

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Chicago Linen Supply Assn. et al., U.S. District Court, N.D. Illinois, 1967 Trade Cases ¶72,033, (Apr. 7, 1967)

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United States v. Chicago Linen Supply Assn. et al.

1967 Trade Cases ¶72,033. U.S. District Court, N.D. Illinois, Eastern Division. Civil Action No. 66 C 1652. Entered April 7, 1967. Case No. 1908 in the Antitrust Division of the Department of Justice.

Sherman Act

Injunctive Relief—Dissolution of Trade Association—Consent Judgment.—Under the terms of a consent judgment, a linen supply association was required to dissolve itself, and its members were forbidden to stabilize prices or allocate markets or customers.

For the plaintiff: Donald F. Turner, Assistant Attorney General, and Gordon B. Spivack, William D. Kilgore, Jr., John E. Sarbaugh, Joseph Prindaville, John J. Lannon, and Leonard A. Tokus, Attorneys, Department of Justice.

For the defendants: E. P. Harvey, Treasurer, for Chicago Linen Supply Co.; Robert T. De Normandie, Assistant Treasurer, for De Normandie Towel & Linen Supply Co.; Peter A. Kyros, President, for Garfield Linen Supply, Inc.; Albert K. Orschel for Great Lakes Linen Supply Co.; Jack A. Quigley, President, for F. W. Means & Co.; (Mrs.) F. K. Eagle, Secretary, for Chicago Linen Supply Assn.; Peter G. Brown, President, for Mickey's Linen & Towel Supply, Inc.; W. C. Graham, Vice President, for Morgan Linen Service, Inc.; Burton Ditkowsky, President, for Society Linen & Towel Supply Co.; A. C. Horman, Vice President, for Superior Laundry & Linen Supply Co.; Winard G. Olsen, President, for Union Linen Supply Co.; Milton Goldman d/b/a Congress Linen Supply Co.; and Sam Stavrakas, d/b/a Cosmopolitan Linen & Towel Supply.

Final Judgment

PARSONS, District Judge: Plaintiff, United States of America, having filed its complaint herein on September 12, 1966, and defendants Chicago Linen Supply Association, F. W. Means & Company, Chicago Linen Supply Company, De Normandie Towel & Linen Supply Company, Garfield Linen Supply, Inc., Great Lakes Linen Supply Company, Mickey's Linen & Towel Supply, Inc., Morgan Linen Service, Inc., Society Linen & Towel Supply Co., Superior Laundry & Linen Supply Co., Union Linen Supply Company, Sam Stavrakas, and Milton Goldman having appeared, the defendant F. W. Means & Company having filed its answer denying the substantive allegations of the complaint, and the plaintiff and each of the said defendants, either personally or by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issues of fact or law herein, and without said judgment constituting evidence or an admission by any party with respect to any such issue:

Now, therefore, before the taking of any testimony and without trial or adjudication of any issue of fact or law herein, and upon consent of the plaintiff and each said defendant;

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 claims against the defendants Chicago Linen Supply Association, F. W. Means & Company, Chicago Linen Supply Company, De Normandie Towel & Linen Supply Company, Garfield Linen Supply, Inc., Great Lakes Linen Supply Company, Mickey's Linen & Towel Supply, Inc., Morgan Linen Service, Inc., Society Linen & Towel Supply Co., Superior Laundry & Linen Supply Co., Union Linen Supply Company, Sam Stavrakas, and Milton

Goldman under Section 1 of the Act of Congress of July 2, 1890, as amended, entitled “An Act to protect trade and commerce against unlawful restraints and monopolies,” commonly known as the Sherman Act.

II

[*Definitions*]

As used in this Final Judgment:

A “Consenting defendant” means Chicago Linen Supply Association, F. W. Means & Company, Chicago Linen Supply Company, De Norman die Towel & Linen Supply Company, Garfield Linen Supply, Inc., Great Lakes Linen Supply Company, Mickey’s Linen & Towel Supply, Inc., Morgan Linen Service, Inc., Society Linen & Towel Supply Co., Superior Laundry & Linen Supply Co., Union Linen Supply Company, Sam Stavrakas, and Milton Goldman or each of them.

B “Person” means any individual, partnership, firm, association, corporation, or other legal entity.

C “Linen supply” or “linen supplies” means such items as coats, aprons, hand towels, dish towels, sheets, pillow cases, tablecloths, napkins, and uniforms customarily in the trade furnished by a linen supplier to users thereof.

D “Linen supplier” means any person engaged in the business of furnishing linen supplies to users thereof.

E “Customer” means a user of linen supplies.

F “The Association” means the defendant Chicago Linen Supply Association.

III

[*Applicability*]

The provisions of this Final Judgment applicable to any consenting defendant shall apply to each of its officers, directors, agents, employees, subsidiaries, successors and assigns, and to all other persons in active concert or participation with any such consenting defendant who shall have received actual notice of this Final Judgment by personal service or otherwise. For the purposes of this Final Judgment, each consenting defendant and its officers, directors, servants, employees, partners, and subsidiaries shall be deemed to be one person.

IV

[*Prices and Markets*]

The consenting defendants and each of them are enjoined and restrained from directly or indirectly entering into, adhering to, enforcing, or claiming any rights under any agreement, understanding, plan, or program with any other linen supplier or with any central agency or association of or for linen suppliers to:

(a) Establish, maintain, stabilize, or adhere to prices, discounts, or other terms or conditions for the furnishing of linen supplies to customers;

(b) Divide or allocate markets, territories, or customers for the furnishing of linen supplies.

V

[*Dissolution*]

A. The consenting defendants and each of them are ordered and directed, within 60 days after the entry of this Final Judgment, to institute and to prosecute with due diligence appropriate proceedings to wind up the affairs of and to terminate the existence of the defendant Association; provided, however, that subject to the other provisions of this Final Judgment, nothing contained in this Section V shall prohibit the defendants, or any of them, from organizing or joining any lawful association.

B. The defendant Association is ordered and directed, within 60 days after the entry of this Final Judgment, to destroy its existing file of price lists, customer registrations, complaints, investigations, awards, and all other books and records which refer to the arbitration of disputes over customers for furnishing linen supplies and to

file with this Court (with a copy to the Assistant Attorney General in charge of the Antitrust Division) an affidavit of such destruction.

C Each consenting defendant except defendant Association is ordered and directed, within 60 days after the entry of this Final Judgment, to destroy its books and records of price lists, customer registrations, complaints, investigations, awards, and arbitration of disputes which refer or relate to the activities of the defendant Association.

VI

[*Notice*]

The defendant Association is ordered and directed within 30 days after the entry of this Final Judgment to serve by mail upon each of its present members a conformed copy of this Final Judgment and to file with this Court and with the plaintiff proof by affidavit of such service.

VII

[*Inspection and Compliance*]

For the purpose of determining or 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, upon reasonable notice to any consenting defendant made to its principal office, be permitted:

A. Reasonable access, during the office hours of consenting defendant, to all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or control of consenting defendant relating to any of the matters contained in this Final Judgment.

B. Subject to the reasonable convenience of consenting defendant and without restraint or interference from it, to interview the officers and employees of consenting defendant, who may have counsel present, regarding any such matters.

For the purpose of determining or securing compliance with this Final Judgment and for no other purpose, each consenting defendant, upon the written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, shall submit such written reports with respect to any of the matters contained in this Final Judgment as from time to time may be requested for the enforcement of this Final Judgment. No information obtained by the means provided in this Section VII 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 the plaintiff 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.

VIII

[*Jurisdiction Retained*]

Jurisdiction is retained for the purpose of enabling any of the parties of 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, carrying out or modification of this Final Judgment and for the enforcement of compliance therewith and the punishment of the violation of any of the provisions contained herein.