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**UNITED STATES v. AMERICAN TOBACCO CO.**

IN THE UNITED STATES CIRCUIT COURT FOR THE  
SOUTHERN DISTRICT OF NEW YORK.

Equity No. 1-216.

Before Lacombe, Coxe, Ward and Noyes, Circuit Judges.

THE UNITED STATES OF AMERICA, PLAINTIFF,

VS.

THE AMERICAN TOBACCO COMPANY ET AL., DEFENDANTS.

Be it remembered that in the above entitled cause, all parties being before this Court on the 12th of November, 1907, John A. Shields was duly appointed Special Examiner to take and report all evidence advanced or offered, and thereafter in pursuance of such appointment he did

take the evidence offered by both the petitioner and defendants and prior to the 26th day of March, 1908, duly reported it and the same was thereupon made a part of the record; that on the 26th day of March, 1908, acting under authority of the act of Congress, approved February 11th, 1903, "to expedite the hearing and determination of suits in equity," etc., the Attorney General of the United States filed with the Clerk of the Court "A certificate that in his opinion the cause is of general public importance" and thereafter the same was proceeded with under said act, and came on for final hearing upon the pleadings, proof, former orders and decrees before the Honorables E. Henry Lacombe, Alfred C. Coxe, Henry G. Ward and Walter C. Noyes, the Circuit Judges for the Second Circuit, who heard the arguments of counsel on May 19th, 20th, 21st and 22nd, 1908, and duly took the same under advisement and having considered, thereafter on the 7th day of November, 1908, announced and caused to be filed their respective written opinions therein.

Whereupon, the Court adjourned, ordered and decreed, as follows:

First. That the petition be and is hereby dismissed as to the defendants The Imperial Tobacco Company of Great Britain and Ireland, Limited; The British American Tobacco Company; W. S. Mathews & Sons; T. C. Williams Company; David Dunlop, Incorporated; United Cigar Stores Company and as to the individual defendants named therein.

Second. That the defendants, other than those against whom the petition is dismissed, have heretofore entered into and are now parties to combinations in restraint of trade and commerce among the several States and with foreign nations in leaf tobacco, products manufactured therefrom and articles necessary or useful in connection therewith, in violation of the Act of Congress, approved July 2, 1890, entitled "An Act to Protect Trade and Commerce against Unlawful Restraints and Monopolies."

Wherefore, said defendants and each of them, their officers, agents, directors, servants and employees are

hereby restrained and enjoined from directly or indirectly doing any act or thing whatsoever in furtherance of the objects and purposes of said combinations and from continuing as parties thereto.

Third. That each of the defendants, The American Tobacco Company, American Snuff Company, American Cigar Company, American Stogie Company and MacAndrews & Forbes Company constitutes and is itself a combination in violation of the said Act of Congress.

Wherefore, defendants, The American Tobacco Company, American Snuff Company, American Cigar Company, American Stogie Company and MacAndrews & Forbes Company, together with the officers, directors, agents and employees of each of them are each and all hereby restrained and enjoined from further directly or indirectly engaging in interstate or foreign trade and commerce in leaf tobacco or the products manufactured therefrom or articles necessary or useful in connection therewith. But if any of said last named defendants can hereafter affirmatively show the restoration of reasonably competitive conditions, such defendant may apply to this Court for a modification, suspension or dissolution of the injunction herein granted against it.

Fourth. The American Tobacco Company has acquired and now holds and claims to own some or all of the capital stock of the following corporations, defendants herein: F. F. Adams Tobacco Company, American Cigar Company, American Snuff Company, Amsterdam Supply Company, S. Anargyros, Blackwell's Durham Tobacco Company, The John Bollman Company, Jno. W. Carroll Tobacco Company, The Conley Foil Company, Crescent Cigar & Tobacco Company, Thomas Cusack Company, Day and Night Tobacco Company, Garson Vending Machine Company, Golden Belt Manufacturing Company, International Cigar Machinery Company, The Kentucky Tobacco Product Company, P. Lorillard Company, Luhrman & Wilbern Tobacco Company, MacAndrews & Forbes Company, Manhattan Briar Pipe Company, Mengel Box Company, Monopol Tobacco Works, Nall & Williams To-

bacco Company, Nashville Tobacco Works, R. A. Patterson Tobacco Company, Pinkerton Tobacco Company, Porto Rican-American Tobacco Company, R. J. Reynolds Tobacco Company, and Spaulding & Merrick.

The American Tobacco Company also claims to own a majority of the capital stock of the defendant corporation R. P. Richardson, Jr., & Company Incorporated.

The American Snuff Company has acquired and now holds and claims to own some or all of the capital stock of the following corporations named as defendants herein: American Cigar Company, Amsterdam Supply Company, The American Tobacco Company, H. Bolander, De Voe Snuff Company and Standard Snuff Company.

The American Cigar Company has acquired and now holds and claims to own some or all of the capital stock of the following corporations named as defendants herein: Amsterdam Supply Company, American Stogie Company, R. D. Burnett Cigar Company, M. Blaskower Company, Cuban Land and Leaf Tobacco Company, Cliff Weil Cigar Company, Dusel, Goodloe & Company, Federal Cigar Real Estate Company, J. J. Goodrum Tobacco Company, Havana American Company, Havana Tobacco Company, International Cigar Machinery Company, Jordon, Gibson & Baum, Incorporated, The Kentucky Tobacco Product Company, Louisiana Tobacco Company, Limited, The J. B. Moos Company, Corporation J. & B. Moos, Porto Rican-American Tobacco Company, Porto-Rican Leaf Tobacco Company and The Smokers' Paradise Corporation.

P. Lorillard Company has acquired and now holds and claims to own some or all of the capital stock of the following corporations, defendants herein: American Snuff Company and Amsterdam Supply Company.

R. J. Reynolds Tobacco Company has acquired and now holds and claims to own some or all of the capital stock of the following corporations, defendants herein: Amsterdam Supply Company, Liipfert-Scales Company and MacAndrews & Forbes Company.

Blackwell's Durham Tobacco Company has acquired and now holds and claims to own some or all of the capital

stock of the following corporations, defendants herein: Amsterdam Supply Company, F. R. Penn Tobacco Company, Scotten-Dillon Company and Wells-Whitehead Tobacco Company.

Conley Foil Company has acquired and now holds and claims to own some or all of the capital stock of the defendant Johnson Tin Foil & Metal Company.

Wherefore each and all of defendants, The American Tobacco Company, The American Snuff Company, The American Cigar Company, P. Lorillard Company, R. J. Reynolds Tobacco Company, Blackwell's Durham Tobacco Company and Conley Foil Company, their officers, directors, agents, servants and employees are hereby restrained and enjoined from acquiring by conveyance or otherwise, the plant or business of any such corporation wherein any one of them now holds or owns stock; and each and all of said defendant corporations so holding stock in other corporations as above specified, their officers, directors, agents, servants and employees, are further enjoined from voting or attempting to vote said stock at any meeting of the stockholders of the corporation issuing the same and from exercising or attempting to exercise any control, direction, supervision or influence whatsoever over the acts and doings of such corporation. And it is further ordered and decreed that each and every of the defendant corporations the stock of which is held by any other defendant corporation as hereinbefore shown, their officers, directors, servants and agents be and they are hereby respectively and collectively restrained and enjoined from permitting the stock so held to be voted by any other defendant holding or claiming to own the same or by its attorneys or agents at any corporate election for directors or officers and from permitting or suffering any other defendant corporation claiming to own or hold stock therein, or its officers or agents to exercise any control whatsoever over its corporate acts.

Fifth. That judgment for its lawful costs is hereby given in favor of the petitioner and against the defen-

dants as to whom the petition has not been dismissed, except the defendant R. P. Richardson, Jr., & Company, Incorporated, which corporation, by its attorney, consented in open court to the above decree.

Sixth. Nothing in this decree contained shall prevent the defendants or any of them from the institution, prosecution or defense of any suit, action, or proceeding to prevent or restrain the infringement of a trade-mark used in interstate commerce or otherwise assert or defend a claim to any property or rights.

Seventh. In the case the defendants against whom an injunction is hereby decreed, take an appeal to the Supreme Court of the United States from this decree without delay, the injunction herein directed shall be suspended during the pendency of such appeal.

Eighth. It is further ordered that this decree be not entered until the 15th day of December, 1908, on which day the parties may appear at Room 124 Federal Building at 10:30 A. M., and pray an appeal in open court.

Ninth. The present term of the Circuit Court is continued until twenty days after the decision of the Supreme Court upon the appeal, should an appeal be taken, from this decree, to enable the defendants in case of affirmance, to make any application as they may be advised.

The death of Welford C. Reed, named as a defendant occurred before the final hearing and there has been no revivor.

Dated at New York, December 15th, 1908.

E. HENRY LACOMBE,  
ALFRED C. COXE,  
H. G. WARD,  
WALTER C. NOYES,  
*U. S. Circuit Judges.*

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