

ENTERED

JUN 27 1968

CLERK, U. S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

By

Deputy

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

vs.

THE TIMES MIRROR COMPANY,

Defendant.

Civil No. 65-366-WJF

FINAL JUDGMENT

This action having come on for trial before the Court, the issues having been duly tried, evidence having been adduced both oral and documentary, argument having been heard, the Court on October 11, 1967, having rendered its Opinion, Findings of Fact and Conclusions of Law, and having entered its Judgment; the Court having on November 27, 1967, fully considered and denied plaintiff's Motion to Alter or Amend the Judgment; the defendant having appealed to the Supreme Court of the United States; the Supreme Court having affirmed this Court's decision on April 22, 1968, and denied a rehearing on June 3, 1968, it is hereby

ORDERED, ADJUDGED AND DECREED that:

I

As used in this Final Judgment:

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

1 (B) "Times Mirror" shall mean The Times Mirror Company and
2 its subsidiaries and affiliates;

3 (C) "Sun Company" shall mean The Sun Company as acquired
4 by Times Mirror, together with all additions and accretions thereto
5 since the acquisition;

6 (D) "The 10 counties of Southern California" shall mean
7 the counties of Los Angeles, Orange, Riverside, San Bernardino,
8 Ventura, Imperial, San Diego, Santa Barbara, San Luis Obispo, Kern,
9 and each of them.

10 II

11 The provisions of this Final Judgment applicable to Times
12 Mirror shall apply also to each of its officers, agents, servants,
13 employees, subsidiaries, successors and assigns, and to those persons
14 in active concert or participation with any of them who receive actual
15 notice of this Final Judgment by personal service or otherwise.

16 III

17 Pursuant to the Court's judgment of October 11, 1967,
18 Times Mirror is ordered and directed to divest itself of the stock
19 of the Sun Company within thirteen (13) months from the date of
20 entry of this Final Judgment in accordance with the following plan
21 for divestiture.

22 (A) The entire business of the Sun Company shall be
23 divested, as a single, strong and viable company (except that Acme
24 Colorprint Co., a subsidiary of the Sun Company, may be divested
25 separately) by a good-faith, absolute and unqualified sale to a
26 person who

27 (1) Does not own, control, or have any
28 material interest in two or more daily newspapers,
29 one of which is published in the 10 counties of
30 Southern California;

31 (2) Is not ineligible as a purchaser by
32 virtue of Section IV of this Final Judgment;

1 (3) Does not control, or is not controlled
2 by, and is not under common control with, any of
3 the foregoing.

4 (B) Times Mirror shall furnish to bona fide prospective
5 purchasers all appropriate information regarding the Sun Company and
6 shall permit them to make such inspection of the facilities and
7 operations of the Sun Company as is reasonably necessary for a pros-
8 pective purchaser to properly advise himself.

9 (C) At least sixty (60) days in advance of the closing
10 date specified in any contract for the sale of the Sun Company, or
11 of Acme Colorprint Co., Times Mirror shall supply the plaintiff with
12 the name and address of the proposed purchaser and with the complete
13 details concerning the terms and conditions of the proposed sale,
14 together with any other pertinent information. At the same time,
15 Times Mirror shall make known to the plaintiff the names and addresses
16 of all other persons who have made an offer of purchase, together
17 with the terms and conditions thereof. Plaintiff must make known to
18 Times Mirror and to the Court any objection to such sale within
19 thirty (30) days following receipt of the aforementioned information.
20 Within said 30-day period, Times Mirror will furnish any additional
21 pertinent information requested by plaintiff.

22 (D) Any contract of sale pursuant to this Final Judgment
23 shall require the purchaser to file with this Court its representa-
24 tion that it intends to continue the business of the Sun Company
25 as a going concern engaged primarily in the publication, distribution
26 and sale of daily newspapers, and at the same time to submit to the
27 jurisdiction of the Court and to be bound by the applicable terms of
28 this Final Judgment. In the event Acme Colorprint Co. is separately
29 divested, the terms of this Paragraph (D) shall be equally applicable
30 to its purchaser, as appropriate.

31 (E) If divestiture is accomplished in whole or in part by
32 an exchange of the stock of the Sun Company, or of the stock of

1 Acme Colorprint Co., or their assets, for the stock of the person
2 who will thereafter own or control the Sun Company, or Acme Colorpri
3 Co., Times Mirror is enjoined from voting such stock and Times Mir
4 will divest itself of such stock within three (3) years from its
5 acquisition either by way of public offering or to a person or perso
6 who would otherwise have been eligible under this Final Judgment to
7 have purchased the stock of the Sun Company. In the event such
8 divestiture of stock is not accomplished by a public offering, Times
9 Mirror shall notify plaintiff of the name of the prospective purchas
10 at least thirty (30) days in advance of the sale of the shares.

11 (F) No divestiture under this Final Judgment shall be
12 upon terms and conditions or to a person not approved by the Court

13 (G) Within five (5) days of its filing, Times Mirror shal
14 release this Final Judgment to the trade and financial Press.

15 IV

16 Times Mirror is enjoined and restrained from knowingly
17 disposing of any shares of stock in the Sun Company or in Acme
18 Colorprint Co. ^{OR ANY OF THEIR ASSETS} to any person

19 (A) Who is an officer or director of Times
20 Mirror, or who is related to anyone holding such
21 office;

22 (B) In which Times Mirror owns any material
23 amount of capital stock or any material financial
24 interest except as may arise out of divestiture
25 under Paragraph III of this Final Judgment; or

26 (C) Beneficially owning or having an unrestricted
27 discretionary power to vote common stock of Times
28 Mirror in excess of five (5) percent of the total
29 shares outstanding.

30 V

31 For the purpose of determining or securing compliance with
32 this Final Judgment and for no other purpose:

1 (A) Duly authorized representatives of the Department of
2 Justice shall, upon written request of the Attorney General or the
3 Assistant Attorney General in charge of the Antitrust Division,
4 and on reasonable notice to Times Mirror made to its principal office,
5 be permitted, subject to any legally recognized privilege:

6 1. Access during the office hours of Times
7 Mirror to all books, ledgers, accounts, correspondence,
8 memoranda and other records and documents in the
9 possession, custody or control of Times Mirror
10 which relate to any matters contained in this
11 Final Judgment; and

12 2. Subject to the reasonable convenience of
13 Times Mirror, but without restraint or interference
14 from it, to interview officers, directors, agents
15 or employees of Times Mirror, who may have counsel
16 present, regarding any such matters.

17 (B) Upon written request of the Attorney General or the
18 Assistant Attorney General in charge of the Antitrust Division,
19 Times Mirror shall submit such reports in writing with respect to the
20 matters contained in this Final Judgment as may from time to time
21 be requested; provided, however, that no information obtained by the
22 means provided in this Section V shall be divulged by any representa-
23 tive of the Department of Justice to any person other than a duly
24 authorized representative of the Executive Branch of plaintiff, except
25 in the course of legal proceedings in which the Department of Justice
26 is a party for the purpose of securing compliance with this Final
27 Judgment, or as otherwise required by law.

28 VI

29 Jurisdiction of this cause is retained by this Court for
30 the purpose of enabling either party to this Final Judgment to apply
31 to this Court at any time for such further orders and directions as
32 may be necessary or appropriate for the modification, construction,

1 or carrying out of the provisions of this Final Judgment and for the
2 enforcement of compliance therewith and the punishment of violations
3 thereof.

4 VII

5 Times Mirror shall pay all taxable costs herein.

6
7 Dated: June 27, 1968.

8
9 Warren G. Ferguson
10 Judge, United States District Court

11
12 This Final Judgment is approved as to content
13 and form and may be entered forthwith.

14 Dated: June 27, 1968.

15
16 **BERNARD M. HOLLANDER**
17 **STANLEY E. BLOOM**

18 By Bernard M. Hollander
19 Attorneys, United States
20 Department of Justice

21
22 **GLADSON, BURN & CRUTCHER,**
23 **JULIAN O. VON KALINOWSKI,**
24 **ROBERT F. HADJIM**

25 By Julian O. von Kalinowski
26 Attorneys for Times Mirror Co.