

FEDERAL REGISTER NOTICE

U.S. Department of Justice
Antitrust Division

Proposed Termination of Judgment

Notice is hereby given that Defendant Rolex Watch U.S.A., Inc. (“Rolex”), successor in interest to Defendant the American Rolex Watch Corporation in *United States v. The Watchmakers of Switzerland Information Center, Inc.*, Civil Action No. 96-170 (S.D.N.Y.), has filed a motion to terminate the Final Judgment entered in that matter on March 9, 1960 (“Final Judgment”) and that the Department of Justice (“the Department”), Antitrust Division, in a stipulation also filed with the Court, has tentatively consented to termination of the Final Judgment, but has reserved the right to withdraw its consent pending receipt of public comments.

The Final Judgment arose out of a 1950s investigation of the anticompetitive practices of the Swiss watch industry, including Swiss watch manufacturers, Swiss trade associations, and their United States importers. The United States filed a complaint against more than twenty watch companies and trade associations in 1954, including the American Rolex Watch Corporation. *United States v. The Watchmakers of Switzerland Information Center, Inc.*, Civil Action No. 96-170 (S.D.N.Y. Complaint filed Oct. 19, 1954). The United States made several allegations in its complaint. It charged that certain Swiss and U.S. manufacturers and sellers of Swiss watches and watch parts engaged in a conspiracy “to restrict, eliminate and discourage the manufacture of watches and watch parts in the United States, and to restrain United States imports and exports of watches and watch parts for manufacturing and repair purposes.” *Id.* The United States also charged that these companies agreed to fix minimum prices for watches and

maximum prices for repair parts, regulate the use and distribution of watches and repair parts, and boycott those who violated these restrictions. *Id.* The conspiracy came about through the adoption and enforcement of an agreement known as the Collective Convention of the Swiss Watch Industry. “The purpose of the Collective Convention was to protect, develop and stabilize the Swiss watch industry and to impede the growth of competitive watch industries outside of Switzerland.” *United States v. The Watchmakers of Switzerland Information Center, Inc.*, 1963-1 Trade Cas. (CCH) ¶ 70,600, at 77,426 (S.D.N.Y. Dec. 20, 1962).

On March 9, 1960, prior to trial, the United States and the defendant importers named in the complaint, including Rolex, agreed to enter into the Final Judgment in lieu of going to trial. *United States v. The Watchmakers of Switzerland Information Center, Inc.*, Trade Reg. Rep. (CCH) ¶ 69,655 (S.D.N.Y. Mar. 9, 1960).

The Department has filed with the Court a memorandum setting forth the reasons why the United States believes that termination of the Final Judgment would serve the public interest. Copies of Rolex’s motion to terminate, the stipulation containing the United States’ tentative consent, the United States’ memorandum, and all further papers filed with the Court in connection with Rolex’s motion will be available for inspection at the Antitrust Documents Group, Antitrust Division, Room 215, 325 7th Street, N.W., Washington, DC 20004, and at the Office of the Clerk of the United States District Court for the Southern District of New York. Copies of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Interested persons may submit comments regarding the proposed termination of the Final Judgment to the United States. Such comments must be received by the Antitrust Division

within sixty (60) days and will be filed with the Court by the United States. Comments should be addressed to John R. Read, Chief, Litigation III Section, Antitrust Division, U.S. Department of Justice, 325 7th Street, N.W., Suite 300, Washington, DC 20530.

Dorothy B. Fountain
Deputy Director of Operations