# SUPREME COURT OF THE UNITED STATES

### OCTOBER TERM, 1944

### No. 57

THE ASSOCIATED PRESS, PAUL BELLAMY, GEORGE FRANCIS BOOTH, ET AL., APPELLANTS,

Đ8.

THE UNITED STATES OF AMERICA

No. 58

TRIBUNE COMPANY AND ROBERT RUTHERFORD MCCORMICK, APPELLANTS,

V8.

THE UNITED STATES OF AMERICA

No. 59

THE UNITED STATES OF AMERICA, APPELLANT,

vs.

THE ASSOCIATED PRESS, PAUL BELLAMY, GEORGE FRANCIS BOOTH, ET AL.

APPEALS FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

### VOL. II

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., JULY 12, 1944.

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### [Title omitted]

Answer of Tribune Company and Robert Rutherford Mc-Cormick, Defendants, to Plaintiff's First Request for Admissions.

The defendants, Tribune Company and Robert Rutherford McCormick, answer the request of plaintiff for admissions as follows:

Statements 1-a to and including 16-g: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the particular defendant mentioned in each of them.

Statement 17-a: Admitted with qualifications as follows: The defendant, Tribune Company, is engaged in publishing and selling its newspapers for the purposes which now and heretofore have generally governed the newspaper press, including the purpose of making profits, without which the press can have no lasting existence in the absence of governmental subsidy and control.

Statement 17-b: Admitted.

Statement 17-c: Admitted.

Statement 17-d: Denied.

[fol. 561] Statement 17-e: Admitted.

Statement 17-f: Denied.

Statement 17-g: Admitted.

Statements 18-a to and including 18-f: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the particular defendant mentioned in each of them.

Statements 19-a to and including 19-k: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same

admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 20-a: These defendants do not know whether this statement is true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statement 20-b: Admitted.

Statement 21-a: Admitted with qualifications as follows: AP, UP and INS are the largest domestic news-agencies operating in the United States in respect of number of newspapers served, number of employees, expenditures incurred and distribution of news originating in this country, but these defendants are informed and believe there are other news-agencies operating in the United States which are comparable to these three agencies, i. e., comparable to them "in size and in scope and comprehensive (sic) of their operations in collecting and distributing to newspapers news originating in this country and in foreign countries."

Statement 21-b: Denied.

[fol. 562] Statements 22-a to and including 22j: Admitted.

Statement 22-k: These defendants admit that the news service and personnel of The Associated Press are under the direction of the general manager. These defendants, however, do not believe that the entire news service and personnel are exclusively under the general manager's direction and not under the direction of the President by resolution of the Board of Directors, but having no certain knowledge thereof are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 22-1: These defendants admit that Kent Cooper is the general manager of The Associated Press. These defendants, however, do not know whether all of the day to day business operations of The Associated Press in gathering and disseminating news are conducted by a staff of employees headed by Kent Cooper, and these defendants, therefore, are willing to and do hereby make the same admissions or denials with respect to this state-

ment as shall be made by the defendant, The Associated Press.

Statement 22-m: These defendants believe this statement is untrue; that the general manager of The Associated Press is subject to the direction and control of the Board of Directors and President of the Associated Press, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 22-n: These defendants do not know whether this statement is true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

[fol. 563] Statement 22-o: These defendants admit the first two statements quoted in the paragraph set forth in statement 22-n. These defendants believe, however, that the statement "that the general manager acts as executive head of the organization" is subject to the qualification that the general manager is subject to the direction of the Board of Directors and the President of The Associated Press.

Statement 22-p: These defendants do not know whether this statement is true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statement 22-q: These defendants admit the statement quoted in Statement 22-p, with the qualification that these defendants believe the general manager is subject to the direction and control of the Board of Directors and the President of The Associated Press.

Statements 23-a and 23b: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 24-a to and including 24-g: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do

hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 25-a to and including 25-c: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

[fol. 564] Statement 25-d: These defendants believe the statements of fact contained in Exhibit 3 were true when made, but having no certain knowledge of whether such statements are now true, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 26-a to and including 26-c: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 26-d: These defendants believe this statement is untrue, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statement 27-a: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statement 27-b: Admitted. Statement 27-c: Admitted.

Statement 27-d: These defendants believe the statements of fact contained in Exhibit 4 and in the private circular dated July 7, 1941, are true, but having no exact knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 28-a: Admitted.

Statement 28-b: Admitted.

[fol. 565] Statement 28-c: These defendants believe the facts set forth in Exhibit 5 are true, but having no exact knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 28-d: Admitted.

Statements 28-e to and including 28-g: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 28-h to and including 28-n: Admitted.

Statement 28-o: These defendants do not know whether this statement is true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statements 28-p and 28-q: Admitted.

Statement 28-r: These defendants do not know whether this statement is true or false; but are willing and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statement 28-s: Admitted.

Statements 29-a to and including 29-f: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 30: Admitted as to a large number of newspapers in the United States; but these defendants have no [fol. 566] knowledge whether the number of such newspapers exceeds 1,200 or not; these defendants are willing to and do hereby make the same admission or denial with

respect to this statement as shall be made by the defendant, The Associated Press.

Statements 31-a to and including 31-c: Admitted.

Statement 31-d: Admitted with qualifications as follows: Press Association, Inc., sells news furnished to it by The Associated Press principally to radio broadcasters, but these defendants have no exact knowledge as to other facts set forth in this statement. These defendants are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statements 31-e and 31-f: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 31-g to and including 31k: Admitted.

Statement 31-1: These defendants believe the statements of fact contained in Exhibit 8 are true but having no exact knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 32-a and 32-b: Admitted.

Statements 32-c to and including 32-j: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

[fol. 567] Statements 32-k to and including 32-m: These defendants believe said brochure was issued without the knowledge or consent of the Board of Directors of Associated Press and without any opportunity for objection on the part of the Board of Directors of The Associated Press, but having no certain knowledge thereof these defendants are willing to and do hereby make the same admissions or denials with respect to these statements as shall be made by the defendant, The Associated Press.

Statements 32-n and 32-o: These defendants do not know whether these statements are true or false; but are

willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 33-a to and including 33-q: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 33-r: Admitted.

Statements 34-a and 34-b: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 35-a to and including 35-yy: These defendants believe that Craven Publishing Co. and the other publishers in these statements mentioned, made applications for membership in The Associated Press, were not granted membership by the Board of Directors of The Associated Press, and never became members of The Associated Press, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or [fol. 568] denials with respect to these statements as shall be made by the defendant, The Associated Press.

These defendants believe that the Board of Directors of The Associated Press did not refuse to elect the Craven Publishing Co. and the other publishers mentioned in these statements to membership (if they did refuse to elect) because of the mere objection of any member of The Associated Press. These defendants believe that the Board of Directors in voting upon such applications took into consideration all elements and factors necessary to determine whether it would be for the best interests of The Associated Press to accept such publishers as members, including the reasons given by any member of The Associated Press objecting to the application. The defendants state that the defendant Robert Rutherford McCormick considered all such factors and elements in connection with the non-election, if there was a non-election of the Craven Publishing Co. and the other publishers mentioned in these statements, and did not vote to reject any such application (if he did so vote) because of the mere objection of a member of The Associated Press.

Statement 35-zz: Admitted.

Statement 35-aaa: Denied with qualifications as follows: The sole reason for the non-election by the Board of Directors of The Associated Press of the defendant, Tribune Company, for evening membership was that the said Board of Directors under the then existing by-laws had no authority to pass upon said application.

Statement 35-bbb: Admitted, with qualifications as follows: The defendant, Tribune Company, withdrew its application for evening membership prior to the time such application was to have been voted on by the membership at the annual meeting.

[fol. 569] Statement 35-ccc to and including 35-fff: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 36-a: These defendants are informed and believe that the statement attributed to the General Manager of The Associated Press is not a full and correct quotation from his report, but these defendants cannot truthfully either admit or deny the matter set forth because these defendants have no exact knowledge thereof. These defendants are willing to and do hereby make the same admissions or denials with respect to this statement as shall be made by the defendant, The Associated Press.

Statement 36-b: These defendants deny, as an absolute, that "the larger the number of participants in a truly cooperative endeavor, the smaller the pro rata expense to each." The truth or falsity of such opinion is dependent upon many factors, including the nature of the cooperative, the field in which it operates, and the time of its operation. These defendants deny the truth of such statement with respect to The Associated Press.

These defendants admit that in April, 1933, and for some time prior thereto, "the policy of the present management [of the Associated Press] has been to effect economies by justifiable retrenchments, elimination of unproductive ex-

penses, curtailment of wires, and other reductions of transmission costs."

These defendants do not know whether the last statement set forth in 36-a and beginning "coupled with this effort \* \* \*" is true or false, but are willing to and do hereby make the same admissions or denials with respect [fol. 570] thereto as shall be made by the defendant, The Associated Press.

Statement 36-c: Admitted.

Statement 37-a: Admit that some of the annual reports of The Associated Press do not report the arguments or discussion at meetings of members of The Associated Press regarding the question of electing an applicant or applicants for membership. These defendants, however, do not know whether all such annual reports do not report such arguments or discussion except in the case of the annual meeting of members in 1924, but are willing to and do hereby make the same admissions or denials with respect to this statement as shall be made by the defendant, The Associated Press.

Statements 37-b to and including 37-g: Admitted.

Statement 37-h: These defendants do not know whether this statement is true or false; but are willing to and do hereby make the same admission or denial with respect thereto as shall be made by the defendant, The Associated Press.

Statements 38-a to and including 38-k: These defendants do not know whether these statements are true or false; but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 39-a to and including 39-m: Admitted.

Statements 40-a to and including 40-e: Admitted.

Statement 40-f: From the very nature of things, these defendants cannot know the reasons motivating the members of The Associated Press who voted against Marshall Field's application for membership in The Associated Press. These defendants are informed and believe, how-[fol. 571] ever, that Marshall Field's non-election was due

to many factors, some of which are set forth in the answers of these defendants and of The Associated Press.

Statement 40-g: From the very nature of things, these defendants cannot know the reasons motivating the members of The Associated Press who voted against Eleanor Patterson's application for membership in The Associated Press. These defendants are informed and believe, however, that Eleanor Patterson's non-election was due to many factors, some of which are set forth in the answers of these defendants and of The Associated Press.

Statements 40-h to and including 40-n: Admitted.

Statement 41-a: These defendants admit that an agreement among the parties mentioned in this request was entered into on or about July 25, 1941, but these defendants cannot truthfully either admit or deny that Exhibit 40 is a correct copy of such agreement because these defendants have no exact knowledge thereof. These defendants are willing to and do hereby make the same admissions or denials with respect to this statement as shall be made by the defendant, The Associated Press.

Statement 41-b: These defendants believe the statements of fact recited in Exhibit 40 were true as of July 25, 1941, but having no exact knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 41-c to and including 41-f: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

## [fol. 572] Statement 41-g: Admitted.

Statement 41-h: These defendants believe that the statements of fact contained in Exhibit 42 are correct, but having no exact knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 41-i to and including 41-n: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 41-0 and 41-p: Admitted.

Tribune Company, by (Signed) Robert Rutherford McCormick, President. (Signed) Robert R. McCormick.

[fol. 573] Duly sworn to by Robert Rutherford McCormick. Jurat omitted in printing.

[fol. 574] In the District Court of the United States for the Southern District of New York

### [Title omitted]

Answer of Tribune Company and Robert Rutherford Mc-Cormick, Defendants, to Plaintiff's Second Request for Admissions

The defendants, Tribune Company and Robert Rutherford McCormick, for the purpose of this action only and subject to all pertinent objections to admissibility which may be interposed at the trial, answer the additional request of plaintiff for admissions as follows:

Statements 1-a to and including 1-c: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 1-d: These defendants do not know whether this statement is true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 1-e to and including 1-i: These defendants believe these statements are true, but having no certain

[fol. 575] knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 1-j: These defendants do not know whether this statement is true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 2-a to and including 2-h: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statement 2-i: These defendants do not know whether this statement is true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 3-a and 3-b: These defendants believe these statements are true, but having no certain knowledge thereof, these defendants are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendants. The Associated Press.

Statement 3-c: These defendants do not know whether this statement is true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 4-a to and including 4-i: These defendants do not know whether these statements are true or false, but are willing to and do hereby make the same admissions or [fol. 576] denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 5-a to and including 5-e: These defendants do not know whether these statements are true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Statements 6-a to and including 6-c: These defendants do not know whether these statements are true or false, but are willing to and do hereby make the same admissions or denials with respect thereto as shall be made by the defendant, The Associated Press.

Tribune Company, by (Signed) Robert Rutherford McCormick, President. (Signed) Robert Rutherford McCormick.

[fols. 577-578] Duly sworn to by Robert Rutherford Mc-Cormick. Jurat omitted in printing.

[fol. 579] IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK

### [Title omitted]

Interrogatories on Behalf of the Plaintiff to Be Answered under Oath by the Defendant, the Associated Press, Pursuant to Rule 33 of the Federal Rules of Civil Procedure

- 1. State whether, and to what extent, records or notes, in addition to formal minutes, taken of any discussions had at any meetings of (a) members, (b) Board of Directors, and (c) executive committee, of The Associated Press, are now in existence.
- 2. State whether any such records or notes, or transcripts or copies thereof, refer or relate to (a) applications for membership in The Associated Press, (b) objections of AP members to the granting of such applications, (c) the disposition of such applications, (d) the grounds or reasons for such disposition, (e) competition or potential competition between the applicant and any AP members, (f) rights of protest had or claimed by AP members, (g) any money or other consideration given, paid, or offered, by or on behalf of any applicant for AP membership to obtain waiver of rights of protest by any [fol. 580] AP members, (h) any money or other consideration given, paid, or offered, by or on behalf of any AP member to any other AP member to influence his exercise or nonexercise of his right of protest or in voting on applications for AP membership, (i) the purchase of any news-

papers owned by any AP members, or (j) assertions, claims, or charges that The Associated Press was monopolistic or that its bylaws or operations were in restraint of trade.

- 3. State whether any such records or notes, or transcripts or copies thereof, made during the period from January 1, 1930, to date, refer or relate to (a) value from a competitive standpoint of, or competitive advantage resulting from, AP memberships, (b) comparisons of AP services with the services of United Press Associations or International News Service, (c) comparisons of AP newspicture service with the news-picture service of other newspicture agencies, (d) operation, effect, or value of the exclusive right of The Associated Press to obtain the local news gathered by AP members, (e) operation, effect, or value of contracts between The Associated Press and The Canadian Press, or (f) operations of Press Association, Inc., or its relations with The Associated Press.
- 4. If the answer to Interrogatory No. 2 or 3 is in the affirmative, describe such records or notes, or transcripts or copies thereof, in such manner as to permit them to be designated, giving the dates of the meetings.
- 5. State the name or names of the person or persons having present possession or custody of such records or notes, or transcripts or copies thereof.
- [fol. 581] 6. State whether, and to what extent, letters, telegrams, memoranda, or other correspondence, or copies thereof, passing between The Associated Press or any of its officers, agents, or employees and any AP member or applicant for AP membership, or any of their officers, representatives, agents, or employees during the period from January 1, 1920, to date, are now in the possession or custody of The Associated Press or any of its officers. agents, or employees, referring or relating to (a) applications for membership in The Associated Press, (b) objections of AP members to the granting of such applications, (c) the disposition of such applications, (d) the grounds or reasons for such dispositions, (e) competition or potential competition between the applicant and any AP members, (f) rights of protest had or claimed by AP members, (g) any money or other consideration given, paid, or offered,

by or on behalf of any applicant for AP membership to obtain waiver of right of protest by any AP members, (h) any money or other consideration given, paid, or offered, by or on behalf of any AP member to any other AP member to influence his exercise or nonexercise of his right of protest or in voting on applications for AP membership, (i) the purchase of any newspapers owned by any AP members, or (j) assertions, claims, or charges that The Associated Press was monopolistic or that its bylaws or operations were in restraint of trade.

- 7. State whether, and to what extent, letters, telegrams. memoranda, or other correspondence, or copies thereof, passing between The Associated Press, or any of its officers, agents, or employees, and any AP member or ap-[fol. 582] plicant for AP membership, or any of their officers, representatives, agents, or employees, during the period from January 1, 1930, to date, are now in the possession or custody of The Associated Press, or any of its officers, agents, or employees, referring or relating to (a) value from a competitive standpoint of, or competitive advantage resulting from, AP membership, (b) comparisons of AP services with the services of United Press Associations or International News Service, (c) comparisons of AP news picture service with the news picture service of other news picture agencies. (d) operation, effect, or value of the exclusive right of The Associated Press to obtain the local news gathered by AP members, (e) operation, effect, or value of contracts between The Associated Press and The Canadian Press, or (f) operations of Press Association, Inc., or its relations with The Associated Press.
- 8. If the answer to Interrogatory No. 6 or 7 is in the affirmative, describe such letters, telegrams, memoranda, and other correspondence, or copies thereof, in such manner as to permit them to be designated, giving, if necessary to identify them, their dates, the names of the writers and addressees thereof, the AP membership or application for AP membership involved, or the subjects listed in Interrogatory No. 6 or 7 to which such letters, telegrams, memoranda, or other correspondence, or copies thereof, refer or relate.
- 9. State the name or names of the person or persons having present possession or custody of such letters, tele-

- [fol. 583] grams, memoranda, or other correspondence, or copies thereof.
- 10. State whether, and to what extent, The Associated Press has, during the years 1938 to 1942, inclusive, kept reports or records of the "beats," or instances in which the reports of The Associated Press of news events have anticipated in time, or excelled in accuracy or completeness, the reports of the same news events by the United Press Associations or International News Service.
- 11. State whether, and to what extent, The Associated Press has, during the years 1938 to 1942, inclusive, kept reports or records of the "beats," or instances in which the reports of news events of United Press Associations or International News Service have anticipated in time, or excelled in accuracy or completeness, the reports of the same news events of The Associated Press.
- 12. State whether, and to what extent, any of the reports or records referred to in Interrogatories Nos. 10 and 11 are now in existence.
- 13. If the answer to Interrogatory No. 12 is in the affirmative, describe such reports or records in such manner as to permit them to be designated, and give the names or names of the person or persons having present possession or custody of such reports or records.
- 14. State what disposition was made of the corporate books and records of the Associated Press (of Illinois).
- 15. Describe what corporate books or records, or copies thereof, of the Associated Press (of Illinois), if any, are [fol. 584] now in the possession or custody of The Associated Press or any of its officers, agents, or employees.
- 16. State whether data relating to newspapers and news agencies published by Editor & Publisher in its International Year Book are accepted and relied on by the newspaper business as substantially accurate and reliable.
- 17. State the names and addresses of all organizations operating in the United States, other than The Associated Press, United Press Associations, and International News Service, which, to the knowledge of The Associated Press or any of its officers, are engaged in the business of selling, or otherwise furnishing, news, as distinguished from fea-

tures, to more than ten newspapers published in the United States, and for each such organization give the descriptive facts known to, or readily ascertainable by, The Associated Press or any of its officers relating thereto, such as its approximate size, scope of operations, number of newspaper subscribers, volume and frequency of its news service, territorial coverage, and type, character, and subject matter of the news it furnishes.

- 18. List the names of all English-language daily newspapers, if any, published in the United States which, to the knowledge of The Associated Press or any of its officers, does not utilize any news service furnished by either The Associated Press, United Press Associations, or International News Service.
- 19. State as of (a) December 31, 1942, and (b) June 30, 1941, the names and addresses of all organizations operating in the United States, other than The Associated [fol. 585] Press and International News Service, which, to the knowledge of The Associated Press or any of its officers, were engaged in the business of furnishing by wire news pictures to more than ten newspapers published in the United States, and for each such organization give the descriptive facts relating thereto which are known to, or readily ascertainable by, The Associated Press or any of its officers, such as its approximate size, scope of operations, number of newspaper subscribers, volume and frequency of its wire photo service, mechanical facilities, territorial coverage, and type, character, and subject matter of the news pictures it furnishes.
- 20. State approximately how many daily morning newspapers are published in the United States.
- 21. State approximately how many daily evening newspapers are published in the United States.
- 22. State approximately how many newspapers publishing both morning and afternoon editions are published in the United States.
- 23. State the names of all newspapers listed in Exhibit F attached to the complaint which are published weekly, semiweekly, or triweekly.

- 24. State the name of each present associate member of The Associated Press and its newspaper receiving AP service.
- 25. State the location of each office or bureau maintained by The Associated Press in August 1942.
- 26. State how many full-time employees were employed by The Associated Press as of any convenient date in the month of August 1942 (a) in the United States and (b) outside the United States.
- [fol. 586] 27. State the total amount of compensation paid by The Associated Press in each of the years 1941 and 1942 to (a) full-time employees located in the United States and (b) full-time employees located outside of the United States.
- 28. State how many full-time employees of The Associated Press located outside of the United States as of any convenient date in the month of August 1942 were reporters or correspondents.
- 29. State, as of any convenient date in the month of August 1942, separately for each office and bureau of The Associated Press in the United States (a) the number of full-time employees and (b) the aggregate compensation paid such employees on an annual basis, and state for each such employee (a) his title, if any, (b) the hours during which he customarily worked (such as 7 A. M. to 3 P. M.), and (c) a brief description of his duties (such as chief of bureau, wire editor, reporter, re-write man, teletype operator, stenographer, copy boy).
- 30. As of any convenient date in the month of August 1942, (a) state the number of persons, employed by AP members in the United States, who had agreed or arranged with The Associated Press to render any service to it or for its benefit in return for compensation to be paid by The Associated Press, (b) state to what extent such persons had access to the local news gathered by the staff of the AP member by which they were respectively employed, (c) give the name of every AP member (and its newspaper) employing any such person, and (d) group such persons [fol. 587] according to (1) the basis or method by which they were compensated by The Associated Press and (2) the duties performed for The Associated Press.

- 31. As of any convenient date in the month of August 1942, (a) state the number of persons in the United States (other than full-time AP employees and the persons included in the answer to Interrogatory No. 30) who had agreed or arranged with The Associated Press to render any service to it or for its benefit in return for compensation to be paid by The Associated Press, (b) state, as to each AP office or bureau, the number of such persons attached thereto, and (c) group such persons according to (1) the basis or method by which they were compensated by The Associated Press and (2) the duties performed for The Associated Press (such as string man (defining what is meant by this term), reporter, editor, rewrite man, stenographer, teletype operator, copy boy).
- 32. State the total amount of compensation paid by The Associated Press during each of the years 1941 and 1942 to part-time employees located in the United States (including among such part-time employees all persons to whom The Associated Press paid any compensation in return for rendering service to The Associated Press or for its benefit).
- 33. State to what extent each AP member publishing a newspaper in a city of the United States in which The Associated Press maintains a bureau in practice generally furnishes to such AP bureau duplicate copies of all reports of local news gathered by the staff of such AP member.
- [fol. 588] 34. State whether, and to what extent, The Associated Press has, during the period from January 1, 1938, to date, kept any statistics or records of the volume of reports of local news of spontaneous origin furnished to The Associated Press by AP members.
- 35. If the answer to Interrogatory No. 34 is affirmative, describe such statistics or records in such manner as to permit them to be designated.
- 36. Describe in detail the steps taken by The Associated Press, if any, to insure that the local news which it obtains from its members is rendered complete, accurate, and unbiased before it is reported by The Associated Press to its members.
- 37. State approximately what proportion of the local news supplied The Associated Press by its members is (a)

edited and (b) substantially rewritten by employees of The Associated Press before redelivery to AP members.

- 38. Describe in detail the steps taken by The Associated Press, if any, to insure that the news obtained by The Associated Press through its own facilities, or by purchase or exchange from other sources, is rendered complete, accurate, and unbiased before it is reported by The Associated Press to its members.
- 39. Name the points in the United States at which The Associated Press condenses, classifies, and rewrites its own news reports received from other points for the purpose of furnishing a condensed, classified, and rewritten report of the news to AP members at other points.
- 40. Describe in detail the typical operations of the employees of The Associated Press located at points referred [fol. 589] to in Interrogatory No. 39, in condensing, classifying, and rewriting AP news reports.
- 41. List, in order of the amount of news that they respectively furnish to The Associated Press, every organization, domestic or foreign, which customarily exchanges news with The Associated Press, and in the case of each such organization state (a) whether the arrangement for such exchange of news is oral or in writing and (b) the amount of the differential, if any, paid by The Associated Press to such organization or paid to The Associated Press by such organization during each of the years 1941 and 1942.
- 42. List, in order of the amount of news pictures that they respectively furnish to The Associated Press, every organization which customarily exchanges news picures with The Associated Press and in the case of each such organization state (a) whether the arrangement for such exchange of pictures is oral or in writing and (b) the amount of the differential paid by The Associated Press to such organization or paid to The Associated Press by such organization during each of the years 1941 and 1942.
- 43. List the names and addresses of all organizations from which The Associated Press purchased news during each of the years 1941 and 1942 and state the amount paid by The Associated Press for such news to each such organization in each of said years.

- 44. List the names and addresses of all organizations from which The Associated Press purchased news pictures during each of the years 1941 and 1942, and state the amount [fol. 590] paid by The Associated Press for such news pictures to each such organization in each of said years.
- 45. State whether The Associated Press has defined or interpreted the phrase "such news as is spontaneous in its origin," as used in Section 4, Article VIII of the present AP bylaws and the predecessor section and, if it has, give such definitions or interpretations and the respective dates thereof.
- 46. State whether The Associated Press has ever promulgated rules or instructions to guide AP members in complying with their obligation to furnish The Associated Press with reports of local news of spontaneous origin and, if it has, state such rules or instructions, and, if it has not, state what methods or arrangements exist to insure the fulfillment of such obligation.
- 47. State whether or not The Associated Press entered into a contract dated November 1, 1935, with The Canadian Press and state whether Exhibit No. 1 attached hereto and made a part hereof, is a correct copy of such contract.
- 48. State the substance of the amendments, if any, to the contract referred to in Interrogatory No. 47.
- 49. State whether or not the contract referred to in Interrogatory No. 47 is now in effect, and if it is not, give the date of its termination.
- 50. State whether or not The Associated Press in its Directory for 1934 made the following statement: "The Canadian Press is the cooperative of the daily newspapers of Canada, including within its membership practically every daily in the Dominion, numbering in all about 100."
- [fol. 591] 51. State whether, or to what extent, the statement set forth in Interrogatory No. 50 (a) was true when made and (b) is now true.
- 52. State, for each annual meeting of AP members since January 1, 1937, (a) the total votes cast for each AP director elected and (b) the total bondholder votes cast for each AP director elected.

- 53. Describe in detail the picture service rendered by The Associated Press, giving the period during which The Associated Press has transmitted pictures by wire to any AP member, and state for the year 1942, the number of AP members receiving the full picture service of The Associated Press, (b) the number of AP members receiving pictures from The Associated Press but not the full AP picture service, (c) the approximate number of pictures gathered or received by The Associated Press, (d) the names and addresses of the five organizations which furnished the largest number of pictures to The Associated Press, (e) the approximate number of pictures furnished by The Associated Press by wire to AP members, (f) the number of pictures furnished by The Associated Press to AP members by other means than wire, (g) the approximate cost to The Associated Press of the operations of its picture service, and (h) the approximate revenue in the form of assessments collected from AP members on account of AP picture service.
- 54. State whether, and to what extent, The Associated Press has, during the years 1938 to 1942, inclusive, kept reports or records of the "beats," or instances in which the [fol. 592] pictures of The Associated Press furnished AP members have anticipated in time or otherwise excelled the pictures furnished to newspapers by any other picture service, and, if it now has such reports or records, describe them in such manner as to permit them to be designated.
- 55. Describe in detail the feature services of The Associated Press offered to AP members during the year 1942 giving (a) the approximate cost to The Associated Press of rendering its feature services and (b) the approximate revenue in the form of assessments collected from AP members on account of AP feature services, and give as to each service (a) a description of the various features and their subject matter and (b) the approximate daily average number of words and of pictures, drawings, maps, etc., furnished.
- 56. Describe, in such a manner as to permit them to be designated, any circulars, brochures, or other similar material which The Associated Press has issued or distributed during the period from January 1, 1937, to date, describing (a) its picture service or (b) its feature services.
- 57. Describe, in such a manner as to permit them to be designated, any reports made by any officer or employee of

The Associated Press to the Board of Directors, the Executive Committee of the Board of Directors, or any of the officers of The Associated Press, during the period from January 1, 1937, to date, relating to the character of (a) the AP picture service or (b) any AP feature service.

- 58. List the names and addresses of all applicants for membership in The Associated Press during the period [fol. 593] from September 1900 to April 1942 whose applications were subject to a right of protest by any AP member and whose applications were submitted to the vote of the AP members, and for each such applicant give (a) the date or dates of application, (b) the date or dates such application was voted upon by The Associated Press membership, (c) the result of the vote, (d) the number of votes cast as the result of holding proxies therefor by every AP member then entitled to a right of protest against the application, (e) whether the applicant later obtained membership in The Associated Press, (f) the date upon which such applicant obtained membership in The Associated Press, (g) whether such applicant obtained membership in The Associated Press by the vote of the directors as the result of waivers of the rights of protest by AP members, or (h) whether such applicant obtained membership in The Associated Press by acquisi-ion of a newspaper of an existing AP member.
- 59. State how many votes were cast against the application of Marshall Field for AP membership at the meeting of the AP members held in April 1942 by persons holding proxies, and state the names of such persons and the number of votes cast by each such person.
- 60. State how many votes were cast against the application of Eleanor Medill Patterson for AP membership at the meeting of the AP members held in April 1942 by persons holding proxies, and state the names of such persons and the number of votes cast by each such person.
- [fol. 594] 61. In each of the instances where an applicant for membership in The Associated Press, during the period from September 1900 to April 1942, obtained membership by the favorable four-fifths vote of the members, state in detail the circumstances surrounding each such application including (a) the substance of the recommendations of the directors to the members with regard to the application,

- (b) the substance of the grounds or reasons, if any, which were announced for such recommendations of the directors, (c) the substance of the grounds or reasons advanced at the meeting of the AP members by those AP members opposing the application, and (d) the substance of all discussions at meetings of the Board of Directors, Executive Committee of the Board of Directors, or the AP members with regard to such application.
- 62. List the names of every present member of The Associated Press who has acquired his AP membership by purchasing or acquiring a newspaper owned by a member of The Associated Press, and in each instance give the name of the AP member who sold or transferred the newspaper and the date upon which the purchaser or transferee became a member of The Associated Press, and where known to, or readily ascertainable by, The Associated Press or any of its officers or directors, state the amount of the consideration given or paid (a) for the newspaper purchased or acquired and (b) for the AP membership.
- 63. State whether Rogan Jones, the principal owner of Wescoast Broadcasting Company and of KVOS, Inc., applied on or about April 1, 1941, to Press Association, Inc., [fol. 595] for service to radio station KPQ owned by Wescoast Broadcasting Company, Wenatchee, Washington, and radio station KVOS, owned by KVOS, Inc., Bellingham, Washington.
- 64. State whether (a) Charles L. Sefrit, a representative of the Bellingham Herald, Bellingham, Washington, an AP member, sent a telegram dated April 4, 1941, addressed to Kent Cooper, and (b) Exhibit No. 2, annexed hereto and made a part hereof, is a correct copy of said telegram.
- 65. State whether (a) Kent Cooper sent a night letter to Charles L. Sefrit in answer to the telegram of Sefrit mentioned in Interrogatory No. 64, and (b) Exhibit No. 3, annexed hereto and made a part hereof, is a correct copy of said night letter.
- 66. State whether (a) Bob Cavagnaro, New York representative of The Associated Press or Press Association, Inc., sent a letter dated April 8, 1941, to William J. McCambridge, General Manager of Press Association, Inc., and (b) Exhibit No. 4, annexed hereto and made a part

hereof, correctly sets forth statements contained in said letter.

- 67. State whether (a) William J. McCambridge, General Manager of Press Association, Inc., sent a telegram to Rogan Jones dated April 8, 1941, and (b) Exhibit No. 5, annexed hereto and made a part hereof, is a correct copy of said telegram.
- 68. State whether (a) a group of AP members sent a telegram to Kent Cooper dated April 14, 1941, and (b) Exhibit No. 6, annexed hereto and made a part hereof, is a correct copy of said telegram.
- [fol. 596] 69. State whether (a) Kent Cooper sent a letter to W. A. Rupp, Aberdeen World, Aberdeen, Washington, dated April 15, 1941, and (b) Exhibit No. 7, annexed hereto and made a part hereof, is a correct copy of said letter.
- 70. State whether (a) William J. McCambridge, General Manager of Press Association, Inc., sent a letter to Rogan Jones dated April 24, 1941, and (b) Exhibit No. 8, annexed hereto and made a part hereof, is a correct copy of said letter.
- 71. State whether the Board mentioned in Exhibits Nos. 3, 5, and 8 was the Board of Directors of The Associated Press.
- 72. State whether KVOS, Inc., ever received service from Press Association, Inc., and, if it did, the periods of time during which such service has been rendered.
- 73. State whether radio station KPQ, owned by Wescoast Broadcasting Company, Wenatchee, Washington, ever received service from Press Association, Inc., and, if it did, the periods of time during which it received such service.
- 74. State the date upon which Press Association, Inc., (a) was incorporated and (b) began operations.
- 75. State whether or not William J. McCambridge, Vice President and General Manager of Press Association, Inc., gave the following testimony before the Federal Communications Commission on October 9, 1941:
  - Q. When was Press Association organized? A. Press Association was incorporated either in November or December 1940.

- Q. And began operations, sir, at what date? [fol. 597] A. It began real operations about the first of February.
  - Q. Of 1941? A. That's right.
  - Q. Who votes the stock of Press Association?
    A. The secretary of The Associated Press.
- Q. In other words, if a member of The Associated Press objects to Press Association serving a radio station, it is the Board of Directors of Associated Press that passes upon that objection?
  - A. That is true.
- 76. State whether, and to what extent, the testimony of William J. McCambridge, set forth in Interrogatory No. 75, was true and correct.
- 77. State when the advertising brochure of Press Association, Inc., referred to in Plaintiff's Request for Admissions, a copy of which constitutes Exhibit No. 9 attached as part of the Plaintiff's Request for Admissions served January 6, 1943, was (a) printed and (b) distributed or issued.
- 78. State in detail what information and figures were supplied by The Associated Press, or any of its officers, to Press Association, Inc., in connection with the preparation of the brochure referred to in Interrogatory No. 77.
- 79. List the names of all persons, including officers and employees of Press Association, Inc., who, to the knowledge of The Associated Press or any of its officers, participated in the preparation of the brochure referred in Interrogatory No. 77.
- [fol. 598] 80. List the names of all officers and directors of The Associated Press who had contemporaneous knowledge of (a) the printing, (b) the contents or (c) the issuance or distribution of the brochure referred to in Interrogatory No. 77, and give the approximate dates when each of these persons first acquired such knowledge.
- 81. State approximately how many copies of the brochure referred to in Interrogatory No. 77 have been (a) printed

- and (b) distributed, and the period of time during which it has been distributed.
- 82. List the names of all of the AP members specifically named defendants to which Press Association, Inc., has sent copies of the brochure referred to in Interrogatory No. 77, and in each instance give the approximate date each such brochure was so sent.
- 83. State the approximate number of AP members to which Press Association, Inc., sent copies of the brochure referred to in Interrogatory No. 77, and give the approximate date or dates such brochure was sent to AP members.
- 84. State the extent to which Press Association, Inc., has included in other advertisements of its services the following, and state the approximate periods of time during which it has so advertised:

AP has a news report of 1,000,000 words every 24 hours \* \* \* larger than the daily reports of all other American news agencies combined.

AP has a staff of 7,200, augmented by the staffs of member newspapers and affiliated news services in for-[fol. 599] eign countries \* \* \* a total of approximately 100,000 men and women contributing, directly or indirectly, to each day's effort \* \* \* staff many times larger than the staffs of all other American news agencies combined.

AP has an annual budget of approximately 12 million dollars \* \* \* every penny spent for the actual gathering and distribution of world news \* \* \* a news budget larger than the news budgets of all other American news agencies combined.

AP has 2,500 war correspondents abroad \* \* \* more men and women to cover a war that reaches 'round the world, than all other American news agencies combined.

AP has 290,000 miles of leased news wires in this country alone \* \* \* network larger than the networks of all other American news agencies combined.

AP has 100 news bureaus in this country alone

\* \* offices in more than 250 cities all over the
world \* \* more regularly established news connections by cities than all other American news agencies combined.

AP has leased news wires connecting 727 domestic cities \* \* \* a larger representation of cities than all other American news agencies combined.

85. With regard to the statement "An impartial survey of coverage for the past year showed that AP was ahead on 82 per cent of all important news events" contained in Exhibit No. 9 annexed to and made a part of Plaintiff's Request for Admissions filed January 6, 1943, state (a) the name and address of the person or organization which made [fol. 600] said survey, (b) the approximate time said survey was completed, (c) the period of time covered by the survey, (d) whether a copy of said survey was acquired by The Associated Press, and, if so, when and from whom it was so acquired, (e) whether The Associated Press furnished Press Association, Inc., with said survey or a copy thereof, (f) who authorized the making of the survey and whether any such written authorization is in existence and the date thereof, (g) what instructions were given to guide the persons engaged in making the survey, (h) what studies or investigations were made in connection with said survey, (i) what officers or employees of The Associated Press participated in the making of said survey, (j) whether the survey "showed that AP was ahead on 82 per cent of all important news events," (k) the extent to which, and by whom. the survey or its results were published except in said brochure, (1) which of the officers of The Associated Press. if any, reviewed the survey before the publication of its results was authorized, and (m) whether said survey, or any copy thereof, is now in existence and, if so, the name of the person having possession thereof.

86. State whether Exhibit No. 9, annexed hereto and made a part hereof, consists of correct copies of advertisements or promotional material issued by Press Association, Inc., and, if so, state (a) the approximate period of time by dates during which Press Association, Inc., has issued such material and (b) the extent to which The Associated Press or any of its officers had contemporaneous knowledge of the issuance or distribution of such material.

[fol. 601] 87. State whether The Associated Press filed in the year 1934 in the District Court of the United States for the Western District of Washington, Northern Division, in a case entitled "The Associated Press, a corporation,

Complainant, v. KVOS, Inc., a Corporation, Defendant," a Bill of Complaint verified by Harold Turnblad, Chief of the Seattle, Washington, bureau of The Associated Press, which contained the following statement:

That said service of complainant is of great financial and business importance to its members for the reason that it is practically impossible for any one of such members alone to establish or maintain the organization requisite for collecting all of the news of the world, or any substantial part thereof; that aside from the administrative and organization difficulties thereof, the financial cost is so great that no single newspaper acting alone could sustain it; that said service, or similar service, of world-wide collection of news is essential to the conducting of modern daily newspapers and can be obtained only by some such cooperative organization or system, or by purchase of news from some one or more of various existing news agencies which are privately owned; that aside from the business importance of said service to members of complainant corporation, and newspapers represented by them, said service of complainant, conducted as aforesaid, is of great public importance in that it provides an issuance of accurate and impartial news service to the public.

- [fol. 602] 88. State whether the statements quoted in Interrogatory No. 87 are true, and, if any portion thereof is not true, state wherein it is inaccurate.
- 89. Describe, in a manner sufficient to permit them to be designated, all contracts and amendments thereto which The Associated Press has at any time entered into with the foreign news agencies known as Reuters, Havas and Wolff, or any of them.
- 90. Describe, in a manner sufficient to permit them to be designated, all contracts and amendments thereto which The Associated Press has at any time entered into with United Press Associations and King Features Syndicate, Inc. (International News Service), or either of them.
- 91. State the date upon which the Board of Directors passed the resolution set forth in the response of The As-

- sociated'Press et al. to paragraph 22-k of Plaintiff's Request for Admissions served on January 6, 1943.
- 92. Supply a complete break-down of the expense item "Supplemental Services \$2,182,131.27" appearing in Exhibit No. 2 annexed to and made a part of Plaintiff's Request for Admissions served on January 6, 1943.
- 93. State whether The Associated Press entered into a contract dated October 5, 1931, with Dow Jones and Co., Inc., and state whether Exhibit No. 10 annexed hereto and made a part hereof is a correct copy of such contract.
- 94. Set forth all statements contained in the 33rd volume of the annual reports of The Associated Press referring to [fol. 603]B. H. Anthony or the reason he was not nominated in 1932 for election as a director of The Associated Press.
- 95. State the reasons known to, or readily ascertainable by, The Associated Press or any of its officers or directors why B. H. Anthony was not nominated for election as a director of The Associated Press in 1932.
- 96. State whether B. H. Anthony was in ill health in or about April 1932.
- 97. List the names of every person who, after serving as a director of The Associated Press, was nominated for election for further service as a director and was defeated for election, and give the date each such person was defeated.
- 98. State the name of every member of The Associated Press who, as of any convenient date in the month of August 1942 held bonds of The Associated Press in the face amount of \$1,000 or more and the face amount of bonds so held by each such member.
- 99. State whether all of the statements contained in Exhibit No. 8 annexed to and made a part of Plaintiff's Request for Admissions served January 6, 1943, except the statement "It (The Associated Press of Germany (GmbH)) operates a news photo service," are true as of the present time, and, if not, set forth what statements therein are true at the present time.
- 100. State whether Robert McLean, the president and duly authorized representative of The Associated Press, in

the year 1942, in response to a request contained in a letter from Thurman Arnold, Assistant Attorney General, to Robert McLean dated February 28, 1942, supplied to the [fol. 604] Department of Justice a statement entitled "Applicants for Membership in The Associated Press During Ten Year Period Preceding December 31, 1941, With Statement of Disposition of Each Applicant by the Board of Directors and by the Members," and state whether Exhibit No. 11 annexed hereto and made a part hereof is a correct copy of all portions of said statement dealing with the non-election of such applicants for membership in The Associated Press.

101. In the case of every applicant for membership in The Associated Press during the last 20 years whose application was voted on by the members of The Associated Press and who failed of election, list the names of all members of The Associated Press owning a newspaper or newspapers competitive with that owned by the applicant who, to the knowledge of The Associated Press or any of its officers or directors, solicited votes or proxies in opposition to the election of the applicant.

102. Set forth the text of all portions of the 25th volume of the annual reports of The Associated Press dealing with or relating to consideration of the application for membership in The Associated Press by the owner of the Baltimore Evening Sun.

103. List the names of all customers who were being served by Wide World Photos, Inc., in the month of July 1941.

104. State which of the persons listed on Exhibit No. 41, annexed to and made a part of Plaintiff's Request for admissions served January 6, 1943, were not customers of [fol. 605] Wide World Photos, Inc., receiving service from it in the month of July 1941.

105. List the names of all persons who, to the knowledge of The Associated Press or any of its officers or directors, were customers of Wide World Photos, Inc., receiving service from Wide World Photos, Inc., at any time during 1941 prior to July 25, 1941.

106. State which, if any, of the persons listed on Exhibit No. 41 annexed to and made a part of Plaintiff's Request

for Admissions served January 6, 1943, were not customers of Wide World Photos, Inc., receiving service from Wide World Photos, Inc., at any time during the year 1941 prior to July 25, 1941.

- 107. List all of the persons whose names appear upon Exhibit No. 41 annexed to and made a part of Plaintiff's Request for Admissions served January 6, 1943, whose service by Wide World Photos, Inc., was terminated after The Associated Press acquired the capital stock of Wide World Photos, Inc.
- 108. List the names of all persons except AP members presently receiving picture service of Wide World News and Photos, Inc.
- 109. State whether Exhibit No. 12, annexed hereto and made a part hereof, consists of correct copies of (a) a comunication from Robert McLean, president, and Kent Cooper, secretary, of The Associated Press, to the members of The Associated Press dated January 13, 1943, (b) a communication from Kent Cooper, secretary of The Associated Press, to the members of The Associated Press dated January 13, 1943, (c) a form of proxy enclosed with the comfol. 606 munication of Kent Cooper mentioned in (b) hereof and (d) a statement of Robert McLean, president of The Associated Press, for the Board of Directors of The Associated Press, enclosed with the communication of Kent Cooper mentioned in (b) hereof.
- 110. State whether the "careful study" mentioned in the statement of Robert McLean, president of The Associated Press for the Board of Directors of The Associated Press referred to in Interrogatory No. 109 (d), is written or oral, and give a complete description of the said "careful study," the names of the persons who made the same, and a statement of the results which it revealed.
- 111. Describe what is meant by the term "licensees" appearing in Exhibit No. 10, referred to in Interrogatory No. 93, and list the names of all such licensees of The Associated Press.
- 112. State for each of the years 1941 and 1942 the weekly assessments paid to The Associated Press by Tribune Company, publisher of the Chicago Daily Tribune, showing

separately the weekly assessment for each type of service furnished to said Tribune Company.

- 113. State for each of the years 1941 and 1942 the weekly assessments paid to The Associated Press by the Illinois Printing and Publishing Company, publisher of the Chicago Herald American, showing separately the weekly assessment for each type of service furnished to said Illinois Printing and Publishing Company.
- 114. State for each of the years 1941 and 1942 the weekly assessments paid to The Associated Press by The Evening [fol. 607] Star Newspaper Company, publisher of The Evening Star, showing separately the weekly assessment for each type of service furnished to said The Evening Star Newspaper Company.
- 115. State for each of the years 1941 and 1942 the weekly assessments paid to The Associated Press by Eugene Meyer and Co., publisher of The Washington Post, showing separately the weekly assessment for each type of service furnished to said Eugene Meyer and Co.
- 116. Describe, in a manner sufficient to permit them to be designated, all maps prepared by The Associated Press during the last ten years showing (1) location of AP bureaus, (b) location of AP members or (c) location of AP leased wires.
- 117. Describe, in such manner as to permit them to be designated, all detailed statements of income and expenses of The Associated Press prepared during the last five years for the use of the general manager of The Associated Press, the Board of Directors of The Associated Press, or any of its committees.
- 118. Describe, in such manner as to permit them to be designated, any financial statements which were furnished to The Associated Press by Wide World Photos, Inc., or The New York Times Company in connection with the negotiations for the acquisition of the stock of Wide World Photos, Inc., by The Associated Press.
- 119. State the extent to which The Associated Press, or its subsidiaries, augmented the picture services rendered to AP members as a result of acquiring the stock and certain assets of Wide World Photos, Inc.

[fol. 608] 120. State, as of any convenient date in the month of August 1942, approximately how many (a) full-time reporters and (b) part-time reporters reported news for each of the members of The Associated Press specifically named defendants.

121. State whether Exhibit No. 13, annexed hereto and made a part hereof, is a correct copy of a resolution unanimously adopted by the committee appointed to nominate directors of The Associated Press at the annual meeting of AP members in 1920.

122. As of any convenient date in the month of August 1942, list every wire leased by The Associated Press from the American Telephone and Telegraph Company (including Pacific Telephone and Telegraph Company) for sending and receiving news (as distinguished from wire photo pictures), and, separately for each such wire (or portion thereof where the facts are different), state (a) the AP bureaus, other AP offices, and the AP members, in their geographical order, which send or receive news directly by said wire, (b) the points on said wire from which The Associated Press may, by mechanical relay, switch the news carried by said wire directly to other wires, designating such other wires, (c) whether the wire is a trunk wire or a state wire, (d) whether the wire is a "round-robin" circuit or a straight circuit, (e) the direction in which news is carried on said wire (i. e., for "round-robin" circuits, whether clockwise or counter-clockwise and, for straight circuits, whether north, south, east, or west, etc.), (f) whether the wire is one way or duplexed, (g) what wires [fol. 609] leased by The Associated Press generally parallel said wire, (h) the wordage capacity of the wire, or the teletype or other machines used in connection therewith (i. e., such as 60 words a minute, etc.), (i) whether the wire is used for page or tape service, (j) the character of news carried on said wire (i. e., general news reports, supplementary news reports, condensed general news reports, financial news, sports news, features, etc.), (k) the hours of the day (such as 7 A. M. to 3 P. M.) The Associated Press was entitled under its arrangement with the lessor to use such wire, and (1) the hours of the day the wire customarily remained open for the sending or receiving of AP news.

123. As of any convenient date in the month of August 1942, list every wire leased by The Associated Press from the Western Union Telegraph Company for sending and receiving news (as distinguished from wire photo pictures), and, separately for each such wire (or portion thereof where the facts are different), state (a) the AP bureaus, other AP offices, and the AP members, in their geographical order, which send or receive news directly by said wire, (b) the points on said wire from which The Associated Press may, by mechanical relay, switch the news carried by said wire directly to other wires, designating such other wires, (c) whether the wire is a trunk wire or a state wire, (d) whether the wire is a "round-robin" circuit or a straight circuit, (e) the direction in which news is carried on said wire (i. e., for "round-robin" circuits, whether clockwise or counter-clockwise and, for straight circuits, whether [fol. 610] north, south, east, or west, etc.), (f) whether the wire is one way or duplexed, (g) what wires leased by The Associated Press generally parallel said wire, (h) the wordage capacity of the wire, or the teletype or other machines used in connection therewith (i. e., such as 60 words a minute, etc.), (i) whether the wire is used for page or tape service, (j) the character of news carried on said wire (i. e., general news reports, supplementary news reports, condensed general news reports, financial news, sports news, features, etc.), (k) the hours of the day (such as 7 A. M. to 3 P. M.) The Associated Press was entitled under its arrangement with the lessor to use such wire, and (1) the hours of the day the wire customarily remained open for the sending or receiving of AP news.

124. As of any convenient date in the month of August 1942, describe in detail the wire photo system leased by The Associated Press from the American Telephone and Telegraph Company, giving as to each separate wire of the said wire photo system (a) the name of every AP member receiving AP wire photo service directly by means of apparatus installed in the member's office, (b) the name of every AP member receiving AP wire photo service by having AP wire photo pictures relayed to it from AP receiving points on the wire photo system, (c) the points on each of said wires from which The Associated Press sends pictures by wire photo to AP members, (d) the average number of pictures sent each day during the month of August 1942 to AP

members subscribing for the full AP wire photo service, [fol. 611] (e) the hours of the day (i. e., from 7 A. M. to 3 P. M.) that The Associated Press was entitled, under its arrangement with the American Telephone and Telegraph Company, to use each of the wires in the wire photo system, and (f) the hours of the day (i. e., from 7 A. M. to 3 P. M.) during which each wire in the AP wire photo system remained open for the sending or receiving of AP pictures.

125. Describe the advantages, if any, which the wire photo system utilized by The Associated Press has over the use of (a) ordinary telephone wires and (b) private line telephone wires, for picture transmission.

126. Describe in detail, as of any convenient date in the month of August 1942, the cable facilities of The Associated Press, giving (a) a general description of all cables leased by The Associated Press, (b) the name of the lessor or each such cable, (c) the hours of the day (i. e., from 7 A. M. to 3 P. M.) during which The Associated Press was entitled, under its arrangement with the lessor, to use each such cable, and (d) the hours of the day during which each such leased cable customarily remained open for use by The Associated Press; and state the total amount paid by The Associated Press for each such leased cable during the year 1942.

127. State with regard to the work (two volumes) entitled "The Law of The Associated Press" (a) when, and by whom, the contents were compiled (b) when, and by whom, the work was printed and distributed, or caused to be [fol. 612] printed and distributed, and (c) the extent to which the documents and other material quoted therein are correct copies or the originals.

John Henry Lewin, Charles H. Weston, Special Assistants to the Attorney General, Attorneys for Plaintiff.

# [fol. 613] Exhibit No. 1

A Contract made this first day of November 1935 Between The Associated Press, a corporation incorporated pursuant to the Membership Corporation Law of the State of New York, party of the first part, and The Canadian Press, a corporation incorporated under charter of the Dominion of Canada, party of the second part, Witnesseth

Whereas The Associated Press recognizes that The Canadian Press is animated by the ideals of cooperative news service, carrying on throughout the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana, the functions of a national news association, and further appreciates the value to The Associated Press of such exchange of news across the continent, and desires to establish that relation on a durable basis; and

Whereas The Canadian Press recognizes that The Associated Press is animated by the ideals of cooperative news service, carrying on in the United States and elsewhere the functions of a news association, and further appreciates the value to The Canadian Press of such exchange of news, and desires to establish that relation on a durable basis;

Therefore, subject to the maintenance broadly of The Associated Press and of The Canadian Press as at present [fol. 614] constituted and for such objects and for a valuable consideration The Associated Press and The Canadian Press mutually agree as follows:

(1) The party of the first part agrees to deliver to the authorized representatives of The Canadian Press at New York, and at Seattle, and at other points at or near the border to be agreed upon mutually, copies of news reports which it delivers to its own members at said points, and simultaneously with such delivery. Such news reports shall be so delivered to The Canadian Press at the places above stated solely for use within the territory of the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana, and the party of the first part hereby agrees not to deliver the said news reports to any other association, newspaper or individual in the Dominion of Canada, Newfoundland, British West Indies, Bermuda, or British Guiana. The news reports so delivered to The Canadian Press shall not be re-transmitted by the said Canadian Press, its agents or members, for use outside the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana except as otherwise agreed, and The Canadian Press shall effectively provide for the protection of such news by such by-laws and regulations as may be satisfactory to the Board of Directors of The Associated Press. It is expressly understood that The Canadian Press shall rigidly enforce its by-laws to the end that no member shall furnish news or permit any one in his employ to furnish the news of The Canadian Press, as well as his own local news for which The Canadian Press must gain and retain exclusive republication rights for its own purposes and for the purposes of this contract, to any person outside Canada, Newfoundland, British West Indies, Bermuda, and British Guiana, or to any newspaper or newsagency or individual other than The Associated Press and [fol. 615] its members. It is also expressly understood that the said Associated Press shall rigidly enforce its by-laws to the end that no member shall furnish news or permit any one in his employ to furnish the news of The Associated Press as well as his own local news for which The Associated Press must gain and retain exclusive republication rights for its own purposes, and for the purposes of this contract to any person in Canada, Newfoundland, British West Indies, Bermuda, or British Guiana or to any newspaper or news-agency or individual in Canada other than The Canadian Press and its members.

(2) The Canadian Press shall deliver to the authorized representatives of the party of the first part at New York and Seattle, or such other points as may be mutually agreed upon, such summary of the news of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana and of the British Empire gathered by The Canadian Press as shall satisfy requirements of The Associated Press. said news report shall be delivered to the party of the first part solely for use outside the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana, and such news reports shall not be sold or delivered by The Canadian Press to any other association, newspaper, publisher or individual for use outside of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana without the written consent of the party of the first part; and the party of the first part agrees that the said news reports shall not be re-transmitted by it, its agents or members for use within the Dominion of Canada, Newfoundland, British West Indies, Bermuda, or British Guiana.

And the said party of the second part covenants on behalf of The Canadian Press and the individual members of the [fol. 616] association and of the newspapers which from time to time may be admitted to its membership but such covenant or obligation shall hold only during the period of membership, that they and The Canadian Press will give the authorized representatives of the party of the first part access to news gathered by them within the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana and undertakes to transmit and deliver the said news to the party of the first part for the exclusive use of The Associated Press, direct and indirect, outside the Dominion of Canada, Newfoundland, British West Indies, Bermuda, and British Guiana.

(3) Should either party desire to supplement or revise the service of the other party to be delivered as hereinbefore provided, and to that end should desire to place a representative at any of the offices of the other party, such representative shall have access to the full service of such other party at that point, and shall be free without extra charge to send such additional or other service as in his judgment may appear advisable. But such additional report shall not subject such other party to any additional expenditure for transmission or collection.

Should either of the parties to this contract require news independent of the regular service of the other party, it shall be entitled to have such news forwarded through the agencies and facilities of the other party, but at its own expense.

- (4) As consideration for the news service of the party of the first part, the said Canadian Press in addition to furnishing its news reports as hereinbefore provided shall also pay to the party of the first part the annual sum of \$20,000.00 in Canadian funds during the life of this contract, namely for the period of 10 years from November 1, 1935.
- [fol. 617] (5) Each of the parties to this agreement shall, so far as it is within its power, permit the other party to run any wires necessary for the transmission or retransmission of news into any offices of said other parties at any of the points at which either party shall be entitled under this agreement to have access to or receive the news service of the other party; the intention being that both parties to this agreement shall in every way possible facilitate the speedy transmission of news between the two countries, and to that end form a direct circuit for the exchange of press matter between the parties.

- (6) The employes whom either of the parties to this agreement maintain within the offices of the other party shall be acceptable to the party in whose office said employes are located.
- (7) This contract shall continue in force for ten years from November 1, 1935, and thereafter year by year until annulled upon the demand of either party upon six months' written notice.

Witness our hands and seal this thirteenth day of November, 1935.

The Associated Press, Kent Cooper, General Manager. The Canadian Press, W. B. Preston, President; (Signature indecipherable), General Manager.

[fol. 618]

EXHIBIT No. 2

Western Union

18NP 62

Bellingham, Wash. 1232P

April 4 1941.

Kent Cooper,

The Associated Press, NYK.

Information that KVOS promised AP wire without our advanced knowledge extremely distasteful to us after thousands we have spent protecting service. Urge you withhold acting on application until our position is thoroughly explained. It may cost AP our complete service the way our officers feel now. I would regret to send notice of resignation and sincerely trust something can save this action.

Charles L. Sefrit. Bellingham Herald.

W415PES

[fol. 619]

EXHIBIT No. 3

Nightletter via WU

Chge AP/KC

Charles L. Sefrit,

Bellingham Herald, Bellingham, Washington.

Because of your objection matter referred to will be given to board for decision April sixteenth and hope you

or Mr. Perkins will be here for frankly I have to say personally your proposal would play directly into hands of your radio competitor which would then have both AP and UP while you would have transradio or INS all of which would give predominance to your competitor and help Associated not at all. Presume you understand that contract and any credit by station will be with and to Press Association and that words Associated Press will not be used in broadcasting. Anyway of course you understand resignation could not take effect until two years hence and consequently we should all like very much to talk to you or Mr. Perkins about the matter. Kindest regards.

Kent Cooper.

(nm) cc Mr. Gorrie-Seattle CC (F) Mr. McCambridge.

[fol. 620]

EXHIBIT No. 4

The Associated Press, Seattle, Washington, April 8, 1941.

### Airmail-Special

General Manager McCambridge, Press Association, Inc., New York.

DEAR McCambridge:

This is a report on the situation at Bellingham, Wash., where we have an application for news service from radio station KVOS, owned by Rogan Jones, and where objection to this service has been raised by our members, Frank I. Sefrit of the Herald (AM), and Charles L. Sefrit of The Herald, (PM).

KVOS entered the picture on March 28 when Joseph Pigney responded to an inquiry through the Spokane bureau by Cole Wylie, manager of radio station KPQ, Wenatchee, Wash., which is also owned by Jones. Wylie asked for a price for day and night service at KPQ and the files show that a short time later he telephoned to Pigney and made the same inquiry for KVOS. A few days later Wylie arranged for Pigney to see Jones in Bellingham on April 1, the date on which Jones signed contracts for KPQ and KVOS with service to start April 13.

Before leaving Bellingham, Pigney called at the office of The Herald to see Frank I. Sefrit and notify him of the

news service application, but Sefrit was out. However on the next day, April 2, he telephoned from Seattle to S. A. Perkins, owner of the Bellingham Herald, and apprised him of the application. Perkins said he was opposed to either AP or PA serving KVOS.

[fol. 621] On April 4, Pigney called upon Perkins in his offices in Tacoma. Perkins said he considered prospective service to KVOS a serious infringement on The Herald's right in the Bellingham area. He said he did not object to our serving the radio station in Olympia and that as a general thing he is in accord with our radio policy except at Bellingham. He told Pigney the Bellingham problem is a local one grown out of local conditions. It is obvious Perkins was referring to the news piracy suit against KVOS.

Also, on April 4, Charles L. Sefrit telegraphed a protest to Mr. Cooper in which he threatened resignation. In view of these developments I recommended, on the same date, that we delay accepting the contract and explain to Jones the delay was due to the former litigation and that the contract would require the Board's approval.

Between then and April 5, Mr. Cooper telegraphed to Charles L. Sefrit The Herald would be given a hearing by the Board on April 16, and I received a wire from you assigning me to look into the matter.

I arrived in Bellingham the morning of April 7 and went directly to KVOS because I felt Jones should be notified promptly that while the KPQ contract was acceptable we could not start service to KVOS on April 13th because of the former litigation and the local members' objection.

Jones was understandably disturbed and his first reaction was to call the matter off. He said we would have to serve both KVOS and KPQ or neither. Then he said it had been publicized that PA could deal with radio stations and he wanted to know why he is an exception. I told him the Board has full authority in matters of this kind. He asked me if I thought the Board would sustain the objections. I replied that I did not know. He asked me to inquire about [fol. 622] his chances with the Board. If they were good, he said he'd be patient. If they were otherwise, he said he was not prepared to say what he would do. I repeated to him that I did not know what the Board would do "nor does anyone else."

\* \* I telephoned to you. After our conversation I told Jones you could not shed any light on the outcome of the application. Also, I relayed to him that you said you were hopeful the Board will take favorable action. Jones appreciated this very much. Then he said he would "await the Board decision" if you would send him a telegram explaining the delay in the KVOS matter. He said he desired it for his records and that he made the request in good faith. Also, he agreed to use PA credit if the Board so decided. I telegraphed his request and recommended that you comply with it because he had signed the contracts and I felt he was entitled to an explanation from head-quarters.

Later in the afternoon I went to The Herald and made the acquaintance of Charles L. Sefrit. He said he was unalterably opposed to our serving KVOS and if we did it would be his recommendation that The Herald resign from it memberships in the AP. Sefrit made references to the Herald-KVOS suit which he said cost The Herald \$9,000 in the interests of The AP. He said "we've been in the membership 50 years, building up The AP here and I believe we have rights to prevent this from going through." He thumbed through the AP report (green book) for the fiscal year of 1940 and said there is nothing in it which gives The AP or PA the right to go over the member's head. We continued the discussion along the same lines through dinner. \* \*

This morning, I went to The Herald again because I wanted to see Frank I. Sefrit. The three of us had a dis-[fol. 623] cussion during which Frank I. Sefrit said the KVOS matter was offensive to him. The AP, he said, was built up on rights and the prospect of serving KVOS was an infringement thereon. The AP, he said, will lose a lot of prestige if it goes through with this.

Charles L. Sefrit joined with his father on the prestige angle. He said The Herald would lose a lot of prestigevalue in AP memberships in the event of the sale of the newspapers if the radio station had the same news service.

At this point he asked what Mr. Cooper meant by his statement that credit by KVOS would be through and to Press Association. I explained to him that PA controls the matter of credit. Also, he asked what type of service KVOS contemplated. I told him the Day and Night state

wires. He said, The Herald pays an employee \$42.00 a week to protect the AP at night and that KVOS would get the benefit of this and daytime coverage. He said local day coverage would be withheld from the AP wires in The Herald building and sent overhead to Seattle. Furthermore, he indicated The Herald might not continue its night man.

Charles L. Sefrit also asked me how much KVOS was to pay for the service. I told him he could obtain this information from the General Offices. We had a general discussion on radio news rates and I told him that as a general thing they are not as high as newspaper rates.

Here, Frank I. Sefrit expressed the opinion that if service is extended to KVOS "S. A." (Perkins) would sign a contract with UP and it "might be an exclusive one."

After more than two hours in The Herald I went back to KVOS and called on Jones. He said he had received your telegram explaining the delay. He appreciated the [fol. 624] wire very much. Although he had previously agreed to await The Board's decision if he received a wire from you, he said he was contacted by United Press last night and that it might be advantageous to take up UP's offer now. I left him in an unsettled frame of mind, but he said he would give us his final decision by not later than April 10. He is considering withdrawing applications for service for KVOS and KPQ, and starting service at KPQ with the right to terminate it in less than a year's time if the local members' objections are upheld by The Board.

\* \* \* Perkins \* \* \* does know and told Pigney on April 2 that Louis Wasmer's stations (KGA and KHQ, Spokane) signed with UP. \* \* \*

The opposition won't pass up an opportunity to use this ammunition. \* \* \*

The \* \* situation in Spokane resulted from failure by the member newspapers and the radio stations to agree on an exchange of credit, a matter which had been under discussion by them several months. When solution of such an agreement reached the stage where it was out of the question, Wasmer signed a one-year contract with UP. Upon receipt of authorization from you I told Wasmer PA would make a contract with credit to PA, to which he

was agreeable. But, he said there was no reason for his stations to have two news services \* \* \*

Sincerely yours, (Signed) Bob Cavagnaro, New York Representative.

Bob Cavagnaro (SE), cc JPigney, Portland, Ore., FGorrie, Seattle.

[fol. 625]

**Ехнівіт** No. 5

1941 Apr. 8 AM 10 09.

E AM 5 25 DL-AP New York NY 8 1215P

Rogan Jones,

Radio Station KVOS.

Contract received. Regret necessary matter go before Board next week because of previous situation and opposition which has arisen in Bellingham. Appreciate your situation. Regards.

W. J. McCambridge.

[fol. 626]

EXHIBIT No. 6

WU-AP

B1CD. HU.

154 NT

69 Extra.

Bellingham, Wash., April 14, 1941.

Kent Cooper,

Associated Press NYK.

The right of protest which inheres in The Associated Press membership is violated when sale of The Associated Press report is made without the consent of the member in whose territory such sale occurs.

The undersigned, Associated Press members of the allied daily newspapers of Washington, therefore, emphatically protest the sale of The Associated Press news report to radio stations, either in the abbreviated form or otherwise, without the consent of The Associated Press member in the community in which the radio station is located.

Aberdeen World, W. A. Rupp; Bellingham Herald, Charles L. Sefrit; Yakima Republic and Yakima Herald, Roger A. Neal; Port Angeles Evening News, Charles N. Webster; Longview Daily News, J. M. McClelland; Centralia Daily Chronicle, R. W. Edinger; Tacoma News Tribune, Tacoma Ledger, George F. Russell; Bremerton Daily News Searchlight, John H. Jessup; Ellensburg Record, J. C. Kaynor; The Daily Olympian, S. A. Perkins; Vancouver Evening Columbian, Herbert J. Campbell; Everett Daily Herald, Robert D. Best. 425A

[fol. 627]

EXHIBIT No. 7

April 15, 1941.

Mr. W. A. Rupp, Aberdeen World, Aberdeen, Wash.

DEAR MR. RUPP:

I have the night letter sent from Bellingham, the text of which I already had by mail from Mr. Corrie.

Presumably, this telegram is based upon a presentation made by my good friend, Mr. Perkins, which he also made to me in a letter of April 9 and which I answered on April 11 by airmail. In my communication I told him that I was fascinated by the fact that it was a presentation based upon as complete a misunderstanding as I have ever seen in this business.

However, I suppose such things have to be across a space of three thousand miles.

This acknowledgment, however, is merely to assure you that the telegram will be presented to the Board of Directors at its meetings this week or next week.

Meanwhile, let me assure you of my cordial personal regards.

Sincerely yours, (Signed) Kent Cooper.

 $\mathbf{L}$ 

[fol. 628]

# EXHIBIT No. 8

## Air Mail

April 24, 1941.

Mr. Rogan Jones, Radio Station KVOS, Bellingham, Wash.

DEAR MR. JONES:

I wired you yesterday that the Board's action was unfavorable and that I was writing to you.

The Board, which is the final judge of all matters in The Associated Press, took the action of postponing indefinitely approval to sign an agreement with KVOS because of the situation which developed between The Associated Press and KVOS involving a large financial expenditure.

You signed, in good faith, for service to Wenatchee, and I think it is only fair, if it will help you in your dealings, to release you from that agreement, if you so wish. I say this even though I should like to see the agreement at Wenatchee continued.

With best wishes,

Sincerely yours, (S) William J. McCambridge.

MH

CC(NM) BC, San Francisco. JP, Portland. FGG, Seattle.

[fol. 629]

Ехнівіт No. 9

[Copy of photostats omitted]

## Ехнівіт No. 10

Agreement made the 5th day of October, 1939, at New York, N. Y., by and between The Associated Press, a membership corporation organized under the laws of the State of New York, having a place of business at 50 Rockefeller Plaza, New York, N. Y., hereinafter called "Associated", and Dow Jones & Co. Inc., a corporation having a place of business at 44 Broad Street, New York, N. Y., hereinafter called "Dow Jones".

## Witnesseth

Whereas, Associated is engaged in gathering and distributing news, information and intelligence for publication in newspapers in the United States; and

Whereas, Dow Jones is engaged in gathering and distributing news and information of a financial nature, and is the publisher of the financial publication known as the Wall Street Journal, and whose affiliated companies are publishers of financial publications known as the Boston News Bureau, the Philadelphia News Bureau, the Wall Street Journal—Pacific Coast edition, and Barron's Weekly, which publications are hereinafter called the Dow Jones publications; and

Whereas, it is to the mutual benefit of Associated and Dow Jones to exchange news and statistical matter gathered and distributed by them to their members and subscribers:

[fol. 630] Now, Therefore, the parties hereto hereby agree as follows:

- 1. During the term of this agreement, Associated shall furnish and deliver to Dow Jones, at its offices in the City of New York, a financial statistical report, similar to that furnished by Associated to its members in the City of New York, and which shall include a complete tabulation of daily securities prices of the New York Stock Exchange, the New York Curb Exchange, and the regular report of Associated of securities prices from the principal securities exchanges in other cities of the United States of America and Canada, as received by Associated at its offices in the City of New York.
- 2. During the term of this agreement, in addition to the financial report to be furnished, as provided in Paragraph 1 hereof, Associated shall furnish and deliver to Dow Jones, at its offices in the City of New York, a general news report similar to that furnished by Associated to its members in the City of New York; it being understood, however, that the special services provided by Associated for its said members is not to be included in the general news report to be furnished to Dow Jones.
- 3. During the term of this agreement, Dow Jones will furnish and deliver to Associated:
  - A. The financial news ticker service known as the Dow Jones Financial Ticker, which is to be delivered to

Associated at its offices in the cities of New York, Boston, Chicago, Washington and San Francisco, and at its offices in any other two cities in the United States of America in which the said Dow Jones financial news ticker service is available, that Associated may, from time to time, designate, provided, however, that at no time shall Dow Jones be required to furnish and maintain more than a total of eight news ticker machines in [fol. 631] order to make its financial news ticker service available to Associated.

- B. The commodity news ticker service known as the Dow Jones Commodity Ticker, which is to be delivered at the offices of Associated in the cities of New York and Chicago and at its offices in any other two cities in the United States of America in which the said Dow Jones commodity news ticker service is available, that the Associated may, from time to time, designate, provided, however, that at no time shall Dow Jones be required to furnish and maintain more than a total of four news ticker machines in order to make its commodity news ticker service available to Associated.
- C. Any financial news bulletin service which Dow Jones may publish for general circulation at any time during the term of this agreement, delivered to Associated at its offices in the City of New York.
- D. Special commodity news not included in the regular Dow Jones commodity news ticker service which shall be furnished and delivered by Dow Jones by special telephone service to Associated, at its offices in the City of New York.
- 4. During the term hereof, Dow Jones shall have the right to publish the news to be furnished to it by Associated hereunder in the Wall Street Journal, so long as the Wall Street Journal remains a financial and business publication. Such publication of Associated Press news shall be limited to the needs of a financial-business publication as is of the date of this contract being published by Dow Jones. All such news, so published by Dow Jones, shall be credited to The Associated Press. If, during the term hereof, the Wall Street Journal shall cease to be a financial and business publication and become a newspaper of popular appeal, the right

[fol. 632] of Dow Jones to publish the news furnished by Associated hereunder in the Wall Street Journal, shall thereupon cease and terminate. The judgment of the Board of Directors of Associated as to whether the Wall Street Journal is or has become a newspaper of popular appeal shall be conclusive.

- 5. Dow Jones shall have the right to use the news furnished by Associated hereunder in its financial and commodity news ticker services, the Dow Jones Bulletins, and in the Dow Jones publications, to the extent of not more than approximately one hundred fifty (150) words from each news dispatch. Each quotation by Dow Jones of news furnished by Associated shall state at the introduction thereof that it has been taken from an Associated Press dispatch and the point of origin thereof, provided, however, that Dow Jones may use, without limitation as to wordage, and without credit to Associated, public addresses and public documents which are furnished to Dow Jones by Associated in its news reports.
- 6. Associated shall have the right to use and publish, and to make available to its members, licensees, and the persons, firms and corporations with which it now has, or may hereafter have, news exchange arrangements, for publication in newspapers, for use in radio broadcasts, and for such other purposes as the news of Associated is generally used:
  - A. The financial, commodity and other news to be furnished to Associated by Dow Jones hereunder.
  - B. Any news of whatsoever nature, published in the Dow Jones publications, the Wall Street Journal, the Boston News Bureau, the Philadelphia News Bureau, and the Wall Street Journal—Pacific Coast edition, which is not credited by such publications to a source other [fol. 633] than the publication in which the news appears, provided, however, that news taken by Associated from any of the aforesaid publications shall not be furnished by Associated to any member or other person, firm or corporation for publication or radio broadcast in the city in which the said Dow Jones publication, from which the news is taken, is published.

Associated shall have the exclusive right to use and publish and to make available to its members, licensees, and the persons, firms and corporation with which it now has or may hereafter have news exchange arrangements, for publication in newspapers, for use in radio broadcasts and for such other purposes as the news of Associated is generally used, all news published in the Wall Street Journal, whether local, telegraphic or cable news which is not credited to a source other than the Wall Street Journal.

Associated shall not make available directly or indirectly any news obtained from Dow Jones hereunder to any financial or commodity news ticker service deemed by the board of directors of Dow Jones to be in competition with Dow Jones, and, should Associated at any time during the term hereof establish a financial or commodity news ticker service in competition with Dow Jones, this contract shall thereupon cease and terminate.

- 7. Dow Jones shall pay to Associated, as a news exchange differential, the sum of Four Hundred Twenty-Five (\$425) Dollars weekly, in advance, during the period commencing on October 16, 1939, and ending on October 15, 1940, and thereafter, and during the remainder of the term hereof, the sum of Six Hundred Twenty-Five (\$625) Dollars weekly, in advance.
- 8. This agreement shall be for a term of five (5) years commencing on October 16, 1939, and it shall continue, in [fol. 634] effect, thereafter until either party has given to the other one year's notice, in writing, of its election to terminate the agreement. Such notice may be given one year prior to the end of the above described term, or at any time thereafter, but it shall not affect a termination of this agreement until one year after the said notice shall have been given.
- 9. During the term hereof, Associated shall furnish and deliver to Dow Jones at the office of The Boston News Bureau, Inc., in the City of Boston, on each business day, a tabulation of securities prices from the New York Stock Exchange and the New York Curb Exchange, such tabulation to be in the same form and only to such extent as that furnished, during the term of this contract, by Associated to its members in the City of Boston. Dow Jones shall pay

to Associated, in addition to the differential payments to be made, as provided in Paragraph 7 hereof, all local telegraph and other transmisson costs and charges incurred by Associated in delivering such tabulation, which expenses and charges shall be paid by Dow Jones to Associated weekly in advance. Dow Jones shall have the right to discontinue the service to be furnished to The Boston News Bureau, Inc., as herein provided, at any time during the term hereof, upon thirty days' notice, in writing, to Associated of its desire to do so.

10. Commencing on a date to be mutually agreed upon, if Dow Jones requests, during the term of this agreement, Associated shall furnish and deliver to Dow Jones, at the offices of the Wall Street Journal—Pacific Coast edition, in the City of San Francisco, on each business day, a tabulation of securities prices of the New York Stock Exchange and the New York Curb Exchange, such tabulation to be in the same form and only to such extent as that then and during the term of this contract furnished by Associated [fol. 635] to its members in the City of San Francisco. Dow Jones shall pay to Associated, in addition to the differential payments to be made, as provided in Paragraph 7 hereof, all local telegraph and other transmission expenses and charges incurred by Associated in delivering such tabulation, which expenses and charges shall be paid by Dow Jones to Associated Weekly in advance. Dow Jones shall have the right to discontinue the service, if it is furnished to the Wall Street Journal Pacific Coast edition, as herein provided, at any time during the term hereof, upon thirty days notice, in writing, to Associated of its desire to do so.

11. Dow Jones agrees to observe and abide by all rules and regulations with respect to the publication of the news to be furnished hereunder which have been or may be hereafter made and established by Associated, whether in its by-laws or otherwise, to govern and regulate the publication and use by its members of the news of The Associated Press.

12. Dow Jones shall not make the news furnished by Associated hereunder available to any newspaper which is not a member of Associated or to any press association or news service.

- 13. Except as hereinabove and in Paragraphs 7, 9, and 10 hereof provided, each of the parties hereto shall pay all costs and expenses incurred in furnishing and delivering its news to the other.
- 14. Neither Dow Jones nor Associated nor their respective officers, directors or employees shall be liable to the other for any loss or damage sustained by reason of the publication of any of the news or statistics furnished by either of the parties to the other, or on account of any loss or damage resulting from the suspension or interruption of the services to be furnished hereunder by reason of circumstances beyond the control of the parties hereto.

[fol. 636] 15. This agreement shall supersede all prior agreements between the parties hereto and between Associated and the Boston News Bureau, Inc., and between Associated and the Illinois Telegraph News Co.

In witness whereof, the parties hereto have entered into this agreement as of the day and year first above written.

> The Associated Press, By Kent Cooper, Secretary; By L. F. Curtis, Treasurer. (Corporate seal.) Dow Jones & Co., Inc., By Kenneth C. Hogate, J. Hoskins, Secretary. (Corporate seal.)

[fol. 637]

EXHIBIT No. 11

1933

Not elected

Newspaper

Owner

New Bern (N. C.) Tribune, Craven Publishing Co., PM.

The New Bern Sun-Journal objected, stating that the town could not support two afternoon newspapers and also that the applicant was not financially stable. The Board deferred action and the applicant did not reapply.

Moundsville (W. Va.) Journal, Moundsville Journal Co.,

PM.

Application opposed by the Moundsville Echo, contending that the owner could not support a second

afternoon newspaper. The Board deferred action and the applicant did not reapply.

Vincennes (Ind.) Post, The Vincennes Post, Inc., AM.

In the absence of the required application papers, the development of plans for the newspaper and objection on the part of the Vincennes Sun-Commercial, the Board voted not to elect.

### 1934

Sunbury (Pa.) Morning Post, Clyde D. Boden, PM.

The Sunbury Daily Item, afternoon member, expressed approval provided the applicant could furnish financial responsibility. Informed of the situation, the applicant did not reapply.

- [fol. 638] Deland (Fla.) Sun News, Robert H. Gore, unstated.

  Application was withdrawn by the applicant.
  - Athens (Ga.) Times, Athens Times & Georgia Democrat,

The Board postponed action until the applicant had established the newspaper and demonstrated its financial stability. The applicant did not pursue his application.

Ponca City (Okla.) Tribune, Blackwell Tribune Publishing Co., AM.

The Ponca City News objected, declaring the town could not support two daily newspapers. The Board postponed action because the applicant did not establish a newspaper.

Sandusky (Ohio) Daily News, The Stephens Co., PM.

Action on the application was postponed pending investigation and the applicant was elected in 1935.

Urbana (Ill.) Evening Courier, Evening Courier Co., PM.

Action on the application was postponed pending investigation and the applicant was elected in 1936.

Martinsville (Va.) Morning Post, S. L. Goodman, AM.

Action on the application was postponed pending investigation and the applicant was elected in 1937.

Miller Freeman Publications, Miller Freeman, AM.

Action on the application was postponed pending development of plans for the newspaper.

[fol. 639] 1937

Las Cruces (N. M.) Morning Sun, Sun Publishing Company, AM.

The Las Cruces News objected because it felt the town could not economically support two daily newspapers. The El Paso Herald-Post and the El Paso Times also objected, contending that Las Cruces was in too close proximity. The Board did not elect.

Manila (P. I.) El Debate, Manila (P. I.) Mabuhay, Manila (P. I.) La Opinion, Carlos P. Rumolo, AM, PM.

The applications were opposed by the Manila Bulletin, Manila Tribune, Manila Taliba and the Manila LaVanguardia, each stating that The Associated Press service could not be further shared in the judgment of the existing members.

Moorhead (Minn.) News, Moorhead News Co., Inc., PM.

The Fargo (N. D.) Forum (Directly across the state line) stated that Moorhead actually was within the territorial limits of Fargo and that the Forum had as large a circulation in Moorhead as did the Moorhead paper. The Board did not elect.

Ashboro (N. C.) Tribune, Roy Cox, Weekly. Asheboro (N. C.) Courier, Henrietta Hammer Walker, Weekly.

The Board elected the Courier, which was publishing three times weekly, because the Courier was to become a daily afternoon and Sunday morning newspaper. [fol. 640] Petaluma (Calif.) Argus Courier, Olmstead Company, Inc., PM.

The application was not accompanied by waivers from members holding protest rights, namely, the San Francisco Call-Bulletin and the San Francisco Examiner. The Board being without power to act, the application was referred to the Annual Meeting. (The Call-Bulletin and the Examiner gave waivers thereafter and the Argus-Courier was elected in January, 1938, by the Board of Directors).

Burlingame (Calif.) Advance, Peninsula Newspapers, Inc., PM.

The application was not accompanied by waivers from the members holding protest rights, namely, the San Francisco Call-Bulletin, the San Francisco Chronicle and the San Francisco Examiner. The Board being without power to act, the application was referred to the Annual Meeting. (The San Francisco Chronicle since executed a limited waiver).

### 1935

Athens (Ga.) Times, Athens Georgia Times & Georgian, AM.

Applicant reapplied and failed of election because of the objection of the Athens Banner Herald, which said that the town could not successfully and financially support two daily newspapers.

Hastings (Neb.) Morning Spotlight, Democrat Publishing Co., AM.

Because of uncertainty of the applicant's position, the Board did not elect inasmuch as there also was [fol. 641] an application from the established newspaper, of long standing, the Hastings Daily Tribune. The Daily Tribune was elected.

Urbana (Ill.) Evening Courier, Evening Courier Co., PM.

Temporary objection was made by the Champaign News Gazette but the applicant was elected eight months later, August 9, 1936. Hollywood (Fla.) Sun, Wallace Stevens, Weekly.

The applicant said he intended the newspaper to become a daily but as the time was indefinite and the Miami Herald and the Fort Lauderdale Daily News had raised objections, the Board did not elect pending further developments.

Plattsmouth (Nebr.) Journal, Mrs. Robert A. Bates, Weekly.

The applicant intended to become an afternoon daily but as it could not be ascertained when and under what circumstances the Board declined to elect until more positive developments.

Portales (N. M.) Valley News, Valley News Company, PM.

The Clovis Evening News Journal objected, stating that the field could not support another daily newspaper in such close proximity. The Board did not elect.

Martins Ferry (O.) Daily Times, Daily Times Company, PM.

The Board did not elect because the applicant's membership could not become effective for three years, and in the meantime there would be no advantage to the association. The applicant did not pursue the matter.

[fol. 642] Henryette (Okla.) Daily Free Lance, George Riley Hall, PM.

The Board did not elect because of an unfavorable financial experience with the applicant when formerly a member. When a member, the Free Lance had been expelled for nonpayment of assessments, but after expulsion the Free Lance paid the amount due.

Liberal (Kans.) Southwest Times, Southwest Printing Company, PM.

The Liberal News objected on the contention that the town could not support two daily newspapers. Applicant was not elected.

Gainesville (Fla.) Morning News, J. L. Meeks, Jr., AM.

The Gainesville Sun objected in the belief that the town could not successfully support two daily newspapers. After consideration and further hearings on the application, the Board did not elect.

Clinton (Okla.) Morning Times, Tim T. Warren & Joe C. Tofflemire, AM.

Clinton (Okla.) News, Clinton Publishing Company, PM. and Sun.

The Board had the two applications to consider. Upon investigation, the Board elected the established newspaper, the News, for evening and Sunday membership. No action was taken on the application of the Times, which it did not pursue.

[fol. 643]

1938

Metropolis (Ill.) Herald, W. A. Spence, PM.

The Paducah (Ky.) Sun Democrat, eight miles away, objected on the grounds that the Herald was only a proposed newspaper, which would be located virtually within the city territory of the Sun Democrat. The Board did not elect.

Bloomington (Ind.) Star, Feltus Printing Company, AM.

The Bloomington World objected in the belief that three newspapers in a city the size of Bloomington could not be successfully operated. The Board did not elect.

Las Cruces (N. M.) Morning Sun, Sun Publishing Company, AM.

The Las Cruces News objected because it felt the town could not economically support two daily newspapers. The El Paso Herald-Post and the El Paso Times also objected, contending that Las Cruces was in too close proximity. The Board did not elect.

Hobbs (N. M.) Daily Post, Oil Field Publishing Company, AM.

The Hobbs News Sun objected by stating that the town could not economically support two daily newspapers. The Board did not elect.

Moorhead (Minn.) Daily News, Moorhead News Company,

The application was resubmitted and the Fargo Forum again objected. The Board did not elect.

[fol. 644] South Bend (Ind.) Inter City Guardian, Guardian Publications, Inc.,

Action was postponed pending development of plans for the newspaper.

1940

Fort Lauderdale (Fla.) Times, Lauderdale Publishing Co., AM.

Fort Lauderdale (Fla.) News, Gore Publishing Company, AM.

In view of the circumstances and pending developments, the Board deferred taking any action.

### 1941

Endicott (N. Y.) Bulletin, Endicott Bulletin, Inc., PM.

The Binghamton Press opposed the election because of the proximity of the applicant and the overlapping character of the circulation territory. The Board deferred taking any action.

## Pending:

Chicago (Ill.) Sun, Marshall Field,

AM.

The application was accompanied by a waiver from the Chicago Daily News, but not by waivers from the Chicago Herald Examiner and the Chicago Tribune, which also hold rights of protest. The Board being without power to act, the application was referred to Annual Meeting.

Washington (D. C.) Times Herald, Eleanor Medill Patterson, AM and PM.

The application was not accompanied by waivers from the members holding protest rights, namely, the Washington Star and the Washington Post. The Board being [fol. 645] without power to act, the application was referred to the Annual Meeting. Chicago (Ill.) Evening Tribune, The Tribune Company, PM.

The application was not accompanied by waivers from the Chicago Herald American, morning and evening members, and the Chicago Daily News, which hold rights of protest. The Chicago Daily Times offered to waive if the Chicago Tribune would waive in event the Times should apply for a morning membership. The Board being without power to act, the application was referred to the Annual Meeting.

Applications for Membership Acted Upon by the Members in Annual Meeting

(From April 1932 to 1941 inclusive)

**April 1937** 

Failed of election:

Burlingame (Calif.) Advance, afternoon newspaper, owned by Peninsula Newspapers, Inc.

The application was referred to the Annual Meeting by the Board of Directors, the Board being without power to act because the application had not been accompanied by waivers from the members holding protest rights, namely, the San Francisco Call-Bulletin and the San Francisco Examiner.

Petaluma (Calif.) Argus-Courier, afternoon newspaper, owned by the Olmstead Company, Inc.

The application was referred to the Annual Meeting by the Board of Directors, the Board being without power [fol. 646] to act because the application had not been accompanied by waivers from the members holding protest rights, namely, the San Francisco Call-Bulletin and the San Francisco Examiner.

The Argus-Courier was elected in January, 1938, by the Board of Directors, after waivers of protest rights had been received from the above members.

### **Ехнівіт No. 12**

#### The Associated Press

## Call and Notice of Special Meeting

New York, January 13, 1943.

To the Members of The Associated Press:

A special meeting of the members of The Associated Press will be held at the offices of The Associated Press, 50 Rockefeller Plaza, in the City of New York, on Tuesday, February 9, 1943, at eleven o'clock A. M., for the sole purpose of considering and acting upon the amendment to the By-Laws of the corporation adopted by the Board of Directors on January 12, 1943, which amendment consists of striking out the final portion of Article III, Section 2 (a), the portion stricken out being:

provided, however, that such payment shall in no case be less than three times the current annual regular assessments, and,

Article III, Section 2 (a) reads as thus amended:

(a) The applicant shall pay to this Corporation a sum equal to ten (10%) per cent of the total amount of the regular assessments received by the Corporation from members in the field (morning, evening or Sunday) in the city in which the applicant has been elected to membership during the period from October 1, 1900, to the first day of the month preceding the date of the election of the applicant, and

Every member who cannot be present in person should promptly execute the accompanying proxy.

[fol. 648] A member executing a proxy has the right to

give specific instructions for the voting of his proxy.

Members executing proxies should return them promptly to this office, in the enclosed envelope.

Robert McLean, President; Kent Cooper, Secretary.

The Associated Press General Office 50 Rockefeller Plaza New York, N. Y.

New York, January 13, 1943.

To the Members of The Associated Press:

You are urgently asked to sign and return the enclosed proxy covering an amendment of the By-Laws which is explained in the accompanying papers.

The members of the Board of Directors are unanimous in their recommendation of this action, which has also been recommended by Messrs. Milbank, Tweed & Hope, special counsel for The Associated Press.

For the Board of Directors, Kent Cooper, Secretary.

## Proxy

The undersigned member of The Associated Press hereby appoints Paul Bellamy, George F. Booth, Edward E. Lindsay, Robert McLean, Paul Patterson and Arthur H. Sulzberger, or any of them, to be his or its lawful attorney and proxy, to vote in his or its name, with full power of sub-[fol. 649] stitution, at the Special Meeting of the Members of The Associated Press, to be held on February 9, 1943, for the sole purpose of considering an amendment to the By-Laws and at any adjournment or adjournments thereof, with the same force and effect as he or it might do if personally present, upon the amendment of the By-Laws adopted by the Board of Directors on January 12, 1943, pursuant to which Article III, Section 2 (a) as amended reads as follows:

(a) The applicant shall pay to this Corporation a sum equal to—(10%) per cent of the total amount of the regular assessments received by the Corporation from members in the field (morning, evening or Sunday) in the city in which the applicant was elected to membership during the period from October 1, 1900, to the first day of the month preceding the date of the election of the applicant.

In the absence of instructions, this proxy will be voted for the ratification of the amendment as set forth above. A member has the right to give any instructions he desires for the voting of his proxy; such instructions, if given, should be clearly written in this space.

### Notice

### Those Who Cannot Act

A member may substitute other names of his own choosing, as proxies, but these may not be salaried officers. All salaried officers are Disqualified to act as proxy, under Sec. 4, Art. IV of the By-Laws. Kent Cooper, General Manager, and all other salaried officers and employes are [fol. 650] Disqualified to act as a member's proxy.

This special meeting has been called to act upon an amendment to the By-Laws of The Associated Press which was unanimously adopted by the Board of Directors on January 12, 1943. The language of the amendment is set out in the notice calling the special meeting. In order to give you a complete picture of the reasons for the adoption of the amendment, the preambles and resolutions at the meeting of the Board of Directors on January 12th are set forth in full:

Whereas the Board of Directors of The Associated Press, before the annual meeting in 1942, after careful study by a special committee, adopted certain amendments to the By-Laws of The Associated Press, of which the first two paragraphs of Article III, Section 2, read as follows:

"Sec. 2. an applicant for membership elected, as provided in Section 1 hereof, shall not be admitted to membership or become a member, where there are one or more existing memberships in the field (morning, evening or Sunday) in the city in which the applicant has been elected, until

"(a) The applicant shall pay to this Corporation a sum equal to ten (10%) per cent of the total amount

of the regular assessments received by the Corporation from members in the field (morning, evening or Sunday) in the city in which the applicant has been elected to membership, during the period from October 1, 1900, to the first day of the month preceding the date of the election of the applicant."

Whereas at the annual meeting of the members of The Associated Press in 1942 an amendment to the above recommended By-Law was proposed, which amendment was to follow immediately after the lan-[fol. 651] guage adopted by the Board of Directors, this amendment reading as follows: "provided, however, that such payment shall in no case be less than three times the current annual regular assessments, and,"

Whereas it was not possible in the time available to make the necessary studies to compare the operation of the original proposal and of the proviso, and such proviso was adopted without such study;

Whereas as a result of the careful study which has now been made it becomes evident that the figures arrived at by the operation of the proviso are wholly inconsistent with those arrived at under the provision originally recommended;

Whereas Messrs. Milbank, Tweed & Hope, special counsel for The Associated Press, have advised the Board of Directors that it would be advisable to eliminate this inconsistency;

Now, Therefore, Resolved that the Board of Directors, pursuant to Article XV of the By-Laws, hereby amends the first two paragraphs of Article III, Section 2 so as to restore them to the form originally adopted in 1942, namely:

- "Sec. 2. An applicant for membership elected, as provided in Section 1 hereof, shall not be admitted to membership or become a member, where there are one or more existing memberships in the field (morning, evening or Sunday) in the city in which the applicant has been elected, until
- "(a) The applicant shall pay to this Corporation a sum equal to ten (10%) per cent of the total amount of the regular assessments received by the Corpora-

tion from members in the field (morning, evening or Sunday) in the city in which the applicant has been elected to membership, during the period from October 1, 1900, to the first day of the month preceding the date of the election of the applicant."

Further Resolved, that in view of the importance of [fol. 652] securing full consideration of this amendment at a meeting at which such consideration of this amendment will be the sole order of business, a special meeting of the members is hereby called for February 9, 1943, to be held at 11:00 o'clock in the morning at the office of The Associated Press, at 50 Rockefeller Plaza, in the City of New York.

The action set forth above was the unanimous action of your Board of Directors. The following Directors were present at the meeting and all voted in favor of the change:

Paul Bellamy, Cleveland (Ohio) Plain Dealer.

George F. Booth, Worcester (Mass.) Telegram.

Edward H. Butler, Buffalo (N. Y.) News.

William H. Cowles, Spokane (Wash.) Spokesman Review.

Edward K. Gaylord, Oklahoma City (Okla.) Oklahoman.

Houston Harte, San Angelo (Tex.) Standard.

Josh L. Horne, Rocky Mount (N. C.) Telegram.

Joseph R. Knowland, Oakland (Cal.) Tribune.

Robert R. McCormick, Chicago (Ill.) Tribune.

Robert McLean, Philadelphia (Pa.) Evening Bulletin.

Frank B. Noyes, Washington (D. C.) Star.

Paul Patterson, Baltimore (Md.) Sun.

Stuart H. Perry, Adrian (Mich.) Telegram.

E. Lansing Ray, St. Louis (Mo.) Globe-Democrat.

In addition to the members of the Board of Directors, there was present at the meeting Mr. Kent Cooper, the General Manager, who favored the action taken. There was also present Mr. Arthur H. Sulzberger, Vice-President, who likewise favored the action taken. Also present was Mr. Edward E. Lindsay (Decatur, Illinois, Herald), chairman of the committee representing Associated Press mem-

bers in the smaller cities, who likewise approved the [fol. 653] amendment. The amendment was further studied and approved by Messrs. Milbank, Tweed & Hope, special counsel for The Associated Press; by Robert T. Neill, Esq., counsel for Mr. Lindsay's committee, and by Messrs. Kirkland, Fleming, Green, Martin & Ellis, counsel for the Chicago Tribune.

In order to assure a quorum at the meeting, and a full representation of the entire membership of The Associated Press, you are urged to execute and return your proxy at once in the enclosed envelope. As stated on the proxy, you may give any specific instructions which you desire, and these instructions will be carefully followed. In the absence of instructions, in view of the unanimous recommendations of all present, the proxy will be voted in favor of ratifying the amendment.

For the Board of Directors,

Robert McLean, President.

## [fol. 654] Exhibit No. 13

The nominating committee reports after careful consideration of the subject that while under a vote of the membership its duty is to make two nominations for each vacancy, it is not a practical measure after having renominated all the retiring directors to present other nominees. We find it is impossible to secure members other than outgoing directors to permit the use of their names and in proof of this we remind the membership that in previous years the additional nominees have generally withdrawn their names at the annual meeting.

The result is that the board of directors is becoming in fact, though not by intention, self-perpetuating as is shown by the outcome at the 1919 meeting when two retiring directors who had failed of renomination were nominated from the floor and re-elected.

The nominating committee being unable to do anything effective to secure a reasonable amount of rotation recommends and urges that each year one or two of the directors whose terms expire shall retire by mutual arrangement so that new material may be selected. Only by some such arrangement can be the continuance of the nominating committee be justified.

[fol. 655] In the District Court of the United States for the Southern District of New York

### [Title omitted]

INTERROGATORIES ON BEHALF OF THE PLAINTIFF TO BE ANSWERED UNDER OATH BY THE DEFENDANT TRIBUNE COMPANY AND THE DEFENDANT ROBERT RUTHERFORD McCormick, PURSUANT TO RULE 33 OF THE FEDERAL RULES OF CIVIL PROCEDURE

- 1. State the names and addresses of all organizations operating in the United States, other than The Associated Press, United Press Associations, and International News Service, which, to the knowledge of the Tribune Company or any of its officers, are engaged in the business of selling, or otherwise furnishing, news, as distinguished from features, to more than 10 newspapers published in the United States and, for each such organization give the descriptive facts relating thereto known to, or readily ascertainable by, the Tribune Company or any of its officers, such as its approximate size, scope of operations, number of newspaper sub-[fol. 656] scribers, volume and frequency of its news service, territorial coverage, and type, character, and subject matter of the news it furnishes.
- 2. State the names and addresses of all organizations operating in the United States, other than The Associated Press, which, to the knowledge of the Tribune Company or any of its officers, were engaged, as of (a) June 30, 1941, and (b) December 31, 1942, in the business of furnishing by wire pictures to more than 10 newspapers published in the United States, and for each such organization give the descriptive facts relating thereto which are known to, or readily ascertainable by, the Tribune Company or any of its officers, such as its approximate size, scope of operations, number of newspaper subscribers, volume and frequency of its wire photo service, territorial coverage, and type, character, and subject matter of the pictures it furnishes.
- 3. State for each of the years 1941 and 1942 the amount of the weekly assessment paid by Tribune Company to The Associated Press and show separately the weekly assessment for each type of service furnished to the Tribune Company by The Associated Press.

- 4. State whether the Tribune Company or Robert Rutherford McCormick was, at any time between December 1, 1941, and January 1, 1943, a party to any contract or agreement which gave to the Tribune Company or to Robert Rutherford McCormick any right or power to prevent any morning newspaper published in the city of Chicago (other than the [fol. 657] Chicago Daily Tribune) from receiving pictures furnished by Acme News Photos, Inc.
- 5. If the answer to Interrogatory No. 4 is in the affirmative, set forth in detail (a) the terms of said contract or agreement (including the date it was made, the parties thereto, and the nature and date of any modification thereof) and (b) the extent to which the Tribune Company or Robert Rutherford McCormick has, since December 1, 1941, waived or released any power or right conferred upon it or him by said contract or agreement (including the date of such waiver or release and the reasons for granting the same).
- 6. Describe in detail all action taken by the Tribune Company or any of its officers or employees, to influence any member of The Associated Press to vote against electing Marshall Field to membership in The Associated Press at the annual meeting of AP members in April 1942, or to obtain proxies from any AP member to be voted at said meeting against such election.
- 7. List the names of all AP members from whom the Tribune Company or any of its officers, employees or representatives, or persons acting in behalf of the Tribune Company or Robert Rutherford McCormick, requested votes or proxies to be cast at the annual meeting of AP members held in April 1942 upon the application of Marshall Field for membership in The Associated Press, and state with regard to each AP member so requested (a) whether the request was written or oral, (b) the individual who made [fol. 658] the request and the date thereof, (c) the substance of the request and of the response thereto, (d) whether a proxy was given as a result of the request and, if so, to whom, and (e) whether the vote of the member was cast, in person or by proxy, in opposition to the election of Marshall Field.

List as of December 1941 the name of every AP member who was being furnished or whose newspaper was being furnished news, features, or other material for publication in such newspaper, by Tribune Company or any subsidiary thereof (including News Syndicate Company and Chicago Tribune-New York News Syndicate, Inc.) pursuant to any contract, agreement, or understanding with Tribune Company or any subsidiary thereof.

- 9. State the total amount received during the year 1942 by the Tribune Company or any subsidiary thereof (including News Syndicate Company and Chicago Tribune-New York News Syndicate, Inc.) from AP members in payment for the furnishing of news, features, or other material to such members.
- 10. Describe in detail, as of the year 1942, any news, feature, or other service which the Tribune Company or any subsidiary thereof furnished to more than 10 newpapers published in the United States, giving as to each such service (a) a brief statement of its character, such as whether it was general news, foreign news, Washington bureau reports, comics, a special series of articles, pictures, etc., (b) the number of newspaper subscribers, and (c) the amount which the Tribune Company or any subsidiary received [fol. 659] during the year 1942 from newspaper subscribers to the service.
- 11. List the names of all English language daily newspapers, if any, published in the United States which, to the knowledge of the Tribune Company or any of its officers, does not utilize any news service furnished by either The Associated Press, United Press Associations or International News Service.
- 12. State, as of the month of August 1942, how many (a) full-time employees and (b) part-time employees (including such string men as the Tribune Company may regard as independent contractors) were engaged in reporting news for the Tribune Company which it was obligated to furnish to The Associated Press.
- 13. Describe in detail the manner in which the Tribune Company furnishes news to The Associated Press giving (a) the number and titles of the employees who are charged with the duty of assuring that the obligation of the Tribune Company to furnish its local news to The Associated Press is carried out, (b) whether, and to what extent, local news

gathered by the Tribune Company is segregated or classified for transmission to The Associated Press, (c) whether duplicate copies of all local news reports made to the Tribune Company by its employees or independent contractors are furnished to The Associated Press and (d) whether duplicate copies of all rewrites of local news made by its editorial staff for the Tribune Company are furnished to The Associated Press.

[fols. 660-663] 14. State (a) whether a morning newspaper was published daily, except Sunday, in the city of Chicago during the year 1937 and 1938 and during part of the year 1939 under the name, Morning Chicago Herald and Examiner, (b) whether said morning newspaper discontinued publication on or about August 29, 1939, (c) the average daily circulation of the Chicago Daily Tribune (other than the Sunday edition) for each month of the years 1937 to 1942, inclusive, and (d) whether the circulation of the Chicago Daily Tribunt (other than the Sunday edition) increased as a result of publication of the Morning Chicago Herald and Examiner or decreased as a result of publication of The Chicago Sun.

John Henry Lewin, Charles H. Weston, Special Assistants to the Attorney General, Attorneys for Plaintiff.

[fol. 664] In the District Court of the United States for the Southern District of New York

## [Title omitted]

Interrogatories of Plaintiff Served Upon Tribune Company and Robert Rutherford McCormick, Defendants, and Answers Thereto

Interrogatory 1: State the names and addresses of all organizations operating in the United States, other than The Associated Press, United Press Associations, and International News Service, which, to the knowledge of the Tribune Company or any of its officers, are engaged in the business of selling, or otherwise furnishing, news, as distinguished from features, to more than 10 newspapers published in the United States and, for each such organization give the descriptive facts relating thereto known to,

or readily ascertainable by, the Tribune Company or any of its officers, such as its approximate size, scope of operations, number of newspaper subscribers, volume and frequency of its news service, territorial coverage, and type, character, and subject matter of the news it furnishes. [fol. 665] Answer: Chicago Tribune-New York Daily News Syndicate, Inc., operates the Chicago Tribune Press Service from 435 North Michigan Avenue, Chicago, Illinois. It furnishes such service to 17 daily newspapers which have a total daily and Sunday circulation in excess of 15,500,000. It serves its clients over more than 10,000 miles of wires by fast and modern teletype machines, each of which averages more than 14,000 words daily. Its service is furnished from 8 to 12 hours daily, seven days a week.

Chicago Tribune Press Service covers domestic spot news, foreign news, and feature news. It includes a query service and, from time to time, specially written feature stories which are furnished to hundreds of newspapers in addition to its regular clients. The news obtained by more than 40 foreign correspondents and correspondents located in the United State is available to Chicago Tribune Press Service.

These defendants are informed and believe that there are approximately 70 organizations operating in the United States other than The Associated Press, United Press Associations, International News Service, and Chicago Tribune Press Service which are engaged in the business of selling or otherwise furnishing news to newspapers. The names and addresses of many such organizations are set forth in Editor and Publisher, 1942 International Year Book Number, and in other trade journals to which reference is hereby made. These defendants are informed and believe that many of such organizations listed in said trade journals sell or otherwise furnish news to more than 10 newspapers published in the United States, but these defendants do not know the names of all such organizations which do so and do not know all of the information concerning each which is requested in Interrogatory 1. These defendants, however, have been furnished with information [fol. 666] set forth below concerning some of said organizations, which information defendants believe to be correct:

Feature News Service, 229 West 43rd Street, New York City. This organization, commonly known as the New York Times Syndicate, utilizes the services of 15 reporters in Washington, D. C., and has available for its use a bureau or the services of a correspondent in every city of any size in the United States and at the following foreign locations:

Midway Islands Ankara Mexico City Balboa Montreal Belfast Berne Moscow Nassau Bogota New Delhi **Buenos Aires** Ottawa Cairo Port Au Prince Caracas Port of Spain Chunking Quebec Dublin Rio de Janeiro Fairbanks San Jose Guavaquil San Juan Gibraltar Guatemala San Salvador Santiago Halifax Saotaulo Havana St. Thomas Hobart Stockholm Honolulu Tegucigalpa Jerusalem Toronto Kingston Vancouver LaPaz Victoria Lisbon Wellington London (Bureau—6 men) Willenstad Madrid Yarmouth Managua

In addition to the foregoing and prior to the outbreak of the present war, correspondents whose services were [fol. 667] available to this organization were also maintained in the following cities now occupied by Axis forces:

Amsterdam Paris
Athens Prague
Belgrade Rome
Berlin Shanghai
Budapest Sofia
Copenhagen Tokyo
Hong Kong Firana
Manila

Melbourne

Since the outbreak of the present war, correspondents have been attached to United Nations armies and fields throughout the world.

This service has available more than 60 foreign correspondents and 387 correspondents in the United States outside of the metropolitan New York area. In the year 1940 over 5,500,000 words were received from foreign correspondents alone. Its expenditures in the collection of foreign news alone were approximately \$1,000,000 for the year 1942.

This organization serves its customers by fast teletype printer circuits. Thousands of words of material are wired, cabled, or telephoned every 24 hours. It presently serves 27 newspapers in the United States.

Los Angeles Times New Bureau, Los Angeles Times Building, Los Angeles, California. This organization furnishes its service to approximately 130 newspapers throughout the United States and Canada and to leading magazines of the country, including the Saturday Evening Post, American Magazine, Life, and Collier's. The service includes domestic spot and feature news. The organization has the services of approximately 45 reporters available for its use.

Resters, Ltd., 50 Rockefeller Center, New York City. [fol. 668] This organization serves a number of newspapers and some radio stations with a foreign news service. It operates the largest foreign news-agency in the world, utilizing the services of literally thousands of correspondents stationed throughout the world. The organization is fully capable of serving all newspapers in the United States. It presently maintains bureaus in New York and Washington and it transmits to its present clients in the United States an average of approximatey 16,000 words per day which are transmitted by printer wire operated from 8:00 A. M. until midnight.

Chicago Daily News Foreign Service, Des Moines Register Tribune Building, Des Moines, Iowa. This organization currently serves 52 newspapers with foreign news service. The scope of its operation is unlimited and the frequency of its service is daily. The volume of news transmitted, of course, depends entirely on the news value of the stories developed.

New York Herald-Tribune News Service, 230 West 41st Street, New York City. This service offers spot coverage of domestic and foreign news together with feature stories from time to time. It has approximately 20 foreign correspondents stationed at strategic locations at several war fronts. Its service is offered to both morning and evening papers. It serves among others, The Chicago Sun.

North America Newspaper Alliance, Inc., 247 West 43rd Street, New York City. This organization furnishes primarily a special feature service covering important world events. In addition, it furnishes a certain amount of spot news. The organization furnishes its service of several thousand words daily to approximately 40 clients. In addition to other news features this organization furnishes its clients with special reports by well known writers covering unusual world events. For example, this organization by [fol. 669] special arrangement had a special writer accompany Admiral Byrd's expedition to the Antarctic regions. This correspondent dispatched thousands of words from Admiral Byrd's headquarters to clients of the organization in the United States and Canada.

Jewish Telegraphic Agency, 106 East 41st Street, New York City. This organization serves approximately 600 clients scattered throughout the world, about 200 of which are located in the United States. The organization serves a number of such newspaper clients by direct wire and others by way of Western Union or Postal Telegraph. The organization employs approximately 50 correspondents. Substantially all Jewish newspapers in the United States subscribe to this service.

Federated Press of New York, 30 Irving Place, New York City. This organization has three bureaus located in Washington, New York, and Chicago, and employs approximately 65 correspondents in other cities. It deals largely in labor and related news and has a total of approximately 160 clients served daily by air mail, Western Union, or Postal Telegraph.

Woehrle News Service, New York City. This organization sells primarily New York City news. It has approximately 300 clients and its stories are transmitted to them by mail, telephone, and telegraph.

Transradio Press Service, 521 Fifth Avenue, New York City. This organization has in excess of 130 clients and a great number of correspondents. It covers spot news and feature news. In addition to its regular correspondents used throughout the world, Transradio has hundreds of string men in the United States.

Interrogatory 2: State the names and addresses of all organizations operating in the United States, other than [fol. 670] The Associated Press, which, to the knowledge of the Tribune Company or any of its officers, were engaged, as of (a) June 30, 1941, and (b) December 31, 1942, in the business of furnishing by wire pictures to more than 10 newspapers published in the United States, and for each such organization give the descriptive facts relating thereto which are known to, or readily ascertainable by, the Tribune Company or any of its officers, such as its approximate size, scope of operations, number of newspaper subscribers, volume and frequency of its wire photo service, territorial coverage, and type, character, and subject matter of the pictures it furnishes.

Answer: These defendants are informed and believe that the following organizations were, on June 30, 1941, and on December 31, 1942, engaged in the business of furnishing pictures by wire, mat, print, and otherwise, to newspapers published in the United States and are informed and believe that a number of such organizations furnish such pictures by wire:

Acme Newspictures, Inc., 461 Eighth Avenue, New York City.

Affiliated Photo News Service, 558 Madison Avenue, New York City.

Allied News Photo Service Corporation, 439 Madison Avenue, New York City.

Associated Press Newsphoto Service, 50 Rockefeller Plaza, New York City.

Australian News and Information Bureau, 610 Fifth Avenue, New York City.

Authenticated News, Times Tower, New York City.

Aviation News Features, 610 Shoreham Building, Washington, D. C.

Balkan News Syndicate, 1216 Park Row Building, New York City.

Betterman Archives, 215 East 57th Street, New York City.

Black Star, Inc., 420 Lexington Avenue, New York City. [fol. 671] British Combine Photos, Ltd., 271 Madison Avenue, New York City.

Central Feature News, Times Tower, New York City. Columbia News Service, 42 East 50th Street, New York City.

Connecticut News Association, Bridgeport, Connecticut. Consolidated Photo Service, 439 Main Street, Orange, N. J.

Culver Service, 205 East 42nd Street, New York City.

Dench Business Features, Ho-ho-kus, New Jersey.

Dickinson and Company, Inc., 545 Fifth Avenue, New York City.

Elliott Service Co., 219 East 44th Street, New York City. European Picture Service, 353 Fifth Avenue, New York City.

Ewing Galloway, 420 Lexington Avenue, New York City. Federated Press, 30 Irving Place, New York City.

Gilliams Service, 225 West 39th Street, New York City.

Globe Photos, Inc., 33 West 42nd Street, New York City. Greek News Syndicate, 1216 Park Row Building, New York City.

Harris & Ewing Photographic News Service, 17 East 42nd Street, New York City.

Thomas F. Healy Collection, 155 Prospect Avenue, Valhalla, New York.

Historical Picture Service, 222 East 51st Street, New York City.

Hollywood Press Syndicate, 6605 Hollywood Building, Hollywood, California.

International News Photo, 235 East 42nd Street, New York City.

Interphoto News Pictures, 11 West 42nd Street, New York City.

Keystone Features, Inc., 2 West 46th Street, New York City.

Keystone Views Company of New York, Inc., 219 East 44th Street, New York City.

Lincoln Newspaper Features, 2 West 46th Street, New York City.

Los Angeles Times News Bureau, Los Angeles Times Building, Los Angeles, California.

[fol. 672] Movietone News Photos, 460 West 54th Street, New York City.

NEA Service, Inc., 1200 West 3rd Street, Cleveland, Ohio.

New England News Pix, Bridgeport, Connecticut.

New England Trade Press Syndicate, Bridgeport, Connecticut.

New Jersey Press Bureau, 106 Jefferson Street, Weehawken, New Jersey.

Pan American Press Service, 130 West 42nd Street, New York City.

Pictorial Feature Service, 11 East 49th Street, New York, Citv.

Pictorial Photo Company, Inc., 19 West 44th Street, New York City.

PM Syndicate, 27 6th Avenue, New York City.

Pix, Inc., 250 Park Avenue, New York City.

Press Photo Service, Wolverine Hotel, Detroit, Michigan. Religious News Service, 381 Fourth Avenue, New York City.

Science Service, 1719 N Street, N. W., Washington, D. C. Martin Sheridan Feature Photo Service, 1132 Commonwealth Avenue, Boston, Massachusetts.

Southern News Service, Birmingham, Alabama.

Paul Thompson Photos, 353 Fifth Avenue, New York City.

United Feature Syndicate, Inc., 220 East 42nd Street, New York City.

These defendants do not know the number of such organizations which furnished by wire pictures to more than 10 newspapers published in the United States or the other information with respect to each requested in Interrogatory 2. These defendants are advised, however, that a great many of such organizations furnish wire pictures to more than 10 newspapers, particularly:

Acme Newspictures, Inc.
Authenticated News
International News Photos
[fol. 673] Los Angeles Times News Bureau
Movietone News Photos
N.E.A. Service, Inc.
Pix, Inc.
PM Syndicate

Press Photo Service United Features Syndicate, Inc.

Interrogatory 3: State for each of the years 1941 and 1942 the amount of the weekly assessment paid by Tribune Company to The Associated Press and show separately the weekly assessment for each type of service furnished to the Tribune Company by The Associated Press.

Answer: The amounts of the weekly assessments paid by Tribune Company to The Associated Press for the years 1941 and 1942 are set forth on Exhibits 1 and 2 attached hereto and made a part hereof. The Associated Press does not furnish to the Tribune Company a weekly statement showing the weekly assessment for each type of service furnished. Defendants, however, have prepared an analysis of said weekly assessments from such information as is available to them, which analysis, set forth on Exhibits 1 and 2, defendants believe to be correct.

Defendants also attach and make a part hereof as Exhibit 3 a statement of the 1941 and 1942 monthly regular and monthly special assessments paid by the Tribune Company to The Associated Press.

(Here follows 2 pasters, folios 674-675)

[fol. 674]

## Exhibit No. 1

### Associated Press Weekly Assessments To Tribune Company Year 1941

					First	Second	Thind			Year 194	<b>41</b>			Illinois					General	E	
1941					New York	New York	Third New York	Local and	_	News	Illinois		Financial	State	Sunday	Race	Background	Sunday	News	Economy Measures	
Week end	ing	Total	General	M.G.C.	Chicago Wire	Chicago Wire	Chicago Wire	City News Expense	Printer Delivery	Photo Service	State Service	Racing Service	Tabular Service	Mat Service	Printer Service	Chart Service	Map Drops	Wire Service	f Wire Report	Affecting All Services	Wirephoto Service
January	<b>4</b>	\$ 1,751.05	\$ 318.33	\$ 10.00	\$ 119.22	\$ 75.95	\$ 50.84	\$ 128.47	\$ 65.00	<b>\$</b> 112.50	\$ 59.75	\$ 68.00	<b>\$</b> 78.10	\$ 2.00	\$ 25.00	\$ 25.00	<b>s</b> —	\$ 18.00	\$ 2.50	\$ 49.46	\$ 641 85
vanuary "	11	1.742.25	318.33	10.00	119.22	75.95	50.84	128.47	65.00	112.50	59.75	59.20	78.10	2.00	25.00	25.00		18.00	2.50	\$ 49.46 49.46	\$ 641.85 641.85
u u	18 25	1,742.25 1,742.25															,				
February	1	1,742.25													•						
u	8	$1,712.25 \\ 1,712.25$	318.33	10.00	119.22	75.95	50.84	128.47	65.00	112.50	59.75	59.20	78.10	2.00	<b>25</b> . <b>00</b> .	25.00		18.00	2.50	49 . 46	611.85
u	15 22	1,712.25																			
March	1	1,712.25 $1,712.25$																			
u	8 15	1,712.25																			
<b>u</b> u	22	1,712.25																			
April	<b>29</b>	1,712.25 $1,712.25$																			
u	12	1,712.25			•	•															
u u	19	1,712.25 1,712.25																			
$\mathbf{May}$	<b>3</b>	1,687.25	318.33	10.00	119.22	75 .95	50.84	128.47	65.00	112.50	59.75	59.20	78.10	2.00	<b>25</b> .00	_	_	18.00	2.50	49 .46	611 .85
u	10	$1,687.25 \\ 1,678.05$	318.33	10.00	119.22	75.95	50 .84	128.47	65.00	112.50	59.75	50.00	78.10	2.00	25.00			18.00	2.50	49 .46	611 .85
u	17	1,678.05	910.00	10.00	119.22	10.90	30.64	120.41	00.00	112.50	39.13	30.00	76.10	2.00	25.00		_	18.00	2.50	49.40	011.80
<i>u</i>	31	1,678.05																			
$\mathtt{June}_{\pmb{\mu}}$	7 14	1,678.05 $1,678.05$																			
u u	21	1,678.05																			
	28	1,678.05 $1,678.05$																			
July <sub>"</sub>	5 12	1,678.05																			
u u	19	1,695.10 1,695.10	335 .38	10 .00	119.22	75.95	50.84	128.47	65.00	112.50	59.75	50.00	78.10	2.00	25.00		-	18.00	2.50	<b>49</b> .46	611.85
August	26	1,695.10																			
u	9	1,695.10																			
ű	16 23	1,695.10 1,695.10																	l.		
<i>"</i>	30,	1,695.10																			
September	r 6	1,695.10 $1,695.10$																			
u	20	1,598.20	335.38	10.00	119.22	<b>75</b> .95	50.84	128.47	65.00	112.50	<b>59.75</b>	<b>50</b> . <b>00</b>	78.10	2.00	<b>25</b> . <b>00</b>		4.00	18.00	2.50	<b>49</b> .46	510.95
" October	27	1,598.20 1,602.80	335.38	10.00	119 . <b>2</b> 2	75 . <b>95</b>	50 94	128. <b>47</b>	65.00	112.50	<b>59</b> . <b>75</b>	54.60	78.10	2.00	25.00		4.00	18.00	2.50	10 18	510.95
u	11	1.607.40	335.38	10.00	119.22	75.95	50.84 50.84	128.47	65.00	112.50	59.75	59.20	78.10	2.00	25.90		4.00	18.00	2.50	49 .46 49 .46	510.95
u	18	1,607.40																			
November	25 1	1,607.40 1,607.40																			
- · · · · · · · · · · · · · · · · · · ·	8	1,632.40	<b>335</b> . <b>38</b>	10.00	119.22	75.95	50.84	128.47	65.00	112.50	<b>59</b> . <b>75</b>	<b>59</b> . <b>20</b>	78.10	2.00	25.00	25.00	4.00	18.00	2.50	49.46	510.95
u	15 22	1,632.40 1,632.40																			
	29	1,632.40																			
December		1,632.40 1,623.20	<b>335</b> . <b>3</b> 8	10.00	119.22	75.95	50.84	128.47	65.00	112.50	59.75	50.00	78.10	2.00	25.00	25.00	4.00	18.00	2.50	49 46	510.95
u	13 20	1,623.20 1,623.20	ტი. სის	10.00	113.22	10°, 101	JU .04	140.41	00.00	112.50	09.10	30.00	70.10	∠.00	20.00	<i>2</i> ∂ .00	4.00	15.00	4.00	43 .46	910.99
u	27	1,623.20							4												
TOTAL		\$87,260.30	\$16,962.36	\$ 520.00	\$ 6,199.44	\$ 3,949.40	\$ 2,643.68	\$ 6,680.44	\$ 3,380.00	\$ 5,850.00	\$ 3,107.00	\$ 2,871.00	\$ 4,061.20	\$ 104.00	\$ 1,300.00	\$ 625.00	\$ 60.00	\$ 936.00	\$ 130.00	\$ 2.571.92	\$30,452.70
										<del></del>	<del></del>			<del></del>							

[fol. 675]

Ехнівіт No. 2

## Associated Press Weekly Assessments To Tribune Company Year 1942

1942					First New York	Second New York	Third New York	Local and		Year	1942 Illinois		Tii-1	Illinois	C 1	D	nl		General	Economy Measures		Patsy
Week en		Total	General	M.G.C.	Chicago Wire	Chicago Wire	Chicago Wire	City News Expense	$egin{array}{c} \mathbf{Printer} \ \mathbf{Delivery} \end{array}$	News Photo Service	State Service	Racing Service	Financial Tabular Service	State Mat Service	Sunday Printer Service	Race Chart Service	Background Map Drops	Sunday Wire Service	News Wire Report	Affecting All Services	Wirephoto Service	Comic Page
January	3	<b>\$</b> 1,631 52	\$ 335.38	\$ 10.00		<b>\$</b> 75.95	\$ 50.84	\$ 128.47	\$ 65.00	<b>\$</b> 112.50	\$ 59.75	\$ 50.00	<b>\$</b> 78.10		\$ 25.00	\$ 25.00				\$ 49.46	\$ 494.27	
u 	10 17	1,614.85 $1,615.85$	335.38 335.38	10.00 10.00	119.22 $119.22$	75 .95 75 .95	50 .84 50 .84	128.47 128.47	65.00 65.00	112 .50 112 .50	59.75 59.75	50.00 50.00	78.10 78.10	2.00 3.00		25.00 25.00	0 4.00 0 4.00	18.00 18.00			477 .60 477 .60	
. "	24 31	1,615.85 1,614.85	335.38	10.00	119.22	75.95	50.84	128.47	65.00	112 50	59.75	50.00		2.0	25.00				2.50	49 .46	477.60	25.00
February	7 14	1,614.85 $1,614.85$									*								= 1.0.0			
u	21 28	1,614.85 $1,614.85$																				
March	7	1,614.85 1,614.85																				
u u	21	1,614.85																				
April	28	1,614.85 1,614.85																				
"	11 18	1,614.85 1,614.85				-																
May	$egin{array}{cccccccccccccccccccccccccccccccccccc$	1,610.68 1,589.85	335.38 335.38	10.00 10.00	$119.22 \\ 119.22$	75 . 95 <sup>.</sup> 75 . 9 <b>5</b>	50 .84 50 .84	128.47 $128.47$	65.00 65.00	112.50 112.50	59.75 59.75	50.00 50.00	78.10 78.10	2.0 2.0	0 25.00 0 - 25.00	20.8	3 4.00 4.00	18.00 18.00	2.50 2.50	49 .46 49 .46	477 .60 477 .60	25.00 25.00
и и	9 16	1,589.85 1,589.85								•						•		-0.00	2.00			
"	23	1,589.85 1,589.85																				
$\mathbf{June}_{\mathbf{}}$	6	1,589.85 1,589.85																				
u u	13 20	1,589.85																				
July	27	1,589.85 $1,589.85$																				
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« August	25 1	1,589.85 1,589.85																				
u u	8 15	1,589.85 $1,589.85$																				
<b>"</b>	22	1,589.85 1,589.85																				
Septembe	29 er 5	1,589.85																				
u u	12 19	1,589.85 $1,589.85$																				
October	26	1,589.85 1,589.85																				
u	10 17	1,589.85 $1,589.85$																				
u	24	1,589.85 $1,589.85$																				
November 4	r 7	1,589.85 1,614.85	335.38	10.00	119,22	75.95	50.84	128.47	65.00	112.50	. 59.75	50.00	78.10	2.00	05.00	05.00	4.00	10.00	. 0.50	49 .46	477.60	25.00
u u	14 21	1,614.85	000.00	10.00	115,22	10.50	00.04	120.4	00.00	112.50	. 09.10	<b>50.00</b>	78.10	2.00	25.00	25.00	4.00	18.00	2.50	40 .40	477.00	25.00
December		1,614.85 $1,614.85$													•							
u	12 19	1,614.85 $1,614.85$																				
u	26	1,614.85											·		·····							
TOTAL.		\$83,286.70	\$17,439.76	\$ 520.00	\$ 6,199.44	\$ 3,949.40	<b>\$ 2,643.68</b>	\$ 6,680.44	\$ 3,380.00	\$ 5,850.00	\$ 3,107.00	\$ 2,600.00	\$ 4,061.20	\$ 106.00	\$ 1,300.00	\$ 595.83	\$ 208.00	\$ 936.00	\$ 130.00	\$ 2,571.92	\$24,851.87 ————	\$ 1,300.00

## Ехнівіт №. 3

Associated Press Monthly Assessments to Tribune Company

Years 1941 and 1942

	1941 Asse Mon		1942 Assessments Monthly				
4.5	Regular	$\dot{\mathbf{Special}}$	$\mathbf{Regular}$	Special			
January	\$ 191.85	\$ —	\$ 191.85	\$ 113.38			
February	191.85	71.85	191.85	65.85			
March	191.85	182.71	191.85	116.40			
April	191.85	137.64	191.85	95.96			
May		<b>64.7</b> 0	191.85	60.32			
June		120.90	191.85	607.40			
July	191.85	42.90	191.85				
August		108.56	191.85				
September	191.85	40.55	191.85	36.55			
October	191.85	34.65	191.85	14.65			
November	191.85	22.00	191.85	21.21			
December	191.85	123.01	191.85	733.91			
Total	\$2,302.20	\$ 949.47	\$2,302.20	\$1,862.63			

Regular Monthly Assessment covers Federal and State Social Security Taxes.

Special Monthly Assessment covers services of events of short duration, such as Hockey, Golf, Football, Tennis Tournaments, speeches, Illinois Legislature, primary and general elections, special service from Army camps, etc., special photos and special wirephotos.

Defendant Tribune Company received from The Associated Press in December, 1942, a check in the amount of \$7,304.44 and a check in the amount of \$191.85. A copy of the memorandum accompanying said checks is hereto attached and made a part hereof as Exhibit 4.

[fol. 677]

EXHIBIT No. 4

(Copy)

The Associated Press, General Office, 50 Rockefeller Plaza, New York, N. Y.

December 14, 1942.

Memorandum of Explanation of Enclosed Checks

The green check [\$7,304.44] represents a refund in your assessment as the result of operations in 1942. Although the accounting of expenses for the last month of the year obviously has not been completed, the amount of the refund is for the full twelve months, based on the experience of the past eleven months.

The yellow check [\$191.85] returns part of the assessments you have paid this year for Social Security taxes. Small excesses over expenditures have accumulated, so that it is possible to refund approximately one months' tax assessment. No change is being made in the amount of the tax drafts, as it is impossible to determine accurately in advance what our tax expenses will be.

Interrogatory 4: State whether the Tribune Company or Robert Rutherford McCormick was, at any time between December 1, 1941, and January 1, 1943, a party to any contract or agreement which gave the Tribune Company or to Robert Rutherford McCormick any right or power to prevent any morning newspaper published in the city of Chicago (other than the Chicago Daily Tribune) from receiving pictures furnished by Acme News Photos, Inc.

Answer: Tribune Company and Acme Newspictures, Inc., entered into a contract under date of December 12, 1940, under the terms of which Acme Newspictures, Inc., granted to the Tribune certain qualified rights to receive and publish the service of Acme Newspictures, Inc., exclusively in the City of Chicago.

[fol. 678] Interrogatory 5: If the answer to Interrogatory No. 4 is in the affirmative, set forth in detail (a) the terms of said contract or agreement (including the date it was made, the parties thereto and the nature and date of any modification thereof) and (b) the extent to which the Tribune Company or Robert Rutherford McCormick has, since December 1, 1941, waived or released any power

or right conferred upon it or him by said contract or agreement (including the date of such waiver or release and the reasons for granting the same).

Answer: (a) Attached hereto and made a part hereof as Exhibit 5 is a copy of an agreement dated December 12, 1940, between Acme Newspictures, Inc., and Tribune Company.

## EXHIBIT No. 5

## Agreement

Agreement made this 12th day of December, 1940, at Cleveland, Ohio, between Acme Newspictures, Inc., a Delaware corporation, (hereinafter called "Acme"), First Party, and Tribune Company, an Illinois corporation, (hereinafter called "The Publisher"),

#### Witnesseth:

That for and in consideration of the sum of one dollar (\$1.00) by each to the other in hand paid, the receipt whereof is hereby acknowledged, and of their mutual agreements herein stated, the parties mutually agree as follows:

- 1—Acme hereby sells to the Publisher the right to receive and publish in the Chicago Tribune, a daily and Sunday morning newspaper printed in the English language, at Chicago, Illinois, its regular picture service consisting, at present, of its regular mail print service and its regular telephoto service.
- (a) Acme agrees, as far as practicable, to deliver the mail print service to the Publisher by depositing said service in any United States Post Office box addressed to the Publisher at the city of publication above named. At the [fol. 679] option of Acme, it may deliver by telephoto or courier any part of said service under this agreement.
- (b) Acme will deliver its telephoto service to the Publisher by messenger promptly upon its receipt at Acme's office in the Tribune Tower, it being understood that said telephoto service consists of an average of twenty (20) pictures per week. Should Acme remove its offices from the Tribune Tower, Acme, at the Publisher's request and with-

out expense to the Publisher, will install an Acme telephoto receiver in the Publisher's offices. Upon the Publisher's request, Acme will lease to the Publisher portable telephoto transmitters as needed, so far as such transmitters are then available, at the regular rental charge then being made by Acme.

- 2—(a) The Publisher agrees to accept said service and to pay therefore, weekly, in advance, three hundred and fifty dollars (\$350.00) per week to Acme at its office in New York, N. Y., during the term of this agreement, and any extension or renewal thereof.
- (b) In case of war or other extraordinary event or events requiring additional or extraordinary expenditure of \$500.00 or more weekly by Acme in producing and delivering said services to its clients, Acme may assess and the Publisher shall pay Acme an additional sum not to exceed twenty-five per cent (25%) of the Publisher's then current weekly payment; such additional payment to continue so long as Acme shall make such additional or extraordinary expenditures.
- 3—The Publisher agrees not to furnish, or permit to be furnished by its employees, or from its office, any part of said service, or any pictures, illustration or matrix therefrom, to any other person, corporation, publisher or publication, or make any print for publication thereof other than in the above-named newspaper, without the prior written consent of Acme; and further agrees to respect all release pledges on advance matter, to carry copyright lines on all copyrighted matter, and to carry the Acme credit line wherever it appears in the service copy.
- [fol. 680] 4—(a) The Publisher agrees to furnish to Acme, at the office of the Publisher, all pictures which may be collected or received by the Publisher in the ordinary course of its business and without extraordinary expense, at the price of three dollars (\$3.00) per picture, except any picture transmitted to the Publisher by the Bartlane Process; and all other pictures collected or received by the Publisher at extraordinary expense shall be available for purchase by Acme from the Publisher at the price fixed by the Publisher, such price, however, not to be in excess of fifty per cent (50%) of such extraordinary expense; provided, however, that as to any picture sold to Acme by the Publisher,

the Publisher shall have the right to declare in writing (by letter or telegram) that said picture shall not be published in New York City and/or Chicago by Acme or its clients or distributees. Acme shall be bound to respect any such declaration and shall not deliver any picture so declared to any client for publication in the city or cities prohibited by such declaration.

- (b) Any pictures which the publisher purchases from readers of the Chicago Tribune shall be made available to Acme for syndication in such cities as the Publisher may designate, and the gross proceeds from any such sales shall be divided equally between Acme and the Publisher. Should Acme not desire to syndicate any of these pictures, the Publisher shall have the right to do so.
- 5—It is mutually agreed that Acme reserves the right to make working arrangements and exchanges of service and facilities with other picture services, press associations, publisher and/or others, and to sell said service above specified to any other party or parties; provided, however, that Acme shall not sell the right to receive and publish any part of the above described service to any other person, association or corporation publishing a morning, daily or Sunday newspaper in the City of Chicago, and Acme shall not sell the right to receive and publish any part of the above described service to any other person, association or corporation publishing an evening paper in the City of Chicago, except that Acme shall have the right to sell said service, or any part thereof in matrix form, to [fol. 681] any Chicago evening paper which is a client of NEA Service, Inc., and further except that Acme shall have the right to sell and/or distribute said service or any part thereof to any evening newspaper published in Chicago which shall be owned or controlled by the Scripps-Howard newspaper interests; and further except that Acme shall have the right to sell and/or distribute its regular telephoto service to any evening newspaper published in the City of Chicago, it being understood that said telephoto service is a service produced and distributed by telephoto by Acme separate and distinct from its regular mail print service, although such telephoto service may from time to time contain pictures distributed in Acme's regular mail print service.

6—It is further mutually agreed that Acme shall in no event be liable for any loss or damage arising to the Publisher by reason of the publication of any of the said service received by the Publisher from Acme under this Agreement.

7—This agreement shall be in effect for a period of three (3) years from January 1, 1941.

8—It is further mutually understood and agreed that time, both as to the delivery of said service and as to said weekly payments specified in paragraph (2) hereof, is of the essence of this contract; and that a waiver by either party hereto of any breach hereof shall not be construed to effect a waiver of any future breach of this agreement.

9—Whenever the Publisher requests a picture which is not part of Acme's regular picture service, Acme shall use its best efforts to obtain such picture for the Publisher and all costs and expenses of Acme in obtaining and delivering any such picture shall be paid by the Publisher. In the event any such picture requested from Acme by the Publisher cannot be obtained by Acme, in its opinion, with reasonable use of its organization for the collection and production of pictures, then Acme shall not be bound to attempt to obtain any such picture so requested. Any such picture so obtained by Acme at the request and expense of [fol. 682] the Publisher shall be the exclusive property of the Publisher.

10—This written agreement comprises the entire understanding of the parties hereto on the subject matter herein contained; any and all oral representations or agreements by any agent of either party hereto shall be null and void and of no effect whatsoever.

Acme Newspictures, Inc. By Herbert W. Walker, V. P.; Tribune Company, By J. Loy Maloney, Managing Editor.

Signed and delivered in the presence of:

Dorothy Mills, As to Acme. Otto F. Meyers, As to Tribune.

In consideration of the execution of the foregoing Agreement by Tribune Company, NEA Service, Inc., a Delaware corporation, being the owner of all of the voting stock and

50 per cent of the total issued and outstanding capital stock of Acme Newspictures, Inc., hereby guarantees the performance by Acme of all of its obligations under the foregoing agreement.

NEA Service, Inc. By Fred S. Ferguson, President.

In consideration of the execution of the foregoing agreement by Acme Newspictures, Inc., Tribune Company agrees that, except as provided in paragraph (4), clause (b) of the foregoing agreement, it will not engage, either directly or indirectly through ownership of any subsidiary or in any other manner, in any producing, gathering and/or distributing picture service business similar to or in competition with the business carried on by Acme for the period of three (3) years from January 1, 1941, as covered in the [fol. 683] foregoing agreement, and for such further period as the agreement between Acme and Tribune Company, or any renewal or renewals thereof, shall remain in effect.

Tribune Company, By J. Loy Maloney.

(b) Tribune Company, on June 30, 1942, waived its exclusive right to receive and publish the service of Acme Newspictures, Inc., in accordance with and to the extent set forth in its letter to Acme Newspictures, Inc., dated June 30, 1942, a copy of which is hereto attached and made a part hereof as Exhibit 6.

## EXHIBIT No. 6

(Copy)

June 30, 1942.

Mr. Herbert W. Walker Vice President Acme Newspictures 1200 W. Third Street Cleveland, Ohio.

DEAR MR. WALKER:

Pursuant to mine of June 27th, I notify you on behalf of Tribune Company that the exclusive service provisions of the contract between us of December 12, 1940 (supplemented by contract of same date) are hereby waived by the Tribune to the extent and only to the extent that you shall be free to furnish your service to the Chicago Sun.

If you deem it advisable please prepare and forward an amendment incorporating this waiver for our signature.

Please acknowledge.

Sincerely yours, J. L. Maloney, Managing Editor.

rb RH

[fol. 684] The reason the Tribune Company granted said waiver was:

Under date of February 11, 1942, the Honorable Thurman Arnold, Assistant Attorney General of the United States, sent a letter to Mr. Robert McLean, President of The Associated Press, the contents of which were as follows:

## "Dear Mr. McLean:

Last year the antitrust division brought to the attention of the Associated Press certain complaints of newspapers which were being put at a competitive handicap because they were refused membership. We asked for a conference. We informed your representative that in our opinion the practice of excluding newspapers from the Associated Press was illegal. At that time your representative agreed to take the matter up with your attorney and report back what the attitude of The Associated Press would be. Today the restrictive practices of the Associated Press are assuming new importance for the following reasons:

- (1) We have new complainants who are pressing us for action.
- (2) The picture service has become of greater importance during the war. We are informed that The Associated Press has recently bought up one of the few independent picture services and is cutting off its patrons as fast as their contracts expire.
- (3) Finally, we are informed that an arrangement is under way between the army and the navy and a few photographic services, including The Associated Press, which will give to them an essential monopoly of vitally important war pictures. The effect of this will be to

exclude any publication from obtaining war pictures which is not tied up with some particular exclusive photographic service.

During war time nothing can be more important than [fol. 685] the dissemination of all available information thru every newspaper source, news items and photographic services alike. If our information is correct, the present operation of The Associated Press is a direct and substantial restriction on the freedom of the press, which in the public interest should be removed.

I would, therefore, appreciate hearing from you at your earliest convenience as to what position you are going to take concerning the exclusion of newspapers from your service. I understand that your annual meeting will take place very shortly. I, therefore, suggest that it would be advantageous to arrange a conference as promptly as possible, before I determine what recommendation to make to the attorney general.

Very truly yours, (s) Thurman Arnold Assistant attorney general."

Prior to the receipt of the above-quoted letter and subsequently thereto, representatives of The Associated Press met and conferred with the said Assistant Attorney General and other employees of the Department of Justice but were unable to obtain from such persons any definitive opinion as to the steps which were necessary, in their opinion, to eliminate the alleged illegality. These defendants were advised and believe that all contentions of such persons respecting the alleged violation of the antitrust laws were without merit, including the alleged illegality of the acquisition by The Associated Press of World Wide Photos.

In view, however, of the position of the Department of Justice as set forth in the above-quoted letter of February 11, 1942, with respect to photographic services, defendant McCormick stated to the Board of Directors of The Associated Press that the Tribune Company would relinquish [fol. 686] its exclusive right to Acme newspictures service, thereby making such pictures available to Marshall Field in the publication of The Chicago Sun if such action would be of benefit to the Association. The Tribune Company in

accordance with such statement did waive its exclusive right, as above set forth.

These defendants were primarily concerned in saving for the Tribune Company its exclusive right to Associated Press news service which the Tribune Company had enjoyed for so many years and which had been built up with the aid of the best efforts of the Tribune Company and at great expense. These defendants believed and still believe that Field could have obtained newspictures by the exercise of ingenuity, expense, and effort in view of the present state of the art of transmitting newspictures and the pooling arrangements respecting war pictures mentioned in the answer of these defendants. They also believed that Field would not exercise such ingenuity, expense, and effort, but would contend that the Tribune Company had by contract prevented Field from obtaining newspictures. These defendants hoped to forestall the then threatened attack upon the Tribune Company's valuable interest as a member of The Associated Press by the relinguishment of their less valuable exclusive rights to Acme newspictures service.

Interrogatory 6: Describe in detail all action taken by the Tribune Company or any of its officers or employees, to influence any member of The Associated Press to vote against electing Marshall Field to membership in The Associated Press at the annual meeting of AP members in April 1942, or to obtain proxies from any AP member to be voted at said meeting against such election.

Answer: Defendant McCormick, and W. E. Macfarlane and Elbert M. Antrim, General Manager and Assistant to [fol. 687] the General Manager of the Tribune Company respectively, when asked by members of The Associated Press regarding their position on the application of Marshall Field to membership, informed such members of the facts relative to Field's application and let it be known that these defendants were opposed to Field's election. Said persons in response to such inquiries stated all or some of the following reasons for such opposition:

(a) His election in the opinion of these defendants was opposed to the best interests of The Associated Press and its members.

- (b) Field was a very wealthy man with a very large annual income and his Federal income taxes were in the highest brackets, in the neighborhood of 80 per cent; that his losses in the operation of his newspaper would undoubtedly be enormous; that since Field operated The Chicago Sun as an individual such losses were deductible from his extremely large income and that to the extent of such losses he would reduce the amount of Federal income taxes payable on such income.
- (c) The Government, or officials of the Government, were endeavoring to force The Associated Press and its members to admit Field to membership therein; that Field let it be known that he intended to cause The Associated Press to be prosecuted by himself or the Government under the antitrust laws of the United States should he fail of election to membership; that governmental operatives had visited members of The Associated Press to ascertain if the Tribune Company had sought their proxies against Field's application and had thereby caused members to believe that trouble might result should Field not be elected; that the Government was threatening to sue The Associated Press [fol. 688] unless it would accept Field and/or all applicants as members.
- (d) Should the Government be successful in its efforts to force The Associated Press to admit all applicants to membership, it would be transformed into a quasi public service corporation and hence would no longer be a mutual membership corporation.
- (e) Many members of The Associated Press carry their memberships in The Associated Press as assets on their books. If the Government could coerce The Associated Press into accepting everybody or anybody as members, value could no longer be attached to members' rights to Associated Press news reports at cost plus additional assessments for invention, experimentation, and development.
- (f) The Government's position amounted to a threat to bring The Associated Press within governmental control as to membership and hence as to discrimination in rates, services, assessments, policy, and management.

- (g) The Government knew of and acquiesced in the legality of Associated Press by-laws from the date of the Gregory opinion in 1915 until Field's application.
- (h) The Associated Press and these defendants tried in all reasonable ways to effect a compromise with the Government's contentions, as set forth in the answer of these defendants, but the Government would not be satisfied with less than the admission of Field to membership and a change in Associated Press by-laws which would allow the admission of all applicants conforming to simple standards under which practically every newspaper would be eligible for membership.
- [fol. 689] (i) Notwithstanding the Government's actions in this matter, each member had the right to vote upon Field's application according to his estimate of that which would best promote the interests of The Associated Press. In the opinion of these defendants, The Associated Press had no monopoly in the newsagency field; it did not so conduct itself that it fostered monopolies in the various newspaper fields of its members; the by-laws of The Associated Press as administered, and its customs, usages, and practices did not amount to restraint of trade and the same were valid under the laws of the United States as interpreted by the courts.
- (j) These defendants believed that Field started his newspaper in Chicago with the intention of injuring, so far as he had ability to do so, the newspaper property of the defendant Tribune Company; that he could operate a successful newspaper with United Press news and with the news photos and other features that he could obtain; that his desire for Associated Press news service and news photos was not so much to better his paper or make it more readable, but to be able to advertise that he had the two major news-agencies, Associated Press as well as United Press; that he was actuated by the desire to obtain the good will and reader acceptance for Associated Press news which had been built up over many years by the Tribune Company at great expense.

Arch Ward, an employee of the Tribune Company, made a speech at the annual meeting in opposition to the election of Field to membership. Said speech has heretofore been set forth in substance in the requests for admissions and responses thereto heretofore filed herein.

[fol. 690] The Tribune Company followed the procedure set forth below with respect to proxies:

- (a) Employees and representatives of the Tribune Company made personal calls upon some of the members of The Associated Press or representatives of such members.
- (b) All such employees and representatives were informed that the purpose of their interviews was merely to find out whether each of the members of The Associated Press interviewed intended to support the application of Marshall Field. They were given no proxy forms. The employees and representatives were told that if the member interviewed stated that he would be at the membership meeting and that he was opposed to the election of Marshall Field, the representative should consider the interview ended. Likewise the representatives were told that if the member interv-wed expressed himself as being in favor of the election of Marshall Field, that ended the interview. Finally they were told that if the member interviewed stated that he was not going to be present at the membership meeting and that he was opposed to the election of Marshall Field, the Tribune Company would send him a proxy limited solely to voting against the application for membership of Marshall Field.
- (c) Upon receipt of information from such representatives that any particular member of The Associated Press interviewed had stated that he was not going to attend the meeting and that he was opposed to the election of Marshall Field to membership in The Associated Press, the Tribune Company sent to each such member a proxy form, a copy of which is hereto attached and made a part hereof as Exhibit 7.

[fol. 691]

# EXHIBIT No. 7

# Proxy

To Vote at Meetings of Associated Press
Know all Men by these Presents, That, pursuant to the provisions of Section 4 of Article IV of the By-Laws of The Associated Press, I
(Name of Member or, if Member is not an Individual, Representative of Member)
do hereby constitute and appoint Robert R. McCormick, attorney and agent for me and in my name, place and stead to vote as my proxy at the Forty-third Annual Meeting of the members of The Associated Press, to be held on the 20th day of April, 1942, and at any adjournment of said meeting, against the election of Marshall Field, as sole owner of The Chicago Sun, to membership in The Associated Press, as fully and with the same force and effect as I might do if personally present. It is understood that I do not hereby authorize the above person to vote as my proxy on any proposed amendments to the By-Laws of The Associated Press which may be submitted at said meeting.
In Witness Whereof, I have hereunto set my hand this day of, nineteen hundred and forty-two.
(Signature of Member or Representative of Member)
(Name of Member, if Member is not an Individual)
(Name of Newspaper)
(Place of Business)
(Witness)

Notice:—If the Member of the Associated Press is an individual, this proxy should be executed by such individual. If the Member is not an individual, this proxy should

be executed by the individual regularly designated to represent the member as provided in Article III, Section 5 of the By-Laws of The Associated Press.

[fol. 692] (d) The Tribune Company checked carefully all such proxies sent to it. In some instances such proxies were not complete because of failure of the member to date the proxy, to insert the member's name, etc. In such instances the Tribune Company returned such proxies to such members, pointing out the errors and suggesting their correction. Examples of letters of this type are hereto attached and made a part hereof as Exhibits 8 and 9.

### Ехнівіт №. 8

	April 14, 1942
Dear	. :

Thank you very much for your proxy against the election of the Chicago Sun to membership in the Associated Press. I am returning it because there are a couple of points at which it should be completed. Will you please put your name in the top line of the proxy and have it dated.

I will appreciate your making these additions and returning the proxy to me as quickly as possible as time is growing short.

Sincerely yours,

		April 1, 1942
Dea	r	

The proxy you sent me sometime ago is very much appreciated, but unfortunately you did not date it. This omission might not be important, but there are circumstances under which it could be extremely vital. For that reason I [fol. 693] am enclosing a new proxy form, and I will be pleased if you will execute it and return it to me. I am sure that you are as desirous as we that the vote you have entrusted to us be recorded in line with your wishes.

If at any time after signing the enclosed Tribune proxy you execute any other proxy for the Associated Press meeting please be sure to insert above your signature in such other proxy the following language:

"Excepting, however, this proxy does not cover or apply to applications for membership where a proxy has been or may hereafter be given to another by the undersigned."

(Do not add this language to the enclosed Tribune proxy.) Sincerely yours,

(e) Subsequent to the mailing of some of said proxies referred to in paragraph 3 above, and prior to the mailing of other of said proxies, The Associated Press management sent to the membership a proxy in terms sufficiently broad to cover all matters that might come before the meeting of members. The Tribune Company believing that this management proxy might supersede proxies theretofore given to the Tribune, or thereafter to be given to the Tribune with respect to the election of Marshall Field, wired and wrote to such members suggesting the insertion of a clause in the management proxy to prevent such result. A copy of the wire sent to members who had theretofore sent proxies to the Tribune Company is hereto attached and made a part hereof as Exhibit 10; a copy of the