I.T.T. Case: a Familiar Scenario

By FILEEN SHANAHAN Special to The New York Times

WASHINGTON, March 6 -The current case involving the International Telephone and Telegraph Corporation is only the latest in a long series in which there have been charges that improper influence was ex-

remedy the situations that per cent. caused the suits to be brought. Critics say that too often the too have settled antitrust cases the accused company are insettlements do not impose any for what critics have charged volved in the negotiations, and

trust case involved another intervention was only rumored quate. communications giant, America —involved an attempt by the trust controversies of

dum. A.T &T.'s general counsel, of the only two major pro-T. Brooke Price, reported on a ducers. T. Brooke Price, reported on a ducers.

private conversation he allegedly had with Herbert N. legedly had with Herbert N. Johnson Administration, with a grownell Jr., then Attorney Johnson Administration, with a growness of the conversations of the conversation of the conversations of the conversation of the conv

suit that had been brought against the company during of the antitrust enforcers genthe Truman Administration.

A.T.&T. should offer to let itself be enjoined from doing it is better for the Government it is better for the Government. self be enjoined from doing it is better for the Government some things that it could stop to make a settlement than to doing "with no real injury to our business," he recalled being to do not have to submit to the remedy the Truman trust-bust-ers had sought. which was their argument that the government that been filed. The basic problem, as the critics see it, is that there is no procedure whereby critics of an antitrust settlement may obtain their day in court. They may complain, but there is no guarantee that the judge with whom

fore the House Antitrust Sub-are increasingly concentrated in committee, headed by Repre-fewer and fewer hands. available to anyone who sought

Stir Criticism

mandatory patent licensing ment, ranging from Mr. Celler, would not really diminish to his Senate counterpart, Philip that improper influence was exerted to achieve out-of-court settlements of antitrust suits. Settlements without trial in antitrust cases are routine. More than three-quarters of all such suits rbought in recent decades have been settled that interests after than litigated.

The question that interests of the settlements without trial in the country were than interests and the country with the c The question that interests than twice as many telephones, students of antitrust enforce-ment is whether the settlements centage is scarcely lower, 80.1

meaningful penalty on the companies involved.

Was really no penalty at all. A the denial to all third parties of any legal right to intervene paralleled the A.T. & T. case—lif the settlement seems inadeover the settlement of an anti-except that high-level political Telephone and Telegraph Com-trust-busters to force General Eisenhower years Telephone and Telegraph Com-pany.

Motors, the dominant auto pro-ducer, to get out of the bus an internal company memoran-business, in which it was one an internal company memoran-than the company two major pro-

General, on the porch of an iso-lated cottage at White Sulphur pany freely license its patents Previously, the terms of settle-Srpings, W. Va. for improved bus design. The According to Mr. Price, Mr. Settlement did not reverse Brownell gave him "a little G.M.'s domination of the bus friendly tip" about settling the market.

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ers had sought, which was their argument that the settledivesture of its manufacturing ments are not really achieving the settlement is filed will even subsidiary, Western Electric, he anything. For all the scores of read their complaints. The subsidiary, Western Electric, he anything. For all the scores of cases that have been filed in Although the contents of the the last two decades to block in the matter.

memo and other related matmergers and acquisitions, the This is not true when antiters were aired at length be- industrial assets of the nation trust cases are litigated.

Such Accords Are tion. How much more accelerated might the trend to con-Common but Often centration have been if there had not been all the antitrust suits, with or without negotiated settlements?

Critics of antitrust enforce-

Their concern, increasingly, has been the secrecy with which the settlement negotiations are conducted; the fact Democratic Administrations, that only the Government and if the settlement seems inade-

> Looking back on the antilem by providing that the de-tails of all antitrust settlements

No one in the antitrust field can remember a single case, however, in which a judge has refused to sign an antitrust settlement in which objections

judge has complete discretion

In the case involving the El committee, headed by Repre-fewer and fewer hands.

Sentative Emanuel Celler of In 1950, the 100 largest man-Justice Department and the Brooklyn, no change was ever ufacturing corporations owned in the settlement that by 38.4 per cent of all the had been worked out before the memo was discovered. The tries; in 1970, they owned 48.2 with the earlier findings of the settlement did not touch the memo was discovered. The tries; in 1970, they owned 48.2 with the earlier findings of the settlement did not touch the normal tries; in 1970, they owned 48.2 with the earlier findings of the settlement did not touch the normal tries; in 1970, they owned 48.2 with the earlier findings of the settlement did not touch the normal tries; in 1970, they owned 48.2 with the earlier findings of the settlement did not touch the normal tries; in 1970, they owned 48.2 with the earlier findings of the settlement. settlement did not touch the per cent. In 1950, the 200 court and the relief ordered by status of Western Electric. It largest owned 48.8 per cent; the court. In that case, theremainly involved requirements 20 years later the figure was a right of apthat A.T.&T. make its patents 60 per cent. The defenders of antitrust several times overturned the enforcement policy can respond settlements to which the Gov-Those who argued then that only with a speculative ques-ernment had agreed.