IN THE UNITED STATES DISTRICT COURT

FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA, Plaintiff, v. CONTAINER CORPORATION OF AMERICA; ALBEMARLE PAPER MANUFACTURING COMPANY; CAROLINA CONTAINER COMPANY; CONTINENTAL CAN COMPANY, INC.; CROWN ZELLERBACH CORPORATION; DIXIE CONTAINER CORPORATION; DIXIE CONTAINER CORPORATION OF NORTH CAROLINA; INLAND CONTAINER CORPORATION; INTERNATIONAL PAPER COMPANY; THE MEAD CORPORATION; MILLER CONTAINER CORPORATION; OWENS-ILLINOIS GLASS COMPANY; ST. JOE PAPER COMPANY; ST. REGIS PAPER COMPANY; TRI-STATE CONTAINER CORPORATION; UNION BAG-CAMP PAPER CORPORATION; WEST VIRGINIA PULP AND PAPER COMPANY; WEYERHAEUSER COMPANY; and THE WATERBURY CORRUGATED CONTAINER CO., Defendants.	)	Civil Action No. C-180-G-63 Filed: OCT 4 1963

COMPLAINT

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, brings this civil action against the defendants named herein and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed and these proceedings are instituted against the defendants named herein under Section 4 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209, as amended (15 U.S.C. §4), entitled "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies," commonly known as the Sherman Act, in order to prevent and restrain the violation by the defendants, as hereinafter alleged, of Section 1 of that Act (15 U.S.C. §1).

C-1-7

2. Each of the defendants transacts business and is found within the Middle District of North Carolina.

II

DEFINITIONS

3. As used herein, the term "corrugated containers" means all kinds of corrugated shipping containers made of kraft paperboard.

4. As used herein, the term "Southeastern United States" means the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee and Kentucky.

III

THE DEFENDANTS

5. The corporations listed below are named as defendants herein. Each of these defendants is organized and exists under the laws of the state, has its principal place of business in the city, and has plants in the Southeastern United States as indicated below:

Name	State of Incorporation	Principal Office	Plants in Southeast
Container Corporation of America	Delaware	Chicago, Ill.	Fernandina, Fla. Memphis, Tenn. Nashville, Tenn. Chattanooga, Tenn. Knoxville, Tenn. Lexington, Ky. Louisville, Ky. Winston-Salem, N.C.
Albemarle Paper Manufacturing Company	Virginia	Richmond, Va.	Richmond, Va.
Carolina Container Company	North Carolina	High Point, N.C.	High Point, N.C.
Continental Can Company, Inc.	New York	New York, N.Y.	Atlanta, Ga. Martinsville, Va. Richmond, Va.
Crown Zellerbach Corporation	Nevada	San Francisco, Calif.	Atlanta, Ga. Greenville, S.C. Miami, Fla. Tampa, Fla.
Dixie Container Corporation	Virginia	Richmond, Va.	Richmond, Va.

Dixie Container Corporation of North Carolina	Delaware	Morganton, N.C.	Morganton, N.C.
Inland Container Corporation	Indiana	Indianapolis, Ind.	Winchester, Va. Macon, Ga. Orlando, Fla. Rome, Ga. Louisville, Ky.
International Paper Company	New York	New York, N.Y.	Auburndale, Fla. Georgetown, S.C.
The Mead Corporation	Ohio	Dayton, Ohio	Atlanta, Ga. Durham, N.C. Louisville, Ky. Memphis, Tenn. Miami, Fla.
Miller Container Corporation	Virginia	Roanoke, Va.	Roanoke, Va.
Owens-Illinois Glass Company	Ohio	Toledo, Ohio	Atlanta, Ga. Miami, Fla. Memphis, Tenn. Jacksonville, Fla. Salisbury, N.C.
St. Joe Paper Company	Florida	Jacksonville, Fla.	Birmingham, Ala. Memphis, Tenn. Port St. Joe, Fla. Portsmouth, Va.
St. Regis Paper Company	New York	New York, N.Y.	Jacksonville, Fla. Atlanta, Ga. Birmingham, Ala.
Tri-State Container Corporation	Tennessee	Elizabethton, Tenn.	Elizabethton, Tenn.
Union Bag-Camp Paper Corporation	Virginia	New York, N.Y.	Lakeland, Fla. Jamestown, N.C. Savannah, Ga. Spartanburg, S.C.
West Virginia Pulp and Paper Company	Delaware	New York, N.Y.	Gastonia, N.C. Richmond, Va.
Weyerhaeuser Company	Washington	Tacoma, Wash.	Florence, Ala. Tampa, Fla. Charlotte, N.C. Lynchburg, Va.
The Waterbury Corrugated Container Co.	Connecticut	Waterbury, Conn.	Newton, N. C.

6. The acts alleged in this complaint to have been done by each defendant were authorized, ordered, or done by the officers, agents, employees, or representatives of such defendant while actively engaged in the management, or control of its affairs.

IV

TRADE AND COMMERCE INVOLVED

7. Corrugated containers are made of kraft paperboard which is chiefly characterized by its strength. Manufacturers produce corrugated containers in various shapes and sizes according to the needs of their customers. While corrugated containers are shipped as flat board they have been previously cut and prepared for folding into the desired shapes and sizes for use as containers.

8. Corrugated containers are used for shipment of a wide variety of products. They are widely used in the Southeastern United States for shipment of textiles, tobacco products, furniture, fruits, and poultry products. Virtually all corrugated containers sold in the Southeastern United States are made to customer specification. The few that are not are primarily sold to shippers of fruit and eggs.

9. During the period of time covered by this complaint, each of the corporate defendants has sold and shipped substantial quantities of corrugated containers to customers located in states other than the state in which said corrugated containers were manufactured. Total sales of corrugated containers manufactured in the Southeastern United States by the defendants amount to approximately $200,000,000. per year, and represent in excess of 90% of all sales of such products in the Southeastern United States.

V

OFFENSE CHARGED

10. Beginning at least as early as 1955, the exact date being to the plaintiff unknown, and continuing up until the date of this complaint, the defendants have engaged in a combination and conspiracy in unreasonable restraint of the aforesaid interstate trade and commerce

in corrugated containers, in the Southeastern United States, in violation of Section 1 of the Sherman Act. Such unlawful combination and conspiracy is continuing and will continue unless the relief hereinafter prayed for is granted.

11. The aforesaid combination and conspiracy has consisted of a continuing agreement, understanding, and concert of action among the defendants to exchange among themselves information respecting prices that they have charged, contracted to charge, or quoted, specific customers, for the purpose and with the effect of restricting price competition among themselves in the sale of corrugated containers.

12. For the purpose of effectuating the aforesaid combination and conspiracy the defendants have done those things which as hereinbefore charged they combined and conspired to do.

VI

EFFECTS

13. The combination and conspiracy has had the effect, among others, of unreasonably restricting price competition in the sale of corrugated containers to purchasers located in the Southeastern United States.

VII

PRAYER

WHEREFORE, Plaintiff prays:

1. That the Court adjudge and decree that the defendants, and each of them, have engaged in a conspiracy and combination in unreasonable restraint of the aforesaid trade and commerce in corrugated containers as hereinabove alleged, in violation of Section 1 of the Sherman Act.

2. That each of the defendants, its successors, assignees, and transferees, and the respective officers, agents, and employees thereof, be perpetually enjoined and restrained from:

(a) Continuing to carry out, directly or indirectly, the combination and conspiracy hereinbefore alleged, or from engaging in any other

combination or conspiracy having a similar purpose or effect, or from adopting or following any practice, plan, program, or device having a similar purpose or effect;

(b) Furnishing to, or requesting from, any other manufacturer of corrugated containers, by reference to a pricing manual or by any other means, any information concerning prices, terms, or conditions for the sale of corrugated containers to any specific customers;

(c) Entering into any agreements, arrangements, or understandings with any other persons to eliminate or suppress competition in the sale of corrugated containers.

3. That the plaintiff have such other, further, and different relief as the Court may deem just and proper in the premises.

4. That the plaintiff recover the costs of this suit.

Dated: Oct. 14, 1963

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