

Final Order

77 F.T.C.

IN THE MATTER OF
THE SEEBURG CORPORATION

MODIFIED ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
SEC. 7 OF THE CLAYTON ACT

Docket 8682. Complaint, April 22, 1966—Decision, Dec. 4, 1970

Order modifying a divestiture order dated April 10, 1969, 75 F.T.C. 561, pursuant to a decision of the Court of Appeals, Sixth Circuit, 425 F. 2d 124 (8 S.&D. 1146) which required the omission of the words "and/or sale" of vending machines from Paragraph D of the original order.

FINAL ORDER

The Commission issued its divestiture order in this matter on April 10, 1969 [75 F.T.C. 561]; the Court of Appeals for the Sixth Circuit modified and, as so modified, affirmed the divestiture order on April 29, 1970 [8 S.&D. 1146], and the Supreme Court denied petition for writ of certiorari on October 19, 1970;

It is therefore ordered, That the divestiture order issued by the Commission be, and it hereby is, modified to read in full as follows:

A

It is ordered, That respondent, The Seeburg Corporation, a corporation, and its officers, directors, agents, representatives, employees, subsidiaries, affiliates, successors and assigns, within one (1) year from the date of service of this order, shall divest absolutely and in good faith, all stock, assets, properties, rights and privileges, tangible or intangible, including but not limited to all properties, plants, machinery, equipment, trade names, contract rights, patents, trademarks, and good will acquired by The Seeburg Corporation as a result of the acquisition by The Seeburg Corporation of the assets of Cavalier Corporation, together with all plants, machinery, buildings, land, improvements, equipment and other property of whatever description that has been added to or placed on the premises of the former Cavalier Corporation, so as to restore Cavalier Corporation as a going concern and effective competitor in the manufacture and sale of bottle vending machines.

B

It is further ordered, That pending divestiture, respondent shall not make any changes in any of the plants, machinery, buildings,

equipment or other property of whatever description of the former Cavalier Corporation which shall impair its present capacity for the production, sale and distribution of vending machines, or its market value.

C

It is further ordered, That by such divestiture, none of the assets, properties, rights or privileges, described in Paragraph A of this order, shall be sold or transferred, directly or indirectly, to any person who is at the time of the divestiture an officer, director, employee, or agent of, or under the control or direction of, The Seeburg Corporation or any subsidiary or affiliated corporations of The Seeburg Corporation, or owns or controls, directly or indirectly, more than one (1) percent of the outstanding shares of common stock of The Seeburg Corporation, or to any purchaser who is not approved in advance by the Federal Trade Commission.

D

It is further ordered, That respondent shall for a period of ten (10) years from the date of service of this order, cease and desist from acquiring, directly or indirectly, through subsidiaries or otherwise, without the prior approval of the Federal Trade Commission, all or any part of the share capital of any corporation engaged in the manufacture of vending machines in the United States, or capital assets pertaining to such manufacture.

E

It is further ordered, That respondent shall submit to the Commission periodically, within thirty (30) days from the date of service of this order and every ninety (90) days thereafter, a report in writing setting forth its efforts and progress in carrying out the divestiture requirements of this order until all such assets have been divested with the approval of the Commission; and respondent shall submit to the Commission on the first day of each calendar year a report in writing setting forth its compliance with the cease and desist provisions of this order.

F

It is further ordered, That respondent notify the Commission of the names and addresses of all persons, firms or corporations who shall express to respondent any interest in purchasing the assets to be divested under the terms of this order, within thirty (30) days after having been informed of such interest.

Chairman Kirkpatrick and Commissioner Dennison did not participate for the reason oral argument was heard and the opinion and original order were issued prior to their appointment to the Commission.
