

Trade Regulation Reporter - Trade Cases (1932 - 1992), United States v. Household Finance Corp., HFC American, Inc., and American Investment Co., U.S. District Court, N.D. Illinois, 1981-2 Trade Cases ¶64,301, (Mar. 26, 1980)

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United States v. Household Finance Corp., HFC American, Inc., and American Investment Co.

1981-2 Trade Cases ¶64,301. U.S. District Court, N.D. Illinois, Eastern Division, Civil Action No. 79 C 80, Entered, March 26, 1980.

Case No. 2684, Antitrust Division, Department of Justice.

Clayton Act

Acquisition: Divestiture: Finance Companies: Consent Decree.— A finance company was enjoined by a consent decree from acquiring any shares of stock or other financial interest in another finance company directly or indirectly. The firm was ordered to divest all of the shares of stock in the other company it owned or controlled within 180 days from the date of entry of the decree and was directed not to exercise the right to vote said stock during the divestiture period. It was also enjoined from acquiring any finance company assets of the other firm directly or indirectly without the prior written consent of the government or approval of the court.

For plaintiff: U. S. Atty., Seymour H. Dussman, and James H. Phillips, Antitrust Div., Dept. of Justice, Washington, D. C. **For defendants:** George W. Rauch, of Hubachek, Kelly, Rauch & Kirby, Chicago, Ill., for Household Finance Corp.; George D. Reycraft, J. David Officer, Thomas J. O'Connell, and Haven C. Roosevelt, of Cadwalader, Wickersham & Taft, New York, N. Y., for Household Finance Corp. and HFC American, Inc.; George A. Jensen, of Pepper, Martin, Jensen, Maichel & Hetlage, St. Louis, Mo., for American Investment Co.

Final Judgment

McGarr, D. J.: Plaintiff, United States of America, having filed its complaint on January 9, 1979, defendants having filed their respective answers thereto, the parties having entered into a stipulation that the only issue to be tried is whether the business of making direct cash loans by finance companies is a line of commerce within the meaning of [Section 7 of the Clayton Act](#) (15 U. S. C. §18), trial having been held, this Court having entered findings of fact and conclusions of law, the United States Court of Appeals having entered its decision and Order on August 10, 1979, and the United States Supreme Court having denied a petition for a writ of certiorari on January 21, 1980;

It Is Hereby Ordered, Adjudged and Decreed as follows:

I

[Jurisdiction]

This Court has jurisdiction of the subject matter of this action and the parties hereto. The complaint states a claim upon which relief may be granted against the defendants under [Section 7 of the Clayton Act](#) (15 U. S. C. ¶18).

II

[Definitions]

As used in this Final Judgment:

(A) "HFC" means defendants Household Finance Corporation and HFC American, Inc., and each of their subsidiaries and affiliates.

(B) "AIC" means defendant American Investment Company and each of its subsidiaries and affiliates.

(C) "Finance company assets" means any account receivables, loan agreements, loan contracts, notes, customer lists, office licenses, tradenames, leaseholds, real property, goodwill, and any other property used in connection with the extension of credit to any person or legal entity.

III

[Applicability]

The provisions of this Final Judgment applicable to defendants shall apply to each of their directors, officers, employees, agents, subsidiaries, affiliates, successors, and assigns, and to all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

IV

[Acquisition Ban]

HFC is permanently enjoined from acquiring any shares of stock or other financial interest in AIC directly or indirectly.

V

[Divestiture]

HFC is ordered and directed to divest all of the shares of stock in AIC which it currently owns or controls within 180 days from the date of entry of this Final Judgment, and is directed not to exercise the right to vote said stock during the divestiture period.

VI

[Assets Acquisition Ban]

HFC is permanently enjoined from acquiring any finance company assets of AIC directly or indirectly without the prior written consent of the plaintiff or approval of the Court.

VII

[Compliance]

For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognized privilege, from time to time:

(A) Duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to a defendant made to its principal office, be permitted:

(1) Access during office hours of such defendant to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of such defendant, who may have counsel present, relating to any matters contained in this Final Judgment; and

(2) Subject to the reasonable convenience of such defendant and without restraint or interference from it, to interview officers, employees, and agents of such defendant, who may have counsel present, regarding any such matters.

(B) Upon the written request of the Attorney General or the Assistant Attorney General in charge of the Antitrust Division, made to a defendant's principal office, such defendant shall submit such written reports, under oath if requested, with respect to any of the matters contained in this Final Judgment as may be requested.

No information or documents obtained by the means provided in this Section shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party, or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

VIII

[Retainer of Jurisdiction]

Jurisdiction is retained by this Court for the purpose of enabling any 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, implementation or modification of any of the provisions thereof, for the enforcement of compliance therewith, and the punishment of violations thereof.