

UNITED STATES OF AMERICA vs. BATES VALVE
BAG CORPORATION, ET AL., DEFENDANTS.

IN THE DISTRICT COURT OF THE UNITED STATES FOR
THE DISTRICT OF DELAWARE.

In Equity No. 705.

UNITED STATES OF AMERICA, PLAINTIFF

vs.

BATES VALVE BAG CORPORATION, ST. REGIS PAPER COM-
PANY AND BATES VALVE BAG CORPORATION,
DEFENDANTS.

FINAL DECREE.

The United States of America, having filed its Petition herein on the fourth day of January, A. D. 1929, and having thereafter filed its Amended Petition on the twenty-third day of January, A. D. 1929, and having thereafter filed its Supplemental Petition on the nineteenth day of November, A. D. 1929, and the defendant Bates Valve Bag Corporation (Delaware) having duly appeared herein by Clarence A. Southerland, and Ward & Gray, its solicitors, and the defendants St. Regis Paper Company and the Bates Valve Bag Corporation (New Jersey) having duly appeared herein by Clarence A. Southerland, their solicitor, and having duly filed answer herein,

Comes now the United States of America, by its solicitors, Leonard E. Wales, United States Attorney for the District of Delaware, John Lord O'Brian, The Assistant to the Attorney General, and George P. Alt and James

Maxwell Fassett, Special Assistants to the Attorney General, and the defendants by their solicitors hereinbefore named, and it appearing to the Court by admission of the defendants that the petition herein states a cause of action, that the plaintiff has moved the Court for an injunction and for other relief against the defendants as herein decreed, and the Court having duly considered the statements of solicitors for the respective parties, and all of the defendants by their respective solicitors having consented to the entry of this decree without contest, and before any testimony had been taken, now, therefore, and upon motion of the plaintiff,

IT IS ORDERED, ADJUDGED, AND DECREED:

Section 1. That the Court has jurisdiction of the subject matter and of all parties hereto; that the petition herein states a cause of action against the defendants Bates Valve Bag Corporation, a Delaware corporation, the St. Regis Paper Company, a New York corporation, and Bates Valve Bag Corporation, a New Jersey corporation, under the Act of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", which Act is commonly referred to as the Sherman Antitrust Act; and that the petition states a cause of action against the defendants above-named under the Act of October 15, 1914, entitled "An Act to supplement existing laws against unlawful restraints and monopolies and for other purposes", which Act is commonly referred to as the Clayton Act.

Section 2. That the defendant Bates Valve Bag Corporation, a New Jersey corporation, has heretofore made and/or assumed contracts with licensees, lessees and/or users of valve bag filling machines which, by their terms, require the said licensees, lessees and/or users of the machines not to manufacture valve bags, or to buy valve bags from any corporation or person other than defendant Bates Valve Bag Corporation, a New Jersey corporation, and/or such corporations or persons specifically designated by it by license or otherwise; and that certain of said contracts provide that if any of said restrictions

or limitations in said contracts contained shall not be observed by the said licensees, lessees and/or users of the said machines, said contracts shall be immediately terminated and the defendant Bate Valve Bag Corporation, a New Jersey corporation, may, and shall have the right to, recover possession of all such machines without process of law, from said licensees, lessees and/or users of the said machines who have failed to observe said restrictions and/or limitations.

Section 3. That each and every of the aforesaid contracts are hereby declared null and void in so far as they, or any of them, require the licensee, lessee and/or the user of the valve bag filling machines not to buy valve bags from any corporation or person other than defendant Bates Valve Bag Corporation, a New Jersey corporation, and/or such corporations or persons specifically designated by it by license or otherwise; and each and every of said contracts and all existing contracts of like effect are hereby declared null and void in so far as they, or any of them, provide that if any of the said restrictions or limitations in said contracts contained shall not be observed by the licensees, lessees and/or users of the said machines, the contract may be terminated by the defendant Bates Valve Bag Corporation, a New Jersey corporation, and the said defendant corporation may, and shall have the right to, recover possession of all such machines without process of law from said licensees, lessees and/or users of said machines.

Section 4. That the defendants Bates Valve Bag Corporation, a Delaware corporation, St. Regis Paper Company, a New York corporation, and Bates Valve Bag Corporation, a New Jersey corporation, and each of them, their officers, agents, employees and representatives of every kind be and they hereby are perpetually enjoined and restrained from enforcing, or attempting to enforce, directly or indirectly, by means of the present corporate organization of the defendants, by subsidiary or controlled corporations now in existence or hereafter to be organized, or otherwise, any terms or conditions of any

contract or agreement herein declared to be null and void, or any substantially similar restrictions or limitations in any other contract or agreement now in existence or hereafter to be entered into.

Section 5. That defendants and each of them, their officers, agents, employees and representatives of every kind and all subsidiary and/or controlled corporations now in existence and/or to be hereafter organized, be and they hereby are perpetually enjoined and restrained from making, or attempting to make, any license, lease, contract of sale, or any agreement of any kind whatsoever, concerning or relating to valve bag filling machines which license, lease, contract of sale or agreement shall contain, or shall be made upon, the condition, agreement or understanding that the licensee, lessee, purchaser and/or other party to any such agreement shall not sell valve bags to, or buy valve bags from, or use any valve bags manufactured by or bought from any corporation or person other than the defendants, or any of them, or any person or corporation designated by them.

Section 6. That jurisdiction of this cause is retained for the purpose of enforcing or modifying this decree.

Section 7. That petitioner shall recover from defendants its taxable costs herein

JOHN P. NIELDS,
Judge.

Dated Wilmington, Delaware, January 20, 1931.