

## Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. General Mills, Inc., et al., U.S. District Court, E.D. Michigan, 1955 Trade Cases ¶67,979, (Feb. 2, 1955)

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United States v. General Mills, Inc., et al.

1955 Trade Cases ¶67,979. U.S. District Court, E.D. Michigan, Southern Division. Civil Action No. 10669. Dated February 2, 1955. Case No. 1101 in the Antitrust Division of the Department of Justice.

### Sherman Antitrust Act

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Price Fixing and Delivered Prices—Duration of Contracts—Dried Beet Pulp.**—Dried beet pulp producers and a distributor were enjoined by a consent decree from entering into any agreement with any producer of dried beet pulp (1) to fix the price at which the pulp is sold to third persons; (2) to maintain any system for selling or quoting prices of the pulp, including, but not limited to, any system having the purpose or effect of causing any producer to receive the same delivered price for a given quantity of the pulp at any point of delivery as that received by any other producer for a similar quantity at the same point of delivery; or (3) to refrain from competing in the production, sale, or distribution of the pulp. Also, the defendants were enjoined from entering into any contract for the purchase or sale of dried beet pulp where the period of performance thereunder exceeds eighteen months.

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Exchanging Price, Cost, and Other Information.**—Dried beet pulp producers and a distributor were enjoined by a consent decree from transmitting or discussing any price, cost, or other information for the purpose of fixing prices, maintaining any plan concerning sales or sales prices, or sharing in agreed quotas or allocating markets or customers.

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Common Sales Agent—Proof of Violation.**—Dried beet pulp producers and a distributor were enjoined by a consent decree from entering into any agreement with any producer of dried beet pulp to sell the pulp through a common sales agent or to sell to a common buyer for resale. The decree provided that in any proceeding brought under the decree, the mere fact that two or more producers sell dried beet pulp through a common sales agent or sell to a common buyer for resale shall not, without more, establish the existence of any contract, agreement, or understanding. The distributor was enjoined from acting as a broker or agent in the sale of the pulp.

**Department of Justice Enforcement and Procedure—Consent Decrees—Limitations on Acceptance by the Government.**—A consent decree provided that neither the entry of the decree nor the consent thereto by the Government shall estop or bar the Government from proceeding against any defendant or defendants under [Section 4 of the Sherman Act](#) to enjoin violations of Section 2 of the Act on a charge that such defendant or defendants have attempted to monopolize, have monopolized, or have combined or conspired to monopolize any part of the interstate trade and commerce in dried beet pulp.

For the plaintiff: Stanley N. Barnes, Assistant Attorney General; William D. Kilgore and Worth Rowley, Special Assistants to the Attorney General; and Horace L. Flurry, Vincent A. Gorman, and William F. Rogers.

For the defendants: Hill, Lewis, Andrews, Granse & Adams, by Sherwin A. Hill, for Michigan Sugar Co.; Dickinson, Wright, Davis, McKean & Codlip, by R. William Rogers, for Robert Gage Coal Co.; Marshall, Melhorn, Block & Belt, Toledo, Ohio, by W. A. Belt, for Great Lakes Sugar Co., Inc., Menominee Sugar Co., and Superior Sugar Refining Co.; Daniel R. Hopkins for Garden City Co.; and J. F. Finn for General Mills, Inc.

### Final Judgment

THEODORE LEVIN, District Judge [ *In full text*]: The plaintiff, United States of America, having filed its complaint herein on June 26, 1951, and the consenting defendants having appeared and severally filed their answers to such complaint denying the substantive allegations thereof and denying the violation of law charged therein, and the plaintiff and the said defendants, by their respective attorneys having severally consented to the entry of this

Final Judgment herein, without trial or adjudication of any issue of fact or law herein and without this judgment constituting evidence or admission in respect of any such issue;

Now therefore, before any testimony has been taken herein, and without trial or adjudication of any issue of fact or law herein and upon consent as aforesaid of the consenting defendants and not upon evidence, it is hereby

Ordered, adjudged, and decreed as follows:

## I

### [ *Sherman Act* ]

The court has jurisdiction of the subject matter herein and of all the parties hereto, and the complaint states a claim for relief against the defendants under Section 1 of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," as amended, commonly known as the Sherman Act.

## II

### [ *Definitions* ]

As used in this Final Judgment:

(a) "Dried beet pulp" means the fibrous residue of sugar beets resulting from the manufacture of sugar from sugar beets, which residue has been dried through the use of pulp drying equipment, but before the same is mixed, blended or treated with any other material or ingredient, other than molasses;

(b) "Person" means an individual, firm, corporation, association, partnership or any other legal entity;

(c) "Defendants" means the defendants signatory hereto and each of them.

## III

### [ *Applicability of Judgment* ]

The provisions of this Final Judgment applicable to any defendant shall apply to such defendant, its officers, directors, agents, employees, subsidiaries, successors, assigns, and all other persons acting under, through or for such defendant.

## IV

### [ *Pricing Practices, Competition, and Common Agents* ]

The defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining or furthering, directly or indirectly, any contract, agreement or understanding with any producer of dried beet pulp:

(a) to control, raise, fix, or maintain the price or prices at which dried beet pulp is sold to or purchased by third persons;

(b) to maintain or adhere to any system, plan or program for selling or quoting prices for the sale to or purchase by any third person of dried beet pulp, including, but not limited to, any system, plan or program having the purpose or effect of causing any producer of dried beet pulp to receive the same delivered price for a given quantity of dried beet pulp at any point of delivery as that received by any other producer for a similar quantity at the same point of delivery;

(c) to refrain from competing, in whole or in part, in the production, sale or distribution of dried beet pulp; or

(d) to sell dried beet pulp through a common sales agent or to sell to a common buyer for resale.

In any proceeding brought under this Final Judgment the mere fact that two or more producers of dried beet pulp sell dried beet pulp through a common sales agent or sell to a common buyer for resale shall not, without more, establish the existence of any contract, agreement, or understanding.

## V

### *[ Duration of Purchase or Sale Contracts]*

The defendants are jointly and severally enjoined and restrained from entering into any contract, agreement, or understanding for the purchase or sale of dried beet pulp where the period of performance thereunder exceeds eighteen (18) months

## VI

### *[ Price, Cost, and Other Information]*

Defendants are jointly and severally enjoined and restrained from transmitting or discussing any price, cost, or other information relating to dried beet pulp to or with any producer of dried beet, pulp for the purpose or having the effect of:

- (a) controlling, raising, fixing or maintaining the price or prices at which dried beet pulp is sold to or purchased by third persons;
- (b) maintaining, adhering to or establishing any system, plan or program concerning the sale or sales prices to third persons of dried beet pulp; or
- (c) sharing in agreed quotas, allocating or dividing any territory, market or customers for dried beet pulp.

## VII

### *[ Acting as Broker or Agent]*

General Mills, Inc. is enjoined and restrained from acting as a broker or agent in the sale of dried beet pulp.

## VIII

### *[ Judgment No Bar to Monopoly Proceedings]*

Neither the entry of this Final Judgment nor the consent thereto by the plaintiff shall estop or bar plaintiff from proceeding against any defendant or defendants herein under [Section 4 of the Sherman Act](#) to enjoin or restrain violations of [Section 2 of the Sherman Act](#) on a charge that such defendant or defendants have attempted to monopolize, have monopolized or have combined or conspired to monopolize any part of the interstate trade and commerce in dried beet pulp.

## IX

### *[ Inspection and Compliance]*

For the purpose of securing compliance with this Final Judgment and for no other purpose, 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 defendant made to its principal office be permitted subject to any legally recognized privilege (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. For the purposes of securing compliance with this Final Judgment, any defendant, upon the written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division and on reasonable notice to its principal office, shall submit such written reports with respect to any of the matters contained in this Final Judgment as from time to time may be necessary for the purpose of enforcement of this Final Judgment. No information obtained by the means provided in this Section 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 or as otherwise required by law.

[ *Jurisdiction Retained*]

Jurisdiction is retained 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 or for the modification of any of the provisions hereof, and for the purpose of the enforcement of compliance therewith and the punishment of violations thereof.