
JUDGMENT ON MANDATE AGAINST
ALUMINUM COMPANY OF AMERICA, ET AL.,
APRIL 23, 1946

**JUDGMENT ON MANDATE AGAINST
ALUMINUM COMPANY OF AMERICA, ET AL.**

And now, on this 23rd day of April, 1946, this cause came on further to be heard in obedience to the mandate of the United States Circuit Court of Appeals for the Second Circuit, dated March 28, 1945, and filed herein on March 29, 1945, and was argued by counsel, and thereupon, upon consideration thereof, and in accordance with the opinion of the said court, it is ORDERED, ADJUDGED AND DECREED as follows:

1. The mandate of the United States Circuit Court of Appeals for the Second Circuit, filed herein on March 29, 1945, as aforesaid, is hereby made the order of this court.

2. The final judgment, entered herein on July 23, 1942, in so far as it dismissed the amended petition herein on the merits as against Aluminum Goods Manufacturing Company, be, and it hereby is, affirmed.

3. The final judgment entered herein on July 23, 1942, in so far as it dismissed the amended petition herein on the merits as against the defendants, The Aluminum Cooking Utensil Company; Aluminum Manufactures, Incorporated; Aluminum Ore Company; Aluminum Seal Company; Alcoa Power Company, Limited; Alton and Southern Railroad; Bauxite and Northern Railway Company; Cedars Rapids Transmission Company, Limited; Knoxville Power Company; Louisiana Terminal Company; Massena Securities Corporation; The Massena Terminal Railroad Company; Nantahala Power and Light Company; Alcoa Steamship Company, Inc. (formerly Ocean Dominion Steamship Company); Alcoa

Mining Company (formerly The Republic Mining and Manufacturing Company); The St. Lawrence River Power Company; St. Louis and Ohio River Railroad; Surinaamsche Bauxite Maatschappij; The Coalesced Company; The Aloxite Corporation; Ailsa Mellon Bruce; Paul Mellon, David K. E. Bruce and Donald D. Shepard, as Executors of Andrew W. Mellon, deceased; Paul Mellon; Union Trust Company of Pittsburgh, Richard K. Mellon, Jennie King Mellon and Sarah Mellon Scaife, as Executors of Richard B. Mellon, deceased; Nina L. Neilson, as Executrix of Winthrop C. Neilson, deceased; and Sarah Mellon Scaife, be, and it hereby is, affirmed.

4. The final judgment, entered herein on July 23, 1942, in so far as it dismissed the amended petition herein as against the defendants, J. H. Alger; L. Braasch; André Henry-Couannier; M. B. de Sousa; F. L. Farrell; Aimé Geoffrion; Alvah K. Lawrie; Leighton McCarthy; W. C. Terry; J. F. Van Lane; and Franklin Fluorspar Company, for the reason that this action had abated as to them, they not having been served with process or having appeared herein, be, and it hereby is, affirmed.

5. The final judgment entered herein on July 23, 1942, in so far as it dismissed the amended petition as against the defendants, Aluminum Company of America; Carolina Aluminum Company (formerly Tallassee Power Company); The United States Aluminum Company; David K. E. Bruce; George H. Clapp; Safford K. Colby; Arthur V. Davis; Edward K. Davis; J. J. Demskie; Edwin S. Fickes; C. B. Fox; George R. Gibbons; Roy A. Hunt; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart; Irving W. Wilson; and Robert E. Withers, be, and it hereby is, reversed.

6. The following Findings of Fact and Conclusions of Law, among those dated and filed herein on July 14, 1942, are amended so as to read as follows, respectively, viz.:

Finding No. 153. The evidence does not show, nor is there basis for an inference, that, as alleged in substance in the amended petition, Aluminum Company of America owns or controls, or has ever owned or controlled, more than, or any proportion approaching as much as, 85% of the combined total of virgin aluminum produced and imported and of the competitive secondary or scrap aluminum moving in interstate trade or commerce in the United States.

Finding No. 154. The virgin aluminum ingot market in the United States consists of, and its aggregate is measured by, (a) the production of virgin aluminum ingot by Aluminum Company of America and (b) the importations of virgin aluminum ingot into the United States, both by Aluminum Company of America and by others. The percentage of this total which was both produced and imported by Aluminum Company of America during the period from February 2, 1909, to August 14, 1940, as shown in Column H of Section XL at pages 118 and 119 of petitioner's Appendix to its Brief submitted to the United States Circuit Court of Appeals for the Second Circuit, varied from a low of 67.90% in 1921 to a high of 99.99% in 1918. Except for the year 1921 and the years 1910, 1913 and 1922, when its percentage was 74.08%, 72.74% and 72.09%, respectively, its percentage was always over 80%, and, from 1934 to 1938, it averaged a trifle over 90%.

Finding No. 155. Since February 2, 1909, the date of the expiration of its patent monopoly, Aluminum Company of America, by building new plants, increased its capacity for production of virgin aluminum ingot more than eight fold, with the intention of maintaining its control of the virgin aluminum ingot market in the United States by anticipating increases in the demand for virgin aluminum ingot, and has thereby excluded all competitors from producing virgin aluminum ingot in the United States. It has not, however, since, at latest, June 7, 1912 (the date of the consent decree), entered, or intended or attempted to enter, into any agreement, understanding, combination, or conspiracy, with a competitor or a potential competitor, or formed a partnership, or combined, or merged, or consolidated with a competitor, or a potential competitor, designed (a) to monopolize or restrain the production or sale of virgin aluminum ingot, or (b) to exclude others, or any one, from a fair opportunity to engage in the production or sale of virgin aluminum ingot, or (c) to limit production of virgin aluminum ingot, or to fix prices therefor, or to allocate markets therefor, or (d) to prevent, suppress or decrease competition in the production or sale of virgin aluminum ingot, or to hinder, prevent or suppress a competitor, or potential competitor, therein; nor has it paid any sum of money or extended any privilege to any such competitor, or potential competitor, in order to prevent competition, nor has it acquired in excess of its reasonable needs raw materials necessary in the commercial production of virgin aluminum ingot.

Finding No. 257. From 1925 to 1932 Aluminum Company of America maintained differentials between its selling prices of virgin aluminum ingot and certain gauges of the products fabricated from hard alloys of aluminum, commonly known as duralumin or 17 S flat sheet, at such levels as to prevent fabricators of certain gauges of 17 S flat sheet from manufacturing and selling the same at a reasonable profit. The petitioner concedes, and the evidence establishes, that the extent to which such differentials have been unduly narrow is satisfactorily determinable only from the books of Aluminum Company of America. With respect to the differentials applicable to products fabricated from hard alloys, the petitioner adduced no evidence whatever from such books and no reliable evidence from any other source. The only evidence from the books on the subject was adduced by Aluminum Company of America and related exclusively to 17 S flat sheet, which is one of the hard alloys. This evidence establishes that during the whole of the year 1933, and ever since, an independent fabricator of 17 S flat sheet, if efficient, would have been able to purchase virgin aluminum ingot at prices at least as high as those at which it was sold by Aluminum Company of America and would have been able to sell 17 S flat sheet at prices at least as low as those charged therefor by Aluminum Company of America and make a reasonable profit thereon.

Finding No. 258. It is possible that those who in the future may come into control of Aluminum Company of America may resume the practice which

existed from 1925 to 1932, described in Amended Finding of Fact No. 257.

Finding No. 260. From 1925 to 1932 Aluminum Company of America maintained prices for virgin aluminum ingot which were higher than fair prices based on the cost of production of such virgin aluminum ingot.

Finding No. 261. The evidence does not show, nor is there basis for an inference, that Aluminum Company of America forced, nor that any act of Aluminum Company of America contributed to forcing, Baush Machine Tool Company to quit the aluminum or aluminum alloy business. The failure of the Baush Company to survive in competition with Aluminum Company of America was due to its own deficiencies and to its own errors of judgment described in Finding of Fact No. 255.

Finding No. 262. At least as early as 1930 independent fabricators of 17 S flat sheet complained to Aluminum Company of America that the differentials maintained by it, described in Amended Finding of Fact No. 257, prevented their fabricating and selling 17 S flat sheet at a reasonable profit.

Finding No. 262A. The evidence does not show, nor is there basis for an inference, that Aluminum Company of America (a) has ever monopolized, or intended or attempted (except as found in Amended Finding of Fact No. 257), or contracted, or combined, or conspired to monopolize the production or sale of hard alloys of aluminum, or (b) has ever contracted, or combined, or conspired to exclude others, or any one, from a fair opportunity to produce or

sell hard alloys of aluminum, or (c) has ever contracted, or combined, or conspired to exercise the power of fixing arbitrary or discriminatory or unreasonable prices of hard alloys of aluminum, or (d) has ever entered, or intended or attempted to enter, into any agreement, or understanding, or contract, or combination, or conspiracy with others, or with any one, to fix prices, or to allocate markets, or to restrict the production or sale of hard alloys of aluminum.

Finding No. 280. From 1925 to 1932 Aluminum Company of America maintained differentials between its selling prices of virgin aluminum ingot and five gauges of 2 S and 3 S coiled sheet and four gauges of 2 S and 3 S flat sheet at such levels as to prevent fabricators of such 2 S and 3 S coiled and flat sheet from manufacturing and selling the same at a reasonable profit. The petitioner concedes, and the evidence establishes, that since 1932 such sheet differentials have not been unduly narrow; nor since that date has there been any violation of law by Aluminum Company of America with respect to sheet differentials. No evidence whatever was offered with respect to the differentials applicable to fabricated aluminum products other than duralumin sheet, aluminum cable and aluminum sheet. With respect to aluminum sheet the evidence establishes that the extent to which there were narrow differentials is determinable only from the books of Aluminum Company of America. The only reliable evidence adduced with respect to aluminum sheet differentials prior to 1933 is that taken from the books of Aluminum Company of America and that is limited to the period 1925-1932.

Finding No. 281. The evidence introduced from books of Aluminum Company of America with respect to aluminum sheet differentials was limited to five gauge groups of 2 S and 3 S coiled sheet, four gauge groups of 2 S and 3 S flat sheet and five gauge groups of 17 S hard alloy or duralumin, for each of the eight years in the period complained of, viz., 1925-1932, a total of 112 items. The sheet differentials, determined by subtracting the prices received by Aluminum Company of America for virgin aluminum ingot from the prices received by it for such aluminum sheet, were less than the cost of fabrication of aluminum ingot into sheet in 31 out of the 112 items. For all five gauges of coiled sheet the average profit open to competing fabricators during this period was .84 cents a pound as against 4.7 cents per pound for the five succeeding years, viz., 1933-1937, for the four gauges of flat sheet the corresponding figures were .59 cents and 4 cents, and for hard alloy sheet 4.9 and 11.8 cents.

Finding No. 283. The evidence does not show, nor is there basis for an inference of, what were the costs of sheet competitors of Aluminum Company of America for fabricating aluminum sheet or that such sheet competitors operated efficiently or with good judgment. Throughout the period when it was engaged in manufacturing and selling sheet Baush Machine Tool Company operated inefficiently and in important respects without good judgment. Sheet Aluminum Corporation was hampered by lack of experience, equipment, and capital, and, as recognized by its officers, it was not until 1935 that it began to operate efficiently. The evidence does not show, nor is there basis for an inference of, what

was the quantity, if any, of sheet sold by such sheet competitors of gauges and types wherein the selling differentials of Aluminum Company of America were less than its cost of fabrication, or the quantity of sheet of such gauges and types which were sold by Aluminum Company of America.

Finding No. 284. It is possible that those who in the future may control Aluminum Company of America may resume the practice which existed from 1925 to 1932, described in Amended Finding of Fact No. 280.

Finding No. 285. At least as early as 1930 independent fabricators of 2 S and 3 S sheet, both coiled and flat, complained to Aluminum Company of America that the differentials maintained by it, described in Amended Finding of Fact No. 280, prevented their fabricating and selling 2 S and 3 S sheet, both coiled and flat, at a reasonable profit.

Finding No. 286. From 1925 to 1932, Aluminum Company of America maintained prices for certain gauges of 2 S and 3 S sheet, both coiled and flat, and certain gauges of 17 S hard alloy sheet, which were lower than fair prices based on the prices at which it was selling virgin aluminum ingot and the cost of fabricating such sheet.

Finding No. 286A. Unless by the restrictive clause in the Kruttschnitt-Coleman agreement of 1910, mentioned in Finding of Fact No. 210, which was cancelled by the consent decree of June 7, 1912, the evidence does not show, nor is there basis for an inference, that Aluminum Company of America has ever (a) monopolized, or intended or attempted

(except as found in Amended Finding of Fact No. 280), or contracted, or combined, or conspired to monopolize the production or sale of aluminum sheet, or (b) has ever contracted, or combined, or conspired to exclude others, or any one, from a fair opportunity to engage in the production or sale of aluminum sheet, or (c) has ever contracted, or combined, or conspired to exercise the power of fixing arbitrary or discriminatory or unreasonable prices of aluminum sheet, or (d) has ever entered, or intended or attempted to enter, into any agreement, or understanding, or contract, or combination, or conspiracy with others, or with any one, to fix prices, or to allocate markets, or to restrict the production or sale of aluminum sheet.

Finding No. 389. Speaking broadly and generally, Aluminum Company of America has been fair to its competitors and customers in the matter of selling prices. It has adhered to a practice of voluntarily reducing its selling prices under long term contracts when there was a general price reduction on the commodity in question during the life of the contract. The net earnings of seven of its competitors in the fabrication of various aluminum products are summarized in Table 24 of the opinion of this court.

Finding No. 391. Ever since prior to June 7, 1912 (the date of the consent decree), numerous metals and materials and numerous articles fabricated therefrom, including imported aluminum, secondary aluminum, market scrap aluminum, articles fabricated in the United States by others from aluminum, articles fabricated in foreign countries from

aluminum and imported into the United States, metals and materials other than aluminum from which have been fabricated in the United States articles marketed in the United States for uses identical with, or similar to, uses to which articles fabricated in the United States from aluminum were put, and articles fabricated from such metals or materials and marketed in the United States, have been in active competition in the United States with virgin aluminum and products made therefrom.

Finding No. 392. The evidence does not show, nor is there basis for an inference, that since, at latest, June 7, 1912, Aluminum Company of America has ever exercised, or attempted to exercise, any power to fix or adopt, or that it has fixed or adopted, arbitrary or oppressive or unreasonable or unfair prices or unreasonable or unfair competitive practices in the manufacture or sale of, or in connection with, virgin aluminum ingot or products made therefrom, except as found in Amended Findings of Fact Nos. 257, 260, 280 and 286.

Finding No. 406. It cannot be determined now whether it would be in the public interest to dissolve Aluminum Company of America, either vertically or horizontally.

Conclusion No. 29. From February 2, 1909, the date of expiration of the Bradley patent, to August 14, 1940, the date of the close of the trial, Aluminum Company of America has at all times been the sole producer of virgin aluminum in the United States and has produced (under the circumstances set forth in Amended Finding of Fact No. 155) from about 68% to over 90% of the total aluminum both

domestic and imported, available in the aluminum ingot market in the United States and has thereby monopolized the market for aluminum ingot in the United States, in violation of Section 2 of the Sherman Act (Act of July 2, 1890).

Conclusion No. 31. Since, at latest, June 7, 1912, the date of the consent decree, Aluminum Company of America has not entered, or intended or attempted to enter, into any agreement, understanding, combination, or conspiracy with any one, or formed a partnership, or combined, or merged, or consolidated with any one, designed (a) to monopolize or restrain the production or sale of virgin aluminum ingot, or (b) to exclude others, or any one, from a fair opportunity to engage in the production or sale of virgin aluminum ingot, or (c) to limit production of virgin aluminum ingot, or to fix prices therefor, or to allocate markets therefor, or (d) to prevent, suppress or decrease competition in the production or sale of virgin aluminum ingot, or to hinder, prevent or suppress a competitor, or potential competitor, therein; nor has it paid any sum of money, or extended any privilege to any such competitor, or potential competitor, in order to prevent competition, nor has it acquired in excess of its reasonable needs raw materials necessary in the commercial production of virgin aluminum ingot.

Conclusion No. 57. From 1925 to 1932, Aluminum Company of America violated Section 1 of the Sherman Act (Act of July 2, 1890) by maintaining differentials between its selling prices of aluminum ingot (which were higher than fair

prices), and its selling prices of certain gauges of the hard alloy, known as duralumin or 17 S flat sheet (which were held at too low levels in view of the prices of ingot), at such levels as to prevent fabricators of such gauges of 17 S flat sheet from manufacturing and selling the same at a reasonable profit.

Conclusion No. 58. Aluminum Company of America has never (a) monopolized, or intended or attempted (except as found in Amended Finding of Fact No. 257), or contracted, or combined, or conspired to monopolize the production or sale of hard alloys of aluminum, or (b) contracted, or combined, or conspired to exclude others, or any one, from a fair opportunity to produce or sell hard alloys of aluminum, or (c) contracted, or combined, or conspired to exercise the power of fixing arbitrary or discriminatory or unreasonable prices of hard alloys of aluminum, or (d) entered, or intended or attempted to enter, into any agreement or understanding or contract or combination or conspiracy with others, or with any one, to fix prices, or to allocate markets, or to restrict the production or sale of hard alloys of aluminum.

Conclusion No. 60. From 1925 to 1932, Aluminum Company of America violated Section 1 of the Sherman Act (Act of July 2, 1890) by maintaining differentials between its selling prices of aluminum ingot (which were higher than fair prices), and its selling prices of certain gauges of 2S and 3S sheet, both coiled and flat (which were held at too low levels in view of the prices of ingot), at such levels as to prevent fabricators of such

gauges of 2S and 3S sheet, both coiled and flat, from manufacturing and selling the same at a reasonable profit.

Conclusion No. 61. Unless by the restrictive clause in the Kruttschnitt-Coleman agreement of 1910, mentioned in Finding of Fact No. 210, which was cancelled by the consent decree of June 7, 1912, Aluminum Company of America has never (a) monopolized, or intended or attempted (except as found in Amended Finding of Fact No. 280), or contracted, or combined, or conspired to monopolize the production or sale of aluminum sheet, or (b) contracted, or combined, or conspired to exclude others, or any one, from a fair opportunity to engage in the production or sale of aluminum sheet, or (c) contracted, or combined, or conspired to exercise the power of fixing arbitrary or discriminatory or unreasonable prices of aluminum sheet, or (d) entered, or intended or attempted to enter, into any agreement, or understanding, or contract, or combination, or conspiracy with others, or with any one, to fix prices, or to allocate markets, or to restrict the production or sale of aluminum sheet.

Conclusion No. 66. Sales by Aluminum Company of America of aluminum ingot for the fabrication of aluminum sheet and aluminum alloy sheet at prices which were higher than fair prices and sales by Aluminum Company of America of certain gauges of aluminum sheet and certain gauges of aluminum alloy sheet, both coiled and flat, at prices which were below its selling prices for aluminum ingot, plus the cost of manufacturing and selling

such sheet, thus preventing fabricators of such gauges of sheet from manufacturing and selling the same at a reasonable profit, although not continued after 1932, require that it be enjoined from selling aluminum ingot, of which it had a monopoly on August 14, 1940, for the fabrication of sheet at higher than fair prices, and from selling sheet, both aluminum sheet and aluminum alloy sheet, at prices below its selling prices for aluminum ingot, plus the cost of manufacturing and selling such sheet, because of the possibility that such practices may in the future commend themselves to those then in control.

Conclusion No. 82. From 1925 to 1932 Aluminum Company of America fixed its selling prices of aluminum ingot at higher than fair prices, but the evidence does not show, nor is there basis for an inference, that at any other time it did so, or that it ever charged arbitrary, or discriminatory, or oppressive, or unreasonable prices for any aluminum product or any material from which aluminum is made.

Conclusion No. 84. Judgment should be entered dismissing the amended petition on the merits as to the defendants, Aluminum Goods Manufacturing Company; The Aluminum Cooking Utensil Company; Aluminum Manufactures, Incorporated; Aluminum Ore Company; Aluminum Seal Company; Alcoa Power Company, Limited; Alton and Southern Railroad; Bauxite and Northern Railway Company; Cedars Rapids Transmission Company, Limited; Knoxville Power Company; Louisiana Terminal Company; Massena Securities Corporation;

The Massena Terminal Railroad Company; Nantahala Power and Light Company; Alcoa Steamship Company, Inc. (formerly Ocean Dominion Steamship Company); Alcoa Mining Company (formerly The Republic Mining and Manufacturing Company); The St. Lawrence River Power Company; St. Louis and Ohio River Railroad; Surinaamsche Bauxite Maatschappij; The Coalesced Company; The Aloxite Corporation; Ailsa Mellon Bruce; Paul Mellon, David K. E. Bruce and Donald D. Shepard, as Executors of Andrew W. Mellon, deceased; Paul Mellon; Union Trust Company of Pittsburgh, Richard K. Mellon, Jennie King Mellon and Sarah Mellon Scaife, as Executors of Richard B. Mellon, deceased; Nina L. Neilson, as Executrix of Winthrop C. Neilson, deceased; and Sarah Mellon Scaife.

Conclusion No. 85. Judgment should be entered adjudging that the defendants, Aluminum Company of America; Carolina Aluminum Company (a wholly owned subsidiary of Aluminum Company of America); and George H. Clapp; Arthur V. Davis; George R. Gibbons; and Robert E. Withers, officers and directors of Aluminum Company of America, monopolized interstate trade and commerce in the United States in aluminum ingot from February 2, 1909, the end of the patent monopoly of Aluminum Company of America, to the close of the trial on August 14, 1940 (in the case of Carolina Aluminum Company only from 1912 to August 14, 1940), by causing Aluminum Company of America, as the sole producer of virgin aluminum ingot in the United States, to maintain its control of the aluminum ingot market in the

United States, by producing annually (under the circumstances set forth in Amended Finding of Fact No. 155) from about 68% to over 90% of the total aluminum ingot, both foreign and domestic, available for sale in that market, in violation of Section 2 of the Sherman Anti-Trust Act; and further adjudging that the defendants, David K. E. Bruce; Safford K. Colby; Edward K. Davis; J. J. Demskie; Edwin S. Fickes; C. B. Fox; Roy A. Hunt; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart; and Irving W. Wilson, within the respective periods of time during which they were officers, directors, or both, of Aluminum Company of America, participated in such monopolization by the same means, in violation of Section 2 of the Sherman Anti-Trust Act.

Conclusion No. 86. Judgment should be entered adjudging that the defendants, Aluminum Company of America; Carolina Aluminum Company and The United States Aluminum Company (wholly owned subsidiaries of Aluminum Company of America); and George H. Clapp; Arthur V. Davis; J. J. Demskie; Edwin S. Fickes; George R. Gibbons; Roy A. Hunt; and Robert E. Withers, officers and directors of Aluminum Company of America, engaged, from 1925 to 1932, in a so-called "price squeeze," by holding aluminum ingot at prices higher than fair prices and by holding certain gauges of aluminum sheet and aluminum alloy sheet at prices too low in view of the prices of ingot, and thereby reducing the differentials between the prices of aluminum ingot and the prices of certain gauges of aluminum sheet and aluminum alloy sheet to such an extent that

independent fabricators of such sheet could not operate at a profit, in violation of Section 1 of the Sherman Anti-Trust Act; and further adjudging that the defendants, David K. E. Bruce; Safford K. Colby; Edward K. Davis; C. B. Fox; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart; and Irving W. Wilson, within the respective periods of time during which they were officers, directors, or both, of Aluminum Company of America, participated in the said "price squeeze" by the same means, in violation of Section 1 of the Sherman Anti-Trust Act; and enjoining the defendants, Aluminum Company of America, Carolina Aluminum Company, and The United States Aluminum Company, and their successors, officers, directors and agents from again engaging in such "price squeeze".

7. The defendants, Aluminum Company of America; Carolina Aluminum Company, a wholly owned subsidiary of Aluminum Company of America; George H. Clapp; Arthur V. Davis; George R. Gibbons; and Robert E. Withers, monopolized interstate trade and commerce in the United States in aluminum ingot from February 2, 1909, the end of the patent monopoly of Aluminum Company of America, to the close of the trial on August 14, 1940 (in the case of Carolina Aluminum Company only from 1912 to August 14, 1940), by causing Aluminum Company of America, as the sole producer of virgin aluminum ingot in the United States, to maintain its control of the aluminum ingot market in the United States, by producing annually (under the circumstances set forth in Amended Finding of Fact No. 155) from about 68% to over 90% of the total aluminum ingot, both foreign and domestic, available for sale in that

market, in violation of Section 2 of the Sherman Anti-Trust Act (Act of July 2, 1890); and the defendants, David K. E. Bruce; Safford K. Colby; Edward K. Davis; J. J. Demskie; Edwin S. Fickes; C. B. Fox; Roy A. Hunt; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart; and Irving W. Wilson, within the respective periods of time during which they were officers, or directors, or both, of Aluminum Company of America, viz.:

David K. E. Bruce	from April 16, 1931 to August 14, 1940,
Safford K. Colby	from January 8, 1931 to August 14, 1940,
Edward K. Davis	from February 19, 1919 to June 4, 1928,
J. J. Demskie	from April 1, 1926 to August 14, 1940,
Edwin S. Fickes	from February 19, 1919 to August 14, 1940,
C. B. Fox	from April 16, 1931 to August 14, 1940,
Roy A. Hunt	from February 8, 1915 to August 14, 1940,
J. R. D. Huston	from January 8, 1931 to August 14, 1940,
C. L. Lycette	from January 8, 1931 to August 14, 1940,
Richard K. Mellon	from April 11, 1929 to August 14, 1940,
Charles H. Moritz	from February 19, 1919 to April 11, 1929,
George J. Stanley	from January 8, 1931 to August 14, 1940,
Paul J. Urquhart	from January 8, 1931 to August 14, 1940, and
Irving W. Wilson	from January 8, 1931 to August 14, 1940.

participated in the monopolization of interstate trade and commerce in the United States in aluminum ingot by the same means, in violation of said Section 2 of the Sherman Anti-Trust Act.

8. The defendants, Aluminum Company of America; Carolina Aluminum Company; The United States Aluminum Company; George H. Clapp; Arthur V. Davis; J. J. Demskie; Edwin S. Fickes; George R. Gibbons; Roy A. Hunt; and Robert E. Withers, engaged, from 1925 to 1932, in a so-called "price squeeze", by holding aluminum ingot at prices higher than fair prices and by holding certain gauges of aluminum sheet and aluminum alloy sheet at prices too low, in view of the

prices of ingot, and thereby reducing the differentials between the prices of aluminum ingot and the prices of certain gauges of aluminum sheet and aluminum alloy sheet to such an extent that independent fabricators of such sheet could not operate at a profit, in violation of Section 1 of the Sherman Anti-Trust Act (Act of July 2, 1890); and the defendants, David K. E. Bruce; Safford K. Colby; Edward K. Davis; C. B. Fox; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart and Irving W. Wilson, within the respective period of time between 1925 and 1932 during which they were officers, or directors, or both, of Aluminum Company of America, viz:

David K. E. Bruce	from April 16, 1931 to December 31, 1932,
Safford K. Colby	from January 8, 1931 to December 31, 1932,
Edward K. Davis	from January 1, 1925 to June 4, 1928,
C. B. Fox	from April 16, 1931 to December 31, 1932,
J. R. D. Huston	from January 8, 1931 to December 31, 1932,
C. L. Lycette	from January 8, 1931 to December 31, 1932,
Richard K. Mellon	from April 11, 1929 to December 31, 1932,
Charles H. Moritz	from January 1, 1925 to April 11, 1929,
George J. Stanley	from January 8, 1931 to December 31, 1932,
Paul J. Urquhart	from January 8, 1931 to December 31, 1932,
and	
Irving W. Wilson	from January 8, 1931 to December 31, 1932,

participated in the said "price squeeze" by the same means, in violation of said Section 1 of the Sherman Anti-Trust Act.

9. The defendants, Aluminum Company of America, Carolina Aluminum Company and The United States Aluminum Company, and the successors, officers, directors and agents of each of said companies be, and they hereby are, enjoined and restrained from selling aluminum ingot for the fabrication of aluminum sheet or aluminum alloy sheet at higher than fair prices, if the fabricator of such sheet is thereby prevented from

fabricating and selling aluminum sheet or aluminum alloy sheet at a reasonable profit, provided that such fabricator is efficient, well equipped, and otherwise able to fabricate and sell such sheet on a fully competitive basis; and further enjoined and restrained from selling aluminum sheet and aluminum alloy sheet, both coiled and flat, at prices below its selling prices for aluminum ingot, plus the cost of manufacturing and selling such sheet. In the event that the monopoly of Aluminum Company of America in aluminum ingot in the United States, found in Paragraph 7 of this judgment to exist, shall be terminated as the result of its dissolution, or partial dissolution, or as the result of the sale of one or more of its aluminum producing plants, whether voluntary or required by a future order of this court, or as the result of the adoption by the Surplus Property Administrator, or other authorized agency, of a plan for the aluminum industry as a whole, which shall be approved by this court and accepted and carried out by Aluminum Company of America, to the extent that it has a part in such plan, or, in the absence of the adoption by the Surplus Property Administrator, or other authorized agency, of a plan for the aluminum industry as a whole, as the result of the disposal, through sale or lease to others than the Aluminum Company of America of government-owned aluminum producing plants, which shall be found by this court to be sufficient to restore competitive conditions in such industry, or as the result of any other changes in the aluminum industry which shall be found by this court to be sufficient to restore competitive conditions in such industry, the injunction contained in this Paragraph shall thereupon cease and determine.

10. The amended petition herein is hereby dismissed on the merits as to the defendants, Aluminum Company of America; Carolina Aluminum Company; The United States Aluminum Company; David K. E. Bruce; George H. Clapp; Safford K. Colby; Arthur V. Davis; J. J. Demskie; Edwin S. Fickes; C. B. Fox; George R. Gibbons; Roy A. Hunt; J. R. D. Huston; C. L. Lycette; Richard K. Mellon; Charles H. Moritz; George J. Stanley; Paul J. Urquhart; Irving W. Wilson; and Robert E. Withers, with respect to all claims alleged against them, or any of them therein, except the claims sustained in Paragraphs 7 and 8 herein; and also as to the defendant, Edward K. Davis, with respect to all claims alleged therein against him as an officer, director or stockholder of Aluminum Company of America, or any of its subsidiaries, except the claims sustained in Paragraphs 7 and 8 herein.

11. The defendant, Aluminum Company of America, for the purpose of securing compliance with the provisions of Paragraph 9 of this judgment, and for no other purpose, shall permit, subject to any legally established privilege, duly authorized representatives of the Department of Justice, upon written request of the Attorney General or an Assistant Attorney General of the United States, and on reasonable written notice to Aluminum Company of America, given at its principal office, to have access, during its office hours, to all books, ledgers, accounts, correspondence, memoranda, and other records and documents in its possession, or under its control, relating to the matters contained in said Paragraph, and to interview its officers and employees, who may have counsel present, without restraint or interference and subject to their reasonable con-

venience, with reference to such matters, provided, however, that no information so obtained shall be divulged to any person other than a duly authorized representative of the Department of Justice, except in the course of legal proceedings, to which the United States is a party, instituted for the purpose of securing compliance with the provisions of said Paragraph, or as may be otherwise required or permitted by law.

12. To the end that the said mandate and opinion of the United States Circuit Court of Appeals for the Second Circuit may be carried out, this court reserves and retains jurisdiction of this cause for such time as may be necessary after the Surplus Property Administrator appointed under the Act of September 18, 1945, or other authorized administrative agency, shall have proposed a plan or program for the disposition of the aluminum plants and facilities owned by the petitioner or owned by any Government agency, in accordance with the requirements of Section 19 of the Surplus Property Act of 1944, or of other applicable statutes, in order that the Attorney General may institute at the foot thereof such proceedings, either for the dissolution or the partial dissolution of Aluminum Company of America, or for the enforcement of such plan or program, if the same shall establish competitive conditions in the aluminum industry in the United States, or for such other relief as may seem appropriate and necessary to establish competitive conditions in the aluminum industry in the United States, in the event that such plan or program should not do so; and for the purpose of enabling Aluminum Company of America to apply to this court for a determination of the question whether it still has a monopoly of the aluminum ingot market in

the United States. Jurisdiction of this cause is also retained for the purpose of enabling any of the parties hereto, or their successors, except those as to whom the amended petition has been dismissed by Paragraphs 2, 3 and 4 of this judgment, to apply to this court at any time for such further orders and directions as may be necessary or appropriate for the interpretation or carrying out of this judgment, for the modification thereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.

13. None of the parties to this judgment shall recover costs.

FRANCIS G. CAFFEY
UNITED STATES DISTRICT JUDGE