

## Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. McKesson & Robbins, Incorporated., U.S. District Court, S.D. New York, 1957 Trade Cases ¶68,716, (May 15, 1957)

[Click to open document in a browser](#)

United States v. McKesson & Robbins, Incorporated.

1957 Trade Cases ¶68,716. U.S. District Court, S.D. New York. Civil Action No. 76-50. Filed May 15, 1957. Case No. 1130 in the Antitrust Division of the Department of Justice.

### Sherman Antitrust Act

**Resale Price Fixing and Fair Trade—Consent Decree—Practices Enjoined—Resale Price Agreements Between Competitors—Dual Functioning Company—Refusal To Sell— Manufacturer-Wholesaler of Drugstore Merchandise.**—A manufacturer-wholesaler of drugstore merchandise was prohibited by a consent decree from (1) entering into any understanding with any wholesaler of drugstore merchandise whereby it is agreed that the wholesaler will maintain minimum prices fixed by the manufacturer-wholesaler for sales to retailers of the brand products of the manufacturer-wholesaler, or whereby it is agreed that the wholesaler will sell such brand products only to retailers who agree to maintain minimum resale prices, (2) inducing any wholesaler to maintain minimum wholesale prices fixed by the manufacturer-wholesaler for its brand products or to require retailers to whom the wholesaler resells such brand products to enter into agreements fixing minimum retail prices, or (3) refusing to sell such brand products to any wholesaler because the wholesaler has not agreed to maintain or has failed to maintain minimum wholesale prices for such brand products or because the wholesaler has not required retailers to enter into agreements fixing minimum resale prices.

For the plaintiff: Victor R. Hansen, Assistant Attorney General, Department of Justice, and Homer W. Hanscom, Attorney, Department of Justice.

For the defendant: Hodges, Reavis, McGrath & Downey, by Denis B. Sullivan, New York, N. Y.

**For a prior decision of the U. S. Supreme Court, see [1956 Trade Cases ¶ 68,368](#), reversing a decision of the U. S. District Court, Southern District of New York, [1955 Trade Cases ¶ 68,066](#); for an earlier decision of the District Court, see [1954 Trade Cases ¶ 67,805](#).**

### Final Judgment

WILLIAM B. HERLANDS, District Judge [ *In full text*]: The judgment of this Court entered June 6, 1955 dismissing the complaint in this action having been reversed by the United States Supreme Court on June 11, 1956, and that Court having remanded the action to this Court for further proceedings not inconsistent with its opinion; and the defendant without waiting for a further order of this Court having cancelled and terminated the resale price maintenance contracts covering its brand products which it had heretofore entered into with wholesalers;

Now, on the subjoined consent of counsel for the respective parties hereto, it is hereby Ordered, Adjudged and Decreed:

#### I.

##### [ *Resale Price Fixing* ]

The defendant is perpetually enjoined from entering into any combination, contract, agreement or understanding, express or implied, with any wholesaler of drugstore merchandise whereby it is agreed or understood that the wholesaler will maintain or adhere to prices or minimum prices fixed by defendant, or agreed upon between defendant and said wholesaler, for sales to retailers or other purchasers of defendant's brand products, or whereby it is agreed or understood that the said wholesaler will sell defendant's brand products only to retailers who agree to maintain fixed or minimum resale prices.

II.

[ *Inducements*]

The defendant is perpetually enjoined from inducing, persuading, or causing any wholesaler to maintain minimum wholesale prices fixed or suggested by defendant for its brand products, or to require retailers to whom said wholesaler resells defendant's brand products to enter into agreements or understandings with the defendant or with such wholesaler fixing minimum retail prices for the sale of defendant's brand products.

III.

[ *Refusal To Sell*]

The defendant is perpetually enjoined from refusing to sell its brand products to any wholesaler because said wholesaler has not agreed to maintain, or has failed to maintain minimum wholesale prices fixed or suggested by defendant for its brand products or because said wholesaler has not required or attempted to require retailers to whom it resells said products to enter into agreements or understandings with it, or with the defendant, fixing minimum resale prices.

IV.

[ *Costs*]

Judgment is entered against the defendant for all taxable costs in this proceeding.

V.

[ *Inspection and Compliance*]

For the purpose of securing compliance with this Judgment, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to the defendant, made to the principal office of the defendant, be permitted (1) access during the office hours of the defendant to books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of the defendant relating to any matter contained in this Judgment and (2) subject to the reasonable convenience of the defendant and without restraint or interference from it to interview officers and employees of the defendant, who may have counsel present, regarding any such matters. No information obtained by the means provided in this Section V shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of such Department, except in the course of legal proceedings to which the United States is a party for the purpose of securing compliance with this judgment or as otherwise required by law.

VI.

[ *Jurisdiction Retained*]

Jurisdiction of this cause is retained for the purpose of enabling the plaintiff and the defendant to apply to the Court at any time for such further orders and directions as may be necessary or appropriate for construction or carrying out of this judgment, for the amendment or modification of any of the provisions thereof, for the enforcement of compliance therewith, and for the punishment of violations thereof.