

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	CIVIL ACTION
	)	No. 9658
LOGAN CO. et al.,	)	Filed: June 7, 1956
	)	
Defendants.	)	

FINAL JUDGMENT

Plaintiff, United States of America, having filed its Complaint herein on June 20, 1951, and defendant Logan Co. having appeared and filed its answer to the Complaint denying violations of law and the substantive allegations thereof, and the plaintiff and said defendant by their 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 the Final Judgment constituting evidence or admission of any wrongful acts, criminal or civil, with respect to any such issue;

NOW, THEREFORE, before the taking of testimony and without trial or adjudication of or admission by Logan Co. in respect to any issue of fact or law herein, and upon consent of the parties hereto, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

I

The Court has jurisdiction of the subject matter hereof and of each party hereto. The Complaint states a claim upon which relief can be granted against Logan Co. under Section 1 of the Act of Congress of July 2, 1890, entitled "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies," as amended.

## II

As used in this Final Judgment:

(A) "Sheet Charger" means, in combination, a feed table and conveyor having a tilting section for use with a mill for rolling sheets, said conveyor being also known in the industry as either a pack tilting table, pack tilter, or tilting table;

(B) "Person" means any individual, partnership, corporation, association, firm, trustee or other business or legal entity; and

(C) "Patent" means United States Letters Patent, and all reissues and extensions thereof, covering sheet chargers.

## III

The provisions of this Final Judgment shall apply to the defendant Logan Co., its officers, directors, agents, employees, successors, assigns, and all other persons acting under, through or for said defendant.

## IV

(A) Defendant Logan Co. is ordered and directed to terminate and cancel its agreement of March 6, 1940, with defendant Mesta Machine Company in its entirety and is enjoined and restrained from reviving, maintaining, entering into, adopting, adhering to, claiming any rights under, or enforcing said agreement or any other contract, agreement, understanding, plan, or program having a similar purpose or effect;

(B) Defendant Logan Co. is ordered and directed to file with the Court within three months following the entry of this Final Judgment an affidavit that the aforesaid written agreement of March 6, 1940, has been terminated and that it is not a party to any agreement or arrangement that is not in conformity with this Final Judgment.

## V

(A) In the event that defendant Logan Co. hereafter issues a license under any patents relating to sheet chargers now owned or controlled by it, or which are issued or applied for within five (5) years from the date of

this Final Judgment, then and in such event defendant Logan is ordered and directed in so far as it has or may acquire the power or authority to do so, to grant to any applicant making written request therefor, a license to manufacture, use, and sell sheet chargers under such patents or applications therefor, such license to be for the full unexpired term of the patent;

(B) Logan Co. is hereby enjoined and restrained from including any restriction or condition whatsoever in any license or sublicense granted by it pursuant to the provisions of subsection (A) of this Section V, except that (1) the license may be non-transferable; (2) a reasonable non-discriminatory royalty may be charged; (3) reasonable provisions may be made for periodic inspection of the books and records of the licensee by an independent auditor or any person acceptable to the licensee who shall report to the licensor only the amount of the royalty due and payable; (4) reasonable provision may be made for cancellation of the license upon failure of the licensee to pay the royalties or to permit the inspection of his books and records as hereinabove provided; (5) the license may provide that the licensee may cancel the license by giving thirty (30) days' notice in writing to the licensor; (6) the license must refer to and identify this Final Judgment;

(C) Upon receipt of a written request for a license under the provisions of subsection (A) of this Section V, defendant Logan Co. shall advise the applicant in writing of the royalty which it deems reasonable for the patent or patents to which the request pertains. If the parties are unable to agree upon a reasonable royalty within sixty (60) days from the date such request for the license was received by said defendant, the applicant or said defendant may forthwith apply to this Court for the determination of a reasonable royalty, and said defendant shall, upon receipt of notice of the filing of such application, promptly give notice thereof to the Attorney General. In any such proceeding, the burden of proof shall be on said defendant to establish the reasonableness of the royalty requested, and the reasonable royalty rates, if any, determined by the Court shall apply to the applicant and all other licensees under

the same patent or patents. Pending the completion of negotiations or any such proceedings, the applicant shall have the right to make, use and vend under the patent or patents to which its application pertains, without payment of royalty or other compensation as above provided, but subject to the provisions of subsection (D) of this Section;

(D) Where the applicant has the right to make, use and vend sheet chargers under subsection (C) of this Section V, said applicant or defendant Logan Co. may apply to the Court to fix an interim royalty rate pending final determination of what constitutes a reasonable royalty.

If the Court fixes such interim royalty rate, defendant shall then issue, and the applicant shall accept, a license or, as the case may be, a sublicense, providing for the periodic payment of royalties at such interim rate from the date of the filing of such application by the applicant.

If the applicant fails to accept such license or fails to pay the interim royalty in accordance therewith, such action shall be ground for the dismissal of his application and his rights under subsection (C) shall terminate as to such patents applied for. Where an interim license or sublicense has been issued pursuant to this subsection, reasonable royalty rates, if any, as finally determined by the Court shall be retroactive for the applicant and all other licensees under the same patent or patents to the date the applicant filed his application with the Court;

(E) Defendant Logan Co. is enjoined and restrained from making any disposition of any of the patents or patent applications subject to subsection (A) of this Section V, or any rights with respect thereto, which deprives it of the power or authority to grant licenses or sublicenses as hereinbefore provided, unless said defendant requires as a condition of such disposition that the purchaser, transferee, assignee, or licensee, as the case may be, shall observe the requirements of subsection (A) through (D) of this Section V, as applicable, and such purchaser, transferee, assignee, or licensee shall file with this Court, prior to the consummation of said transaction, an undertaking to be bound by said provisions of this Final Judgment;

(F) Defendant Logan Co. is enjoined and restrained from instituting or threatening to institute, or maintaining or continuing any action, suit, or proceedings against any person for acts of infringement of existing sheet charger patents alleged to have occurred prior to the entry of this Final Judgment;

(G) Nothing herein shall prevent any applicant for a license or sublicense from attacking in the aforesaid proceedings or in any other proceeding or controversy, the validity or scope of any of the patents nor shall this Final Judgment be construed as importing any validity or value to any of the said patents.

## VI

Defendant Logan is enjoined and restrained from entering into, adhering to, maintaining, furthering, or enforcing any contract, agreement, or understanding directly or indirectly with any other manufacturer of sheet chargers to:

(A) Fix, determine, maintain, control, stabilize, or adhere to prices, discounts, allowances, or other terms or conditions for the sale of sheet chargers to third parties;

(B) Urge, advise, or suggest prices, discounts, allowances, or other terms or conditions for the sale of sheet chargers to third persons;

(C) Circulate, exchange, disclose, or communicate any information concerning costs relating to the manufacture of sheet chargers, or prices, discounts, allowances, or other terms or conditions relating to the sale or distribution of sheet chargers;

(D) Sell or offer to sell sheet chargers only at prices quoted in published price lists or announcements.

## VII

For the purpose of securing compliance with this Final Judgment, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice in writing to the defendant Logan Co., made to its principal office, be permitted (A) access during the office hours of said defendant to all books, ledgers, accounts,

correspondence, memoranda, and other records and documents in the possession or under the control of said defendant relating to any matters contained in this Final Judgment; and (B) subject to the reasonable convenience of said defendant and without restraint or interference from it, to interview officers or employees of said defendant who may have counsel present, regarding any such matters. For the purpose of securing compliance with this Final Judgment, Logan Co. upon the written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and upon reasonable notice to its principal office, shall submit such written information 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 VII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of such Department, except in the course of legal proceedings to which the United States is a party for the purpose of securing compliance with this Final Judgment or as otherwise required by law.

#### VIII

Jurisdiction of this cause is retained for the purpose of enabling either of the parties to this Final Judgment to apply to this 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 or termination of any of the provisions thereof, and for the enforcement of compliance therewith and the punishment of violations thereof.

Dated: June 7, 1956

//s/ John L. Miller  
United States District Judge

We consent to the entry of the foregoing Final Judgment:

For the Plaintiff:

/s/ Stanley N. Barnes  
Assistant Attorney General

/s/ W. D. Kilgore, Jr.

/s/ Baddia J. Rashid

For the Defendant Logan Co.:

/s/ Robert E. Hatton  
Attorney for Logan Co.

/s/ William L. Maher

/s/ Donald G. Balthis

/s/ John E. Sarbaugh  
Attorneys, Department of Justice