

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Brownell & Co., Inc., Indian Head, Inc., Newton Line Co., Nylon Net Co., and Wellington Puritan Mills, Inc., U.S. District Court, W.D. Tennessee, 1974-1 Trade Cases ¶74,945, (Apr. 9, 1974)

[Click to open document in a browser](#)

United States v. Brownell & Co., Inc., Indian Head, Inc., Newton Line Co., Nylon Net Co., and Wellington Puritan Mills, Inc.

1974-1 Trade Cases ¶74,945. U.S. District Court, W.D. Tennessee, Western Division. Civil No. 72-427. Entered April 9, 1974. Case No. 2290, Antitrust Division. Department of Justice.

Sherman Act

Price Fixing—Nylon Twine Manufacturers—Price—Exchange of Information—Sale Transaction

Exception—Consent Decree.—Five manufacturers of nylon twine were prohibited by a consent decree from agreeing to fix prices or other terms or conditions for the sale of twine and from exchanging price information with manufacturers except in connection with, bona fide purchase or sale transactions with manufacturers.

For plaintiff: Thomas E. Kauper, Asst. Atty. Gen., Baddia J. Rashid, Charles F. B. McAleer, Donald A. Kinkaid, Roy L. Ferree, Leslie M. Jeffress, Neal F. Lehman, Attys., Antitrust Div., Dept. of Justice, Atlanta, Ga., Thomas F. Turley, U. S. Atty.

For defendants: Samuel N. Allen, for Brownell & Co., Inc.; James H. McGowan, III, for Newton Line Co.; David R. Aufdenspring, for Wellington Puritan Mills, Inc.; Ralph L. McAfee, for Indian Head, Inc.; William F. Kirsch, for Nylon Net Co.

Final Judgment

MCRÆ, D. J.: Plaintiff, United States of America, having filed its Complaint herein on December 11, 1972, and the Plaintiff and the Defendants, by their respective attorneys, having consented to entry of this Final Judgment, without trial or adjudication of any issue of fact or law herein, and without admission by any party with respect to any such issue, and without this Final Judgment constituting evidence or admission by any party with respect to any such issue:

Now, Therefore, before the taking of any testimony and without adjudication of any issue of fact or law herein and upon the consent of the parties hereto, it is hereby

Ordered, Adjudged and Decreed as follows:

I

[Jurisdiction]

This Court has jurisdiction over the subject matter herein and over the parties hereto. The Complaint states a claim upon which relief may be granted against the Defendants under Section 1 of the Act of Congress of July 2, 1890, 15 U. S. C. Section 1, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," as amended, commonly known as the Sherman Act.

II

[Definitions]

(A) "Nylon twine" shall mean a twine manufactured by twisting together strands of extruded nylon yarn for purposes of sale to the commercial fishing industry and the wholesale hardware trade.

(B) "Person" shall mean any individual, association, cooperative, partnership, corporation or other legal or business entity.

III

[*Applicability*]

The provisions of this Final Judgment shall apply to the Defendants, their officers, directors, agents, 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.

IV

[*Price Agreements; Exchanges*]

Defendants are jointly and severally enjoined and restrained from directly or indirectly:

(A) Entering into, adhering to, maintaining, or furthering any combination, contract, agreement, understanding, plan or program with any other manufacturer of nylon twine, to raise, fix, stabilize or maintain the prices, discounts, markups, or other terms or conditions for the sale of nylon twine to any other person; and

(B) Communicating to, exchanging or discussing with any other manufacturer of nylon twine any price, discount, markup, or other term or condition for the sale of nylon twine to any other person prior to the release of such price, discount, markup, or other term or condition of sale to the trade generally, provided, however, that nothing in this Final Judgment shall be construed as prohibiting any Defendant from communicating such information to any other manufacturer of nylon twine in the course of negotiating for, entering into, maintaining or carrying out any bona fide purchase or sale transaction with such manufacturer.

V

[*Independent Pricing*]

Each of the Defendants is ordered and directed, not later than ninety (90) days following the date of entry of this Final Judgment, independently and individually to review and redetermine, based upon its own costs, business judgments and other lawful considerations, the prices, discounts, markups or any other terms or conditions at which it sells nylon twine. Each of the Defendants is further ordered and directed, not later than ninety (90) days following the entry of this Final Judgment, to file with the Plaintiff a statement on the manner in which such review and redetermination was conducted and the factors considered.

VI

[*Notification*]

Each of the Defendants is ordered and directed to furnish, within ninety (90) days after date of entry of this Final Judgment, a copy thereof to each of its officers, directors, and to each of its agents and employees having sales and/or pricing responsibilities, and to each of its subsidiaries, successors and assigns and to file with this Court and serve upon the Plaintiff an affidavit as to the fact and manner of its compliance with this Section VI.

VII

[*Reports*]

For a period of 10 years from the date of entry of this Final Judgment each of the Defendants is ordered to file with the Plaintiff, on each anniversary date of this Final Judgment, a report setting forth the steps it has taken during the prior year to advise the appropriate officers, directors, agents, employees, subsidiaries, successors and assigns of its and their obligations under this Final Judgment.

VIII

[*Inspection and Compliance*]

For the purpose of determining or securing compliance with this Final Judgment, duly authorized representatives of the Department of Justice shall, on written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendants, be permitted, subject to any legally recognized privilege:

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

(B) Subject to the reasonable convenience of the Defendants, and without restraint or interference from them, to interview officers, directors, employees or agents of the Defendants, who may have counsel present, regarding any such matters.

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

No information obtained by the means permitted 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 the Executive Branch of the Plaintiff, 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.

IX

[*Retention of Jurisdiction*]

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 of any of the provisions herein, and for the enforcement or compliance therewith and punishment of any violations of any of the provisions contained herein.