

CORRECTED JUDGMENT

FILED

NOV 25 1975

WILLIAM L. WHITTAKER, CLERK

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
Plaintiff,

v.

H. S. CROCKER CO., INC.;  
STECHER-TRAUNG-SCHMIDT CORPORATION;  
DIAMOND INTERNATIONAL CORPORATION;  
INTERNATIONAL PAPER COMPANY;  
FORT DEARBORN LITHOGRAPH CO.;  
MICHIGAN LITHOGRAPHING CO.;  
PIEDMONT LABEL COMPANY;  
H. M. SMYTH CO., INC.; and  
LITTON BUSINESS SYSTEMS, INC.,

Defendants.

Civil Action  
No. C-74-0560 CBR

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on March 12, 1974, and the Plaintiff and the Defendants, by their respective attorneys, having consented to the entry of this Final Judgment, without trial or adjudication of any issue of fact or law herein and without this Final Judgment constituting any evidence against or admission by any party with respect to any issue of fact or law herein:

NOW, THEREFORE, without any testimony being taken herein, and without trial or adjudication of any issue of fact or law herein, and upon the consent of all parties hereto, it is hereby ORDERED, ADJUDGED AND DECREED:

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I

This Court has jurisdiction of the subject matter herein and of the parties hereto. The Complaint states a claim upon which relief may be granted against the Defendants under Section 1 of the Act of Congress of July 2, 1890, 15 U.S.C. Section 1, entitled "an Act to protect trade and commerce against unlawful restraints and monopolies," as amended, commonly known as the Sherman Act.

II

As used in this Final Judgment:

(A) "Person" shall mean any individual, corporation, partnership, firm, association or other business or legal entity;

(B) "Paper label" shall mean any label made, in whole or in part, of paper;

(C) "Defendants" and "Defendant" as used herein shall not include any party named as a defendant herein which has not consented to the entry of this Final Judgment.

III

The provisions of this Final Judgment are applicable to all Defendants herein and shall also apply to each of said Defendants' officers, directors, agents, employees, subsidiaries, successors and assigns, and to all other persons in active concert or participation with any of them, who shall have received actual notice of this Final Judgment by personal service or otherwise.

IV

Each Defendant is enjoined and restrained from:

(A) Entering into, directly or indirectly, any contract, agreement, understanding, plan, program, combination or conspiracy with any other manufacturer or

1 seller of paper labels to (1) allocate or divide customers,  
2 territories or markets for the sale of any paper label or  
3 (2) raise, fix, stabilize or maintain the price, discount,  
4 markup or any other term or condition for the sale of any  
5 paper label to any third person;

6 (B) Expressly or implicitly furnishing to or requesting  
7 from any other manufacturer or seller of any paper label any  
8 price, term or condition, or warehousing charge or engraving  
9 charge with respect to the sale of any paper label, unless  
10 the information in question has been made generally available  
11 to users of paper labels;

12 (C) Belonging to, or participating in, or contributing  
13 anything of value to any trade association or other group  
14 with knowledge that the activities thereof are contrary to  
15 or inconsistent with the provisions of this Final Judgment.

16 V

17 Nothing contained in this Final Judgment shall apply  
18 to any negotiation or communication between a Defendant and  
19 any other Defendant or any other manufacturer or seller of  
20 paper labels or any of their agents, brokers, distributors  
21 or representatives, whose sole purpose is a proposed or  
22 actual bona fide purchase or sale.

23 VI

24 Each Defendant shall require, as a condition of the  
25 sale or other disposition of all, or substantially all,  
26 of the assets used by it in the design, printing, sale and  
27 distribution of paper labels, that the acquiring party  
28 agree to be bound by the provisions of this Final Judgment.  
29 The acquiring party shall file with the Court, and serve  
30 upon the Plaintiff, its consent to be bound by this Final  
31 Judgment.  
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VII

Each Defendant shall take affirmative steps (including written directives setting forth corporate compliance policies, distribution of this Final Judgment, and meetings to review its terms and the obligations it imposes), to advise each of its officers, directors, managing agents and employees who has responsibility for or authority over the establishment of prices or bids by which said Defendant sells or proposes to sell any paper labels, and all paper label salesmen and saleswomen of its and their obligations under this Final Judgment and of the criminal penalties for violation of Section IV of this Final Judgment. In addition, each Defendant shall, for so long as it remains in the business of selling any paper labels, cause a copy of this Final Judgment to be distributed at least once each year to each of its officers responsible for the conduct of such business and all paper label salesmen and saleswomen.

VIII

For a period of 10 years from the date of entry of this Final Judgment, each Defendant shall file with this Court and with Plaintiff, on the anniversary date of this Final Judgment, a sworn statement by a responsible officer, designated by that Defendant to perform such duties, setting forth all steps it has taken during the preceding year to discharge its obligations under Paragraph VII above. Said report shall be accompanied by copies of all written directives issued by said Defendant during the prior year with respect to compliance with the terms of this Final Judgment. In addition, a responsible officer of Defendants, H. S. Crocker, Stecher-Traung-Schmidt, Diamond International and International Paper, shall appear annually during said

1 period before this Court to give sworn testimony on the  
2 manner of compliance with Paragraph VII of this Final  
3 Judgment.

4 IX

5 (A) For the purpose of determining or securing  
6 compliance with this Final Judgment and for no other  
7 purpose, Defendants shall permit duly authorized repre-  
8 sentatives of the Department of Justice, on written request  
9 of the Attorney General or of the Assistant Attorney General  
10 in charge of the Antitrust Division, and on reasonable  
11 notice, subject to any legally recognized privilege:

12 (1) Access during the business hours of  
13 Defendants, who may have counsel present, to those  
14 books, ledgers, accounts, correspondence, memoranda,  
15 and other records and documents in the possession  
16 or under the control of Defendants which relate to  
17 any matters contained in this Final Judgment;

18 (2) Subject to the reasonable convenience of  
19 Defendants and without restraint or interference  
20 from them, to interview individuals who are officers  
21 or employees of Defendants, any of whom may have  
22 counsel present, regarding any matters contained in  
23 this Final Judgment.

24 (B) For the purpose of determining or securing  
25 compliance with this Final Judgment and for no other  
26 purpose, upon written request of the Attorney General, or  
27 of the Assistant Attorney General in charge of the Antitrust  
28 Division, Defendants shall submit such reports in writing,  
29 with respect to the matters contained in this Final Judgment  
30 as may from time to time be requested.

31 (C) No information obtained by the means provided in  
32 this Section IX of this Final Judgment shall be divulged by a

1 representative of the Department of Justice to any person  
2 other than a duly authorized representative of the Executive  
3 Branch of the Plaintiff except in the course of legal  
4 proceedings to which the United States is a party for the  
5 purpose of securing compliance with this Final Judgment,  
6 or as otherwise required by law.

7 X

8 To the extent any Defendant was bound by the decree  
9 entered in United States v. Schmidt Lithograph Company,  
10 et al., Civil No. 2424-BH in the United States District Court  
11 for the Central District of California that decree shall be  
12 superseded by the terms of this Final Judgment as to paper  
13 labels.

14 XI

15 Jurisdiction is retained by this Court for the purpose  
16 of enabling any of the parties to this Final Judgment to  
17 apply to this Court at any time for such further orders and  
18 directions as may be necessary or appropriate for the  
19 construction or modification of any of the provisions  
20 thereof, for the enforcement of compliance therewith, and  
21 for the punishment of violations thereof.

22 XII

23 Entry of this Final Judgment is in the public interest.

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25 Dated:

*November 25, 1975*

26  
27 *Charles B. Rogers*  
28 UNITED STATES DISTRICT JUDGE