Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Fur Shearers Guild, Inc.; Philip Amster; Louis Ferrari; Samuel Weinstein; Peter Del Bianco; William Bet; and Milton Husack., U.S. District Court, S.D. New York, 1959 Trade Cases ¶69,312, (Mar. 18, 1959)

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United States v. Fur Shearers Guild, Inc.; Philip Amster; Louis Ferrari; Samuel Weinstein; Peter Del Bianco; William Bet; and Milton Husack.

1959 Trade Cases ¶69,312. U.S. District Court, S.D. New York. Civil No. 141-41. Filed March 18, 1959. Case No. 1428 in the Antitrust Division of the Department of Justice.

Sherman Antitrust Act

Combinations and Conspiracies—Trade Associations—Association Membership as a Means of Trade Restraint—Price Fixing—Exclusive Dealing—Exclusion from Trade.—An association of persons engaged in the business of shearing furs and the association's individual members were prohibited by a consent decree from agreeing to fix prices for the sale of fur shearing services and to restrict or eliminate price competition between fur shearing concerns. The decree also enjoined the association and its, members from (1): inducing manufacturers of sheared fur garments to discontinue business relations with any fur shearer, (2) preventing manufacturers from obtaining the services of any fur shearer, or (3) preventing the manufacturers from performing fur shearing services on their own garments. In addition, the decree ordered the association and its members to cancel all contracts with manufacturers which limited those manufacturers to the employment of fur shearers who were members of the association. Further, the decree prohibited participation or membership in any association or organization whose activities are inconsistent with the provisions of the judgment. Combinations and Conspiracies—Trade Associations—Circulating Price Lists.—An association of persons engaged in the business of shearing furs and the association's individual members were prohibited by a consent decree from circulating or exchanging any price list for the shearing of furs which was established by an agreement between two or more fur shearers. In addition, the individual members of the association were ordered to cause their own fur shearing firms to withdraw their current price lists for fur shearing services and independently issue new lists on the basis of individual cost figures and other lawful considerations.

Department of Justice Enforcement and Procedure—Consent Decree—Specific Relief—Dissolution— Cancellation of Contracts—Withdrawal of Price Lists.—An association of fur shearers and its individual members were ordered by consent decree to institute proceedings for the dissolution of the association and to cancel all contracts with manufacturers of sheared fur garments whereby such manufacturers were limited to the employment of fur shearers who were members of the association. Also, the individual members of the association, after being prohibited from circulating price lists agreed upon between two or more fur shearers, were ordered to withdraw their current price lists and to independently prepare new ones.

For the plaintiff: Victor R. Hansen, Assistant Attorney General; and Richard B. O'Donnell, W. D. Kilgore, Jr., Augustus A. Marchetti, and Paul D. Sapienza, Attorneys, Department of Justice.

For the defendants: Arthur Cooperman, of counsel, for the defendant association; and Philip Amster, Louis Ferrari, Samuel Weinstein, Peter Del Bianco, William Bet, and Milton Husack, for the individual defendants.

Final Judgment

[Consent Decree]

NOONAN, District Judge [*In full text*]: The plaintiff, United States of America, having filed its complaint herein on December 16, 1958, and each of the said defendants having appeared herein and the plaintiff and the defendants, by their respective attorneys, having severally consented to the entry of this Final Judgment without

trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting evidence or admission by any party in respect of any such issue;

Now, Therefore, before any testimony or evidence has been taken herein, and without trial or adjudication of any issue of fact or law herein, and upon the consent of all the parties hereto, it is hereby

I

Ordered, Adjudged and Decreed as Follows:

[Jurisdiction]

The Court has jurisdiction of the subject matter hereof and all the parties hereto. The complaint states a claim upon which relief may be granted against the defendants and each of them under Section I of the Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," commonly known as the Sherman Act, as amended.

II

[Definitions]

As used in this Final Judgment:

(A) "Person" shall mean any individual, partnership, firm, association, corporation or other legal entity;

(B) "Defendant Association" shall mean the defendant Fur Shearers Guild, Inc.;

(C) "Fur shearing" shall mean the process whereby the hairs of selected animal furs are cut to a predetermined uniform length, and, if desired, various grooves are cut into the furs to highlight the natural color gradations that exist in certain furs;

(D) "Sheared fur garments" shall mean fur garments that have been subjected to fur shearing; including sheared fur coats, jackets, stoles, wraps, and other outer garments as well as sheared furs used as trimmings or adornments on outer garments; and

. (E) "Fur shearer" shall mean any person whose primary business is the offering of his or its fur shearing services to any manufacturer of sheared fur garments on a fee or charge basis.

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[Applicability]

The provisions of this Final Judgment applicable to any defendant shall apply to each such defendant and to his or its officers, agents, servants, employees, members, subsidiaries, successors and assigns, and to all other persons in active concert or participation with any defendant who shall have received actual notice of this Final Judgment by personal service or otherwise.

IV

[Cancellation of Contracts—Dissolution]

The defendants are ordered and directed:

(A) Forthwith to cause the Defendant Association in writing pursuant to this decree to terminate, cancel and declare of no effect all contracts, agreements and understandings between the Defendant Association and manufacturers of sheared fur garments limiting such manufacturers to the employment of fur shearers who are members of the Defendant Association;

(B) Forthwith to institute such action as may be necessary to dissolve the Defendant Association under the laws of the State of New York and to complete such dissolution within the minimum period of time permitted by the laws of the State of New York; and

(C) Upon completion of such dissolution of the Defendant Association, to file a report with this Court and with the plaintiff setting forth the fact of compliance with this Section IV.

V

[Prohibited Agreements]

The defendants are jointly and severally enjoined and restrained from, directly or indirectly, entering into, adhering to, enforcing, maintaining, or claiming any rights under any contract, agreement, understanding, plan or program with any manufacturer of sheared fur garments and any association or central agency of or for persons engaged in the fur shearing trade or industry:

(A) To limit, restrict, eliminate or reduce price competition between fur shearing concerns; and

(B) To hinder, restrict, limit or prevent any fur shearing concern from offering its services to manufacturers of sheared fur garments.

VI

[Price Fixing—Exclusive Dealing]

The defendants are jointly and severally enjoined and restrained from, directly or indirectly:

(A) Entering into, adhering to, or enforcing any contract, agreement, understanding, plan or program with any other person fixing, determining, establishing, maintaining or stabilizing prices, pricing methods, discounts, mark-ups, or other terms or conditions for the sale of shearing services to any third person;

(B) Advising, suggesting or inducing or attempting to advise, suggest or induce, any or all manufacturers of sheared fur garments to discontinue business relations with any fur shearer; provided however, that the defendants shall not be enjoined from individually soliciting the custom of any manufacturer of sheared fur garments;

(C) Hindering, restricting, limiting or preventing or attempting to hinder, restrict or prevent any manufacturer of sheared fur garments from obtaining the services of any fur shearer or from itself performing fur shearing services on its own sheared fur garments;

(D) Circulating, exchanging or using in any manner, any price list or purported price list containing prices, terms or conditions for shearing of furs which have been agreed upon or established pursuant to agreement between two or more fur shearers; and

(E) Being a member of, contributing anything of value to, or participating in any of the activities of, any trade association or other organization, the activities of which are inconsistent in any manner with any of the provisions of this Final Judgment.

VII

[Price Lists]

Within thirty (30) days following the date of the entry of this Final Judgment, each of the individual defendants shall cause the fur shearing firm or business, which each owns in whole or in part, to:

(A) Withdraw its presently effective price list for fur shearing services originally issued between January 1, 1958 and February 28, 1958;

(B) Individually review the prices withdrawn in conformity with Section VII (A) herein on the basis of its individual cost figures and its individual judgment as to profits and other lawful considerations and issue a new price list on the basis of such independent review; and

(C) File with this Court, and with the plaintiff, a report setting forth the fact and manner of their compliance with this Section VII, together with a copy of the new price list issued by the fur shearing firm or business which each owns in whole or in part.

[Notice]

VIII

The Defendant Association is ordered and directed, within ten (10) days after the date of its entry, to furnish to each of its present members a conformed copy of this Final Judgment and to file with this Court, and with the plaintiff, a report setting forth the fact: and manner of its compliance with this Section VIII, together with the names and addresses of each person to whom a copy of this Final Judgment shall have been furnished in compliance herewith.

IX

[Enforcement and Compliance]

For the purpose of securing compliance with this Final Judgment, duly authorized representatives of the Department of Justice shall on written request of the Attorney General or the Assistant Attorney General in charge of the Anti-Trust Division, and on reasonable notice to any defendant made to its principal office, be permitted, subject to any legally recognized privilege, (A) reasonable access during office hours of such defendant to all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of such defendant, relating to any of the matters contained in this Final Judgment, and (B) subject to the reasonable convenience of such defendant and without restraint or interference to interview officers and employees of such defendant, who may have counsel present, regarding any such matters. Upon such written request, said defendant shall submit such written reports with respect to any of the matters contained in this Final Judgment as from time to time may be necessary for the purpose of enforcement of this Final Judgment. No information obtained by the means provided in this Section "IX", shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Executive Branch of the plaintiff except in the course of legal proceedings in which the United States is a party for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

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[Jurisdiction Retained]

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment 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 Final Judgment, for the modification of any of the provisions thereof, for the enforcement of compliance therewith and punishment of violations thereof.