

**In the District Court of the United States
for the Southern District of New York**

IN EQUITY, No. 58-383

UNITED STATES OF AMERICA, PETITIONER,

v.

Bolt, Nut & Rivet Manufacturers Association,
Charles J. Graham,
E. Harmon Friel,
John C. Kortick,
American Equipment Company,
American Nut Company,
Atlas Bolt and Screw Company,
Automatic Screw Machine Products Co.,
Bethlehem Steel Company,
Bayonne Bolt Corporation,
Boss Bolt & Nut Company,
Brightman Manufacturing Co.,
Buffalo Bolt Company,
The Champion Rivet Company,
Chicago Screw Company,
Clark Bros. Bolt Co., Inc.,
The Columbus Bolt Works Co.,
Detroit Screw Works,
Erie Bolt and Nut Company,
William Gaskell & Son, Inc.,
Gary Screw & Bolt Corporation,
Hammond Bolt & Nut Company,
Harrison Bolt & Nut Co.,

The Hartford Machine Screw Company,
William H. Haskell Mfg. Co.,
Hill Bolt Company,
Kilby Car & Foundry Co.,
E. B. Lanman Company,
The Lamson and Sessions Company,
Lewis Bolt & Nut Company,
The Maryland Bolt and Nut Company,
Milton Manufacturing Company,
The National Screw and Manufacturing Co.,
Neely Nut & Bolt Company,
The Ohio Nut and Bolt Company,
Oliver Iron & Steel Corporation,
Pacific Coast Forge Co., Inc.,
The Pacific Coast Steel Corporation,
Pawtucket Manufacturing Co.,
Pittsburgh Screw & Bolt Corporation,
Republic Steel Corporation,
Rhode Island Tool Co.,
Russell, Burdsall & Ward Bolt & Nut Co.,
Sheffield Steel Corporation,
The Sherman-Klove Company,
Thomas Smith Company,
St. Louis Screw & Bolt Co.,
Standard Nut & Bolt Co.,
The Superior Screw and Bolt Manufacturing Com-
pany,
Vulcan Rivet Corp. Inc.,
The Western Automatic Machine Screw Company,
Wrought Iron Company of America,
Defendants.

FINAL DECREE

This cause came on to be heard at this term, and upon consideration thereof and upon motion of the petitioner by George Z. Medalie, United States Attorney for the Southern District of New York, and by James Lawrence Fly, Special Assistant to the Attorney General, for relief in accordance with the prayer of the petition, and it appearing to the court that it has jurisdiction of the subject matter hereof, and all the parties hereto, and that the petition sets forth a cause of action, and no testimony or evidence having been taken, but all of the defendants herein having duly appeared by their attorneys, viz: Nathan L. Miller, Esq., Harold Otis, Esq., and Louis L. Babcock, Esq., for the defendants other than Bethlehem Steel Company and the Pacific Coast Steel Corporation, and Hoyt A. Moore, Esq., for the two defendants last named, and having duly consented in open court to the entry of this decree:

Now, therefore, it is ORDERED, ADJUDGED, and DECREED as follows:

That the words "concertedly" and "concerted," as used in this decree, shall mean by mutual agreement, understanding, plan, device, or contrivance, and shall not be construed to include merely simultaneous and/or similar action independently taken on the part of two or more defendants.

I

1. That the combination and conspiracy in restraint of interstate trade and commerce, the various plans, agreements, and understandings among the defendants and the various activities in restraint of interstate trade and commerce with respect to bolts, nuts, and rivets, as described in the petition herein and which are hereinafter enjoined, and the restraint of such trade and commerce obtained thereby, are violative 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 Anti-trust Act;

2. That the Bolt, Nut & Rivet Manufacturers Association and its various agreements, plans, and operations described in the petition, and which are hereinafter enjoined, be, and they hereby are, declared illegal and in violation of said Act of Congress;

3. That defendant Association and the defendants who are members thereof, and each of them, and their officers, agents, servants, and employees, and all persons acting under, through, by, or in behalf of them, or any of them, or claiming so to act be, and they hereby are, ordered and directed within ninety (90) days after the entry of this decree to dissolve and thereafter forever to discontinue said Bolt, Nut & Rivet Manufacturers Association, provided that this provision shall not be construed to

prevent defendants from forming a different association;

4. That the defendants, and each of them, their officers, agents, servants, and employees, and all persons acting under, through, by or in behalf of them, or any of them, or claiming so to act, be, and they hereby are perpetually enjoined, restrained, and prohibited from engaging in, forming, joining or entering into, or becoming members of, any combination or association of manufacturers or sellers of bolts, nuts, or rivets which shall be unlawful or shall be engaged in unlawful conduct, or making any express or implied agreement to do, and from arranging, directly or indirectly, to engage or to continue to engage in any of the activities forbidden by this decree;

5. That the defendants, and each of them, their officers, agents, servants, and employees, and all persons acting under, through, by, or in behalf of them, or any of them, or claiming so to act, be and they hereby are perpetually enjoined, restrained and prohibited:

(a) From in any way carrying out any unlawful purposes of the combination and agreements hereinafter enjoined and from continuing, directly or indirectly, to perform, and from performing, any unlawful acts pursuant thereto;

(b) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to fix, establish or maintain, or concertedly fixing, establishing

or maintaining, any price, price enhancement, price list, discount, extra charge, condition, term, arbitrary freight charge, average or arbitrary cost, percentage or amount of profit, or any other part of the ultimate price in the sale and delivery of bolts, nuts, or rivets;

(c) From concertedly maintaining, quoting prices from or using, any price list, average or arbitrary cost or profit figures, or other instrumentality heretofore prepared by or under the aegis of the defendant association or by the collective action of any two or more defendants for use in connection with any of the activities forbidden by this decree;

(d) From concertedly organizing, maintaining or aiding in the operation of any system for promulgating, circulating, publishing or furnishing to any defendant any price list of or any information as to prices currently charged, to be charged or proposed to be charged or quoted, for bolts, nuts, or rivets by any competitor of such defendant;

(e) From endeavoring, pursuant to agreement, to prevail upon or procure any defendant to sell bolts, nuts, or rivets at uniform or noncompetitive prices, or in any case at an enhanced or higher price, or not to sell at any lower or decreased or competitive price;

(f) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to establish or maintain, or concertedly establishing or maintaining, the basing point system which includes

Pittsburgh, Pa., Cleveland, Ohio, Birmingham, Ala., and Chicago, Ill., as the only base points for the quotation of charges on account of freight rates or the cost of transportation in the shipment of bolts, nuts, and rivets;

(g) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to establish or maintain, or concertedly establishing or maintaining, any similar basing point system for the quotation of charges on account of such freight rates or cost of transportation;

(h) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to charge, or concertedly charging on account of such freight rates or cost of transportation any amount at substantial variance from the actual cost of such transportation;

(i) From individually or concertedly charging on account of such freight rates or cost of transportation any amount at substantial variance from the actual cost of such transportation where such charge or charges will result in an unlawful discrimination in price;

(j) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to refuse, or concertedly refusing or concertedly failing to sell or quote prices on bolts, nuts, or rivets f. o. b. point of manufacture when requested so to do by the purchaser or prospective purchaser thereof;

(k) From agreeing to use, maintain, publish, circulate or promote the purposes of, or individ-

ually or concertedly, in any manner using, maintaining, publishing, circulating, or promoting the purposes of, the list entitled "List of Wholesale Distributors and Large Consumers of Bolts and Nuts in the United States." But nothing herein contained shall be deemed to enjoin any defendant from individually selecting its customers in a lawful manner, or from using a list of such customers prepared by it individually;

(l) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to arrive at, or concertedly arriving at, any list of purchasers or prospective purchasers considered by the defendants to be entitled to purchase said products direct from the manufacturers, or considered by the defendants not to be entitled so to purchase said products;

(m) From concertedly arriving at or in any manner using any list of preferred or non-preferred purchasers or prospective purchasers of bolts, nuts, or rivets;

(n) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to make, or, concertedly making, any differential in prices charged or quoted to different purchasers or classes of purchasers of products;

(o) From agreeing to make, or directly or indirectly, individually or concertedly, making any unlawful discrimination in price against any purchaser or class of purchasers of bolts, nuts, or rivets;

(p) From agreeing with any defendant to charge, or concertedly charging or continuing to charge, purchasers not on said list entitled "List of Wholesale Distributors and Large Consumers of Bolts and Nuts in the United States" any sum greater than that charged other purchasers in similar transactions;

(q) From agreeing to withdraw, or to prevent sales effort by, or concertedly withdrawing or preventing sales effort by, salesmen of defendant manufacturers who have regularly solicited or who normally would solicit orders for bolts, nuts, or rivets from purchasers not on said list;

(r) From agreeing not to make, or concertedly failing to make, solicitation or effort of any kind to procure orders for bolts, nuts, or rivets from purchasers or prospective purchasers not on said list;

(s) From endeavoring, pursuant to agreement, to prevail upon any defendant, or to procure any defendant, to refrain from doing business with any purchaser or prospective purchaser of bolts, nuts, or rivets, or to refrain from soliciting such business, or to charge or quote such purchaser any particular price or increase in price;

(t) From making any agreement, or taking any concerted action, tending to prevent, obstruct, hamper, or restrain any defendant manufacturer from making sales to any purchaser or prospective purchaser;

(u) From agreeing with any defendant, or other manufacturer of bolts, nuts, or rivets, to sell or

quote prices on, or concertedly selling or quoting prices on, bolts, nuts, or rivets to any purchasers or prospective purchasers only when requested so to do.

II

That jurisdiction of this cause is hereby retained for the purposes of:

- (a) Enforcing this decree;
- (b) Enabling the United States to apply to the court for modification or enlargement of its provisions on the ground that they are inadequate;
- (c) Enabling the defendants, or any of them, to apply to the court for a modification of its provisions on the ground that such provisions have become inappropriate or unnecessary.

III

That the petitioner have and recover of the defendants the costs of this cause.

Dated, New York City, March 17, 1931.

FRANK J. COLEMAN,
*United States District Judge for the
Southern District of New York.*