

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Roll Manufacturers Institute, The Aetna-Standard Engineering Company, Birdsboro Steel Foundry and Machine Company, Blaw-Knox Company, Continental Foundry & Machine Company, Hyde Park Foundry and Machine Company, Mackintosh-Hemphill Company, Mesta Machine Company, The National Roll and Foundry Company, The Ohio Steel Foundry Company, The Youngstown Foundry and Machine Company, and United Engineering and Foundry Company., U.S. District Court, W.D. Pennsylvania, 1955 Trade Cases ¶68,110, (Aug. 4, 1955)

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

United States v. Roll Manufacturers Institute, The Aetna-Standard Engineering Company, Birdsboro Steel Foundry and Machine Company, Blaw-Knox Company, Continental Foundry & Machine Company, Hyde Park Foundry and Machine Company, Mackintosh-Hemphill Company, Mesta Machine Company, The National Roll and Foundry Company, The Ohio Steel Foundry Company, The Youngstown Foundry and Machine Company, and United Engineering and Foundry Company.

1955 Trade Cases ¶68,110. U.S. District Court, W.D. Pennsylvania. Civil Action No. 9657. Dated August 4, 1955. Case No. 1092 in the Antitrust Division of the Department of Justice.

Sherman Antitrust Act

Combinations and Conspiracies—Consent Decree—Practices Enjoined—Price Fixing.—Manufacturers of cast iron and cast steel rolls and their trade association were enjoined by a consent decree from entering into any understanding to determine, fix, or adopt (1) prices, freight allowances, or other terms and conditions of sale, (2) charges to be made for roll machining operations, or (3) prices to be paid by any roll manufacturer in purchasing roll scrap.

Combinations and Conspiracies—Consent Decree—Practices Enjoined—Control of Production—Standardization.—Manufacturers of cast iron and cast steel rolls and their trade association were enjoined by a consent decree from entering into any understanding to limit the manufacture of such rolls to any specified standards, grades, or qualities. The association was enjoined from adopting, promulgating, or approving any standard for such rolls which may have the effect of preventing the manufacture or sale of rolls not conforming to such standard.

Combinations and Conspiracies—Consent Decree—Practices Enjoined—Delivered Price and Basing Point Systems.—Manufacturers of cast iron and cast steel rolls and their trade association were prohibited by a consent decree from entering into any understanding to determine, adopt, or use any delivered price system or any basing point system. Each manufacturer was prohibited from publishing, quoting, or charging prices for such rolls on any basis other than (1) F. O. B. at the actual place of manufacture or origin of shipment, or (2) on a delivered price or other basis which at destination at no time shall be higher than the above F. O. B. price plus actual transportation and other delivery charges. The decree further provided that every purchaser shall have the option to purchase on the basis of F. O. B. at the actual place of manufacture or origin of shipment.

Combinations and Conspiracies—Consent Decree—Practices Enjoined—Dissemination of Information.—An association of manufacturers of cast iron and cast steel rolls was prohibited by a consent decree from collecting, disseminating, communicating, or disclosing statistics, data, or other information relating to costs, prices, freight allowances, or terms or conditions of sale in connection with the manufacture, sale, or distribution of cast iron or cast steel rolls.

Combinations and Conspiracies—Consent Decree—Practices Enjoined—Membership in Trade Associations.—Manufacturers of cast iron and cast steel rolls were prohibited by a consent decree from

organizing, becoming members of, or participating in the activities of, any trade association, the activities of which violate or are inconsistent with any of the provisions of the decree.

For the plaintiff: Stanley N. Barnes, Assistant Attorney General, W. D. Kilgore, Jr., Baddia J. Rashid, John W. McIlvaine, William L. Maher, Max Freeman, and Donald Balthis.

For the defendants: Alter, Wright & Barron, by Ralph D. McKee, for Roll Manufacturers Institute. Harrington, Huxley & Smith, by T. Lamar Jackson, for The Aetna-Standard Engineering Co. Montgomery, McCracken, Walker & Rhoads, by Joseph W. Swain, Jr., for Birdsboro Steel Foundry and Machine Co. Thorp, Reed & Armstrong, by William C. O'Neil, for Blaw-Knox Co. Winston, Strawn, Black & Towner, by Thomas A. Reynolds, for Continental Foundry & Machine Co. R. J. Cleary for Hyde Park Foundry and Machine Co. Blaxter, O'Neill & Houston, by Wells Fay, for Mackintosh-Hemphill Co. Thorp, Reed & Armstrong, by William C. O'Neil, for The National Roll and Foundry Co. Leslie Reid for The Ohio Steel Foundry Co. Manchester, Bennett, Powers & Ullman, by John H. Ranz, for The Youngstown Foundry and Machine Co. Smith, Buchanan, Ingersoll, Rodewald & Eckert by John G. Buchanan; and Patterson, Crawford, Arensberg & Dunn, by James S. Crawford, for United Engineering and Foundry Co.

Final Judgment

JOHN L. MILLER, District Judge [*In full text*] : Plaintiff, United States of America, having filed its complaint herein on June 20, 1951, and the consenting defendants hereto having appeared and filed their answers to the complaint denying the substantive allegations thereof; and plaintiff and said consenting defendants hereto, by their attorneys herein, having severally consented to the entry of this Final Judgment without trial or adjudication of any issues of fact or law herein, and without admission by any party signatory hereto in respect to any such issues; and this Court having considered the matter and being duly advised;

Now, therefore, before the taking of any testimony and without trial or adjudication of any issues of fact or law herein, and upon consent of the parties signatory hereto, it is hereby

Ordered, adjudged and decreed as follows:

I.

[*Sherman Act*]

This Court has jurisdiction of the subject matter herein and of the parties signatory hereto and the complaint states a claim against the defendants and each of them 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," commonly known as the Sherman Act, as amended.

II.

[*Definitions*]

As used in this Final Judgment:

(A) "Consenting defendants" [*] means each and all of the defendants signatory hereto, including Roll Manufacturers Institute, The Aetna-Standard Engineering Company, Birdsboro Steel Foundry and Machine Company, Blaw-Knox Company, Continental Foundry & Machine Company, Hyde Park Foundry and Machine Company, Mackintosh-Hemphill Company, The National Roll and Foundry Company, The Ohio Steel Foundry Company, The Youngstown Foundry and Machine Company, and United Engineering and Foundry Company;

(B) "Defendant association" means the defendant Roll Manufacturers Institute;

(C) "Defendant manufacturers" means all the consenting defendants and each of them, except the defendant association;

(D) "Cast iron and cast steel rolls" means ferrous products cast in cylindrical form for use as reducing work rolls, or backing rolls for such work rolls, which have a working surface in the central section and bearing portions on

each end and which are designed for use in a roll stand as component parts of rolling mills for rolling ferrous and non-ferrous metals.

III.

[*Applicability of Judgment*]

The provisions of this Final Judgment applicable to any consenting defendant shall apply to such defendant, its officers, directors, agents, employees, successors or assigns, and any wholly-owned or controlled subsidiary thereof, and to all other persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise.

IV.

[*Pricing Practices—Manufacturing Limitations*]

The consenting defendants are jointly and severally enjoined and restrained from, directly or indirectly, entering into or adhering to any contract, agreement or understanding with each other or with any other manufacturer of cast iron or cast steel rolls:

(A) To determine, fix, maintain, adopt, use or adhere to

(1) prices, freight allowances or other terms and conditions for the sale of cast iron or cast steel rolls to third persons;

(2) charges to be made for roll machining operations for third persons;

(3) prices to be paid by any roll manufacturer in purchasing roll scrap from third persons;

(4) any delivered or other price system, or any basing point system, for selling or quoting cast iron or cast steel rolls to third persons;

(B) To limit, or attempt to limit, the manufacture of cast iron or cast steel rolls to any specified standards, grades or qualities.

V.

[*Price Quotations*]

Each defendant manufacturer is enjoined and restrained from publishing, printing, quoting or charging prices for cast iron or cast steel rolls on any basis other than (1) F. O. B. at the actual place of manufacture or origin of shipment, or (2) on a delivered price or other basis which at destination at no time shall be higher than the above F. O. B. price plus actual transportation and other delivery charges;

Provided, however, that every purchaser shall have the option to purchase on the basis of F. O. B. at the actual place of manufacture or origin of shipment.

VI.

[*Disseminating Information—Adopting Standards*]

(A) The defendant association is enjoined and restrained from:

(1) Collecting, distributing, disseminating, communicating or disclosing statistics, data or other information relating to costs, prices, freight allowances, terms or conditions of sale in connection with the manufacture, sale or distribution of cast iron or cast steel rolls; and

(2) Adopting, promulgating or approving any standard for cast iron or cast steel rolls which may have the purpose or effect of preventing the manufacture or sale of rolls not conforming to such standard.

(B) Each defendant manufacturer is enjoined and restrained from entering into, adhering to or claiming any rights under any contract, agreement or understanding with any other defendant or any other manufacturer of cast iron

or cast steel rolls to collect, distribute, disseminate, communicate or disclose statistics, data or other information relating to costs, prices, freight allowances, terms or conditions of sale in connection with the manufacture, sale or distribution of cast iron or cast steel rolls to third persons; provided, however, that this subsection (B) shall not prevent any defendant manufacturer from disclosing to, or receiving from, any other manufacturer of cast iron or cast steel rolls, in connection with bona fide labor union negotiations, wage fates and other terms of employment.

VII.

[*Trade Associations*]

The defendant manufacturers are jointly and severally enjoined and restrained from organizing, becoming members of, or participating directly or indirectly in the activities of, any trade association or other organization the activities of which violate or are inconsistent with any provision of this Final Judgment.

VIII.

[*Inspection and Compliance*]

For the purpose of 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 any consenting defendant made to its principal office, be permitted, subject to any legally recognized privilege:

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

(B) Subject to the reasonable convenience of such defendant and without restraint or interference from such defendant, to interview officers or employees of such defendant, who may have counsel present, regarding any such matter;

(C) Upon written request such defendant shall submit such reports in writing with respect to the matters contained in this Final Judgment as may from time to time be necessary to the enforcement of this Final Judgment.

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 Department of Justice except in the course of legal proceedings in 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 Retained*]

Jurisdiction is retained by this Court 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, for the amendment or modification of any of the provisions thereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.

Footnotes

* A Court order entered with the Final Judgment provided:

“A Final Judgment having been entered in this proceeding by consent of all of the defendants except Mesta Machine Company and a Stipulation having been filed providing that the consent to the entry of such Final Judgment by Roll Manufacturers Institute shall not constitute a consent to the entry of such

Final Judgment by Mesta Machine Company and shall not constitute a judgment against Mesta Machine Company;

“It is hereby ordered that the consent of Roll Manufacturers Institute to the entry of a Final Judgment herein does not constitute a consent by Mesta Machine Company as a member of said Institute and that said Final Judgment consented to by said Institute does not constitute a judgment against the defendant Mesta Machine Company.”

“It is hereby ordered that the consent of Roll Manufacturers Institute to the entry of a Final Judgment herein does not constitute a consent by Mesta Machine Company as a member of said Institute and that said Final Judgment consented to by said Institute does not constitute a judgment against the defendant Mesta Machine Company.”