

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
(HOUSTON DIVISION)

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO. 13032
)	
NATIONAL STEEL CORPORATION;)	
STRAN-STEEL CORPORATION;)	Entered: <u>April 10, 1967</u>
METALLIC BUILDING COMPANY;)	
BRINKLEY B. BROWN;)	
CHARLES R. McDANIEL; and)	
GILBERT LEACH,)	
)	
Defendants.)	

FINAL JUDGMENT

Plaintiff, the United States of America, filed its complaint herein on February 15, 1960; the action was tried by this Court and on February 5, 1965 Final Judgment was entered dismissing the case; the plaintiff appealed to the Supreme Court of the United States; thereafter the parties announced to the Supreme Court that a settlement of the case had been agreed upon and, on the joint motion of the parties, the case was returned to this Court; and the parties by their respective attorneys have consented to the entry of this Final Judgment without this Final Judgment constituting any evidence or any admission by any party with respect to any issue in this case;

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED and DECREED that the Final Judgment of February 5, 1965 is hereby vacated and that the following Final Judgment is substituted in lieu thereof:

I

This Court has jurisdiction of the subject matter herein and of the parties hereto. The complaint states a claim for relief against the defendants under Section 7 of the Act of Congress of October 15, 1914,

as amended, entitled "An Act to Supplement Existing Laws Against Unlawful Restraints and Monopolies and for Other Purposes," commonly known as the Clayton Act.

II

The provisions of this Final Judgment applicable to any corporate defendant shall also apply to each of its directors, officers and agents acting for such defendant, its affiliates or subsidiaries, successors and assigns, and to all other persons in active concert or participation with any such defendant who shall have received actual notice of this Final Judgment by personal service or otherwise.

III

(A) Within one year National and Stran-Steel shall divest all of their right, title and interest in Metallic;

(B) Metallic shall be maintained, operated and divested as a viable entity engaged in the manufacture and sale of prefabricated metal buildings, and there shall be included in the assets of Metallic all designs and know-how required to produce all prefabricated metal buildings being offered for sale by Stran and Metallic at the time of divestiture, with Metallic to have the perpetual right to use such designs and know-how;

(C) For a period of fifteen months following the divestiture of Metallic, National and Stran shall not accept any purchase order for delivery of any prefabricated metal buildings into the States of Texas, Louisiana, Oklahoma, Arkansas, New Mexico and Mississippi, without first receiving from the dealer or purchaser a signed statement that Metallic refused to accept the purchase order;

(D) Upon divestiture, Stran shall at the same time notify all of its dealers in the area described above that it is prohibited by Court Order from accepting any purchase order from such dealers except on the condition outlined in Paragraph (C) above. Stran shall accompany this notice to the dealers with copies of a suggested form of notice to

Stran to be used by dealers under those conditions and at the same time expressly advise the dealers that any dealership contract with Stran does not limit or restrict the right of the dealer to enter into a franchise agreement with Metallic;

(E) Divestiture shall be to a person or persons first approved by the plaintiff;

(F) For a period of fifteen months from the date Metallic is divested, National and Stran shall not produce or sell any prefabricated metal buildings from any production facilities located in the above-listed States except, subject to Paragraph (C) above, National or Stran may, if Metallic is willing, enter into an agreement for Metallic to manufacture for them prefabricated metal buildings, which they may sell in the area, where the dollar volume of such sales do not exceed 15% of Metallic's sales in the six-State area for the calendar year 1965;

(G) For eighteen (18) months after the divestiture of Metallic, National and Stran shall not employ any employee of Metallic unless such employee has been laid off or fired by Metallic;

(H) For a period of ten (10) years, National and Stran shall not acquire any of the assets of or share capital or beneficial interest in any person engaged in the manufacture or sale of prefabricated metal buildings except for materials purchased in the normal course of business.

IV

Nothing herein contained shall be deemed to prohibit National and Stran from retaining, accepting and enforcing a bona fide lien, pledge or other form of security for the purpose of securing to Stran repayment of loans, guaranties of loans, or letters or lines of credit, made to or on behalf of the purchaser, or for the purpose of securing to Stran full payment of the price at which said business is disposed of or sold; and provided further that if, after divestiture or sale pursuant to Section III, by enforcement or settlement of a bona fide lien, pledge, or other form of security, National or Stran regains ownership or control of any of the business disposed of such company shall, subject to the

provisions of this Final Judgment, dispose of any such business thus regained within eighteen (18) months from the time of reacquisition.

V

For the purpose of determining and securing compliance with this Final Judgment, and for no other purposes, duly authorized representatives of the Department of Justice shall, on written request of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to the defendants made to their principal offices, be permitted, subject to any legally recognized privilege:

(A) Access, during the office hours of said defendants, who may have counsel present, to those books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of said defendants regarding the subject matters contained in this Final Judgment; and

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

Upon such written request, the defendant shall submit reports in writing in respect to any such matters as may from time to time be requested.

No information obtained by the means provided in this Section V 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 United States, except in the course of a legal proceeding in which the United States is a party for the purpose of securing compliance with this Final Judgment or as otherwise required by law.

VI

Jurisdiction of this cause is retained by the 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 or 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, and for the enforcement of compliance therewith and the punishment of violations thereof.

Dated: April 10, 1967, 1967

/s/ Joe M. Ingraham
United States District Judge