

U. S. vs. TEXTILE REFINISHERS ASSOCIATION INC.
IN THE DISTRICT COURT OF THE UNITED STATES
SOUTHERN DISTRICT OF NEW YORK.

In Equity No. 83-26.

UNITED STATES OF AMERICA, PETITIONER

VS.

TEXTILE REFINISHERS ASSOCIATION INC.; HERMAN MORITZ; MONARCH ACCURATE, INC.; ACME & TEXTILE SHRINKING WORKS, INC.; AMERICAN-LONDON SHRINKERS CORP.; ATLAS CLOTH SPONGING CO. INC.; CHATHAM CLOTH SPONGING WORKS, INC.; MORRIS GARFUNKEL CONDITIONING CORP.; GREENBERG TEXTILE SHRINKERS, INC.; HYLO TEXTILE SHRINKING CO. INC.; IMPERIAL SPONGING CO. INC.; INTERSTATE SHRINKING CORP.; L. & L. EXPERT SHRINKERS CORP.; LAFAYETTE CLOTH EXAMINING & SHRINKING WORKS, INC.; FRED NEDWELL DOING BUSINESS UNDER THE FIRM NAME AND STYLE OF LENNON SHRINKING COMPANY; LINEN SHRINKING CO. INC.; MANHATTAN CLOTH FINISHING CO. INC.; HERMAN MORITZ SHRINKING CORP.; MERIT NATIONAL SHRINKING WORKS INC.; MIDTOWN TEXTILE

SHRINKING CORP.; MODEL-ARROW EXAMINING & SHRINKING CORP.; PERFECT CLOTH SHRINKING WORKS INC.; PHIL-OR TEXTILE SHRINKING CORP.; PROGRESS CLOTH SPONGING WORKS, INC.; RIGBY WATERPROOF & FINISHING CO. (ESTATE OF R. G. PAUL); WM. A. ROTHOLZ CO. INC.; SERVICE SPONGING COMPANY, INC.; THE THEODORE TIEDEMANN CORP.; UNEEDA CLOTH SPONGING WORKS, INC.; UNION CLOTH SPONGING WORKS, INC.; UNITED STATES CLOTH SPONGING CO. INC.; WORLD EXAMINING WORKS; TEXTILE EXAMINERS AND FINISHERS UNION No. 18205; THE CLOTH SPONGING DRIVERS AND HELPERS UNION, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN & HELPERS OF AMERICA INC. No. 363, AND LOUIS LUFRANO, DEFENDANTS.

DECREE

This cause coming on to be heard this 30th day of April, 1936, and the several defendants having accepted service of process and having appeared and filed their answer to the petition;

And the Petitioner and the defendants having filed a stipulation with the Clerk of the Court wherein and whereby they consent to the making and entering of this decree;

And the Petitioner by its counsel having represented to the Court that this decree will provide suitable relief concerning the matters which the Petitioner charges in said petition and having requested that this decree be made and entered;

And it appearing that by reason of the consent of the defendants to this decree and the acceptance of the same by the Petitioner, it is unnecessary to proceed with the trial of the cause or to take testimony therein or that any adjudication be made by the Court of the issues presented by the pleadings herein;

NOW, THEREFORE, without taking any testimony or evidence and in accordance with such stipulation, which is made a part hereof, and upon the petition, the answer

of the defendants, and the stipulation, all of which are being filed herewith in the Office of the Clerk of this Court, it is hereby

ORDERED, ADJUDGED AND DECREED as follows:

I. That the Court has jurisdiction of the subject matter hereof and of all the parties hereto with full power and authority to enter this decree; and that the petition states a cause of action under the Act of Congress approved July 2, 1890, entitled "An Act to Protect Trade and Commerce against Unlawful Restraints and Monopolies", commonly known as the Sherman Anti-Trust Act.

II. That the defendants and each and all of them and each and all of their respective officers, directors, members, representatives, delegates, agents, servants, employees, and all persons acting or claiming to act on behalf of defendants or any of them be and they hereby are perpetually enjoined and restrained from carrying out, directly or indirectly, expressly or impliedly, by any means whatsoever, any combination or conspiracy to restrain interstate trade and commerce in cloth or the finishing thereof; and from combining to perform or to continue to perform any of the following acts, conditions or things:

(1) Preventing millers or manufacturers located in states other than the State of New York from shipping, transporting, and delivering or causing the shipment, transportation, and delivery of cloth to examiners located within the State and Southern District of New York other than particularly specified members of defendant Association and at prices and upon terms or conditions dictated, fixed, and agreed upon by the defendants; PROVIDED HOWEVER, that defendants shall not be precluded from entering into or enforcing any lawful arrangement with manufacturers located within the State of New York relating to the servicing by particularly specified members of defendant Association of cloth, the interstate movement of which has ceased;

(2) Restraining manufacturers located within the State and Southern District of New York from shipping,

transporting and delivering cloth to examiners located in states other than the State of New York; PROVIDED HOWEVER, that defendants may enter into any lawful agreements with such manufacturers for the exclusive servicing of their cloth within the State of New York;

(3) Restraining examiners located in states other than the State of New York from receiving, accepting, examining, sponging, transporting or delivering cloth to or for manufacturers located within the State and Southern District of New York; PROVIDED HOWEVER, that defendants may enter into any lawful agreements with such manufacturers for the exclusive servicing of their cloth within the State of New York;

(4) Restraining any persons who are not members of defendant Association from entering into or continuing to conduct in interstate commerce an examining and sponging business;

(5) Restraining any persons who are not members of defendant Association from entering into or continuing to conduct in interstate commerce an examining and sponging business except at prices or upon terms and conditions dictated, fixed and agreed upon by defendants;

(6) Carrying on the business of examining and sponging cloth in interstate trade and commerce in accordance with or pursuant to any understanding or agreement among themselves as to prices and terms for examining and sponging cloth to be charged or imposed upon manufacturers located in states other than the State of New York, and from fixing by agreement uniform and non-competitive prices to be charged for examining and sponging such cloth for such manufacturers; and from quoting and charging such prices so fixed and from refraining from quoting and charging prices other than those so fixed with regard to examining, finishing or sponging such cloth for such manufacturers;

(7) Enforcing the scheme of allotment described in the petition herein with regard to cloth shipped directly from mills located in states other than the State of New York to examiners located within the State and Southern

District of New York and consigned to manufacturers within the State and Southern District of New York by means of refusals to relinquish possession of such cloth to such manufacturers, PROVIDED HOWEVER, that this shall not prevent the enforcement by other means of the collection rules and agreements in effect at the date of entry of this decree and the price and allotment rules and agreements by defendant Association in regard to the relationships between such examiners and such manufacturers referred to in the decision of the Appellate Division of the Supreme Court of the State of New York, First Department, dated June 2, 1933, in an action by New York Clothing Manufacturers' Exchange Inc. et al. v. Textile Finishers Association Inc. reported in 238 App. Div. 444;

(8) Allotting or attempting to allot manufacturers located in states other than the State of New York to members of defendant Association conducting examining and sponging businesses within the State and Southern District of New York and from compelling any such manufacturers to furnish their cloth to any such members for purposes of examining and sponging or otherwise and from enforcing or attempting to enforce against such manufacturers the scheme of allotment described in the petition herein or any similar scheme of allotment in the manner or by any of the means following or in any similar manner or by any similar means, to wit:

A. Following and spying upon or causing others to follow or spy upon manufacturers located in states other than the State of New York or their employees;

B. Concerted refusals of members of the defendant Association to examine and sponge cloth for manufacturers located in states other than the State of New York;

C. Concerted refusals of the defendant Examiners Union or its members to work upon or handle cloth for manufacturers located in states other than the State of New York;

D. Concerted refusals of defendant Teamsters Union or its members to load, unload, transport or deliver cloth

for manufacturers located in states other than the State of New York.

(9) Aiding, abetting or assisting individually or collectively, others to do any of the things which the defendants are herein restrained from doing.

III. That the terms of this decree shall be binding upon and shall extend to each and every one of the successors in interest of any and all of the corporate defendants herein and to any and all corporations, co-partnerships and individuals who may acquire the ownership and control directly or indirectly of the property, business and assets of the corporate defendants whether by merger, consolidation, reorganization or otherwise.

IV. That this decree shall not apply to the shipments from millers located in states other than the State of New York directly to manufacturers located within the State of New York, or to shipments of cloth from millers to examiners located within the State of New York for the account of manufacturers located within the State of New York, the interstate movement of which has ceased by reason of storage or otherwise before the same are serviced for such manufacturers or to relationships between defendants and manufacturers located in the State of New York insofar as the same do not restrain interstate commerce, and shall not in any way impair the rights of defendants to continue and enforce the program, agreement and by-laws sustained by the Appellate Division of the Supreme Court of the First Department in a decision dated June 2, 1933, in the action by New York Clothing Manufacturers' Exchange Inc. et al. v. Textile Finishers Association, Inc. et al. reported in 238 App. Div. 444, insofar as the same relate to intra-state business and are not subject to the provisions of the Federal Anti-Trust Laws.

V. That jurisdiction of this cause be and it is hereby retained by the Court for the purpose of taking such other action or adding to the foot of this decree such other relief, if any, as may become necessary or appropriate to enforce this decree and for the purpose of entertaining

and acting upon at any time hereafter any application for modification or otherwise which any of the parties may make with respect to this decree.

Dated, New York, April 30, 1936.

[s] JULIAN W. MACK,
United States Circuit Judge.