

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA, )

Plaintiff, )

v. )

SWIFT & COMPANY; ARMOUR AND )  
COMPANY; WILSON & CO., INC.; )  
AND CUDAHY COMPANY; et al., )

Defendants. )

Civil Action

No. 58 C 613

MODIFIED AND SUPPLEMENTAL FINAL JUDGMENT

Upon stipulation of the parties filed in this Court on November 17, 1971, and the Court having considered the matter and being duly advised, it is hereby ORDERED,

ADJUDGED AND DECREED as follows:

I.

That Paragraphs Third, Fourth and Eighth of the Final Judgment in this action be, and they hereby are, modified in the following respects:

A. Any corporate defendant or its subsidiaries may enter by de novo entry through internal expansion, the manufacture and/or distribution for resale by the purchaser in any form or for use by industrial, institutional, or governmental entities of any product line

As used in this Modified and Supplemental Final Judgment, product line means any line of commerce in any section of the country as interpreted under Section 7 of the Clayton Act.

Nothing herein shall be construed to immunize any acquisition or merger from the provisions of said Section 7.

## II.

That the Final Judgment in this action be, and it hereby is, supplemented by the addition of the following new provisions:

Nineteenth: Any defendant who hereafter enters into any hitherto prohibited product line, as now permitted in Part I of this Modified and Supplemental Final Judgment, is enjoined and restrained for a period of ten (10) years from said entry, from engaging in the following practices with respect to any such hitherto prohibited product line:

(1) Purchasing, or entering into or adhering to any contract, agreement or understanding to purchase, products, goods or services on the condition or understanding that purchases by such defendant from any actual or potential supplier will be based on or conditioned upon, in whole or in part, such actual or potential supplier's purchases of such product line from such defendant;

(2) Selling, or entering into or adhering to any contract, agreement or understanding to sell products, goods or services to any actual or potential

customer on the condition or understanding that purchases of products, goods or services by defendant from such customer will be based on or conditioned upon, in whole or in part, such actual or potential customer's purchases of such product line from such defendant;

(3) Communicating to such defendant's actual or potential suppliers or contractors that:

(a) In purchasing products, goods or services, such defendant will give preference to any supplier or contractor based on or conditioned upon, in whole or in part, the fact, volume or dollar amount of such supplier's or contractor's purchases of such product line from such defendant;

(b) The defendant is entitled to receive contracts or orders for products, goods or services in such product line from any supplier or contractor based on or conditioned upon, in whole or in part, defendant's purchases from such supplier or contractor; or based on or conditioned upon, in whole or in part, any contract award in such product line made by defendant to any such supplier or contractor;

(4) Comparing or exchanging statistical data with any actual or potential supplier or contractor to ascertain, develop, facilitate or further any relationship between purchases by defendant from such supplier or contractor and sales of such product line by defendant to such supplier or contractor;

(5) Engaging in the practice of discussing with any actual or potential supplier or contractor the relationship between purchases or contract awards by such defendant involving such supplier or contractor, and sales of such product line by defendant to such supplier or contractor;

(6) Preparing or maintaining lists or statistical compilations which compare the volume of, or dollar amount of, purchases by defendant from suppliers or contractors, or the fact of or dollar value of contracts awarded by defendant to such contractors, with purchases of such product line by such suppliers from defendant or contracts awarded in such product line to defendant by such contractors;

(7) Issuing, to personnel having purchasing or contracting duties, lists which identify customers and the magnitude of their purchases from defendant or which identify companies and the dollar value of contracts such companies have awarded to defendant or which

specify or recommend that purchases be made from any such customers or that contracts be awarded to such companies, in whole or in part, on the basis of such customers' purchases of such product line from, or awards of such product line to, defendant;

(8) Agreeing with or suggesting to particular suppliers or contractors that such suppliers or contractors purchase from certain customers for such product line of defendant in order to reciprocate for purchases made by defendant from such suppliers or contractors;

(9) Agreeing with or suggesting to particular suppliers or contractors that such suppliers or contractors will attempt to persuade other companies to buy such product lines from defendant in order to reciprocate for purchases made by defendant from such suppliers or contractors;

(10) Selling or offering to sell any product upon the condition or understanding that the purchaser thereof, purchase any hitherto prohibited product line from the defendant; provided that the exceptions listed in the first paragraph of Paragraph Fourth of the Final Judgment shall remain in full force and effect.

Twentieth: Each defendant is ordered and directed to issue within sixty (60) days, after its entry into any prohibited product line, to each of its officers and employees having sales, purchasing or contracting responsibilities with respect to any hitherto prohibited product line, in the interstate or foreign commerce of the United States, a policy directive stating that with respect to such product line:

(1) All officers and employees are prohibited from purchasing or entering into any contract, agreement or understanding to purchase products, goods or services from any actual or potential supplier on the condition or understanding that such purchases from such supplier or potential supplier will be based on or conditioned upon, in whole or in part, or influenced by, such supplier's purchases of such product line from defendant;

(2) All officers and employees are prohibited from selling, or entering into any contract, agreement or understanding to sell products, goods or services to any actual or potential customer on the condition or understanding that defendant's purchases of products, goods or services from such actual or potential customer will be based on or conditioned upon, in whole or in part, or influenced by defendant's past or

future sales of such product line to such customer;

(3) Violation of the policy directive may subject any offending officer or employee to dismissal from his employment and to liability for violation of this Modified and Supplemental Final Judgment.

Twenty-First: Nothing in this Modified and Supplemental Final Judgment shall prohibit any defendant from complying with any requirement or request of a state or federal agency concerning the preparation, maintenance, or distribution of any compilation or list.

### III.

Sixty (60) days prior to completing any acquisition pursuant to Section I(B) of this Modified and Supplemental Final Judgment, each defendant shall serve notice thereof to the plaintiff, together with all information relevant to the determination of why such acquisition is permissible under the provisions of Section I(B) hereof, and shall furnish the plaintiff with such additional information as may reasonably be requested within such sixty (60) day period. If the plaintiff shall not object to the acquisition within thirty (30) days after receipt of the last additional information requested as aforesaid, then defendant may complete the acquisition. Should the plaintiff object to the acquisition, it shall state its reasons therefore and the defendant may then petition the Court for its approval and such approval may be granted upon a proper showing upon reasonable notice to the plaintiff.

IV.

Except as specifically modified and supplemented herein, the Final Judgment of February 27, 1920, remains in full force and effect, provided, however, that if there is any conflict or inconsistency between any provision of this Modified and Supplemental Final Judgment and any provision of the Final Judgment, the provision of this Modified and Supplemental Final Judgment shall govern.

Dated: \_\_\_\_\_, 1971.

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United States District Judge