

**THE UNITED STATES v. THE AMERICAN SUGAR
REFINING COMPANY.**

IN THE DISTRICT COURT OF THE UNITED STATES,
SOUTHERN DISTRICT OF NEW YORK.

In Equity 7-8.

THE UNITED STATES OF AMERICA, PETITIONER,
VS.

THE AMERICAN SUGAR REFINING COMPANY ET AL.,
DEFENDANTS.

FINAL DECREE.

This cause having come on for final hearing upon the pleadings and all the proof heretofore taken and on file, and agreement of the parties stated by counsel in open court, before three Circuit Judges of the Second Judicial Circuit sitting in the District Court, under the provisions of the Act of Congress known as the Expediting Act of February 11, 1903; and the said pleadings, proofs and agreement of the parties having been duly considered by the said Judges, it is now, on this 9th day of May, 1922, by the said Judges, ordered, adjudged and decreed as follows:

1st. That sufficient of the allegations of the original petition stating acts done and performed at and prior to the date of filing said petition, to wit, November 29, 1910, have been proved to entitle the complainant to a decree

as herein provided; that The American Sugar Refining Company and certain other defendant corporations were when said petition was filed and had been for some time theretofore engaged in an unlawful combination and conspiracy to restrain the trade and commerce among the several States and Territories of the United States and with foreign nations in refined sugar, and to monopolize the same; but during the pendency of this action the said defendants, The American Sugar Refining Company, and said certain other defendant corporations, have abandoned their said combination and conspiracy to restrain said trade and commerce and to monopolize the same, and have ceased to carry on their business pursuant thereto; the stockholding of The American Sugar Refining Company in other corporations and the personnel of the officers of said corporations and the conditions of the commerce in refined sugar have so changed that full relief against said unlawful combination and conspiracy and said attempt to monopolize said interstate and foreign commerce will be obtained by the several inhibitions herein set forth.

2nd. When the petition was filed the National Sugar Refining Company of New Jersey had a capital stock of \$10,000,000 preferred and \$10,000,000 common, of which The American Sugar Refining Company owned \$5,128,000 par value of the preferred. The common stock of said National Sugar Refining Company of New Jersey was owned by persons then acting in concert with The American Sugar Refining Company, said stock was acquired by The American Sugar Refining Company and said other persons pursuant to the combination and conspiracy to restrain and to monopolize the interstate and foreign trade in refined sugar. During the pendency of this action the entire issue of the common stock has been cancelled and the preferred stock has been converted into common stock. The American Sugar Refining Company has sold approximately 25 per cent. and now owns approximately 25 per cent. thereof, and neither of the directors or other officers of The American Sugar Refining Company is an officer of the National Sugar Refining Company of New

Jersey and but one of the officers of The American Sugar Refining Company is a stockholder of the National Sugar Refining Company of New Jersey, and he owns but 250 shares thereof; and said companies are not now operated pursuant to the said unlawful combination and conspiracy. Therefore, while The American Sugar Refining Company is not required to dispose of the stock which it now holds in said National Sugar Refining Company of New Jersey, yet it is perpetually enjoined from acquiring directly or indirectly any greater proportion of the stock of said National Sugar Refining Company of New Jersey than it now owns, and from voting or in any way using the stock now held by it in such a way as to impair or restrain competition between it and the said National Sugar Refining Company of New Jersey, or otherwise restrain interstate and foreign commerce in refined sugar; and the National Sugar Refining Company of New Jersey is perpetually enjoined from issuing or permitting to be transferred upon its books any stock of The American Sugar Refining Company or any trustee for its use and benefit the effect of which would be to increase the proportion of stock of said National Sugar Refining Company of New Jersey owned by The American Sugar Refining Company, and from electing or appointing as a director or other official of its company any person who shall be at the same time an official of The American Sugar Refining Company; and both of said corporations and their officers and agents are perpetually enjoined from agreeing, combining or conspiring together to fix or affect the price of refined sugar, or to impair or to in any way affect full and free competition between them therein.

3rd. When the petition was filed the Great Western Sugar Company had a capital stock of \$23,674,000, of which The American Sugar Refining Company owned \$9,224,100 and persons then acting in concert with said The American Sugar Refining Company owned \$8,494,000 par value thereof; said stock had been acquired by said The American Sugar Refining Company and by said other persons pursuant to the combination and conspiracy to

restrain the interstate and foreign trade in refined sugar and to monopolize the same. At the present time the capital stock of the Great Western Sugar Company is \$30,000,000 of which The American Sugar Refining Company owns about 31 per cent; and it appears that the connection of the said other persons with The American Sugar Refining Company has been entirely severed and that they no longer pursue a common policy and that neither of the directors or other officers of The American Sugar Refining Company is a director of the Great Western Sugar Company, and but two of the directors of The American Sugar Refining Company own stock in the Great Western Sugar Company, one owning but 100 shares and the other 63 shares; and further that the affairs of said corporations are no longer conducted pursuant to the combination and conspiracy to restrain interstate and foreign commerce in refined sugar heretofore existing. Therefore, while The American Sugar Refining Company is not required to dispose of the stock which it now holds in the Great Western Sugar Company, yet it is perpetually enjoined from acquiring directly or indirectly any greater proportion of the stock of said Great Western Sugar Company than it now owns, and the Great Western Sugar Company is perpetually enjoined from issuing or permitting to be transferred upon its books any stock to The American Sugar Refining Company or any trustee for its use or benefit the effect of which would be to increase the proportion of stock of said Great Western Sugar Company owned by The American Sugar Refining Company, and from electing or appointing as a director or other official any person who shall be at the same time an official of The American Sugar Refining Company; and both of said corporations and their stockholders, officers and agents are perpetually enjoined from agreeing, combining or conspiring together to fix or affect the price of refined sugar, or to impair in any way or in any way affect full and free competition between said corporations therein.

4th. When this action was brought the Michigan Sugar

Company had a capital stock of \$9,237,700, of which The American Sugar Refining Company owned \$4,098,300, which stock had been procured pursuant to the aforesaid combination and conspiracy to restrain and to monopolize the interstate and foreign trade and commerce in refined sugar. During the pendency of this suit The American Sugar Refining Company has disposed of a part of its holdings of the stock of the Michigan Sugar Company and is now the owner of only 34 per cent thereof, and neither of the directors or other officers of The American Sugar Refining Company is a director or officer of the Michigan Sugar Company, and but one is the owner of any stock and his holding is but 400 shares of \$10 each; and the affairs of said corporations are not now conducted pursuant to the said combination and conspiracy to restrain and monopolize the interstate and foreign trade and commerce in refined sugar. Therefore, while The American Sugar Refining Company is not required to dispose of the stock of the Michigan Sugar Company which it now owns, yet it is perpetually enjoined from acquiring, directly or indirectly, any greater proportion of the stock of said Michigan Sugar Company than it now owns, and from voting or in any way using the stock now held by it in such way as to impair or restrain competition between it and the Michigan Sugar Company, or to otherwise restrain interstate or foreign commerce in the products of sugar cane and sugar beets; and the Michigan Sugar Company is perpetually enjoined from issuing or permitting to be transferred upon its books any stock to The American Sugar Refining Company or any trustee for its use and benefit the effect of which would be to increase the proportion of stock of said Michigan Sugar Company owned by The American Sugar Refining Company, and from electing or appointing as a director or other official any person who shall be at the same time an official of The American Sugar Refining Company; and both of said corporations and their officers and agents are perpetually enjoined from agreeing, combining or conspiring together to fix or affect the price of refined sugar, or to impair or

in any way affect full and free competition between said companies therein.

5th. Each and every one of the said defendants The American Sugar Refining Company, National Sugar Refining Company of New Jersey, Great Western Sugar Company and Michigan Sugar Company are perpetually enjoined from further committing any of the acts described in the petition the effect of which would be to prevent full and free competition between said The American Sugar Refining Company, National Sugar Refining Company of New Jersey, Great Western Sugar Company and Michigan Sugar Company, and from further agreeing, combining or conspiring among themselves to restrain interstate and foreign trade and commerce in said products, or either or any of them, and from hereafter committing any act pursuant to the aforesaid combination and conspiracy to restrain and to monopolize interstate and foreign trade and commerce in refined sugar.

The said defendant corporations, or any of them, at any time in the future may apply to this Court for a modification of this decree as to any of the provisions hereof and jurisdiction hereof is retained for such purpose.

The petition is dismissed as to all defendants, other than said The American Sugar Refining Company, National Sugar Refining Company of New Jersey, Great Western Sugar Company and Michigan Sugar Company.

The costs of this action are hereby adjudged against the said defendant The American Sugar Refining Company, including stenographers' special examiners' fees and expenses, cost of printing, and counsel fees, and the issuance of process to collect the same is hereby ordered.

HENRY WADE ROGERS,
CHAS. M. HOUGH,
MARTIN T. MANTON,
Circuit Judges.

Filed May 9, 1922.