

UNITED STATES OF AMERICA v. MASONITE
CORPORATION, ET AL., DEFENDANTS.
IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK.

Civil Action No. 7-498.

UNITED STATES OF AMERICA, PLAINTIFF

VS.

MASONITE CORPORATION, THE CELOTEX CORPORATION,
CERTAIN-TEED PRODUCTS CORPORATION, JOHNS-MANVILLE
SALES CORPORATION, INSULITE COMPANY, FLINTKOTE
COMPANY, NATIONAL GYPSUM COMPANY, WOOD CONVER-
SION COMPANY, ARMSTRONG CORK COMPANY and DANT
& RUSSELL, INC. DEFENDANTS.

FINAL JUDGMENT.¹

This cause came on to be further heard at this term
and was argued by counsel; and thereupon, upon con-
sideration thereof, it was ordered, adjudged and decreed
as follows, viz:

I. That the Court has jurisdiction of the subject mat-
ter hereof and all of the parties hereto, and that the
final judgment entered September 27, 1941, in this cause,
whereby the complaint herein was dismissed on the
merits, be and hereby is vacated and set aside.

¹ Complaint dismissed by United States District Court for the
Southern District of New York September 27, 1941. Upon appeal
the Supreme Court reversed the lower Court and the above judg-
ment was entered upon remand.

II. That the defendants, Masonite Corporation, Celotex Corporation, Certain-teed Products Corporation, Johns-Manville Sales Corporation, Insulite Company, Flintkote Company, National Gypsum Company, Wood Conversion Company, Armstrong Cork Company, and Dant & Russell, Inc. have contracted, combined and conspired in violation of Section 1 of an Act of Congress approved July 2, 1890, entitled "An Act to Protect Trade and Commerce against Unlawful Restraints and Monopolies", as amended, commonly known as the Sherman Act.

III. That each of the following agency agreements, and the following agreements entered into in connection therewith between Masonite Corporation and the other defendant corporations, as shown in the following table, is adjudged unlawful under the antitrust laws of the United States and is illegal, null and void:

TITLE OF AGREEMENT	COMPANY	DATE
Agency Agreement and License Option	Celotex Company	October 10, 1933
Supplemental Agreement	Celotex Company	October 10, 1933
Agency Agreement and License Option	National Gypsum Company	October 31, 1933
Agency Agreement and License Option	Johns-Manville Sales Corporation	November 30, 1933
Supplemental Agreement	Johns-Manville Sales Corporation	November 30, 1933
Agency Agreement and License Option	Armstrong-Newport Company	December 1, 1933
Supplemental Agreement	Armstrong-Newport Company	December 1, 1933
Agency Agreement and License Option	Hawaiian Cane Products Ltd.	December 4, 1933
Agency Agreement and License Option	Wood Conversion Company	June 25, 1934

TITLE OF AGREEMENT	COMPANY	DATE
Supplemental Agreement	Wood Conversion Company	June 25, 1934
Agency Agreement and License Option	Insulite Company	February 2, 1935
Supplemental Agreement	Insulite Company	February 2, 1935
Export Agreement	Insulite Company	February 2, 1935
Supplemental Agreement	Insulite Company	February 8, 1935
Del Credere Factor's Agreement	Celotex Corporation	October 29, 1936
Del Credere Factor's Agreement	National Gypsum Company	October 29, 1936
Del Credere Factor's Agreement	Johns-Manville Sales Corporation	October 29, 1936
Del Credere Factor's Agreement	Armstrong Cork Company	October 29, 1936
Del Credere Factor's Agreement	Wood Conversion Company	October 29, 1936
Del Credere Factor's Agreement	Insulite Company	October 29, 1936
Del Credere Factor's Agreement	Hawaiian Cane Products Ltd.	October 29, 1936
Supplemental Agreement	Armstrong-Newport Company	October 29, 1936
Supplemental Agreement No. I	Celotex Corporation	October 29, 1936
Supplemental Agreement No. II	Celotex Corporation	October 29, 1936
Supplemental Agreement No. III	Celotex Corporation	October 29, 1936
Supplemental Agreement No. IV	Celotex Corporation	October 29, 1936
Supplemental Agreement	Hawaiian Cane Products Ltd.	October 29, 1936

TITLE OF AGREEMENT	COMPANY	DATE
Supplemental Agreement No. I	Insulite Company	October 29, 1936
Supplemental Agreement No. II	Insulite Company	October 29, 1936
Supplemental Agreement No. III	Insulite Company	October 29, 1936
Supplemental Agreement No. IV	Insulite Company	October 29, 1936
Supplemental Agreement	Johns-Manville Sales Corporation	October 29, 1936
Supplemental Agreement	National Gypsum Company	October 29, 1936
Supplemental Agreement	Wood Conversion Company	October 29, 1936
Del Credere Factor's Agreement	Flintkote Company	March 16, 1937
Del Credere Factor's Agreement	Dant & Russell, Inc.	June 19, 1937
Agreement	Insulite Company	February 1, 1938
Letter Agreement	Celotex Corporation	September 1, 1940
Letter Agreement	Certain-teed Products Corporation	September 1, 1940
Letter Agreement	Johns-Manville Sales Corporation	September 1, 1940
Letter Agreement	Insulite Company	September 1, 1940
Letter Agreement	Flintkote Company	September 1, 1940
Letter Agreement	National Gypsum Company	September 1, 1940
Letter Agreement	Wood Conversion Company	September 1, 1940
Letter Agreement	Armstrong Cork Company	September 1, 1940
Letter Agreement	Dant & Russell, Inc.	September 1, 1940

TITLE OF AGREEMENT	COMPANY	DATE
Appointment of Agent Agreement	Celotex Corporation	March 20, 1941
Appointment of Agent Agreement	Certain-teed Products Corporation	March 20, 1941
Appointment of Agent Agreement	Johns-Manville Sales Corporation	March 20, 1941
Appointment of Agent Agreement	Insulite Company	March 20, 1941
Appointment of Agent Agreement	Flintkote Company	March 20, 1941
Appointment of Agent Agreement	National Gypsum Company	March 20, 1941
Appointment of Agent Agreement	Wood Conversion Company	March 20, 1941
Appointment of Agent Agreement	Armstrong Cork Company	March 20, 1941
Appointment of Agent Agreement	Dant & Russell, Inc.	March 20, 1941
Appointment of Agent Agreement	Hawaiian Cane Products Ltd.	March 31, 1941
Supplemental Agreement	Celotex Corporation	April 7, 1941
Supplemental Agreement Re Agreement of February 1, 1938	Insulite Company	March 20, 1941
Supplemental Agreement Re Export Agreement	Insulite Company	March 20, 1941

IV. That the defendant corporations and their directors, officers, agents, employees, representatives, successors, subsidiaries, and any person acting or claiming to act under, through or for them or any of them, be and they hereby are perpetually enjoined and restrained:

(1) From enforcing or attempting to enforce any provision in any agreement referred to in Paragraph III above, and from doing any further acts thereunder.

(2) From entering into, adhering to, maintaining or furthering any contract, agreement, understanding, arrangement, plan, or program among themselves or any of them.

(a) To fix, maintain, or stabilize prices for hardboard.

(b) To divide, classify, or allocate customers for hardboard.

(c) To restrict, limit, or otherwise restrain competition in the manufacture, sale or distribution of hardboard, but this clause shall not be deemed to interfere with the lawful exercise of lawful patent privileges.

(d) To use patent privileges, patents, or patent applications relating to hardboard to secure protection beyond the lawful limits of patent rights.

(3) From entering into any agreement or arrangement or plan in restraint of interstate trade and commerce or to monopolize interstate trade and commerce so similar to the agreements, arrangements or plans adjudged to be unlawful in Paragraphs II and III of this judgment as to constitute a continuation, repetition, or revival thereof.

V. For the purpose of conforming to the mandate of the Supreme Court of the United States rendered in this cause upon appeal to that Court, and looking toward conforming to the provisions of this judgment, Masonite Corporation is entering into a new Factor's agreement with each of the other defendant corporations, except Insulite Company, and a like agreement with Minnesota and Ontario Paper Company which, since the trial of this cause, has acquired substantially all the assets of Insulite Company and succeeded to all its rights and liabilities, a copy of the form of which agreement has been marked Exhibit A and annexed hereto. Said new agreements are hereby determined by the Court to be

not inconsistent with the mandate of the Supreme Court in this cause.

VI. Jurisdiction of this cause is retained for the purpose of enabling any of the parties to this decree to apply to the Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this decree, for the modification or termination of any of the provisions thereof, for the enforcement of compliance therewith and for the punishment of violations thereof, and for such further orders, directions or relief as may be necessary or appropriate to remove or prevent the misuse (whether past, present or future, if any) of patent rights relating to hardboard in violation of the Sherman Law.

VII. That the plaintiff recover from the defendants its costs herein as taxed in the sum of \$398.70 and that execution issue therefor.

Approved:

ALFRED C. COXE,
United States District Judge.

Dated the 1st day of October, 1942.

1/ Complaint dismissed by United States District Court for the Southern District of New York September 27, 1941. Upon appeal the Supreme Court reversed the lower court and the above judgment was entered upon remand.