# APPENDIX A - PART I

# FINAL JUDGMENTS

(Ordered by Case Listing in the Case Caption)

U.S. v. STANDARD SANITARY MFG. CO., *ET AL.*

In Equity No.: 0076

Year Judgment Entered: 1911

UNITED STATES v. STANDARD SANITARY MFG. CO.
IN THE CIRCUIT COURT OF THE UNITED STATES FOR
THE DISTRICT OF MARYLAND.

Equity G-17.

Before GOFF and PRITCHARD, Circuit Judges, and ROSE, District Judge.

THE UNITED STATES OF AMERICA, PETITIONER,

vs.

STANDARD SANITARY MANUFACTURING COMPANY, A. WEISKITTEL & COMPANY, THE BARNES MANUFACTURING COMPANY, THE CAHILL IRON WORKS, COLWELL LEAD COMPANY, THE DAY-WARD COMPANY, THE HUMPHREYS MANUFACTURING COMPANY, KERNER MANUFACTURING COMPANY, THE J. L. MOTT IRON WORKS, MCVAY & WALKER, THE MCCRUM-HOWELL COMPANY, THE NATIONAL SANITARY MANUFACTURING COMPANY, UNION SANITARY MANUFACTURING COMPANY, UNITED STATES SANITARY MANUFACTURING COMPANY, L. WOLFF MANUFACTURING COMPANY, WHEELING ENAMELED IRON COMPANY, THEODORE AHRENS, FRANCIS J. TORRANCE, E. L. DAWES, W. A. MYLER, ANTON WEISKITTEL, JOHN D. HEISE, C. H. VOEGELE, T. R. BARNES, F. H. CALDWELL, J. J. MAHONEY, JESSE T. DURYEA, BERT O. TILDEN, W. C. WINFIELD, A. G. WARD, S. N. FORD, REID CARPENTER, J. A. FRAUENHEIM, JORDON L. MOTT, MAX GOEBEL, THOMAS WALKER, ALEXANDER C. WALKER, LLOYD G. MCCRUM, HOWARD T. GATES, FRANK G. BORDEN, D. W. DAVIS, L. C. HUESMAN, E. V. BRIGHAM, CHARLES ARROTT, A. H. CLINE, JR., HERMAN HOELSCHER, J. E. WRIGHT, GEORGE W. FRANZHEIM, EDWIN L. WAYMAN, DEFENDANTS.

DECREE.

This cause came on to be heard at this term, and was argued by counsel; and thereupon, upon consideration thereof, it is by the court, Judges Pritchard and Rose concurring, and Judge Goff dissenting, ordered, adjudged, and decreed:—

First. That each of the defendants, Bert O. Tilden and George W. Franzheim, in his official character as secretary of his respective corporation, defendant herein, attested the contracts hereinafter mentioned, executed by such respective corporation, and had no other connection therewith, and that the original petition of the United States herein be and hereby is dismissed as to the defendants, Bert O. Tilden and George W. Franzheim, with costs to each of them to be taxed.



Second. That the defendants (other than those against whom the petition is dismissed, and Ludwig Wolff, who died before the final hearing), in the manner set forth in the petition, have entered into and are engaging in a combination in restraint of trade and commerce among the several States in sanitary enameled ironware and have attempted and are attempting to monopolize said trade and commerce in said ware, in violation of the act of Congress approved July 2, 1890, entitled " An Act to protect trade and commerce against unlawful restraints and monopolies."

Third. That upon the evidence the defendant Colwell Lead Company is engaged in interstate commerce within the meaning of the act of Congress approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies."

Fourth. That the so-called manufacturers' license agreements and the jobbers' license agreements, and the price lists made part of said agreements, all described in the petition herein, have been and are the means adopted and used by the defendants in order to carry into effect the objects and purposes of said unlawful combination in restraint of said interstate trade and commerce in violation of said act of Congress, and that the said agreements and price lists are therefore hereby declared illegal and the defendants and all and each of them and their officers, agents, servants, and employees are enjoined and prohibited from doing anything in furtherance of said manufacturers' license agreements and jobbers' license agreements, and from enforcing in any manner said agreements or any of the terms thereof, and from adopting or enforcing said price lists in interstate commerce in sanitary enameled ironware.

Fifth. That the defendants, their officers, agents, servants, and employees, are enjoined and prohibited from

continuing their attempt to monopolize interstate commerce in said ware by means of the unlawful combination hereinbefore described, and more particularly by means of said manufacturers' license agreements and jobbers' license agreements, and said price lists, or by any other means similar thereto.

Sixth. That the said defendants, their officers, directors, agents, servants, and employees, are enjoined and prohibited from resuming, engaging in, continuing, or carrying into further effect the combination adjudged illegal hereby, and from engaging in or entering into any like combination or attempt to monopolize, the effect of which will be to restrain commerce in sanitary enameled ironware among the several States of the United States, or in the Territories of the United States, by making any express or implied agreement or arrangement together, or one with another, like that adjudged illegal herein, relative to the control or management of the business of the said defendants in sanitary enameled ironware, the effect of which will be to prevent each and any of them from carrying on interstate trade and commerce in sanitary enameled ironware in competition with the others.

Seventh. That this decree shall not be construed to prevent whoever may be the owner or owners of the Arrott patent and other dredger patents relating to the manufacture of sanitary enameled ironware, from granting lawful licenses to any of the defendants or others to use such patents, or to prevent the defendants or others from taking lawful licenses to use any of such patents.

Eighth. It appearing to the court that on the twentieth day of January, 1911, the defendants, Cahill Iron Works, Frank H. Caldwell and John J. Mahoney, by leave of the court, filed their substituted and amended answer in the cause, showing that theretofore, to wit, on the 17th day of December, 1910, they withdrew from said combination and ceased thereafter to engage in any of the practices complained of in the petition, and submitting to a decree such as is herein decreed, it is further adjudged and decreed that the petitioner recover of said defendants



one-sixteenth of its lawful costs which accrued in the cause up to the closing of the case of the petitioner on December 22nd, 1910, and that the petitioner recover of the other defendants, except said Bert O. Tilden and George W. Franzheim, and Ludwig Wolff, the remainder of its lawful costs in this cause.

November 25th, 1911.

J. C. PRITCHARD,
*U. S. Circuit Judge.*
JOHN C. ROSE,
*District Judge.*

U.S. v. THE WARD FOOD
PRODUCTS CORPORATION, *ET AL.*

In Equity No.: 1073

Year Judgment Entered: 1926

## UNITED STATES OF AMERICA v. THE WARD FOOD PRODUCTS CORPORATION ET AL., DEFENDANTS.

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF MARYLAND.

In Equity No. 1073.

THE UNITED STATES OF AMERICA, PETITIONER,

*v.*

THE WARD FOOD PRODUCTS CORPORATIONS, THE WARD Baking Corporation, Ward Baking Company, The General Baking Corporation, The General Baking Company, The Continental Baking Corporation, United Bakeries Corporation, William B. Ward, Howard B. Ward, William Deininger, Paul H. Helms, J. W. Rumbough, R. E. Peterson, George G. Barber, and George B. Smith, defendants.

DECREE.

The United States of America having filed its petition herein on the 8th day of February, 1926, and the defendants, The Ward Food Products Corporation and William B. Ward, the Ward Baking Corporation and the Ward

Baking Company, having duly appeared by Semmes, Bowen and Semmes, their solicitors; and the defendants, The General Baking Corporation, General Baking Company and Paul H. Helms, having duly appeared by Marbury, Gosnell and Williams, and Simpson, Thatcher and Bartlett, their solicitors; and the defendants, The Continental Baking Corporation, United Bakeries Corporation and George G. Barber, having duly appeared by Venable, Baetjer and Howard, their solicitors;

Comes now the United States of America, by Amos W. W. Woodcock, its attorney for the District of Maryland, and by John G. Sargent, Attorney General, William J. Donovan, Assistant to the Attorney General of the United States, and by Abram F. Myers and Mary G. Conner, Special Assistants to the Attorney General, and come also the defendants named herein by their solicitors as aforesaid;

And it appearing to the Court by admission of the parties consenting to this decree, that the petition states a cause of action; that the Court has jurisdiction of the subject matters alleged in the petition, and that the Court is empowered to prevent and restrain violations of the hereinafter mentioned statutes in advance of their consummation; and the petitioner having moved the Court for an injunction and for other relief against the defendants as hereinafter decreed;

And the Court finding and adjudging, with the consent of the parties consenting to this decree, that a plan such as alleged in the petition herein to bring under the control of the defendant, The Ward Food Products Corporation, the other corporate defendants herein, if consummated, would constitute a violation of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," known as the Sherman Antitrust Act, and a violation of Section 7 of the Act of Congress of October 15, 1914, entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," known as the Clayton Act;



And the defendant, The General Baking Corporation, by its solicitors, having informed the Court that on March 8, 1926, The General Baking Corporation acquired 460,000 shares and on March 10, 1926, 540,000 shares of the voting stock of The General Baking Corporation owned or held by the Defendant, William B. Ward; that on March 23, 1926, The General Baking Corporation increased the number of its directors from three to seven; and that within one year after the entry of this decree The General Baking Corporation, by appropriate action under the laws of Maryland, will reduce its authorized capital stock by reducing its Class A nonvoting stock from five million shares to two million shares;

And the defendant, The Ward Food Products Corporation, by its solicitors, having informed the Court that within thirty days after the entry of this decree, it would dissolve, forfeit all of its corporate privileges and surrender its charter to the State of Maryland;

And the Court having duly considered the statements of counsel for the respective parties; and the defendants named herein, through their solicitors, now and here consenting to the entry of this decree;

Now, therefore, it is ordered, adjudged, and decreed as follows:

1. That the defendants shall, within the time in each instance specified, carry into execution the undertakings hereinbefore set forth;

2. That pending the dissolution of the defendants, The Ward Food Products Corporation, as herein provided, said corporation is enjoined and restrained from issuing any capital stock, bonds, or other evidences of indebtedness, and from acquiring any property or transacting any business or taking any action other than may be necessary to terminate its existence;

3. That until the authorized capitalization of the defendant, The General Baking Corporation, shall have been reduced as hereinabove provided, The General Baking Corporation is enjoined and restrained from issuing

or using all or any part of the three million shares of Class A nonvoting stock so to be cancelled;

4. That the individual defendants and the corporate defendants, their officers, directors, agents and employees, are perpetually restrained and enjoined from directly or indirectly doing any act or thing in furtherance of any such plan as described in the petition for bringing the several corporate defendants under common control; and from forming or joining any like plan for restraining or monopolizing interstate trade and commerce in the future;

5. That the defendants, The Ward Baking Corporation, the Ward Baking Company and all persons acting for or in behalf of them or any of them, be and they are hereby perpetually enjoined, restrained, and prohibited from acquiring directly or indirectly, receiving or holding, voting or in any manner acting as the owner of, or exercising direct or indirect control of, the whole or any part of the shares of the capital stock of the defendants, The Continental Baking Corporation, the United Bakeries Corporation, The General Baking Corporation, The General Baking Company, or any of their controlled companies, and from acquiring any of their physical assets;

6. That the defendants, The General Baking Corporation, The General Baking Company, and all persons acting for or in behalf of them, or any of them, be and they are hereby perpetually enjoined, restrained, and prohibited from acquiring directly or indirectly, receiving or holding, voting or in any manner acting as the owner of, or exercising direct or indirect control of, the whole or any part of the shares of capital stock of The Ward Baking Corporation, The Ward Baking Company, The Continental Baking Corporation, or the United Bakeries Corporation, or any of their controlled companies, and from acquiring any of their physical assets;

7. That the defendants, The Continental Baking Corporation, the United Bakeries Corporation, and all persons acting for or in behalf of them, or any of them, be, and they are hereby perpetually enjoined, restrained, and prohibited from acquiring, directly or indirectly, receiving or holding, voting or in any manner acting as the owner of, or exercising direct or indirect control of, the whole or any part of the shares of capital stock of the defendants, The Ward Baking Corporation, The Ward Baking Company, The General Baking Corporation, The General Baking Company, or any of their controlled companies, and from acquiring any of their physical assets;



8. That the corporate defendants herein named are hereby perpetually enjoined, restrained, and prohibited from acquiring, directly or indirectly, the whole or any part of the stock or other share capital of any other baking corporation engaged also in interstate commerce where the effect of such acquisition may be to substantially lessen competition in such commerce between the corporation whose stock is so acquired and the defendant corporations or tend to create a monopoly.

9. That the defendants, William B. Ward, Paul H. Helms, and George G. Barber, are severally perpetually enjoined, restrained, and prohibited from acquiring, receiving, holding, or voting, or in any manner acting as the owner of any of the voting shares of the capital stock of more than one of the defendant corporations and its subsidiaries; and from acquiring any of the physical assets of more than one of said corporations;

10. That the defendants, William B. Ward, Paul H. Helms, and George G. Barber, are severally required to dispossess themselves of all voting shares of capital stock in any of the defendant corporations and the companies controlled by them, other than such defendant corporation and its subsidiaries as he may elect to retain his holdings in under Section 9 hereof;

11. That the defendants, The Ward Food Products Corporation, The Ward Baking Corporation, and Ward Baking Company, constituting one group; The General Baking Corporation and The General Baking Company,

constituting a second group; and The Continental Baking Corporation and United Bakeries Corporation, constituting a third group, are severally perpetually enjoined, restrained, and prohibited from electing or appointing and from continuing any person as a director or as an officer who is at the same time a director, officer, agent, or employee in any of the corporations of either of the other groups or their subsidiaries; the purpose of this provision being to insure to the corporations of each group and their subsidiaries a direction and management independent of the direction and management of the corporations of the other groups and their subsidiaries;

12. That each of the corporate groups as defined in Section 10 hereof, their officers, directors, agents, or employees is perpetually enjoined, restrained, and prohibited from entering into any contracts, agreements, or understandings with one or more of the other corporate defendants herein for joint purchases of materials, supplies, and equipment, or for common prices or common policies in the marketing and sale of their output, as in the petition alleged.

13. It appears that the charge contained in the petition herein that the acquisition and holding by the defendant, The Continental Baking Corporation, of the stocks and other share capital of alleged competing baking companies is in violation of Section 7 of the Clayton Act, was included also in a complaint filed by the Federal Trade Commission against The Continental Baking Corporation on December 19, 1925.

Wherefore the petition is dismissed as to that charge without prejudice to the right of the United States to again raise the issue in any other proceeding.

14. It is further ordered, adjudged, and decreed that this decree and any of the provisions hereof shall be without prejudice to the rights and interests of the said defendants in any proceeding, civil or criminal, which may hereafter be brought except that its recitals shall



be conclusive in all proceedings brought to enforce an observance of this decree or any part thereof.

15. That any of the parties to this decree may make application to the Court at any time for such further orders and directions as may be necessary or proper in relation to the carrying out of the provisions of this decree, and for the enforcement of strict compliance therewith and the punishment of evasions thereof; and jurisdiction of this cause is retained for the purpose of giving full effect to this decree, and for the purpose of making such other and further orders, decrees, amendments, or modifications, or taking such other action, if any, as may be necessary or appropriate to the carrying out and enforcement of said decree.

16. That the petition be, and it is hereby dismissed as to defendants William Deininger, George B. Smith, Howard B. Ward, J. W. Rumbough, and R. E. Peterson, without prejudice.

17. That the United States shall recover its costs.

MORRIS A. SOPER,
*United States District Judge.*

April 3, 1926.

U.S. v. CONFECTIONERS CLUB
OF BALTIMORE, *ET AL*

In Equity No.: 1424

Year Judgment Entered: 1930

**UNITED STATES OF AMERICA v. CONFECTIONERS CLUB OF BALTIMORE, MARYLAND, ET AL., DEFENDANTS.**



IN THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF MARYLAND.

In Equity No. 1424.

UNITED STATES OF AMERICA, PETITIONER,

VS.

CONFECTIONERS CLUB OF BALTIMORE, MARYLAND, ET AL., DEFENDANTS.

DECREE.

The United States of America having filed its petition herein on the 14th day of September, 1928, and the defendants, Confectioners Club of Baltimore, Maryland, Morton P. Allen, doing business as Allen, Son & Co., Atlas Candy Co., John L. Astwood, Jacob Abbott, Baltimore Candy & Tobacco Corporation, John F. Birkmeyer, John F. Birkmeyer, Jr., doing business as John Birkmeyer & Sons, William S. Bunchez, Louis Bagan, doing business as L. Bagan Candy Co., Anthony M. Bernard, doing business as Bernard & Bernard, Crescent Candy Company, James I. Cook, David Davison and Henry Davison, doing business as the Davison Candy Co., A. Maurice Dawson, doing business as Dawson & Co., John H. Dockman & Son, Federal Candy Company, Edward A. Gryskiewicz, doing business as the Eastern Candy Co., Edgar K. Edwards, Jr., doing business as E. K. Edwards, Jr., & Co., Cornelius B. Falter, Edward B. Falter, Geo. J. Falter Co., Francis B. Flynn, Aloysius H. Goedeke and Edw. Horton, doing business as Goedeke & Horton, Leo Guberman, John W. Hayes, Geo. A. Henneke, Wm. J. C. Kumlehn, Arthur B. League, Henry W. Loock, Paul Loughran, Lucy Candy Co., McDowell, Pyle & Co., Max M. Margolis, John Meyer, Ernest F. Meile, Louis Morris, Wm. Omansky, doing business as Wm. Omansky & Sons, Edwin H. Perkins, Dominick J. Pessagno ,Jr., doing business as D. J. Pessagno, Jr., & Co., C. Alvin Riebling, Edward L. Ringer, Albert A. Ring, doing business as the Ring Candy Co., Jacob L. Rose and Arthur L. Rose, doing business as A. L. Rose & Co., George J. Schreiber,

Benj. Schloss, doing business as the Standard Candy Co., Emil R. Schomberg, W. J. Vanous, H, Fabius Weisman, doing business as H. Weisman Candy Co., Geo. H. Weitzel, Thomas J. Kennard, doing business as Thomas J. Kennard & Co., John H. Welsh, John Miles, J. Menard Weber, doing business as the Menard Candy Co., Matthew W. Wolpert, doing business as the Standard Merchandise Co., and Harrison M. Sandrock, doing business as E. A. Roessler & Co., having duly appeared by Robert R. Carman, their counsel:

Comes now the United States of America by Amos W. W. Woodcock, its attorney for the District of Maryland, and by Mary G. Connor, Special Assistant to the Attorney General, and come also the defendants named herein by their counsel as aforesaid;

And it appearing to the court by admission of the parties consenting to this decree that the petition herein states a cause of action; that the court has jurisdiction of the subject matters alleged in the petition; and that the petitioner has moved the court for an injunction and for other relief against the defendants as hereinafter decreed; and the court having duly considered the statements of counsel for the respective parties; and the foregoing defendants through their said counsel now and here consenting to the rendition of such decree as is prayed by the petitioner:

Now, therefore, it is ordered, adjudged, and decreed:

I. That the combination and conspiracy in restraint of interstate trade and commerce, the acts, agreements, and understandings among the defendants in restraint of interstate trade and commerce, as described in the petition herein, and the restraint of such trade and commerce thereby achieved as described in the petition herein are violative of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," known as the Sherman Antitrust Act.

II. That the defendants, their agents, servants, and employees are perpetually enjoined and probibited—



(a) From combining, conspiring, agreeing, or contracting together, or with one another, or with others, orally or in writing, expressly or impliedly, directly or indirectly, to withhold their patronage from any manufacturer or producer of the candy products dealt in by the defendants, for or on account of such manufacturer or producer having sold such products in the State of Maryland, wherein members of the Confectioners Club of Baltimore are engaged in the candy jobbing business, to persons, firms, or corporations other than the members of the said association;

(b) From combining, conspiring, agreeing, or contracting together, or with one another, or with others, orally or in writing, expressly or impliedly, directly, or indirectly, to prevent manufacturers or producers, or their agents, engaged in shipping and selling candy products among the several States, from shipping and selling such commodities freely;

(c) From threatening to boycott manufacturers or producers engaged in selling and shipping candy products among the several States who sell and ship or have sold and shipped said products to non-members of defendant association who are competitors of defendant jobbers;

(d) From combining, conspiring, or agreeing together, or with one another, or with others, to fix, establish, and maintain wholesale and/or retail prices to be charged for candy products.

III. That jurisdiction of this cause is hereby retained for the purpose of giving full effect to this decree, and for the purpose of making such other and further orders, decrees, amendments, or modifications or taking such other action, if any, as may be necessary or appropriate to the carrying out and enforcement of said decree; and for the purpose of enabling any of the parties to this decree to make application to the court at any time for such further orders and directions as may be necessary or proper in relation to the execution of the provisions of this decree; and for the enforcement of strict compliance therewith and for the punishment of evasions thereof.

IV. That the petition be, and it is hereby, dismissed as to defendants Mrs. Matilda Bernard, Peter Gryskiewicz, Harry and Samuel Omansky, I. Cordish and Son, Aaron Folb, Harry Heyman, George Kennerly, James J. Wheatley, George W. F. Webster, Wachter Brothers, Thomas Whelan, John J. Ryan, John J. Langen, Dave Ramosciotti, Joseph W. Bailey, Branch H. Phillips, David C. Bailey, Percy White, and John W. White.

V. That the United States shall recover its costs.

MORRIS A. SOPER,
*United States District Judge.*

JANUARY 3, 1930.

U.S. v. MARYLAND STATE LICENSED
BEVERAGE ASSOCIATION, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Entered: 1958

# Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Maryland State Licensed Beverage Association, Inc., et al., U.S. District Court, D. Maryland, 1958 Trade Cases ¶69,142, (Sept. 16, 1958)

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United States v. Maryland State Licensed Beverage Association, Inc., et al.

1958 Trade Cases ¶69,142. U.S. District Court, D. Maryland. Civil Action No. 9122. Filed September 16, 1958. Case No. 1302 in the Antitrust Division of the Department of Justice.

## Sherman Antitrust Act

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Price Fixing —Fixed Prices by Agreement.**—Various wholesale liquor dealers and a trade association were prohibited by a consent decree from entering into any agreement among themselves or with any wholesalers or retailers to fix or maintain prices, markups, margins of profit, terms or conditions at which alcoholic beverages not manufactured by such defendants were sold or offered for sale to third persons. The defendants were also enjoined from entering into any agreement among themselves or with any other person to suggest or otherwise influence the prices at which sales of alcoholic beverages should be made to any Monopoly County (County Liquor Control Board or Department of Liquor Control selling alcoholic beverages under a county dispensary system in the State of Maryland).

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Price Fixing —Refusal to Deal.**—Various wholesale liquor dealers and a trade association were prohibited by a consent decree from entering into any agreement among themselves or with any other person to (1) boycott or otherwise refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages or (2) 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. The trade association was individually prohibited from inducing, compelling or coercing any person to boycott or otherwise refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages.

**Combinations and Conspiracies—Resale Price Fixing—Consent Decree—Practices Enjoined—Coercion and Intimidation.**—Various wholesale liquor dealers and a trade association were prohibited by a consent decree from entering into any agreement to (1) induce or coerce any person to adopt prices at which alcoholic beverages should be sold to third persons, or (2) induce or coerce any manufacturer to refuse to make sales directly to any Monopoly County, require that sales to Monopoly Counties be made through wholesalers, or make sales to any Monopoly County upon the condition that it resell at a suggested price. The defendants were individually prohibited from (1) urging or coercing any manufacturer to establish resale prices, (2) communicating with any person for the purpose or with the effect of urging or coercing any manufacturer or wholesaler to refrain from selling to any person, (3) promoting the sale of specific brands upon the condition that the manufacturer establish resale prices or boycott certain persons, and (4) refusing to buy or promote the sale of, or hindering the sale of, alcoholic beverages for the purpose or with the effect of urging or coercing the manufacturer to establish resale prices or boycott certain persons.

**Combinations and Conspiracies—Consent Decree—Practices Enjoined—Trade Association Activities —Coercion and Enforcement Provisions.**—A trade association composed of wholesale liquor dealers was prohibited by a consent decree from (1) discussing evolving, or acting upon any matter or thing enjoined by any provision of the decree in any meeting of its members, officers, directors or any committee meeting of the association, (2) accepting financial contributions from any manufacturer, non-member wholesaler or another non-member association, (3) having as a member any person not engaged in the business of wholesaling alcoholic beverages, (4) organizing, being a member of, or participating in any organization the purposes of which were contrary to any provision of the decree, (5) maintaining any plan or program the purpose or effect of which was to police or enforce prices of alcoholic beverages, and (6) inducing or coercing any person to adopt or enforce, adherence to prices, terms or conditions at which alcoholic beverages would be sold.

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**Department of Justice Enforcement and Procedure—Consent Decree—Permissive Provisions—Proposing Legislation — Exclusive Distributorship.**—A consent decree entered against various wholesale liquor dealers and a trade association provided that nothing in the decree should be deemed to prohibit the 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. It was further provided that nothing contained in certain specific sections of the decree should be construed to prohibit any defendant, acting as a wholesaler or manufacturer, from entering into a contract designating it or another wholesaler as a distributor on an exclusive basis or otherwise. However, it was provided that such designation should not directly or indirectly prevent any Monopoly County from acquiring alcoholic beverages direct from any source.

**Department of Justice Enforcement and Procedure—Consent Decree—Contingent Provisions—Cancellation of Fair Trade Contracts—Dissemination of Price Information.**— A consent decree entered against various wholesale liquor dealers and a trade association provided that upon the entry of a final judgment against one or more liquor manufacturers (named as defendants in the complaint but not parties to instant decree) requiring a suspension of fair trading in the State of Maryland for any period of time, each consenting wholesaler who sold alcoholic beverages included in such suspension, shall (1) within 30 days after entry of such final judgment, cancel all fair trade contracts which fix the resale price of such alcoholic beverages and give to all Maryland licensed retailers notice of such cancellation, informing each retailer that it should individually determine the resale price without reference to fair trade prices, (2) be enjoined from entering into or adhering to any fair trade contract, (3) be enjoined from disseminating to any person price lists or other price information containing suggested resale prices, except as provided by Article 2B, § 109, Annotated Code of Maryland, 1957, which directs the Comptroller to require the filing of schedules of prices and proposed price changes, and (4) be enjoined from policing or otherwise enforcing suggested retail prices or conditions at which such alcoholic beverages are to be sold or offered for sale.

For the plaintiff: Victor R. Hansen, Assistant Attorney General; William D. Kilgore, Jr., Attorney, Department of Justice; Leon H. A. Pierson, United States Attorney; and Charles F. B. McAleer, Wilford L. Whitley, Jr., John H. Earle, and John C. Fricano, Attorneys, Department of Justice.

For the defendants: John Henry Lewin, Baltimore, Md., for Maryland Institute of Wine and Spirit Distributors, Inc.; John Henry Lewin and Read McCaffrey, Baltimore, Md., for McCarthy-Hicks, Inc.; John Henry Lewin and Zanvyl Krieger, Baltimore, Md., for Churchill, Ltd.; John Henry Lewin and Stanley H. Wilen, Baltimore, Md., for Embros Wine Co., Inc.; Eugene M. Feinblatt, Baltimore, Md., for The Madera Bonded Wine & Liquor Co.; John Henry Lewin and Louis Hoffman, Baltimore, Md., for Reliable Liquors, Inc.; and A. Adgate Duer, Baltimore, Md., for Gillette-Wright, Inc.

**Final Judgment**

[ *Consent Decree*]

ROSZEL C. THOMSEN, District Judge [ *In full text*]: The plaintiff, United States of America, having filed its complaint herein on September 11, 1956, and the plaintiff and the defendants, by their respective attorneys, having severally consented to the 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 the Court having considered the matter and being duly advised;

Now, Therefore, upon consent of all the parties hereto, it is hereby

Ordered, Adjudged and Decreed, as follows:

I

[ *Jurisdiction*]

This Court has jurisdiction of the subject matter hereof and of all parties signatory hereto. The complaint states claims upon which relief may be granted against the defendants signatory hereto under Sections 1 and 2 of the

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Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies," commonly known as the Sherman Act, as amended.

II

[ *Definitions*]

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) "Consenting defendants" means the defendants signatory hereto 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.

III

[ *Applicability*]

The provisions of this Final Judgment applicable to any consenting 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.

IV

[ *Price Fixing— Boycotting*]

(A) The consenting 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 wholesaler or group of wholesalers or with any retailer or group of retailers, to:

(1) Control, fix, adopt, stabilize or maintain prices, markups, margins of profit, terms or conditions at which alcoholic beverages not manufactured by such defendant 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, mark ups, margins of profit, terms or conditions at which alcoholic beverages not manufactured by such defendant shall be sold or offered for sale to third persons in the State of Maryland.

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(B) The consenting defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, 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 other wise 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.

[ *Permissive Provision*]

Nothing in this Final Judgment shall be deemed to prohibit the said 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.

[ *Resale Price Fixing*]

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

(A) Urging, compelling or coercing any manufacturer to establish, adopt, issue, ad here to, or police or enforce adherence to minimum or suggested resale prices, mark ups, 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 manufac turer, 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 pref erence 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 alcoholic beverages not manufactured by such defendant 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 of 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 not manufactured by such defendant 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**

[ *Permissive Provision*]

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Nothing in Subsections (B)(I) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit any consenting defendant, acting as a wholesaler or manufacturer, from negotiating, entering into and adhering to a contract designating said defendant or another wholesaler as a distributor, on an exclusive basis or otherwise; provided, however, that such designation shall not directly or indirectly prevent any monopoly county from acquiring alcoholic beverages direct from any source.

**VII**

[ *Fair Trade — Price Lists*]

Upon the entry of a Final Judgment in this case not subject to further appeal against one or more of the defendant manufacturers named as such in the complaint in this case requiring a suspension of fair trading in the State of Maryland for any period of time, each consenting defendant wholesaler as to alcoholic beverages included in such suspension which it sells, for and during the period of such suspension, shall:

(A) Within thirty days after the entry of such Final Judgment, cancel all fair-trade contracts to which he is a party and which fix or control the resale price of such alcoholic beverages and shall give to all Maryland licensed retailers handling such products notice of such cancellation and termination, informing each of them that the retailer shall individually determine his resale price without reference to fair-trade prices theretofore established thereon;

(B) Be enjoined and restrained from entering into or adhering to any fair-trade contract;

(C) Be enjoined and restrained from disseminating or preparing for dissemination to any person price lists or other price information containing minimum or suggested resale prices, markups, margins of profits, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2B, Section 109 of the Annotated Code of Maryland.

(D) Be enjoined and restrained from shopping, policing, reporting, or otherwise enforcing, minimum or suggested retail prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be sold or offered for sale.

**VIII**

[ *Trade Association Activities*]

The defendant Maryland Institute of Wine and Spirit Distributors, 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, non-member wholesaler or another non-member association;

(C) Having as a member any person not engaged in the business of wholesale 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.

**IX**

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[ *Enforcement and Compliance*]

(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 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 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 IX 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 other wise required by law.

**X**

**[ *Jurisdiction Retained*]**

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, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

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U.S. v. MARYLAND STATE LICNESED
BEVERAGE ASSOCIATION, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Entered: 1958
(Added Additional Defendants)

# Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Maryland State Licensed Beverage Association, Inc., et al., U.S. District Court, D. Maryland, 1959 Trade Cases ¶69,261, (Oct. 14, 1958)

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United States v. Maryland State Licensed Beverage Association, Inc., et al.

1959 Trade Cases ¶69,261. U.S. District Court, D. Maryland. Civil Action No. 9122. Final Judgments filed October 6, 1958, October 6, 1958, and October 14, 1958, respectively. Case No. 1302 in the Antitrust Division of the Department of Justice.

## Sherman Antitrust Act

**Combinations and Conspiracies—Monopolies—Resale Price Fixing—Prices Fixed by Agreement.**—Liquor manufacturers, a wholesaler, an association of retail dealers, and an officer of the retail association were prohibited by a consent decree from entering into any agreement to (1) fix prices at which alcoholic beverages not manufactured by them should be sold in the State of Maryland, (2) induce or compel any person to establish or enforce adherence to fixed prices, (3) suggest or prescribe the prices at which alcoholic beverages should be sold to any Monopoly County (County Liquor Control Board or Department of Liquor Control selling alcoholic beverages under a county dispensary system in the State of Maryland), or (4) induce or compel any manufacturer to make sales to any Monopoly County upon the condition that it resell at designated prices.

**Combinations and Conspiracies—Monopolies—Resale Price Fixing—Practices Enjoined—Boycotts—Refusal to Deal.**—Liquor manufacturers, a wholesaler, an association of retail dealers, and an officer of the retail association were prohibited by a consent decree from entering into any agreement to (1) 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 or compel 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, and (3) induce or compel any manufacturer to refuse to sell directly to any Monopoly County or to require that sales to such Monopoly County be made through wholesalers. The decree also prohibited the coercing of manufacturers for the purpose of requiring them to (1) enforce resale prices, (2) refrain from selling to any person or class of persons, or (3) boycott or otherwise refuse to deal with any person engaged in the purchase, sale or distribution of alcoholic beverages in the State of Maryland. Also, the manufacturers were prohibited from combining, conspiring, or agreeing to (1) refuse to sell to any Monopoly County, (2) refuse to sell to any Monopoly County at prices less than the customary wholesale price to licensed retailers, or (3) refuse to sell to any Monopoly County except upon the condition that it resell at designated prices.

**Combinations and Conspiracies—Monopolies—Resale Price Fixing—Consent Decree—Practices Enjoined—Coercion and Intimidation.**—Liquor manufacturers, a wholesaler, an association of retail dealers, and an officer of the retail association were prohibited by a consent decree from (1) coercing any manufacturer to establish or enforce adherence to minimum or suggested resale prices for the sale of alcoholic beverages in Maryland, (2) communicating with any manufacturer, wholesaler, or other person for the purpose of coercing any manufacturer or wholesaler to refrain from selling to any person or class of persons, (3) giving preference to, or coercing any other person to give preference to, any specific brand of alcoholic beverage upon the condition that the manufacturer thereof enforce suggested resale prices, boycott, or otherwise refuse to deal with any person engaged in the purchase, sale, or distribution of alcoholic beverages, or (4) hindering the sale of, or coercing any other person to hinder the sale of, alcoholic beverages for the purpose of coercing the manufacturer thereof to enforce suggested retail prices, boycott, or otherwise refuse to deal with any person engaged in the purchase, sale, or distribution of alcoholic beverages.

**Combinations and Conspiracies—Trade Associations—Consent Decree—Practices Enjoined—Association Membership as Means of Trade Restraint.**—An association of retail liquor dealers was prohibited by a consent decree from (1) discussing or acting upon, at any of its meetings, any matter or thing enjoined or restrained by the decree, (2) accepting contributions from any manufacturer or non-member, (3) having as a

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member any wholesaler or distiller not engaged in the retail selling of alcoholic beverages, and (4) organizing, being a member of, or participating in the activities of any organization whose purposes are contrary to the decree.

**Combinations and Conspiracies—Trade Associations—Consent Decree—Practices Enjoined—Coercion and Enforcement Provisions.**—An association of retail liquor dealers was prohibited by a consent decree from (1) maintaining any program, shopping service, or other means for the purpose of policing or enforcing the prices of alcoholic beverages in the State of Maryland, (2) inducing or coercing any person to establish or police prices, or (3) inducing or coercing any person to boycott or otherwise refuse to deal with any person engaged in the purchase, sale, or distribution of alcoholic beverages.

**Department of Justice Enforcement and Procedure—Consent Decree—Contingent Provisions—Cancellation of Fair Trade Contracts—Dissemination of Price Information.**—A consent decree provided that upon the entry of a final judgment against one or more liquor manufacturers named in the complaint requiring a suspension of fair trading in the State of Maryland for any period of time, the consenting manufacturers, wholesaler, and individual, as to alcoholic beverages included in such suspension, shall (1) cancel all fair trade contracts to which he is a party and which fix or control the resale price of such alcoholic beverages, (2) be enjoined from entering into any fair trade contract, and (3) be enjoined from enforcing resale prices. The manufacturers and the wholesaler were also to be enjoined from disseminating price lists or other price information containing suggested resale prices, except as provided by Article 2B, § 109, Annotated Code of Maryland, 1957, which directs the state Comptroller to require the filing of schedules of prices and proposed price changes.

**Department of Justice Enforcement and Procedure—Consent Decree—Specific Relief—Order to Sell on Non-Discriminatory Terms.**—Liquor manufacturers were ordered by a consent decree to sell various brands of liquor to the Department of Liquor Control for Montgomery County, Maryland, at prices which were not higher than those charged to wholesalers, and without discrimination as to availability or other terms or conditions of sale.

For the plaintiff: Victor R. Hansen, Assistant Attorney General; W. D. Kilgore, Jr., Wilford L. Whitley, Jr., John H. Earle, Charles F. B. McAleer, and John C. Fricano, Attorneys, Department of Justice; and Leon H. A. Pierson, United States Attorney.

For the defendants: Gerhard A. Gesell, James C. McKay, and J. Sarsfield Sweeny for Hiram Walker & Sons, Inc., Hiram Walker Inc., Gooderham & Worts Limited, and Jas. Barclay & Co. Limited; William L. Marbury and John Martin Jones, Jr., for Natl. Distillers and Chemical Corporation; Robert E, Coughlan, Jr., of Lord, Whip & Coughlan, for McKesson & Robbins, Inc.; Reuben Shiling for Maryland Package Liquor Stores Association, Inc., and Jack Wulfert; and F. Joseph Donohue for The Kronheim Co., Inc.

**For a prior consent decree entered in the U. S. District Court, District of Maryland, see 1958 Trade Cases ¶ 69,142; for a prior opinion of the Court, see 1958 Trade Cases ¶ 69,213.**

**Final Judgment**

**[Hiram Walker & Sons, Inc.; Hiram Walker, Inc.; Gooderham & Worts Ltd; Jas. Barclay & Co. Ltd.; Natl. Distillers and Chemical Corp.; and McKesson & Robbins, Inc.—October 6, 1958]**

THOMSEN, District Judge [ *In full text*]: The plaintiff, United States of America, having filed its complaint herein on September 11, 1956, and the plaintiff and the undersigned defendants, by their respective attorneys, having severally consented to the 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 the Court having considered the matter and being duly advised,

Now, Therefore, upon consent of all the parties hereto, it is hereby

Ordered, Adjudged and Decreed, as follows:

I

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[ *Jurisdiction*]

This Court has jurisdiction of the subject matter hereof and of all parties signatory hereto. The complaint states claims upon which relief may be granted against the defendants signatory hereto under Sections 1 and 2 of the Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies," commonly known as the Sherman Act, as amended.

II

[ *Definitions*]

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 spirituous, 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 for resale therein, or is a distributor selling to a wholesaler for resale to a retailer or other purchasers for resale;

(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) "Consenting defendants" means the defendants signatory hereto 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.

III

[ *Applicability*]

The provisions of this Final Judgment applicable to any consenting 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 consenting defendant and its affiliates (whether or not a defendant herein) and their respective officers, agents, servants and employees shall be deemed to be one person. An affiliate of a consenting defendant shall mean any company wholly-owned or substantially wholly-owned by such consenting defendant, any parent company that directly or indirectly wholly-owns or substantially wholly-owns such consenting defendant and any company wholly-owned or substantially wholly-owned by such parent.

IV

[ *Price Fixing*]

(A) The consenting 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 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;

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(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 consenting defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, agreement, or understanding, plan or program 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 or wholesaler 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 sale 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.

V

[ *Coercing Manufacturers*]

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

(A) Requiring, compelling or coercing any manufacturer or wholesaler 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 in the State of Maryland;

(C) 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 alcoholic beverages not manufactured by such defendant 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 of 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 in the State of Maryland;

(D) 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 not manufactured by such defendant 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 in the State of Maryland.

[ *Permissive Provisions*]

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Nothing in Subsections. (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit any consenting defendant from negotiating, entering into and adhering to a contract designating a wholesaler as a distributor, on an exclusive basis or otherwise; provided, however, that such designation shall not directly or indirectly prevent any Monopoly County from acquiring alcoholic beverages direct from any source.

Nothing in this Final Judgment shall be deemed to prohibit the consenting defendants from (a) proposing or supporting legislation or the adoption of local, state or Federal regulations relating to the purchase, sale or distribution of alcoholic beverages, (b) from individually taking action required by local, state or Federal legislation or regulations, or (c), except as specifically provided to the contrary by Section VI hereof, from doing the things they may legally do under the fair trade laws of the United States and the State of Maryland.

**VI**

[ *Contingent Provision*]

Upon the entry of a Final Judgment in this case not subject to further appeal against one or more of the defendant manufacturers named as such in the complaint in this case requiring any suspension of fair trading in the State of Maryland for any period of time, each consenting defendant shall:

(A) Within thirty days after the entry of such Final Judgment, cancel all fair trade contracts, for the State of Maryland to which it is a party and which fix or control the resale price of alcoholic beverages and shall give to all its Maryland customers and Maryland licensed retailers handling such products notice of such cancellation and termination, informing each of them that the retailer shall individually determine his resale price without reference to fair trade prices theretofore established thereon;

(B) Be enjoined and restrained from entering into or adhering to any fair trade contract in the State of Maryland for the shortest period of any such suspension or two years, whichever is less;

(C) Be enjoined and restrained for the shortest period of any such suspension, or two years, whichever is, less, from disseminating or preparing for dissemination to any person in the State of Maryland price lists or other price information containing minimum or suggested, resale prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2B, Section 109 of the Annotated Code of Maryland;

(D) Be enjoined and restrained for the shortest period of any such suspension, or two years, whichever is less, from shopping, policing, reporting or otherwise enforcing, minimum suggested retail prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be sold or offered for sale in the State of Maryland;

Provided that, if no such suspension is decreed as to any one of such defendant manufacturers, the provisions of Section VI shall not apply to the consenting defendants.

**VII**

[ *Refusal to Sell— Specific Relief*]

(A) Consenting defendants are enjoined and restrained from conspiring, combining or agreeing with each other or with any Wholesale Association, Retail Association, or with any Manufacturer, Wholesaler or Retailer to refuse:

(1) To sell any alcoholic beverage to any Monopoly County;

(2) To sell any alcoholic beverage to any Monopoly County at prices less than the customary wholesale price to licensed retailers, or

(3) To sell any alcoholic beverage to any Monopoly County except upon the condition or understanding that the Monopoly County resell the alcoholic beverages at a suggested, prescribed or designated price or prices or otherwise require the Monopoly County to resell at a suggested, prescribed or designated price or prices.

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(B) Each consenting defendant shall offer to sell and shall sell upon request to the Department of Liquor Control for Montgomery County those brands listed on Appendix A [not reproduced herein], and those brands which are hereafter offered for sale to any monopoly state, at prices which are not higher than those then currently charged to the wholesalers in Maryland, and without discrimination as to availability or other, terms or conditions of sale: Provided, however, that if any such brand is withdrawn by the consenting defendant from all markets of the United States, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn.

**VIII**

[ *Enforcement and Compliance*]

(A) For the purpose of securing compliance with this Final Judgment and for no other purpose, and subject to any legally recognized privilege, 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 consenting 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 prepared or written after the date of this Final Judgment 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 to any consenting defendant, said 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 Retained*]

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, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

**Final Judgment**

**[Maryland Package Liquor Stores Assn, Inc., and Jack Wulfert—October 6, 1958]**

THOMSEN, District Judge [ *In full text*]: The plaintiff, United States of America, having filed its complaint herein on September 11, 1956, and the plaintiff and defendants signatory hereto, by their respective attorneys, having severally consented to the 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;1 and the Court having considered the matter and being duly advised;

Now, therefore, upon consent of all the parties hereto, it is hereby

Ordered, Adjudged and Decreed, as follows:

I

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[ *Jurisdiction*]

This Court has jurisdiction of the subject matter hereof and of all parties signatory hereto. The complaint states claims upon which relief may be granted against the defendants signatory hereto under Sections 1 and 2, 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) "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 spirituous, 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) "Consenting defendants" means the defendants Maryland Package Liquor Stores Association, Inc., and Jack Wulfert, 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.

III

[ *Applicability*]

The provisions of this Final Judgment applicable to any consenting 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.

IV

[ *Price Fixing*]

(A) The consenting 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 between themselves, or with any wholesaler or group of wholesalers or with any retailer or group of retailers, to:

(1) Control, fix, adopt, stabilize or maintain prices, markups, margins of profit, terms or conditions at which alcoholic beverages not manufactured by such defendant 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

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alcoholic beverages not manufactured by such defendant shall be sold or offered, for sale to third persons in the State of Maryland.

(B) The consenting defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, agreement, or understanding, plan or program between 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 while 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.

**[ *Permissive Provision*]**

Nothing in this Final Judgment shall be deemed to prohibit the said consenting 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**

[ *Coercing Manufacturers*]

Each of the consenting 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 alcoholic 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 of 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

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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**

[ *Permissive Provision*]

Nothing in Subsections (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit defendant Jack Wulfert, acting as a retailer, from negotiating, entering into and adhering to a contract authorizing said defendant to sell alcoholic beverages with such defendant's private brand or label;' provided, however, that such designation shall not directly or indirectly prevent any monopoly county from acquiring alcoholic beverages direct from any source.

**VII**

[ *Contingent Provision*]

Upon the entry of a Final Judgment in this case not subject to further appeal against one or more of the defendant manufacturers named as such in the complaint in this case requiring a suspension of fair trading in the State of Maryland for any period of time, consenting defendant Jack Wulfert as to alcoholic beverages included in such suspension which he sells, for and during the period of such suspension, shall:

(A) Within thirty days after the entry of such Final Judgment, cancel all fair-trade contracts to which he is a party and which fix or control the resale price of such alcoholic beverages;

(B) Be enjoined and restrained from entering into or adhering to any fair-trade contract;

(C) Be enjoined and restrained from shopping, policing, reporting, or otherwise enforcing, minimum or suggested retail prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be sold or offered for sale.

**VIII**

[ *Association Activities*]

The defendant Maryland Package Liquor Stores 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, non-member retailer or another non-member association;

(C) Having as a member any wholesaler or distiller not also 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.

**IX**

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[ *Enforcement and Compliance*]

(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 consenting 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 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 IX 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.

**X**

[ *Jurisdiction Retained*]

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, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

**Final Judgment**

**[The Kronheim Co.—October 14, 1958]**

THOMSEN, District Judge [ *In full text*]: The plaintiff, United States of America, having filed its complaint herein on September 11, 1956, and the plaintiff and the defendant, by their respective attorneys, having severally consented to the 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 the Court having considered the matter and being duly advised;

Now, Therefore, upon consent of all the parties hereto, it is hereby

Ordered, Adjudged and "Decreed, as follows:

**I**

[ *Jurisdiction*]

This Court has jurisdiction of the subject matter hereof and of all parties signatory hereto. The complaint states claims upon which relief may be granted against the defendant signatory hereto under Sections 1 and 2 of the Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies," commonly known as the Sherman Act, as amended.

**II**

[ *Definitions*]

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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) The "consenting defendant" means the Kronheim Co., Inc.;

(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.

III

[ *Applicability*]

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

IV

[ *Price Fixing*]

(A) The consenting defendant is 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 with any wholesaler or group of wholesalers, or with any retailer or group of retailers, to:

(1) Control, fix, adopt, stabilize, or maintain prices, markups, margins or profit, terms or conditions at which alcoholic beverages not manufactured by such defendant 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 not manufactured by such defendant shall be sold or offered for sale to third persons in the State of Maryland.

(B) The consenting defendant is enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, agreement, or understanding, plan or program 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;

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(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.

Nothing in this Final Judgment shall be deemed to prohibit the said defendant 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 taking action required by local, state or federal legislation or regulation.

**V**

[ *Coercing Manufacturers*]

The consenting defendant 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 alcoholic beverages not manufactured by such defendant 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 of 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 not manufactured by such defendant; 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**

[ *Permissive Provision*]

Nothing in Subsections (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit the consenting defendant, acting as a wholesaler or manufacturer, from negotiating, entering into and adhering to a contract designating said defendant or another wholesaler as a distributor, on an exclusive basis or otherwise; provided, however, that such designation shall not directly or indirectly prevent any monopoly county from acquiring alcoholic beverages direct from any source.

**VII**

[ *Contingent Provision*]

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Upon the entry of a Final Judgment in this case not subject to further appeal against one or more of the defendant manufacturers named as such in the complaint in this case requiring a suspension of fair trading in the State of Maryland for any period of time, the consenting defendant wholesaler as to alcoholic beverages included in such suspension which it sells, for and during the period of such suspension, shall:

(A) Within thirty days after the entry of such Final Judgment, cancel all fair-trade contracts to which he is a party and which fix or control the resale price of such alcoholic beverages and shall give to all Maryland licensed retailers handling, such products notice of such cancellation and termination, informing each of them that the retailer shall individually determine his resale price without reference to fair-trade prices theretofore established thereon;

(B) Be enjoined and restrained from entering into or adhering to any fair-trade contract;

(C) Be enjoined and restrained from disseminating or preparing for dissemination to any person price lists or other price information containing minimum or suggested resale prices, markups, margins of profits, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2B, Section 109 of the Annotated Code of Mainland.

(D) Be enjoined and restrained from shopping, policing, reporting, or otherwise enforcing, minimum suggested retail prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be sold or offered for sale.

**VIII**

[ *Enforcement and Compliance*]

(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 the 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 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 Retained*]

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, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

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U.S. v. MARYLAND STATE LICENSED
BEVERAGE ASSOCIATION, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Entered: 1959
(Imposed Restrictions on
Defaulting Defendants)

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 an 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

U.S. v. MARLAND STATE LICENSED
BEVERAGE ASSOCIATION, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Entered: 1959
(Adding Additional Defendants)

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MARYLAND

| | | |
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| UNITED STATES OF AMERICA, Plaintiff, | ) | |
| v. | ) | Civil Action No. 9122 |
| MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., ET AL., Defendants. | ) | |

FINAL JUDGMENT

The plaintiff, United States of America, having filed its complaint herein on September 11, 1956; the defendants, Schenley Industries, Inc., Affiliated Distillers Brands Corp., Joseph E. Seagram & Sons, Inc. and House of Seagram, Inc. (Distillers Distributing Corp.), having appeared and filed their answers to said complaint; the issues having been tried with testimony taken, the Court having adopted as its Findings of Fact and Conclusions of Law its opinion dated November 26, 1958; and it appearing to the Court that there is no just reason for delay in entering a Final Judgment;

Now, Therefore, 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 for resale therein, or is a distributor selling to a wholesaler for resale to a retailer or other purchasers for resale;

(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) "Defendants" means the defendants Schenley Industries, Inc., Affiliated Distillers Brands Corp., Joseph E. Seagram & Sons, Inc., and House of Seagram, Inc. (Distillers Distributing Corp.) 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 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, any defendant and its affiliates (whether or not a defendant herein) and their respective officers, agents, servants and employees shall be deemed to be one person. An affiliate of a defendant shall mean any company wholly owned or substantially wholly owned by such defendant, any parent company that directly or indirectly wholly owns or substantially wholly owns such defendant and any company wholly owned or substantially wholly owned by such parent.

III

The 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 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 to the extent and in the manner set forth in the Opinion of this Court dated November 26, 1958.

IV

(A) The 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 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 defendants are jointly and severally enjoined and restrained from entering into, adhering to, maintaining, furthering, or reviving, directly or indirectly, any contract, agreement, or understanding, plan or program 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 or wholesaler 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 sale of alcoholic beverages shall be made by any other manufacturer or wholesaler 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.

V

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

(A) Requiring, compelling or coercing any manufacturer or wholesaler 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 in the State of Maryland;

(C) 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 alcoholic beverages not manufactured by such defendant 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 of 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 in the State of Maryland;

(D) 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 not manufactured by such defendant 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 in the State of Maryland.

Nothing in Subsections (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit any defendant from negotiating, entering into and adhering to a

contract designating a wholesaler as a distributor, on an exclusive basis or otherwise; provided, however, that such designation shall leave the defendant contractually free to sell directly to any Monopoly County to which it desires to sell.

Nothing in this Final Judgment shall be deemed to prohibit the defendants from (a) proposing or supporting legislation or the adoption of local, state or Federal regulations relating to the purchase, sale or distribution of alcoholic beverages; (b) from individually taking action required by local, state or Federal legislation or regulations; or (c) except as specifically provided to the contrary by Section VI hereof, from doing the things they may legally do under the fair trade laws of the United States and the State of Maryland.

VI

(A) Defendants are ordered (1) to cancel all fair trade contracts for the State of Maryland to which they are a party and which fix or control the resale price of alcoholic beverages, and (2) to give to all their Maryland customers and Maryland licensed retailers handling their products notice of such cancellation and termination, informing them that each retailer shall individually determine his resale price for such products without reference to fair trade prices theretofore established thereon;

(B) Defendants are restrained for a period of two years from entering into or adhering to any fair trade contract in the State of Maryland;

(C) Defendants are restrained for a period of two (2) years from disseminating or preparing for dissemination to any person in the State of Maryland price lists or other price information containing resale prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2B, section 109 of the Annotated Code of Maryland

or by any other applicable provision of Maryland state law (including administrative regulations) which is now or hereafter may be in effect;

(D) Defendants are restrained for a period of two (2) years from shopping, policing, reporting or otherwise enforcing, minimum or suggested retail prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be sold or offered for sale in the State of Maryland;

The operation of the foregoing provisions of Section VI hereof is hereby suspended. However, Plaintiff may move at any time more than six (6) months and less than three (3) years after the date of this Final Judgment for an order removing the suspension of the operation of these provisions and making them binding on all the defendants in this case for a period of two (2) years after the date of the order granting such motion. This motion will not be granted unless and until it is made clear to this Court that the other provisions of this Final Judgment are insufficient to prevent the continuance or recurrence of this conspiracy.

VII

(A) Defendants are enjoined and restrained from conspiring, combining or agreeing with each other or with any Wholesale Association, Retail Association, or with any Manufacturer, Wholesaler or Retailer to refuse:

(1) To sell any alcoholic beverage to any Monopoly County;

(2) To sell any alcoholic beverage to any Monopoly County at prices less than the customary wholesale price to licensed retailers, or

(3) To sell any alcoholic beverage to any Monopoly County except upon the condition or understanding that the Monopoly County resell the alcoholic beverages at a suggested, prescribed or designated price or prices or otherwise require the Monopoly County to resell at a suggested, prescribed or designated price or prices.

(B) Each defendant shall offer to sell and shall sell upon request to the Department of Liquor Control for Montgomery County those applicable brands listed in Appendix A at prices which are not higher than those then currently charged to the wholesalers in Maryland, and without discrimination as to availability or other terms or conditions of sale:

Provided, however, if such sales are made by a wholesaler to Montgomery County at the cost to the wholesaler plus a handling charge not to exceed one (1) dollar per case, such sale shall be considered equivalent to a sale by a manufacturer direct to Montgomery County at the prescribed price, and provided, further, that if any such brand is withdrawn by any defendant from the State of Maryland, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn;

(C) Any of the defendants may move to modify this Final Judgment with respect to individual action as to Montgomery County, because of a change in Maryland law or upon a showing of hardship.

VIII

(A) For the purpose of securing compliance with this Final Judgment and for no other purpose, and subject to any legally recognized privilege, 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 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 prepared or written after the date of this Final Judgment 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, all of whom 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 to any defendant, said 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 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 modification of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof.

X

Judgment is entered against the defendants for all costs to be taxed in this proceeding.

Dated: March 4, 1959

/s/ Thompson
United States District Judge

APPENDIX A

List of applicable brands which Schenley Industries, Inc. and affiliated Distillers Brands Corp. are obligated to sell to Montgomery County pursuant to Section VII (B)

Old Quaker Straight Bourbon Whiskey

Old Stagg Straight Kentucky Bourbon Whiskey

Ancient Age Straight Kentucky Bourbon Whiskey

Cascade Straight Kentucky Bourbon Whiskey

Echo Springs Straight Kentucky Bourbon Whiskey

Old Charter Straight Kentucky Bourbon Whiskey

Cream of Kentucky Blended Whiskey

I. W. Harper Kentucky Bourbon Whiskey (bottled in bond)

Melrose Rare Blended Whiskey

James E. Pepper Kentucky Bourbon Whiskey (bottled in bond)

Gibson Diamond-8 Blended Whiskey

Golden Wedding Blended Whiskey

Three Feathers Blended Whiskey

Coronet Brandy

Dewar's White Label Scotch

Melrose Gin

Dubonnet Aperitif

Roma Wines

List of applicable brands which Joseph E. Seagram & Sons, Inc. and House of Seagram, Inc. (Distillers Distributing Corp.) are obligated to sell to Montgomery County pursuant to Section VII (B)

Lord Calvert Whiskey

Calvert Reserve Whiskey

Carstairs White Seal Whiskey

London Distilled Gin

Four Roses Whiskey

Hunter Whiskey

Paul Jones Whiskey

Four Roses Gin

Gallagher & Burton Black Label Whiskey

U.S. v. MARYLAND STATE LICENSED
BEVERAGE ASSOCIATON, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Modified: 1959
(Amended Certain Language)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

| | | |
|---|---|---|
| UNITED STATES OF AMERICA,<br>Plaintiff,<br>v.<br>MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., et al<br>Defendants. | ) | Civil Action No. 9122 |

ORDER AMENDING FINAL JUDGMENT

Upon the motion of defendants, Maryland State Licensed Beverage Association, Inc., and John A. Menton, and with the consent of plaintiff, the United States of America, it is this 11th day of March, 1959,

ORDERED, ADJUDGED AND DECREED, That Section VI(B) of the Final Judgment, entered January 16, 1959, as to defendants Maryland State Licensed Beverage Association, Inc., and John A. Menton, be and it hereby is amended to read as follows:

> "Accepting financial contributions from any manufacturer, any wholesaler or any association of manufacturers or wholesalers."

IT IS FURTHER ORDERED, That Section VI(C) of the Final Judgment, entered January 16, 1959, as to defendants Maryland State Licensed Beverage Association, Inc., and John A. Menton, be and it hereby is amended to read as follows:

> "Having as a member any manufacturer, any wholesaler or any association of manufacturers or wholesalers."

/s/ Roszel C. Thomsen
J U D G E

We hereby consent to the making and entry of the foregoing Order.

For Plaintiff, the United States of America

/s/ W. D. Kilgore, Jr.
Chief, Judgments and Judgment Enforcement Section

/s/ Wilford L. Whitley, Jr.

/s/ John C. Fricano
Attorneys, Department of Justice

U.S. v. MARYLAND STATE LICENSED
BEVERAGE ASSOCIATON, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Modified: 1959
(Amended Certain Language)

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MARYLAND

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|---|---|
| UNITED STATES OF AMERICA,<br>Plaintiff,<br>v.<br>MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., et al.,<br>Defendants. | Civil Action No. 9122 |

SUPPLEMENTAL APPLICATION BY HIRAM WALKER COMPANIES FOR MODIFICATION OF FINAL JUDGMENT

The defendants, Hiram Walker Incorporated, Hiram Walker & Sons, Inc., Gooderham & Worts Limited and Jas. Barclay & Co. Limited, on January 14, 1959, filed an application for modification of the final judgment entered against them herein on October 6, 1958. By this supplemental application, which supersedes the aforesaid application in its entirety, these defendants hereby move that this Court modify the aforesaid final judgment as follows:

(1) The second paragraph of Section V(D) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

> Nothing in Subsections (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit any consenting defendant from negotiating, entering into and adhering to a contract designating a wholesaler as a distributor, on an exclusive basis or otherwise; [provided, however, that such designation shall not directly or indirectly prevent any Monopoly County from acquiring alcoholic beverages direct from any source.] provided, however, that such designation shall leave the defendant contractually free to sell directly to any Monopoly County to which it desires to sell.

(2) Section VI(C) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

> (C) Be enjoined and restrained for the shortest period of any such suspension, or two years, whichever is less, from disseminating or preparing for dissemination to any person in the State of Maryland price lists or other price information containing minimum or suggested resale prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2 B, Section 109 of the Annotated Code of Maryland [;] <u>or by any other applicable provision of Maryland state law (including administrative regulations) which is now or hereafter may be in effect;</u>

(3) Section VII(B) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

> (B) Each consenting defendant shall offer to sell and shall sell upon request to the Department of Liquor Control for Montgomery County those brands listed on Appendix A, and those brands which are hereafter offered for sale to any monopoly state, at prices which are not higher than those then currently charged to the wholesalers in Maryland, and without discrimination as to availability or other terms or conditions of sale: [Provided, however, that if any such brand is withdrawn by the consenting defendant from all markets of the United States, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn.] <u>Provided, however, if such sales are made by a wholesaler to Montgomery County at the cost to the wholesaler plus a handling charge not to exceed one (1) dollar per case, such sale shall be considered equivalent to a sale by a manufacturer direct to Montgomery County at the prescribed price, and provided, further, that if any such brand is withdrawn by any defendant from the State of Maryland, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn.</u>

(4) The following new paragraph to be added to Section VII of the decree:

(C) Any of the defendants may move to modify this final judgment with respect to individual action as to Montgomery County, because of a change in Maryland law or upon a showing of hardship.

The purpose of the above modification is to make the final judgment entered against the Hiram Walker Companies conform to the second paragraph of Paragraph (D) of Section V, Paragraph (C) of Section VI, and the second paragraph of Paragraph (B) and Paragraph (C) of Section VII of the final judgment entered in this case against Schenley Industries, Inc., Affiliated Distillers Brands Corp., Joseph E. Seagram & Sons, Inc., and House of Seagram, Inc., (Distillers Distributing Corp.) on the 4th day of March, 1953.

/s/ J. Sarsfield Sweeny (JCM)
J. Sarsfield Sweeny
First National Bank Building
Baltimore, Maryland

/s/ James C. McKay
James C. McKay
701 Union Trust Building
Washington, D. C.

Attorneys for Hiram Walker Incorporated, Hiram Walker & Sons, Inc., Gooderham & Worts Limited and Jas. Barclay & Co. Limited

ORDER

Upon the foregoing motion and the consent of the United States of America to the passage of this order, it is this 23rd day of March, 1959, by the United States District Court for the District of Maryland, ORDERED, ADJUDGED AND DECREED that the final judgment entered in this case

against Hiram Walker, Incorporated, Hiram Walker & Sons, Inc., Gooderham & Worts Limited and Jas. Barclay & Co. Limited on October 6, 1958, be and it is hereby amended as prayed in said motion.

/s/ Roszel C. Thomsen
Chief Judge, U. S. District Court

We hereby consent to the entry of the foregoing order:

For Plaintiff, United States of America:

/s/ Victor R. Hansen
Victor R. Hansen
Assistant Attorney General

/s/ Wilford L. Whitley, Jr.
Wilford L. Whitley, Jr.

/s/ W. D. Kilgore, Jr.
William D. Kilgore, Jr.
Attorney, Department of Justice

/s/ John H. Earle
John H. Earle

/s/Leon H. A. Pierson
Leon H. A. Pierson
United States Attorney

/s/ John C. Fricano
John C. Fricano
Attorneys, Department of Justice

/s/ Charles F. B. McAleer
Charles F. B. McAleer
Attorney, Department of Justice

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

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| UNITED STATES OF AMERICA, | : | |
| Plaintiff | : | |
| vs. | : | Civil Action No. 9122 |
| MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., et al., | : | |
| Defendants | : | |

MOTION TO AMEND FINAL JUDGMENT

National Distillers and Chemical Corporation (formerly known as National Distillers Products Corporation), pursuant to leave granted in Section IX of the final judgment entered against it in this case on October 6, 1958, moves this court to modify said final judgment in the following particulars:

(1) The second paragraph of Section V(D) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

> Nothing in Subsections (B)(1) and (2) of Section IV, or Subsections (B) and (D) of Section V, shall be construed to prohibit any consenting defendant from negotiating, entering into and adhering to a contract designating a wholesaler as a distributor, on an exclusive basis or otherwise; [provided, however, that such designation shall not directly or indirectly prevent any Monopoly County from acquiring alcoholic beverages direct from any source.] provided, however, that such designation shall leave the defendant contractually free to sell directly to any Monopoly County to which it desires to sell.

(2) Section VI(C) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

> (C) Be enjoined and restrained for the shortest period of any such suspension, or two years, whichever is less, from disseminating or

preparing for dissemination to any person in the State of Maryland price lists or other price information containing minimum or suggested resale prices, markups, margins of profit, terms or conditions at which such alcoholic beverages are to be resold or offered for sale, except as provided by Article 2 B, Section 109 of the Annotated Code of Maryland [;] or by any other applicable provision of Maryland state law (including administrative regulations) which is now or hereafter may be in effect;

(3) Section VII(B) to be amended so as to read as follows (material added is underscored, and material stricken is in brackets):

(B) Each consenting defendant shall offer to sell and shall sell upon request to the Department of Liquor Control for Montgomery County those brands listed on Appendix A, and those brands which are hereafter offered for sale to any monopoly state, at prices which are not higher than those then currently charged to the wholesalers in Maryland, and without discrimination as to availability or other terms or conditions of sale: [Provided, however, that if any such brand is withdrawn by the consenting defendant from all markets of the United States, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn.] Provided, however, if such sales are made by a wholesaler to Montgomery County at the cost to the wholesaler plus a handling charge not to exceed one (1) dollar per case, such sale shall be considered equivalent to a sale by a manufacturer direct to Montgomery County at the prescribed price, and provided, further, that if any such brand is withdrawn by any defendant from the State of Maryland, such defendant will not thereafter be obligated to sell or offer to sell such brand to the Department of Liquor Control for Montgomery County for such time as it is so withdrawn.

(4) The following new paragraph to be added to Section VII of the decree:

(C) Any of the defendants may move to modify this final judgment with respect to individual action as to Montgomery County, because of a change in Maryland law or upon a showing of hardship.

The purpose of the above modification is to make the final judgment entered against National conform to the second paragraph of Paragraph (D) of Section V, Paragraph (C) of Section VI, and the second paragraph of Paragraph (B) and Paragraph (C) of Section VII of the final judgment

entered in this case against Schenley Industries, Inc., Affiliated Distillers Brands Corp., Joseph E. Seagram & Sons, Inc., and House of Seagram, Inc. (Distillers Distributing Corp.) on the 4th day of March, 1959.

William L. Marbury

John Martin Jones, Jr.

Attorneys for
National Distillers and Chemical Corporation (formerly known as National Distillers Products Corporation)

ORDER

Upon the foregoing motion and the consent of the United States of America to the passage of this order, it is this 23rd day of March, 1959, by the United States District Court for the District of Maryland, ORDERED, ADJUDGED AND DECREED that the final judgment entered in this case against National Distillers and Chemical Corporation (formerly known as National Distillers Products Corporation) on October 6, 1958, be and it is hereby amended as prayed in said motion.

Roszel C. Thomsen
Chief Judge, U. S. District Court

We hereby consent to the entry of the foregoing order:

For Plaintiff, United States of America:

Victor R. Hansen
Assistant Attorney General

Wilford L. Whitley, Jr.

William D. Kilgore, Jr.
Attorney, Department of Justice

John H. Earle

Leon H. A. Pierson
United States Attorney

John C. Fricano

Attorneys, Department of Justice

Charles F. B. McAleer
Attorney, Department of Justice

U.S. v. MARLAND STATE LICENSED
BEVERAGE ASSOCIATON, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Modified: 1963
(Allowed Certain Types of Advertising)

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MARYLAND

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| UNITED STATES OF AMERICA, | ) | |
| | ) | |
| Plaintiff, | ) | |
| | ). | Civil Action No. 9122 |
| v. | ) | |
| | ) | |
| MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., et al., | ) | |
| | ) | |
| Defendants. | ) | |

ORDER AMENDING SECTION VI (B) OF FINAL JUDGMENT

WHEREAS, on May 10, 1963, the defendant, Maryland State Licensed Beverage Association, Inc., filed a Petition seeking modification of Section VI(B) of the Final Judgment entered against it on January 16, 1959, as amended by Order of March 11, 1959 and

WHEREAS, said modification was sought, in part, "to permit the acceptance of advertisements for the Yearbook" of the Petitioner; and

WHEREAS, the parties have agreed to a modification permitting such acceptance for a three-year trial period;

Now, therefor, upon consent of the parties hereto, it is hereby

ORDERED, ADJUDGED AND DECREED:

That, notwithstanding the provisions of said Section VI(B), the said defendant may, for the three-year period covering its Annual Conventions and Yearbooks for the years 1963, 1964 and 1965, accept regular published advertisements for its Yearbooks from distillers and/or wholesalers, subject to all of the other provisions of the Judgment, and without prejudice to any time applying for other, further or different relief.

Date: August 16, 1963

/s/ ROSZEL C. THOMSEN
United States District Judge

We hereby consent to the entry of the foregoing order:

For the Plaintiff
United States of America

ALFRED KARSTED

For the Defendant
Maryland State Licensed Beverage
Association, Inc.

THOMAS B. LAWRENCE

U.S. v. MARLAND STATE LICENSED
BEVERAGE ASSOCIATON, INC., *ET AL.*

Civil Action No.: 9122

Year Judgment Modified: 1971
(Allowed Certain Types of Sponsorships)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

| | | |
|---|---|---|
| UNITED STATES OF AMERICA | ) | |
| Plaintiff | ) | |
| vs | ) | Civil Action No. 9122 |
| MARYLAND STATE LICENSED BEVERAGE ASSOCIATION, INC., et al | ) | |
| Defendant | ) | |

ORDER AMENDING FINAL JUDGMENT

Upon motion of the Defendant, Maryland State Licensed Beverage Association, Inc., and with the consent of the Plaintiff, it is this 27 day of October, 1971,

ORDERED, ADJUDGED AND DECREED, that, notwithstanding the provisions of Section VI (B) of the Final Judgment entered against it on January 16, 1959, as amended by Order of March 11, 1959, the said Defendant may hereafter (1) allow distillers and/or wholesalers at their cost to establish hospitality suites and to sponsor or provide entertainment at the annual conventions of the Defendant, (2) accept money from distillers and/or wholesalers for regular published advertisements for its Yearbooks, published in conjunction with its annual conventions, and (3) to accept money from distillers and/or wholesalers for regular published advertisements for its convention program, and it is further

ORDERED, ADJUDGED AND DECREED that the defendant shall offer its advertising in its yearbook and convention program to any and all persons who desire to subscribe to

that advertising and shall make available hospitality suites to any desiring them and said advertising and hospitality suites shall be offered on non-discriminatory terms and conditions and it is further

ORDERED, ADJUDGED AND DECREED that the provisions to this order relating to all advertising and hospitality suites shall be published annually in a trade journal of general circulation at the expense of the defendant, or a notice shall be sent to all manufacturers, wholesalers, and permit holders licensed by the Comptroller of Maryland by first class mail, postage prepaid at the expense of the defendant, and it is further,

ORDERED, ADJUDGED AND DECREED that all of the remaining provisions of the said Judgment, except as modified or limited herein, shall remain in full force and effect.

United States District Judge

We hereby consent to the entry of the foregoing Order:

For the Plaintiff
United States of America

Robert J. Ludwig
Attorney Department of Justice
Antitrust Division Department of Justice

For the Defendant
Maryland State Licensed Beverage Association, Inc.

21 October 1971

I hereby attest and certify on that the foregoing document is a full, true and correct copy of the original on file in my office and in my legal custody.

PAUL R. SCHLITZ
CLERK, U.S. DISTRICT COURT
DISTRICT OF MARYLAND

By Marilyn D. Gegel, Deputy