

IN THE DISTRICT COURT OF THE UNITED STATES FOR
THE SOUTHERN DISTRICT OF NEW YORK.

In Equity No. 66-215.

UNITED STATES OF AMERICA, PETITIONER,

vs.

INTERNATIONAL BUSINESS MACHINES CORPORATION,
REMINGTON RAND, INC., THE TABULATING MACHINE
COMPANY AND REMINGTON RAND BUSINESS SERVICE,
INC., DEFENDANTS.

The United States of America having filed its petition
herein on March 26, 1932, and each of the defendants
having duly appeared by its solicitor,

And the defendant Remington Rand Business Service,
Inc., after filing its answer on May 14th, 1932, jointly
with the defendant Remington Rand, Inc., having been
dissolved,

And the defendant Remington Rand, Inc. having by
stipulation consented to the making and entering of a
decree upon ten days' notice after a final judgment or
decree has been entered and made effective against the
defendant International Business Machines Corporation
without prejudice, however, to said defendants in any
suits or proceedings between the defendants herein and
specifically reserving the lawful exercise of its rights
arising out of, under and pursuant to the patent laws of
the United States,

And a final judgment or decree having on December 26,
1935, been duly entered against the defendant Inter-
national Business Machines Corporation, and due notice
thereof and of the intention to enter this decree having
been given to the solicitor for the defendant Remington
Rand, Inc.,

And it appearing that by reason of the consent of the
said defendant Remington Rand, Inc. to this decree, and
the acceptance of the same by the petitioner, it is unneces-
sary to proceed with the trial of the cause against said
defendant or to take any testimony therein,

It is, in accordance with such consent, without taking
any testimony or trial of the issues,

ORDERED AND DECREED:

1. That the Court has jurisdiction of the subject-matter
and over the parties hereto; that the petition states a
cause of action under the Act of Congress approved July
2, 1890, known as the Sherman Anti-Trust Act and the
Act of Congress approved October 15, 1914, known as the
Clayton Act; and that the defendants have been and are
engaged in the business of manufacturing and distributing
tabulating machines and tabulating cards in interstate
commerce;

2. That as used herein "tabulating machines" shall include tabulators and punches, punching machines, sorters and sorting machines or other machines used or to be used in connection with tabulating machines, tabulators or tabulating cards; and "tabulating cards" or "cards" shall include cards manufactured for use in connection with such machines;

3. That the defendant Remington Rand, Inc., its officers, directors, agents and employees and all persons acting for or on behalf of them, or any of them, be and they are hereby perpetually enjoined from making, entering into, carrying out or enforcing any agreement or understanding, express or implied, with competitors dealing in tabulating machines—

(a) prohibiting or preventing said defendant from selling tabulating machines or offering such machines for sale, or

(b) fixing the prices, rentals, terms or conditions for or under which said defendant may sell, lease, rent, or otherwise license the use of tabulating machines, or sell or dispose of tabulating cards, or

(c) requiring said defendant to sell, lease, rent or license the use of tabulating machines only on condition that the lessee or licensee shall purchase or otherwise obtain, directly or indirectly, tabulating cards from said defendant, or

(d) requiring said defendant to incorporate as a condition of any contract of sale, lease, rental or license of tabulating machines that the purchaser, lessee, or licensee shall, because it obtains tabulating cards from any person other than said defendant, pay the cost of, or any additional rental or charge for, repairs or maintenance, or

(e) restricting the freedom of said defendant to sell or encourage the sale or purchase of tabulating cards manufactured or sold by others, or

(f) restricting the freedom of said defendant to sell or dispose of its tabulating cards to users of tabulating

machines other than those machines manufactured, sold, leased or licensed by itself;

4. That said defendant, its officers, agents, directors and employees and all persons acting on behalf of them or any of them, be and they are hereby perpetually enjoined from incorporating as conditions in any contract of sale, lease, rental or license of any tabulating machine,

(a) provisions that the purchaser, lessee or licensee use in connection therewith tabulating cards manufactured or furnished by said defendant, or

(b) provisions for a decreased rental or charge, or no charge including service charges, on condition that the purchaser, lessee or licensee purchase tabulating cards from said defendant, or

(c) provisions for increased or additional rental or charge, including service charges, to be paid by the purchaser, lessee or licensee because of the use by such persons of cards which are not manufactured or furnished by said defendant;

5. That said defendant shall, beginning within six months from the effective date hereof, that is, within six months after the expiration of the stay of the operation of paragraphs 4 and 5 hereof by the order signed simultaneously herewith, give notice of modification or termination and shall modify or terminate any and all provisions in each of its outstanding leases, licenses or contracts relating to tabulating machines inconsistent with the provisions of this decree, at the earliest date permitted under the terms of each of such leases, licenses or contracts, or sooner with the assent of the lessee, licensee or other contracting party, in any event within twenty-one months of the said effective date hereof, except upon further order of the Court.

6. That jurisdiction is hereby expressly retained for the purpose of enforcing or modifying this decree on application of any of the parties hereto.

Dated, New York City, January 25, 1936.

(Sd.) WOOLSEY,
District Judge.