to any person or to any group or class of persons;

(C) Promoting the sale of, or giving preference to, or urging, compelling or coercing, or attempting to urge, compel or coerce any person to promote the sale of, or give preference to, specific brands of alcohol beverages upon any condition, agreement or understanding, that the manufacturer thereof establish, adopt, issue, adhere to, or police and enforce adherence to minimum or suggested resale prices, markups, margins or profit, terms or conditions of sale thereof, or boycott or otherwise refuse to deal with persons engaged in the purchase, sale or distribution of alcoholic beverages;

(D) Refusing to buy, refusing to promote the sale of, or in any manner hindering the sale of, or urging, compelling or coercing, or attempting to urge, compel or coerce any other person to refuse to buy, refuse to promote, or in any manner hinder the sale of alcoholic beverages for the purpose or with the effect of urging, compelling or coercing the manufacturer thereof to establish, adopt, issue, adhere to, or police and influence adherence to minimum or suggested resale prices, markups, margins of profit, terms or conditions of sale thereof, or boycott or refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages.

#### VI

The defendant The Maryland State Licensed Beverage Association, Inc. is enjoined and restrained from:

(A) Discussing, evolving or acting upon any matter or thing enjoined and restrained by any provision of this Final Judgment in any meeting of its members, officers, directors or any committee meeting of the Association;

(B) Accepting financial contributions from any manufacturer, any wholesaler, any non-member retailer or another non-member association,

(C) Having as a member any (person not engaged in the business of retail sales of alcoholic beverages);

(D) Organizing, being a member of, or participating in any trade association or other organization, the purposes or functions of which are contrary to any provision of this Final Judgment;

(E) Maintaining any plan, program, shopping service or other means the purpose or effect of which is to determine, report to any person, police, supervise or enforce prices of alcoholic beverages in the State of Maryland;

(F) Inducing, compelling or coercing, or attempting to induce, compel or coerce, any person to establish, adopt, issue, adhere to, or to police or enforce adherence to prices, markups, margins of profits, terms or conditions at which alcoholic beverages will be sold or offered for sale;

(G) Inducing, compelling or coercing, or attempting to induce, compel or coerce, any person to boycott or otherwise refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages.

#### VII

The defendant, Maryland State Licensed Beverage Association, Inc. is ordered and directed within sixty days from the date of entry of this Final Judgment to furnish to each of its members a true and complete copy of this Final Judgment, and to file with this Court, with a copy mailed to the plaintiff, an affidavit of a responsible official setting forth the fact and manner of compliance with the requirements of this Section VII.

#### VIII

(A) 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 on reasonable notice to any defaulting defendant, made to its principal office, be permitted:

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

(2) 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 any such matters;

(B) Upon receipt of a written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, the defaulting defendant 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 said judgment;

(C) No information obtained by the means provided in this Section VIII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of such Department, 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 required by law.

#### IX

Jurisdiction is retained for the purpose of enabling the plaintiff or any of the defaulting defendants 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 thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

Dated: January 16, 1959

/s/ Roszel C. Thomsen  
United States District Judge