
UNITED STATES DISTRICT COURT, DISTRICT OF
MINNESOTA, THIRD DIVISION.

In Equity No. 624.

THE UNITED STATES OF AMERICA, PETITIONER,
VS.

INTERNATIONAL HARVESTER COMPANY, ET AL.,
DEFENDANTS.

FINAL DECREE OF NOVEMBER 2nd, 1918.

Whereas, on the 15th day of August, 1914, this Court entered a decree herein reading as follows:

On this 15th day of August, 1914, this cause came on for decree upon the submission heretofore had, and the court being well advised in the premises finds that the defendant, the International Harvester Company, was as originally organized and now is a combination in restraint of trade and commerce among the several States and with foreign nations in agricultural implements, and did from its inception monopolize and attempt to monopolize a part of the trade and commerce among the several states and with foreign nations in agricultural implements, and that the International Harvester Company of America, the International Flax Twine Company, the Wisconsin Steel Company, the Wisconsin Lumber Company, the Illinois Northern Railway and the Chicago, West Pullman and Southern Railroad Company are subsidiary companies of the International Harvester Company and are confederated with it in the unlawful purposes aforesaid and that the defendants, Cyrus H. McCormick, Charles Deering, James Deering, John J. Glessner, William H. Jones, Harold F. McCormick, Richard F. Howe, Edgar A. Bancroft, George F. Baker, William J. Louderback, Norman B. Ream, Charles Steele, John A. Chapman, Elbert H. Gary, Thomas D. Jones, John P. Wilson, William L. Saunders and George W. Perkins are officers of said International Harvester Company and are aiding and assisting it in the unlawful business mentioned.

It is adjudged and decreed that said combination and monopoly be forever dissolved and to the end that the business and assets of the International Harvester Company be separated and divided among at least three substantially equal, separate, distinct and independent corporations with wholly separate owners and stockholders and that the defendants file with the clerk within ninety days a plan for such separation and division for the consideration of this court. In the event this case is appealed and decree superseded then the time in which the defend-

ant shall file said plan is hereby extended to ninety days from the filing of the procedendo or mandate of the Supreme Court with the clerk of this court.

In case the defendants fail to file such plan in the time limited this court will entertain an application for the appointment of a receiver for all the property of the corporate defendants.

Jurisdiction is retained by the court to make such additional decrees as may be deemed necessary to secure the final winding up and dissolution of the combination and monopoly complained of and as to costs.

In case the defendants or any of them see fit to appeal from this decree the supersedeas bond is fixed at \$50,000 and the same may be approved by any one of the Circuit Judges of this Circuit who sat upon the trial.

Whereas, on the 3rd day of October, 1914, this Court modified the foregoing decree as follows:

ORDER ON DEFENDANTS' MOTION TO MODIFY.

On this third day of October, 1914, this cause came on for hearing on the motion of the defendants filed on August 17, 1914, to amend the decree of this court entered herein on the 15 day of August, 1914, and the parties being present by their respective counsel and the court having considered the same,

IT IS HEREBY ORDERED, that said decree be, and the same is, hereby amended by striking out the words "and with foreign nations" wherever they appear in the decree, but the power and duty of the court in dealing with all the property and business of every character of the defendant corporations, at the commencement of this suit or since, so far as lawful and necessary to effect a dissolution of the combination, are not renounced but expressly reserved, and by striking out, pursuant to an agreement between the Attorney General and counsel for the defendants evidenced by the written consent of the Attorney General signed by the United States Attorney for Minnesota, presented to the court this day, the first sentence in the second paragraph of said decree reading as follows:

"It is adjudged and decreed that said combination and monopoly be forever dissolved and to the end that the business and assets of the International Harvester Company be separated and divided among at least three substantially equal, separate, distinct and independent corporations with wholly separate owners and stockholders and that the defendants file with the Clerk within ninety (90) days a plan for such separation and division for the consideration of this Court,"

and substituting in place thereof the following:

"It is adjudged and decreed that said combination and monopoly be forever dissolved, and to that end that the business and assets of the International Harvester Company be divided in such manner and into such number of parts of separate and distinct ownership as may be necessary to restore competitive conditions and bring about a new situation in harmony with law; and that the defendants file with the Clerk within ninety (90) days a plan for such separation and division for the consideration of this Court."

Whereas, the defendants thereupon took an appeal to the Supreme Court of the United States, during the pendency of which the decree of this Court was superseded;

Whereas, on motion of the defendants their aforesaid appeal has been dismissed and the cause has been remanded to this Court for further proceedings in accordance with law;

Whereas, during the pendency of this suit the principal corporate defendant changed its name to International Harvester Company of New Jersey and afterward, in September 1918, was merged into a new corporation named "International Harvester Company," which now owns all the properties, assets and business of defendant International Harvester Company of New Jersey; and said new International Harvester Company has entered its appearance herein as a defendant as such successor;

It is, therefore, ordered that the decree hereinabove set forth be reinstated as the final decree in this cause; and the name International Harvester Company wherever

hereinafter used includes both the original and the successor Corporation of that name.

And the parties having agreed upon and submitted to the Court a plan for carrying into effect the order contained in said decree that the combination and monopoly therein adjudged unlawful be dissolved, and the Court having considered and approved the plan, it is further ordered, in accordance therewith, as follows:

(a) The defendants, International Harvester Company and International Harvester Company of America, their officers, directors and agents, are hereby enjoined, from and after December 31, 1919, from having more than one representative or agent in any city or town in the United States for the sale of their harvesting machines and other agricultural implements;

(b) The International Harvester Company shall, with all due diligence, offer for sale, at fair and reasonable prices, the harvesting machine line now made and sold by the International Harvester Company under the trade names of "Osborne," "Milwaukee" and "Champion" respectively, including the exclusive right to use such trade names, and all patterns, drawings, blueprints, dies, jigs and other machines and equipment specially used by the International Harvester Company in the manufacture of said three harvesting machine lines respectively; and each purchaser must be a responsible manufacturer of agricultural implements in the United States, and, if a corporation, none of the defendants shall have any substantial stock interest in such purchaser, nor shall any defendant be such purchaser. The International Harvester Company, from and after the date of the entry of this decree, shall be required to accept a reasonable price from any purchaser approved by the United States for any of said lines of harvesting machines; and, in the event of a disagreement between the United States and the Harvester Company as to what shall be or constitute a reasonable price for the property proposed to be purchased, such price shall be fixed by this Court.

(c) The International Harvester Company shall also

presently offer and endeavor to sell in connection with said harvester lines the "Champion" harvester plant and works at Springfield, Ohio, and the "Osborne" harvester No. 1 plant and works at Auburn, New York, and shall stand ready to accept a fair and reasonable price for either of said plants from any purchaser of either of the harvester lines hereinbefore mentioned; and in the event that the parties are unable to agree as to what is a fair price for either of said plants, the question at issue shall be submitted without formal pleadings, under the supervision and direction of the United States, to this court for decision, and the finding of this Court as to said question of a fair price shall be accepted by and be binding upon the International Harvester Company.

(d) In the event that any one or more of said three lines of harvesting machines, including plants, patterns, etc., as aforesaid, shall not have been sold by the International Harvester Company in pursuance of the terms and provisions of this decree within one year after the close of the existing war in which the United States is engaged, then, upon the request of the United States, the same shall be sold at public auction to the highest bidder therefor, in such manner, time and place as may be agreed upon between the United States and the International Harvester Company; and in default of such agreement then under the order and direction of this Court.

(e) The object to be attained under the terms of this decree is to restore competitive conditions in the United States in the interstate business in harvesting machines and other agricultural implements, and, in the event that such competitive conditions shall not have been established at the expiration of eighteen months after the termination of the existing war in which the United States is engaged (or at the expiration of two years from the date of the entry of this decree in the event that said war shall be terminated within less than six months after the entry of this decree), then and in that case the United States shall have the right to such further relief herein as shall be necessary to restore said competitive conditions and to

bring about a situation in harmony with law; and this Court reserves all necessary jurisdiction and power to carry into effect the provisions of the decrees herein entered.

WALTER H. SANBORN,
WILLIAM C. HOOK,
Circuit Judges.

[NOVEMBER 2, 1918.]