Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Minnesota Mining and Manufacturing Co., U.S. District Court, N.D. Illinois, 1969 Trade Cases ¶72,909, (Sept. 2, 1969)

Federal Antitrust Cases
Trade Regulation Reporter - Trade Cases (1932 - 1992) ¶72,909

United States v. Minnesota Mining and Manufacturing Co.

1969 Trade Cases ¶72,909. U.S. District Court, N.D. Illinois, Eastern Division. No. 66 C 627. Dated September 2, 1969. Case No. 1896 in the Antitrust Division of the Department of Justice.

Headnote

Sherman Act

Patents—Compulsory Supplying of Information—Raw Material Specifications, Suppliers and Brand Names—Manufacturing Instructions to Operators—Quality Control Tests and Procedures—Production Line Layout.—A consent decree requiring the furnishing of technical information and know-how also required the defendant to furnish (1) raw material specifications (including alternate materials where available), including the names of approved suppliers and the brand names or numbers of the products used by the defendant; (2) complete manufacturing instructions to operators; (3) complete quality control tests and procedures for raw materials, for in-process products and materials, and for finished products; and (4) production line layout.
Consent Decree—Scope—Listed Patents—Limitation on Contest.—A company subject to a consent decree affecting specified patents agreed, when other patents were not included, not to defend later efforts to include them on the ground that it was too late to apply or to contend that the patents should have been included.

Amending 1969 Trade Cases ¶ 72,865**.**

For the plaintiff: Raymond P. Hernacki, Atty., Antitrust Div., Dept. of Justice, Chicago, Ill.

For the defendant: John T. Chadwell, of Chadwell, Keck, Kayser & Ruggles, Chicago, Ill.

Stipulation

It is stipulated by and between the undersigned parties by their respective attorneys, that:

1. The attached Supplements [not reproduced] to Exhibits 1, 2 and 3 be added to Exhibits 1, 2 and 3, respectively, of the Final Judgment filed in this cause on August 1, 1969.

2. The attached two letters

(a) from John T. Chadwell, counsel for defendant, to Raymond P. Hernacki, counsel for plaintiff, dated August 22, 1969, and

(b) from William H. Abbott, counsel for defendant, to Raymond P. Hernacki, dated August 26, 1969, representing further agreements reached between the parties with respect to the Final Judgment filed in this cause on August 1, 1969, be filed with the other records in this cause.

Text of Letter

Dear Mr. Hernacki: In the proposed final consent judgment filed in the above case on August 1, 1969, it is provided in Paragraph VII (d), page 20, that Minnesota Mining & Mfg. Co. will furnish to counsel for the government a copy of a tape production manual for cellophane pressure sensitive tape then currently made

by the defendant. Such tape production manual has been furnished to you as counsel for the government. It is understood and agreed that in addition the following materials which 3M has prepared for its internal use will be furnished to any qualified licensee subject to payment of advance royalties and cost of reproduction and to other provisions of the decree, to be of assistance to such qualified licensee in producing tape in accordance with the manual:

(1) raw material specifications (including alternate materials where available), including names of approved suppliers and the brand names or numbers of the products 3M uses or could use;

(2) complete manufacturing instructions to operators;

(3) complete quality control tests and procedures for raw materials, for in-process product and materials, and for finished products;

(4) production line layout.

We have furnished to you samples of items (1), (2) and (3) listed above. The production line layout materials are included in the blueprints and drawings, which are very voluminous, and are at the St. Paul plant. [Signed] John T. Chadwell

Text of Letter

Dear Mr. Hernacki: In respect to your letter of August 20th listing a number of 3M patents which you believe should be included in the Exhibits to the proposed Final Judgment in the above suit, it is understood that as a result of our discussion in Mr. Chadwell's office on Friday, August 22nd that you are withdrawing the request in respect to the following patents:

3,006,463 ..... Bond

3,032,541 ..... Errede

3,055,931 ..... Davis

3,379,562 ..... Freeman

3,052,567 ..... Gabor

3,361,109 ..... King

In respect to the Olson patent No. 3,326,741, it is our position that this patent relates to a thermo-setting adhesive tape rather than to a pressure-sensitive tape in that the degree of “tack” in the tape prior to heat setting is so slight that it would not function as a pressure-sensitive adhesive tape. You have stated that you do not feel qualified to evaluate the patent or the construction of the product covered by the patent.

Accordingly we have agreed that if any qualified applicant for a license should be refused a license under the Olson patent or any other U. S. patent presently issued to 3M Company that should have been listed in Exhibits 1, 2 or 3 of the proposed Final Judgment and if said applicant should later apply to the court for a license under such patent upon the ground that the patent in question should have been included in Exhibits 1, 2 or 3 because the product covered by said patent comes within the definition of pressure-sensitive tape, magnetic recording media or aluminum presensitized plates in paragraphs (c), (d) and (e) of Article II of the proposed Final Judgment in the above case, we will not object to said application upon the ground that it was too late to make the application or too late to contend that the patent should have been listed in Exhibits 1, 2 or 3; provided the applicant exercises due diligence in filing the application upon learning the facts upon which the application is based. We reserve the right to object upon any other ground and to defend upon the ground that the patent in question does not come within the definition of the three products. [Signed] William H. Abbott