APPENDIX A:

UNITED STATES v. EIGHTEEN KARAT CLUB, ET AL.

CIVIL NO. L12J

JUDGMENT ENTERED MAY 4, 1927

UNITED STATES OF AMERICA v. EIGHTEEN KARAT CLUB ET AL., DEFENDANTS.

IN THE DISTRICT COURT OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF CALIFORNIA, SOUTHERN DIVISION.

In Equity No. L12J.

UNITED STATES OF AMERICA, PLAINTIFF

VS.

EIGHTEEN KARAT CLUB, AN UNINCORPORATED ASSOCIATION; Shreve, Treat & Eacret, a corporation; Shreve & Company, a corporation; Hirschman & Co., a corporation; H. Morton Company, a corporation; Brock and Company, a corporation; Donavan & Seamans Co., a corporation; Montgomery Bros., a corporation; J. Herbert Hall Company, a corporation; Carl G. W. Noack, Guido Noack, and T. Hammill, copartners, as C. J. Noack Co.; Constant J. Auger, Godfrey Eacret, George Lewis, Joseph C. Hickingbotham, Marion C. Hirshman, Julius A. Young, George A. Brock, James G. Donavan, James A. Montgomery, Chester Montgomery, J. Herbert Hall, and R. L. Frick, defendants.

FINAL DECREE.

The United States of America having filed its petition herein on the 24th day of November, 1926, and the defendants, Eighteen Karat Club, an unincorporated association; Shreve, Treat & Eacret, a corporation; Shreve & Company, a corporation; Hirschman & Co., a corporation; H. Morton Company, a corporation; Brock and Company, a corporation; Donavan & Seasmans Co., a corporation; Montgomery Bros., a corporation; J. Herbert Hall Company, a corporation; Carl G. W. Noack, Guido Noack, and T. Hammill, copartners, as C. J. Noack Co.; Constant J. Auger, Godfrey Eacret, George Lewis, Joseph C. Hickingbotham, Marion C. Hirschman, Julius A. Young, George A. Brock, James G. Donavan, James A. Montgomery, Chester Montgomery, J. Herbert Hall, and R. L. Frick having duly appeared by Oscar Lawler, Esq., and Maurice Norcop, Esq., their attorneys, and this action having been heretofore dismissed against R. L. Frick; this cause came on to be heard before the above entitled court, the Honorable William P. James, Judge, presiding, on the 4th day of May, A. D. 1927, Samuel W. McNabb, United States Attorney for the Southern District of California, C. Stanley Thompson and R. P. Stewart, Special Assistants to the Attorney General, appearing on behalf of the United States of America, and Oscar Lawler, Esq., and Maurice Norcop, Esq., appearing on behalf of the defendants;

And it appearing to the court that the petition herein states a cause of action and that the court has jurisdiction of the subject matter alleged in the petition; and the United States of America having moved the court

for an injunction and for other relief against the defendants as hereinafter decreed; and the court having fully considered the statements of counsel for the respective parties and all and singular the allegations of the petition and answer herein; and it further appearing that the defendant Eighteen Karat Club has been voluntarily dissolved by the members thereof; and the court being fully advised in the premises finds for the plaintiff and against the defendants on all the issues; written findings of fact and conclusions of law being hereby expressly waived by all of the parties hereto and all of the defendants, through their said attorneys, now and here consenting to the rendition of the following decree:

NOW, THEREFORE, it is ordered, adjudged, and decreed as follows:

1. That the conspiracy in restraint of interstate trade and commerce and the acts, agreements, and understandings among the defendants in restraint of interstate trade and commerce, alleged in the petition herein, are in violation of the Act of Congress of July 2, 1890, entitled "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies," and acts amendatory thereof and supplemental or additional thereto.

2. That the defendants, their officers, agents, servants and/or employees be, and they are hereby, perpetually enjoined and prohibited—

(*a*) From agreeing or contracting together, or with one another, or with others, orally or in writing, expressly or impliedly, directly or indirectly, to coerce and/or to require manufacturers, wholesale dealers and/or jobbers of the commodities described in the petition herein, to exclude from the purchases and sales of said commodities the retail jewelers mentioned in the petition herein, or any other person, firm, or corporation now or hereafter engaged in business as a retail jeweler in competition with the defendants or any of them;

(*b*) From agreeing and contracting together, or with one another, or with others, orally or in writing, expressly or impliedly, directly or indirectly, to withhold their patronage from any manufacturer, wholesale dealer or jobber in said commodities described in the petition herein by reason of or on account of such manufacturer, wholesale dealer or jobber having sold or supplied any of the commodities described in the petition herein to the retail jewelers hereinbefore referred to, or any of them, or to any other person, firm, or corporation now or hereafter engaged in business as a retail jeweler in competition with the defendants, or any of them;

(*c*) From agreeing and contracting together, or with one another, or with others, orally or in writing, expressly or impliedly, directly or indirectly, to conduct the said retail jewelry businesses of the said defendants in accordance with a plan or plans involving the purchasing of the commodities described in the petition herein, by said defendants, only from manufacturers, wholesale dealers, or jobbers who have refrained and who hereafter refrain from supplying said commodities to the retail jewelers hereinbefore referred to, or to any other person, firm, or corporation now or hereafter engaged in business as a retail jeweler in competition with the defendants, or any of them; and

(d) From sending to manufacturers, wholesale dealers, or jobbers, or their agents, engaged in selling and transporting said commodities described in the petition herein among the several states, communications, oral or written, suggesting, directly or indirectly, that said manufacturers, wholesale dealers, or jobbers, or their agents, shall refrain from selling said commodities described in the petition herein to the said retail jewelers hereinbefore referred to, or to any of them, or to any other person, firm, or corporation now or hereafter engaged in business as a retail jeweler in competition with the defendants, or any of them; and

(*e*) From reorganizing the said Eighteen Karat Club, or from organizing any similar association, corporation, or club, the effect or purpose of which would be to re-

strain, directly or indirectly, the interstate trade and commerce in the commodities described in the petition herein among the several states of the United States, or which could be used as an instrumentality for carrying out and/or accomplishing any of the purposes of the conspiracy described in the petition herein; and

(*f*) From directly or indirectly carrying out or continuing in effect any by-laws, agreements, contracts, acts, or practices, and from making any express or implied agreements or contracts with one another, or with others, like those alleged in the petition herein and hereby declared to be illegal, and/or from using any other similar means or methods the effect of which would be to prevent the free and unrestrained flow of interstate commerce in said commodities.

3. That jurisdiction of this cause is hereby retained for the purpose of giving full effect to this decree, and for the purpose of making such other and further orders, decrees, and amendments or modifications, or taking such other action, if any, as may be necessary or appropriate to the carrying out and enforcement of said decree; and for the purpose of enabling any of the parties to this decree to make application to the court at any time for such further orders and directions as may be necessary or proper in relation to the execution of the provisions of this decree, and for the enforcement of strict compliance therewith.

May 4, 1927.

WILLIAM P. JAMES,
United States District Judge.