

FOR IMMEDIATE RELEASE
Thursday, September 22, 1949

DEPARTMENT OF JUSTICE

Attorney General J. Howard McGrath announced today the filing in the federal court at Cleveland of a civil suit charging The Lorain Journal Company, of Lorain, Ohio, and four of its officers with combining and conspiring to restrain and monopolize the dissemination of news, advertising and other information in violation of the Sherman Antitrust Act.

The Lorain Journal Company publishes the only daily newspaper in Lorain, Ohio.

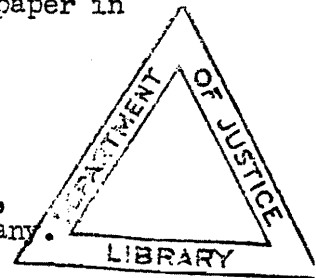
The other defendants are:

Samuel A. Horvitz of Cleveland, Ohio, Vice-President,
Secretary and Director of The Lorain Journal Company.

Isadore Horvitz of Cleveland, Ohio, President, Treasurer
and Director of The Lorain Journal Company.

D. P. Self of Lorain, Ohio, Business Manager of the
Lorain Journal.

Frank Malloy of Lorain, Ohio, Editor of the Lorain Journal.



The Attorney General said: "This is the first Sherman Act case filed by the Government against a newspaper charging it with conspiring to injure a competing radio station. As the Supreme Court pointed out in the Associated Press case, freedom to keep others from publishing news is not guaranteed by the Constitution. Indeed, the Constitutional guaranty of freedom of the press goes hand in hand with the application of the Sherman Act to situations where businessmen are combining to prevent competitors from publishing."

The suit charges that the defendants have undertaken to acquire ownership of their competitors and have refused to publish in the Lorain Journal

advertisements by those who also advertise over the local radio stations in Elyria and Lorain, Ohio, as well as those who also advertise in the Lorain Sunday News, an independent newspaper published every Sunday in Lorain, Ohio.

It is further alleged that the defendants have induced the publishers of the Elyria Chronicle-Telegram, a newspaper published in Elyria, Ohio, a city adjacent to Lorain, to refrain from circulating their newspaper in the City of Lorain.

The complaint also charges that the activities of the defendants have compelled businessmen to refrain from advertising over the radio stations and in the Sunday newspaper and to irreparably injure the Lorain Journal's competitors.

Filed with the complaint are many affidavits by businessmen in Cleveland, Elyria and Lorain reciting their experiences with the Journal.

The complaint seeks a preliminary injunction requiring The Lorain Journal Company, while the case is pending, to publish at its current rates all advertisements submitted by persons who also advertise over the local radio stations or in the Lorain Sunday newspaper unless the publication of the advertisements would be in violation of law.

Herbert A. Bergson, Assistant Attorney General in charge of the Anti-trust Division, said: "Since advertising plays an important role in our free enterprise system, it is vital that advertising channels not be closed by private combinations. This suit invokes the remedial provisions of the Sherman Act in support of that principle."

The case was prepared by Victor H. Kramer, Baddia J. Rashid, Norman H. Seidler, Eugene C. Peck II, and Frank J. Oberg under the supervision of Edward P. Hodges, Chief of the Trial Section of the Antitrust Division.