

[Trade Regulation Reporter - Trade Cases \(1932 - 1992\), United States v. Ever/sharp, Inc., Schick Electric Inc., and Technicolor, Inc., U.S. District Court, E.D. Pennsylvania, 1970 Trade Cases ¶¶73,117, \(Jun. 3, 1968\)](#)

Federal Antitrust Cases

Trade Regulation Reporter - Trade Cases (1932 - 1992) ¶¶73,117

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United States v. Ever/sharp, Inc., Schick Electric Inc., and Technicolor, Inc.

1970 Trade Cases ¶¶73,117. U.S. District Court, E.D. Pennsylvania. Civil No. 43623. Entered June 3, 1968. Case No. 1959 in the Antitrust Division of the Department of Justice.

Headnote

Clayton Act

Acquisitions and Mergers—Shaving Industry—Sale of Assets Rather than Formation and Sale of Company to Be Sold—Consent Decree.—The merger of an electric shaver manufacturer into a wet-shave instrument manufacturer was permitted by a consent judgment on the condition that the resulting company sell its wet-shave assets. The judgment superseded one requiring the formation and sale of a subsidiary company.

Superseding [1967 Trade Cases ¶¶ 72,221](#).

For the plaintiff: Edwin M. Zimmerman, Acting Asst. Atty. Gen., Baddia J. Rashid, William D. Kilgore, Jr., Allen A. Dobe, John F. Hughes and Donald G. Balthis, Attys., Dept. of Justice; Louis C. Bechtle, Philadelphia, Pa.

For the defendants: Bernard M. Borish and Seymour Kurland, of Wolf, Block, Schorr & Solis-Cohen, for Technicolor, Inc.; Joseph W. Swaine, Jr., of Montgomery, McCracken, Walker & Rhodes, for Schick Electric Inc.; Miles W. Kirkpatrick, of Morgan, Lewis & Bockius, for Eversharp, Inc.

Superseding Final Judgment

BODY, D. J.: Plaintiff, United States of America, having filed its complaint in this action, and defendants having consented to the entry of this Superseding Final Judgment in substitute for the Final Judgement entered herein on October 24, 1967, as amended by Orders entered herein on April 23, and May 24, 1968;

Now, therefore, before any testimony has been taken and without trial or adjudication of any issue of facts or law herein, and without any admission by any party with respect to any such issue, and upon the consent of the parties hereto, it is hereby

Ordered, Adjudged and Decreed as follows:

I

[*Jurisdiction*]

This Court has jurisdiction of the subject matter of this action and of the parties hereto. The complaint states a claim upon which relief may be granted against the defendants under Section 7 of the Act of Congress of October 15, 1914 (15 U. S. C. Section 18), commonly known as the Clayton Act, as amended.

II

[*Definitions*]

As used in this Superseding Final Judgment:

- (A) "Eversharp" shall mean defendant Eversharp, Inc.;
- (B) "Schick" shall mean the defendant Schick Electric Inc.;
- (C) "Technicolor" shall mean defendant Technicolor, Inc.;
- (D) "Assets of Schick Safety Razor Division of Eversharp," means all assets, liabilities, business, personnel and records relating to the wet shave products and toiletries of Eversharp, Inc., Milford, Connecticut, but excluding the office and facilities at Culver City, California.

III

[*Applicability*]

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

IV

[*Divestiture*]

(A) Defendants Technicolor and Eversharp shall, without any further extensions or modification hereof, on or before October 24, 1969 dispose of all their interest in any securities issued by defendant Schick or any assets acquired from defendant Schick (except for residual rights to use the name "Schick" on products not now manufactured, distributed or under development by defendant Schick), unless prior to said date one of the following events has occurred:

- (i) Defendant Schick has disposed of the entire business which Schick was conducting at the date of the disposition (including the entire business which Schick was conducting on October 24, 1967) to a purchaser or purchasers approved by plaintiff;
- (ii) Defendant Schick, with the consent of plaintiff, has disposed of less than the entire business which Schick was conducting at the date of the disposition (but at least including the entire business which Schick was conducting on October 24, 1967) to a purchaser or purchasers approved by plaintiff;
- (iii) Defendant Eversharp has disposed of the assets of Schick Safety Razor Division of Eversharp to a purchaser or purchasers approved by plaintiff.

(B) Subsection (A) above contemplates that after October 24, 1969, there shall be either

- (i) A viable organization and business engaged in the business that defendant Schick was conducting or had under development, as described in (A)(i) or (ii) above, which shall be completely independent of any influence or control by defendants Technicolor and Eversharp, or either of them, directly or indirectly, or
- (ii) A viable organization and business engaged in the business which Eversharp was conducting at the date of the disposition as the Schick Safety Razor Division of Eversharp which shall be completely independent of any influence or control by any defendant, directly or indirectly.

(C) In the event that the consideration received for the disposition of any business or assets under Subparagraph (A) consists in whole or in part of equity securities of, or securities convertible into equity securities of, the purchaser, the interest, direct or indirect of defendants Technicolor and Ever-sharp in such non-cash consideration shall be terminated within seven months of the date of acquisition, so that defendants Technicolor and Eversharp shall have no ownership interest, direct or indirect, in any such purchaser, unless plaintiff at its discretion permits defendant Technicolor or defendant Eversharp to retain an interest in such non-cash consideration for a longer period or subject to different terms.

(D) Defendants are enjoined and restrained from taking any action which would frustrate the objectives of this Superseding Final Judgment as described in this Section IV.

V

[*Compliance and Inspection*]

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

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

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

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

No information obtained by the means provided in this Section V shall be divulged by any representative of the Department of Justice, to any person, other than a duly authorized representative of the Executive Branch of plaintiff, except in the course of legal proceedings to which the United States of America is a party for the purpose of securing compliance with this Superseding Final Judgment or as otherwise required by law.

VI

[*Jurisdiction Retained*]

Jurisdiction is retained for the purpose of enabling any of the parties to this Superseding 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 Superseding Final Judgment or for the modification or termination of any of the provisions thereof or for the enforcement of compliance therewith and punishment of violations thereof.

VII

[*Effective Date—Substitution*]

This Superseding Final Judgment shall become effective upon the date of entry thereof and, except for acts occurring prior to such date, shall be in complete substitution for the Final Judgment entered herein on October 24, 1967.