

IN THE MATTER OF
KRAFTCO, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF SEC.
5 OF THE FEDERAL TRADE COMMISSION ACT AND SEC. 8 OF THE
CLAYTON ACT

Docket 9035. Complaint, June 17, 1975—Decision, April 26, 1976

Consent order requiring Richard C. Bond to cease serving simultaneously on the board of directors of Kraftco, Inc., a Glenview, Ill., manufacturer and seller of margarine, edible oils and barbecue sauce, and as a director of any of Kraftco's competitors.

Appearances

For the Commission: *Ronald A. Bloch, Clinton R. Batterton and Joseph Tasker, Jr.*

For the respondents: *David C. Bogan and C. Lee Cook, Jr., Chadwell, Kayser, Ruggles, McGee & Hastings, Chicago, Ill. Howard Hoosin and William G. Taffee, Glenview, Ill. William E. Willis, Sullivan & Cromwell, New York City. Fredic L. Ballard, Ballard, Spahr, Andrews & Ingersoll, Philadelphia, Pa.*

COMPLAINT

The Federal Trade Commission, having reason to believe that the above-named respondents have been and are in violation of the provisions of Section 8 of the Clayton Act, as amended, and Section 5(a)(1) of the Federal Trade Commission Act, and that a proceeding in respect thereof would be in the public interest, issues its complaint, stating its charges as follows:

PARAGRAPH 1. Respondent Kraftco, Inc. (hereinafter "Kraftco") is a Delaware corporation, and maintains its principal office at Kraftco Court, Glenview, Illinois. Kraftco has capital, surplus, and undivided profits aggregating more than one million dollars, and is engaged in whole or in part in commerce as "commerce" is defined in Section 1 of the Clayton Act and Section 4 of the Federal Trade Commission Act.

PAR. 2. Respondent SCM Corporation (hereinafter "SCM") is a New York corporation, and maintains its principal office at 299 Park Ave., New York, New York. SCM has capital, surplus, and undivided profits aggregating more than one million dollars, and is engaged in whole or in part in commerce as "commerce" is defined in Section 1 of the Clayton Act and Section 4 of the Federal Trade Commission Act.

PAR. 3. Respondent Richard C. Bond is a resident of the Commonwealth of Pennsylvania.

PAR. 4. Respondent Bond is a member of the board of directors of each of the herein named corporate respondents.

PAR. 5. The business of the corporate respondents, Kraftco and SCM, includes the manufacture and sale in commerce of margarine, edible oils, and barbecue sauce.

PAR. 6. Kraftco and SCM, by the nature of their margarine, edible oil, and barbecue sauce business and location of operations with respect to said products, are competitors of each other. The elimination of competition with respect thereto by agreement between Kraftco and SCM would constitute a violation of the antitrust laws.

PAR. 7. Therefore, the simultaneous presence of respondent Richard C. Bond on the board of directors of respondents Kraftco and SCM constitutes a violation of Section 8 of the Clayton Act and Section 5(a)(1) of the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having heretofore issued its complaint charging the respondent named in the caption hereto with violation of Section 8 of the Clayton Act and Section 5(a)(1) of the Federal Trade Commission Act, and the respondent having been served with a copy of the complaint and with a copy of the notice of contemplated relief accompanying said complaint; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the complaint heretofore issued, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter issued an order withdrawing the matter described in the caption hereto from adjudication for the purpose of considering the proposed consent agreement pursuant to Section 3.25 of its Rules; and

The Commission having considered the agreement and having provisionally accepted same, and the agreement containing a consent order having thereupon been placed on the public record for a period of sixty (60) days, and having duly considered the comment filed thereafter by interested persons pursuant to Section 3.25(d) of the Commission's Rules, now in further conformity with the procedure prescribed in Section 3.25 of its Rules, the Commission hereby issues its decision in disposition of the proceeding against the above named

respondent, makes the following jurisdictional findings, and enters the following order:

1. Respondent, Richard C. Bond, is an individual.
2. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and over the respondent, and the proceeding is in the public interest.

ORDER

1. *It is ordered*, That upon this order becoming final Respondent, Richard C. Bond, so long as he remains a director of Kraftco, Inc., (a) shall not resume his position as a director of SCM Corporation, and (b) shall not accept or continue to hold a position as director of any other corporation engaged in or affecting interstate commerce as defined in the Clayton or Federal Trade Commission Acts which is in competition with Kraftco, Inc.

2. *It is further ordered*, That within thirty (30) days from the date on which this order is served upon him respondent shall file with the Commission a written report setting forth the manner and form in which he has complied with this order.

Complaint

87 F.T.C.

IN THE MATTER OF
WARNER-LAMBERT COMPANY

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

Docket 8850. Complaint, June 30, 1971—Order, April 27, 1976

Opinion, Findings of Facts and Conclusions of Law that the acquisition by Warner-Lambert of Morris Plains, N.J., a major American industrial corporation and a leader in the drug business, of Parke, Davis & Company, has or may substantially lessen competition in the following five therapeutic submarkets of the overall drug manufacturing market: (1) thyroid preparations, (2) cough remedies, (3) cough drops and lozenges, (4) normal serum albumin, and (5) tetanus immune globulin. The order vacates the initial decision of the administrative law judge; adopts the Commission's own Findings of Facts and Conclusions of Law; and directs each party within 30 days to file with the Commission a proposed form of order appropriate to the decision, together with a supporting memorandum.

Appearances

For the Commission: *Paul R. Teetor, Thomas P. Athridge, Robert D. Jacobs and Sidney A. Shapiro.*

For the respondent: *Herbert A. Bergson, Howard Adler, Jr., Mary-Margaret Gillen and Michael D. Ridberg, Bergson, Borkland, Margolies & Adler, Washington, D.C. Mudge, Rose, Guthrie & Alexander, New York City.*

COMPLAINT

The Federal Trade Commission has reason to believe that Warner-Lambert Company (hereafter "Warner-Lambert"), a corporation and the respondent herein, has acquired Parke, Davis & Company (hereafter "Parke, Davis"), a corporation, in violation of Section 7 of the Clayton Act, as amended (15 U.S.C. §18); therefore, pursuant to Section 11 of the Clayton Act, as amended (15 U.S.C. §21), it issues this complaint, stating its charges in that respect as follows:

1. DEFINITIONS

For purposes of the complaint the following definitions shall apply:

- (a) "Drugs" are medicines, both pharmaceutical and biological, in dosage form and are here restricted to those intended for human use.
- (b) "Ethical" drugs are those for which a prescription is required or which, although sold over the counter without a prescription, are primarily promoted to the medical profession.