In the District Court of the United States, Northern District of Illinois, Eastern Division

Equity No. 4913

UNITED STATES OF AMERICA, PETITIONER

v.

TANNERS PRODUCTS COMPANY ET AL., DEFENDANTS

This cause coming on this day to be heard on the original petition and the answers thereto filed therein, and no evidence having been taken in this cause, the Court finds, by consent of all parties herein:

1. That it has jurisdiction of the subject matter and all persons and parties hereto.

2. That those certain contracts entered into between the defendant, American Hair Felt Company, and competing manufacturers of hair felt and hair-felt machinery, which said contracts were terminated on February 12, 1912, as alleged in the petition, restraining the said competitors from engaging in the manufacture of hair felt or hair-felt machinery, were in violation of the Act of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies."

3. That the contract entered into on or about April 18, 1910, and canceled on or about September 14, 1911, between American Hair Felt Company and Newark Hair Felt Company, providing for the

purchase of the entire output of hair felt of the Newark Hair Felt Company at certain stipulated prices, as alleged in the petition, was in violation of the aforesaid Act of July 2, 1890.

4. That the agreements between Illinois Leather Company, through the W. T. Tilden Company, with William F. Allen & Company during the period from 1908 to 1914, providing for the apportionment of tanneries and fixing the prices, as alleged in the petition, were in violation of the aforesaid Act of July 2, 1890.

5. That the agreement entered into between Illinois Leather Company and Densten Hair Company in 1910, providing that Illinois Leather Company would not pay tannery companies in the territory near Peabody, Massachusetts, a higher price for hair than was then being paid by the latter company in other sections of the country, and that the Densten Hair Company would not pay a price for hair in excess of the price being paid by the Illinois Leather Company in other sections of the country, as alleged in the Petition, which said agreement was terminated in 1912, was in violation of the aforesaid Act of July 2, 1890.

6. That the so-called "contributing stockholders plan" as alleged in the Petition wherein the contributing stockholders pool their hair with said Tanners Products Company and receive in part payment therefore a division of profits by way of added price is illegal and in violation of the aforesaid Act of July 2, 1890.

It is therefore ordered and decreed:

1. That American Hair Felt Company and its officers, employees, and agents be, and they hereby are, severally restrained and enjoined from making or entering into any agreements preventing its competitors or the competitors of any of its subsidiaries from engaging in the manufacture of hair felt or hair-felt machinery.

2. That American Hair Felt Company, their officers, employees, and agents, be, and they hereby are, severally restrained from entering into or carrying out any agreements, contracts, or arrangements with others to fix the prices of felt, whereby the prices of felt of other manufacturers will be regulated by the standard prices as fixed by American Hair Felt Company.

3. That American Hair Felt Company, their officers, employees, and agents, be, and they hereby are, severally restrained and enjoined from carrying out or entering into any agreements providing for the purchase of the entire output of hair felt of Newark Hair Felt Company by American Hair Felt Company and from entering into or carrying out any working or price-fixing agreements as to the prices to be charged by Newark Hair Felt Company for hair felt products manufactured by it.

4. That the defendant, Tanners Products Company, its officers, employees, and agents, be, and they hereby are, severally restrained and enjoined from entering into any contracts or agreements with William F. Allen & Company providing for

the apportionment of tanneries or the fixing of prices of cattle, calf, or goat hair.

5. That the defendant, Tanners Products Company, its officers, employees, and agents, be, and they hereby are, severally restrained and enjoined from entering into or carrying out any agreements or contracts fixing or regulating or attempting to fix or regulate the prices of cattle, calf, or goat hair.

6. That the defendants, Tanners Products Company, American Hair Felt Company, National Retarder Company, Califelt Insulation Manufacturing Company, and Textile Fabrics Corporation (hereinafter called the principal defendants), be, and they are hereby, perpetually enjoined from continuing the acquisition of cattle and calf hair under the so-called "contributing stockholder plan," according to which stockholders of the principal defendants who are tanning companies producing cattle and calf hair sell or deliver it to said principal defendants and receive in part payment therefor a so-called "added price," said plan being more particularly described in the Petition; and that the defendants described in the Petition as contributing stockholders (and hereinafter in this decree called the secondary defendants), be, and they are hereby, perpetually enjoined from contributing, selling, or delivering cattle and calf hair to the principal defendants, or to any other person or corporation, according to said contributing stockholder plan; but nothing herein contained shall prevent said principal defendants from purchasing hair of and from said secondary defendants and/or nonstockholders as vendors and vendees, on yearly contract or otherwise, or in any manner which shall not include any distribution of profits to the vendors by the way of added price, or whereby the vendors shall retain any interest, direct or indirect, in hair so sold, after the sale and delivery thereof to the principal defendants.

7. That the principal defendants and their officers, agents, and employees be, and they are hereby, perpetually enjoined from acquiring or purchasing cattle and calf hair from the secondary defendants, or any of them, or from any other person, at a price, the amount of which shall be contingent upon the earnings of the principal defendants, and the fact that such secondary defendant or other person shall sell, deliver, or contribute to said principal defendants all the cattle and calf hair produced or sold by it during any given period.

8. It is further ordered and decreed that this is a final decree and that jurisdiction of the parties and the subject matter herein be retained by this court for the purpose of enforcing this decree.

9. It is further ordered and decreed that the petition in all other respects be, and the same hereby is, dismissed for want of equity.

Enter:

WALTER C. LINDLEY, *Judge.*

OCTOBER 3, 1927.