

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1944

No. 57

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

vs.

THE UNITED STATES OF AMERICA

No. 58

TRIBUNE COMPANY AND ROBERT RUTHERFORD McCORMICK,
APPELLANTS,

vs.

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. III

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[fol. 993] IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK

[Title omitted]

INTERROGATORIES OF PLAINTIFF SERVED UPON THE BULLETIN
COMPANY AND ROBERT McLEAN, DEFENDANTS, AND ANSWERS
THERE TO

Interrogatory 1: State whether, or to what extent, the facts set forth below are true:

Prior to January 5, 1942, the United States District Court for the Eastern District of Pennsylvania had appointed trustees in proceedings for the reorganizations, under Chapter 10 of the Bankruptcy Act, of Public Ledger, Inc., a corporation which published in Philadelphia an evening newspaper under the name "Evening Public Ledger" and which held an evening membership in The Associated Press. Said trustees discontinued publication of the Evening Public Ledger as of midnight January 5, 1942. On January 6, 1942, the Philadelphia Inquirer Company, a corporation which published a morning newspaper in Philadelphia under the name of the Philadelphia Inquirer and then held a regular membership in The Associated Press on account [fol. 994] of such morning newspaper, made the following offer to said trustees:

On behalf of the Philadelphia Inquirer Company we offer to purchase from Public Ledger, Inc. for the sum of \$10,000, the Associated Press Franchise, and pending the confirmation of the sale of this Franchise we will assume and pay the weekly assessment to the Associated Press commencing today, without liability on the part of the debtor estate.

We have notified the Associated Press that we are making this offer and assuming the payment of the assessment. The offer is made subject to the approval of the Associated Press of the transfer of the Franchise to us.

The AP weekly assessment against Public Ledger, Inc., for the AP service furnished it was \$1,305.70. This assessment was paid by the Philadelphia Inquirer Company for the week beginning January 5, 1942, and for the four following weeks. During said five-week period the Philadel-

phia Inquirer Company published daily a short evening newspaper carrying AP news and bearing the name Evening Public Ledger and distributed to newsstands about 200 copies of this newspaper. The Associated Press was currently informed, both verbally and in writing, that the Philadelphia Inquirer Company was paying the said AP weekly assessments and was publishing and distributing such "token" newspaper. The Associated Press accepted payment of said weekly assessments by the Philadelphia Inquirer Company.

Answer: Substantially true, but the following inaccuracies as to facts require the following comment:

[fol. 995] The Trustees of Public Ledger, Inc., discontinued the publication of the Evening Public Ledger as of midnight January 5, 1942, in the form in which previously it had been published by them, but its publication in a reduced form was continued for the Trustees by The Philadelphia Inquirer Company until such form of publication was assumed by Bulletin Company. The statement in the latter part of paragraph 1 respecting the publication by The Philadelphia Inquirer Company, should carry the correction that such publication was on behalf of the Trustees of Public Ledger, Inc.

Interrogatory 2: State whether Plaintiff's Exhibit No. 1, attached hereto and made a part hereof, is a correct copy of a report dated February 9, 1942, made to the United States District Court for the Eastern District of Pennsylvania by the trustees of Public Ledger, Inc.

Answer: The answer is "Yes."

Interrogatory 3: State whether, or to what extent, the facts stated in Plaintiff's Exhibit No. 1 are true.

Answer: The answer to paragraph 3 is that the facts stated in Plaintiff's Exhibit No. 1 are true so far as these answering Defendants are advised, but the conclusions and opinions are the conclusions and opinions of those shown by the report to have expressed them and may or may not be correct.

Interrogatory 4: State whether Plaintiff's Exhibit No. 2, attached hereto and made a part hereof, is a correct copy of a letter dated February 6, 1942, written by Kent Cooper to Mercer B. Tate, Jr., attorney for the trustees of Public Ledger, Inc.

[fol. 996] *Answer:* The answer is "Yes."

Interrogatory 5: State (a) the terms and date of any offer made to the trustees of Public Ledger, Inc., by Bulletin Company to purchase name and goodwill of Evening Public Ledger and the Associated Press membership of Public Ledger, Inc., (b) whether such offer was accepted and confirmed by the district court and the date or dates thereof, and (c) whether Bulletin Company acquired as a result of such offer AP bonds in the face amount of \$1,000 formerly held by Public Ledger, Inc.

Answer: (a) A copy of the offer made by Bulletin Company to the Trustees of Public Ledger, Inc., to purchase the name and goodwill of Evening Public Ledger and The Associated Press membership of Public Ledger, Inc., is attached hereto as Defendants' Exhibit A.

(b) The United States District Court for the Eastern District of Pennsylvania entered a Decree confirming the sale by the Trustees of the items covered by the offer, referred to in (a), on the day of its date and in the terms set forth in the copy thereof attached hereto as Defendants' Exhibit B. Pursuant to the said Decree the Trustees and Bulletin Company entered into the Agreements which are attached hereto as Defendants' Exhibit B (1), B (2), and B (3).

(c) Bulletin Company, under the terms of its offer and the Decree of the Court, acquired the right to one bond of The Associated Press in the face amount of \$1,000, held at the time of the offer by the Trustees of Public Ledger, Inc., but has not yet received delivery of the said bond [fol. 997] due to the inability of the Trustees up to the date hereof to find the same.

Interrogatory 6: State (a) whether Bulletin Company began to publish on or about February 9, 1942, and has continued to publish to date, what was referred to by a representative of Bulletin Company, and by various directors of The Associated Press, at a meeting of the AP board of directors in April 1942 as a "token" newspaper or "token" publication, (b) the approximate number of copies of such "token" newspaper printed daily, (c) the approximate number of copies of such "token" newspaper distributed to the public daily, (d) the approximate number of copies of such "token" newspaper sold daily, (e) the

approximate number of pages of such publication and the approximate size of its pages, (f) the extent to which such publication was circulated, and (g) the approximate amounts spent by Bulletin Company during 1942 and during 1943 for such publication.

Answer: (a) The answer is "Yes."

(b) The number of the copies of Evening Public Ledger printed daily is 200.

(c) The approximate number of copies of Evening Public Ledger distributed to the public daily is not ascertainable, as no such record is kept.

(d) The approximate number of copies of Evening Public Ledger sold daily is nominal, because though offered for sale there has been no great public demand for them.

(e) The number of pages and size of Public Ledger so published is four of standard newspaper size.

[fol. 998] (f) This question is answered by the foregoing.

(g) The approximate amounts spent by Bulletin Company for the publication of Evening Public Ledger during 1942 is nominal, reflecting appropriate economies, and during the first three months of 1943 is on the same basis.

Interrogatory 7: State (a) whether Bulletin Company paid, for the week beginning February 9, 1942, and for each week thereafter in 1942 and 1943, the AP weekly assessment on account of news reports furnished to it as owner of the publication described in the answer to Interrogatory No. 6, and (b) whether such payments by the Bulletin Company reduced, by an equal amount, the weekly AP assessments payable by it during such period on account of AP news reports received by it as owner of the newspaper "The Evening Bulletin."

Answer: (a) The answer is "Yes."

(b) The answer is "No" to the question as stated.

Interrogatory 8: State whether the Board of Directors of The Associated Press in April 1942 voted to issue a certificate of membership to the Bulletin Company as owner of the publication described in the answer to Interrogatory No. 6.

Answer: The answer is "Yes."

Interrogatory 9: State whether, when the owner of a newspaper holding an AP membership has ceased publication of a newspaper other than a "token" newspaper, and transfers such membership to a corporation which proposes to, and does, continue publication of such token newspaper, the transferee of such membership is or is not entitled, under the by-laws of The Associated Press, [fol. 999] to receive a certificate of membership in The Associated Press (a) when the transferee continues publication of the token newspaper under the name under which it has been published prior to such transfer, and (b) when the transferee continues publication of the token newspaper under a different name; and if the answer in the case of (a) is not the same as in the case of (b), specify the provisions of the AP by-laws upon which the difference in the answers is based.

Answer: In answer to interrogatory 9, reference is made to the By-Laws of The Associated Press, true copies of which are in the possession of the United States of America, and in the files of counsel for the United States signing the interrogatories served upon these Defendants, and, therefore, this interrogatory needs no answer.

Interrogatory 10: State whether the Philadelphia Inquirer Company, if it had obtained the AP membership formerly held by Public Ledger, Inc., would have been given the opportunity to publish in Philadelphia an evening newspaper, competitive with The Evening Bulletin, entitled to receive AP news reports.

Answer: In answer to interrogatory No. 10, these Defendants are advised of no facts to support the hypothetical situation stated in this interrogatory. To the best of the knowledge of these Defendants, The Philadelphia Inquirer Company made no effort, in accordance with the By-Laws of The Associated Press, to obtain The Associated Press membership while held by Public Ledger, Inc.

[fol. 1000] *Interrogatory 11:* State the average daily circulation of the Evening Bulletin for each month for the years 1941 and 1942.

Answer: The average daily circulation of The Evening Bulletin for each month for the years 1941 and 1942 is shown on a schedule attached hereto, and marked Defendants' Exhibit C.

Interrogatory 12: State what percentage of the capital stock of Bulletin Company was owned by Robert McLean during the year 1942.

Answer: The percentage of the capital stock of Bulletin Company owned by Robert McLean during the year 1942 was $33\frac{1}{3}\%$.

Interrogatory 13: State what office Robert McLean held with the Bulletin Company during the year 1942.

Answer: Robert McLean was President of the Bulletin Company during the year 1942.

Interrogatory 14: State in detail the purpose of Bulletin Company in purchasing the name, good will and AP membership of Public Ledger, Inc. and the purpose of Robert McLean in approving said purchase.

Answer: The purpose of the Bulletin Company in purchasing the items of property owned by Public Ledger, Inc. included in the offer of Bulletin Company to the Trustees of Public Ledger, Inc. and set forth in Defendants' Exhibit A attached hereto, and the purpose of Robert McLean as a Director of Bulletin Company in approving the said purchase, was to acquire for Bulletin Company assets believed to have a value to Bulletin Company as the owner of The Evening Bulletin.

[fol. 1001] *Interrogatory 15:* State whether the purpose of Bulletin Company in purchasing the name, good will and AP membership of Public Ledger, Inc., was to prevent competition, or potential competition, with Bulletin Company, and whether Robert McLean had the same purpose in approving said purchase.

Answer: The answer is "No".

Interrogatory 16: State whether Robert McLean or Bulletin Company had contemporaneous knowledge of the letters of Mercer B. Tate, Jr., to Kent Cooper, referred to in Plaintiff's Exhibit No. 1; of Kent Cooper's reply to one of said letters; of Plaintiff's Exhibit No. 2; of the failure of The Associated Press or its directors to advise Mercer B. Tate, Jr., whether the Philadelphia Inquirer would acquire a valid membership in The Associated Press as the result of its purchase; or of the explanation which Arthur P. Moynihan made to the Federal Court referred to in Plaintiff's Exhibit No. 2.

Answer: The answering Defendants have no means of knowing the meaning intended by counsel for the United States of the words "contemporaneous knowledge", but both of these Defendants had knowledge from the public records of the United States District Court for the Eastern District of Pennsylvania of the Exhibits referred to in interrogatory No. 16. These Defendants are advised that they are not required to answer the questions embodied in the words:

the failure of The Associated Press or its directors to advise Mercer B. Tate, Jr., whether the Philadelphia Inquirer would acquire a valid membership in The [fol. 1002] Associated Press as the result of its purchase.

as the same are not understandable and seem to be, in the form expressed, irrelevant to the issues in this case. The question embodied in the words:

knowledge * * * of the explanation which Arthur P. Moynihan made to the Federal Court referred to in [Plaintiff's] Exhibit No. 2.

also is irrelevant to the issues in this case, but the answering Defendants state that from various individuals, including Judges of the Federal Court for the Eastern District of Pennsylvania speaking in open court, these Defendants or their representatives heard various statements of the so-called "explanation which Arthur P. Moynihan made to the Federal Court." The variances in the recollections of the various persons commenting upon the same are such that these Defendants are left in doubt as to what exactly was said at the time and place referred to.

Interrogatory 17: State whether Robert McLean, or any representative of Bulletin Company, conferred or consulted with Kent Cooper or Arthur P. Moynihan regarding the inquiry of Mercer B. Tate, Jr., or the effect of the purchase of the AP membership of Public Ledger, Inc., by Philadelphia Inquirer Company prior to February 6, 1942.

Answer: Interrogatory No. 17 is not answered because, as stated, its meaning cannot be ascertained.

Interrogatory 18: State in detail the present purpose or purposes of Robert McLean and Bulletin Company with

regard to the use, sale or nonuse by Bulletin Company of [fol. 1003] the AP membership acquired from Public Ledger, Inc.

Answer: The answer to this interrogatory is that Bulletin Company is exercising its rights as a member of The Associated Press incident to the membership acquired from Public Ledger, Inc.

Interrogatory 19: State whether Robert McLean or Bulletin Company purposes or intends that Bulletin Company transfer the AP membership to a third party for the publication of a newspaper competing with Bulletin Company.

Answer: The answer to this interrogatory is that neither Robert McLean nor Bulletin Company are advised of the existence of any "third party" possessed of the desire to publish a newspaper in competition with Bulletin Company.

Interrogatory 20: State whether Robert McLean or Bulletin Company purposes or intends that Bulletin Company shall publish a newspaper using the AP membership acquired by Bulletin Company from Public Ledger, Inc., which would compete with Bulletin Company.

Answer: The answer to this interrogatory is contained in the answer to interrogatory No. 18.

Interrogatory 21: State what efforts, if any, have been made by Robert McLean or Bulletin Company toward finding a purchaser who would succeed to the AP membership acquired by Bulletin Company from Public Ledger, Inc.

Answer: The answer to this interrogatory is "None."

[fol. 1004] *Interrogatory 22:* State whether Robert McLean or the Board of Directors of The Associated Press took any steps following the issuance in 1942 of the certificate of AP membership to Bulletin Company to make said AP membership available to the Philadelphia Inquirer Company.

Answer: The answer is "No."

[fol. 1005] PLAINTIFF'S EXHIBIT No. 1

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

No. 21904

In the Matter of Public Ledger, Inc., Debtor

In Proceedings for the Reorganization of a Corporation
under Chapter 10 of the Bankruptcy Act

*Report With Respect to Associated Press Franchise or
Membership of the Debtor*

*To the Honorable, the Judges of the District Court of the
United States for the Eastern District of Pennsylvania:*

The report of David H. Brillhart, J. Harris Warthman, and Robert Cresswell, Trustees of the Debtor, respectfully represents as follows:

1. That David H. Brillhart, J. Harris Warthman, and Robert Cresswell are the duly appointed and qualified Trustees of the Debtor herein, the said David H. Brillhart and the said Robert Cresswell having been duly appointed by decree of this Court entered herein on November 7, 1941, and the said J. Harris Warthman having been duly appointed by decree of this Court entered on November 13, 1941.

2. As set forth in the petition filed herein by the Trustees of the Debtor on January 8, 1942, the Trustees of the Debtor, under date of January 6, 1942, received an offer from The [fol. 1006] Philadelphia Inquirer Company to purchase from the Debtor its Associated Press franchise or membership for the sum of Ten Thousand Dollars (\$10,000). A copy of the said offer was attached to the said petition, by reference to which it may be noted that the offer was made subject to the approval of the Associated Press of the transfer of the franchise to the said The Philadelphia Inquirer Company.

3. Pursuant to the prayer of the aforesaid petition, this Honorable Court entered an order on January 8, 1942, fixing a time for a hearing upon the aforesaid offer on January 26, 1942, at 10 A. M.

4. On January 26, 1942, this Honorable Court held a hearing upon the said offer, at which no party in interest appeared except counsel for the Trustees of the Debtor and counsel for The Philadelphia Inquirer Company. No objection having been interposed to the proposed sale and transfer, this Honorable Court entered an order on the same day authorizing the Trustees of the Debtor to sell and transfer to The Philadelphia Inquirer Company the Associated Press franchise of the Debtor for the sum of Ten Thousand Dollars (\$10,000) and to execute and deliver any and all documents which might be necessary to effectuate such sale and transfer, subject to the approval of the Associated Press. By the terms of said order, the Trustees of the Debtor were directed to request the Associated Press to consider the transfer of said franchise on approval or disapproval as promptly as possible.

5. Thereafter, on January 27, 1942, the Trustees of the Debtor, through their counsel, Mercer B. Tate, Jr., Esquire, [fol. 1007] notified the Associated Press, through its general manager, Kent Cooper, of the confirmation of the sale by this Honorable Court, in a letter, a copy of which is attached hereto and made a part hereof, marked Exhibit "A."

6. Thereafter, the said counsel for the Trustees received a letter from Kent Cooper, on behalf of the Associated Press, dated January 29, 1942, a copy of which is attached hereto and made a part hereof, marked Exhibit "B."

7. Thereafter, on February 2, 1942, the counsel for the Trustees of the Debtor, acting on their behalf, wrote an additional letter to the Associated Press, through Kent Cooper, its general manager, a copy of which is attached hereto and made a part hereof, marked Exhibit "C."

8. Meanwhile sundry conferences were held, which were attended by the counsel for the Trustees of the Debtor, the counsel for The Philadelphia Inquirer Company, namely, Richardson Dilworth, Esquire, of the Philadelphia Bar, the counsel for the Associated Press, Arthur Moynihan, Esquire, of the New York Bar, and sundry other persons.

9. The trustees of the Debtor have not received any letter or other communication, certifying the action of the Associated Press with respect either to the approval or dis-

approval of the sale and transfer of the franchise or membership therein of the Debtor to The Philadelphia Inquirer Company.

10. Under date of February 4, 1942, the counsel for the Trustees of the Debtor received a letter from Richardson Dilworth, Esquire, counsel for The Philadelphia Inquirer [fol. 1008] Company, a copy of which is attached hereto and made a part hereof, marked Exhibit "D," stating that The Philadelphia Inquirer Company was not prepared to bid for the name and good will of Public Ledger, Inc., and that, under the circumstances of the case, it would be necessary for The Philadelphia Inquirer Company to discontinue the payment of the weekly assessment to the Associated Press and the publication of a token newspaper in conformity with the rules of the Associated Press, which The Philadelphia Inquirer Company had been doing since January 5, 1942, when the operations of the Trustees of the Debtor ceases, without any expense to the Trustees of the Debtor or to the Debtor's estate.

11. In view of the circumstances and in view of the fact that the operations of the Trustees ceased as of midnight, January 5, 1942, it is impossible for the Trustees of the Debtor to continue the publication of any token newspaper or to pay any weekly assessment to the Associated Press, which the Trustees of the Debtor are advised they should formally report to this Honorable Court.

David H. Brillhart, (Signed) J. Harris Warthman,
(Signed) Robert Cresswell, Trustees of Public
Ledger, Inc., Debtor. (Signed) Mercer B. Tate,
Jr., Esq., Attorney for Trustees of the Debtor.

Dated Philadelphia, Pa., February 9, 1942.

[fol. 1009] UNITED STATES OF AMERICA,
Eastern District of Pennsylvania,
City and County of Philadelphia, ss:

David H. Brillhart, J. Harris Warthman, and Robert Cresswell, being first severally sworn according to law, do depose and say that they are the duly appointed and qualified Trustees of the Debtor herein; that they have read the foregoing report and that as to the facts set forth therein,

within their own knowledge, the same are true, and as to those facts based on information and belief, that they believe them to be true.

(Signed) David H. Brillhart, J. Harris Warthman,
Robert Cresswell.

(Signed) David H. Brillhart, J. Harris Warthman,
February, A. D. 1942. (Signed) Elbert William-
son, *Notary Public*. My Commission Expires
March 7, 1943.

PLAINTIFF'S EXHIBIT 1 A

January 27, 1942.

Re: Trustees of Public Ledger, Inc.

Mr. Kent Cooper, *General Manager, Associated Press,*
50 Rockefeller Plaza, New York City.

DEAR MR. COOPER:

As you know from sundry conversations which Mr. Robert [fol. 1010] Cresswell, one of the Trustees of Public Ledger, Inc., had with you at the time of the cessation of operations of the Public Ledger, Inc. on January 5th, The Philadelphia Inquirer Company made an offer for the purchase of the Associated Press Franchise of the Ledger.

It thereupon requested the Court appointed trustees to submit that offer to the Court, which they did upon their petition, and that came on before the Court for a hearing yesterday morning. Later in the day the Court authorized the sale, subject to the approval of the Associated Press, and directed the Court's trustees to request the Associated Press to take action on approval or disapproval of the transfer of this franchise promptly.

For your information I enclose a copy of the order which was entered after the matter had been heard by the three Federal Judges assigned to this case. May I ask, pursuant to the Court's admonition, whether the Associated Press will not act on this matter promptly in view of the nature of the entire situation.

Very truly yours, (s) Mercer B. Tate, Jr.

PLAINTIFF'S EXHIBIT 1 B

The Associated Press,
General Office, 50 Rockefeller Plaza,
New York, N. Y., January 29, 1942.

Mr. Mercer B. Tate, Jr., 1421 Chestnut Street, Philadelphia,
Pennsylvania.

DEAR MR. TATE:

Your letter of January 27, 1942 concerning the member-
[fol. 1011] ship of Public Ledger, Inc., which has been pre-
viously acknowledged, has come to my attention.

The method of transferring an Associated Press member-
ship is prescribed by the By-Laws, a copy of which is en-
closed. Your attention is directed particularly to Articles
II and III.

There are enclosed an application for membership and
authority. When these papers have been executed in proper
form, kindly return them to me and the transfer of the mem-
bership of Public Ledger, Inc. will receive prompt atten-
tion. If there appears to be any question which only the
Board of Directors can decide, I will so advise you.

My understanding is that you have been informed that
upon a change of ownership of a newspaper, the news-
paper's membership in The Associated Press may be trans-
ferred with the newspaper if the By-Laws have been com-
plied with, but that there is no franchise which is the subject
of sale or assignment.

Very truly yours, (s) Kent Cooper.

 PLAINTIFF'S EXHIBIT 1-C

February 2, 1942.

Re: *Trustees of Public Ledger, Inc.*

Mr. Kent Cooper, c/o *The Associated Press, 50 Rockefeller
Plaza, New York City.*

DEAR MR. COOPER:

In Saturday morning's mail, I received your letter to-
gether with the enclosures therein mentioned with respect
to the transfer of the franchise or membership of Public

[fol. 1012] Ledger, Inc., upon the offer by the Philadelphia Inquirer Company to purchase the same from the Trustees of Public Ledger, Inc., which sale has been authorized by our District Court, subject to the approval of the Associated Press.

As you know, your general counsel Mr. Moynihan spent considerable time with me and Mr. Dilworth on Wednesday of last week and we were also attended at that conference by one of the Court's Trustees, Mr. Brillhart, and also by Mr. McLean.

I am afraid that I must confess that I am now not entirely clear as to the position of the Associated Press. Mr. McLean and Mr. Moynihan explained at considerable length the general workings of your organization. On the other hand, I explained to them what had been done at the time of the cessation of operations of the Public Ledger on January 5th and 6th and the arrangements that had been made with your office, not only by Mr. Tyler of The Philadelphia Inquirer but also by the Court appointed Trustees. Since that time, I have done everything that you told us we should do and your organization has received the weekly assessment which has been paid, as you know, by The Philadelphia Inquirer Company. Notice of the transaction was given to all creditors and parties in interest, including The Associated Press, and came before the Court on January 26th. No one appeared before the Court other than myself as counsel for the Trustees and Mr. Dilworth, as counsel for the proposed purchaser, and of course, no objection was interposed by any party in interest or by yourselves. Accordingly [fol. 1013] the order was entered, with a certified copy of which you have been furnished.

At the conference of last Wednesday, after a very full and thorough discussion of the entire situation, I asked a very simple question of Mr. Moynihan and Mr. McLean: Did The Associated Press approve or disapprove of this transfer? I had been directed by the Judges of our District Court to put that direct question to your organization.

You will, of course, understand that I hold no brief for or against any party in interest in this situation. I am simply an officer of the Court, representing its own Trustees, and what I have done has been to fulfill the direction which the Judges have given to me. I understood Mr. Moynihan and Mr. McLean to say that I would have a direct answer to that

question, and, with great respect, I must say that I do not think your letter is such an answer. It is simply a restatement of the general statements made by Mr. Moynihan to me and which he himself admitted were not a direct answer to that question.

I wish to be of any service that I can to the parties who are interested in this transaction including your own organization. I am bound, of course, to report the contents of your letter to the Trustees and to the Judges which I will do today.

Meanwhile, permit me to thank you for the attention that you have given to this and the courtesy which you have extended to my clients.

Very truly yours, (s) Mercer B. Tate, Jr.

[fol. 1014]

PLAINTIFF'S EXHIBIT 1 D

Murdoch, Paxson, Kalish & Green,
2635 Fidelity-Philadelphia Trust Building,

Philadelphia, February 4, 1942.

Mercer B. Tate, Jr., *Esquire*, 15th Floor, Morris Building,
Philadelphia, Pennsylvania.

DEAR MERCER:

Confirming our telephone conversation, I have discussed with my client, The Philadelphia Inquirer Company, the suggestion made by the Court that the Inquirer might wish to enter a bid for the name and good will of the Evening Public Ledger.

In good faith the Inquirer made an offer of \$10,000.00 for the Associated Press Membership, which the Court approved, there being no other bidders.

They have been informed by me, that on the statements made by counsel for the Associated Press, the membership will not be transferred by that organization unless the name and good will accompany the membership.

As they will not bid for the name and good will, please accept this as notice that the Inquirer will not pay the draft assessment of \$1,305.70 levied against the Evening Public Ledger on February 9th, and will discontinue the token publication on that date.

Very truly yours, (s) Richardson Dilworth.

PLAINTIFF'S EXHIBIT No. 2

DEAR MR. TATE:

I have your letter of February 5 and the enclosure concerning the Philadelphia Evening Public Ledger.

[fol. 1015] I am afraid that you have a misconception of the authority of the General Manager of The Associated Press. That title was conferred by the Board upon the individual whom the Board designates as controlling the news service and personnel. The General Manager has nothing whatever to do with the corporate business of the organization. It so happens that I am also Secretary of The Associated Press. The duties of the Secretary are defined in the By-Laws, copy of which you have. You understand, therefore, that all I can do as to corporate matters such as this is to report to the Board of Directors, which is the only authority.

The By-Laws prescribe the action to be taken by the Treasurer of the corporation when there is a default in the payment of assessments by a member. This means that the drafts will continue to be drawn and if after two weeks they have not been paid, in conformity with the By-Laws, the news service will be discontinued and the assessments for 104 weeks will become payable.

Now, as to your letter of February 2, Mr. Moynihan met with you and members of the Federal Court the day it was received to explain that there is no Associated Press franchise which is the subject of sale or assignment or with respect to which the Board of Directors may take action. I cannot add anything to what has been previously stated on that subject.

Very truly yours, Kent Cooper.

[fol. 1016] DEFENDANTS' EXHIBIT No. A

The Evening Bulletin,

Philadelphia, February 12, 1942.

Messrs. David H. Brillhart, J. Harris Warthman, Robert Cresswell, Trustees,

Public Ledger, Inc., Philadelphia.

GENTLEMEN: Bulletin Company hereby offers to purchase from Public Ledger, Inc., and the aforesaid Trustees, the

newspaper known as The Evening Public Ledger—that is to say, the names “Evening Public Ledger,” “Evening Ledger,” and the “Philadelphia Evening Public Ledger,” all rights to use the same, the good-will of Public Ledger, Inc., the certificate of membership of the Philadelphia Evening Public Ledger owned by Public Ledger, Inc., in The Associated Press and all rights therein and thereunder and in and to all privileges and property of The Associated Press, including the bonds of The Associated Press held by Public Ledger, Inc., of the par value of \$1,000.

As the consideration for such sale, we agree to pay the sum of Forty Thousand Dollars (\$40,000). In addition, we will indemnify and save harmless Public Ledger Inc., said Trustees and their successors, from any assessments which may be made by The Associated Press against it, them, or any of them, subsequent to the confirmation by the Court of said sale to Bulletin Company.

Bulletin Company will assume and pay the weekly assessments to The Associated Press with respect to said Associated Press membership for service for the period [fol. 1017] beginning February 9, 1942, and ending February 21, 1942.

Very truly yours, Bulletin Company, by Richard W. Slocum, *Secretary*.

DEFENDANTS' EXHIBIT B

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

No. 21904

IN THE MATTER OF PUBLIC LEDGER, INC., DEBTOR

In Proceedings for the Reorganization of a Corporation
under Chapter 10 of the Bankruptcy Act

Decree

And now, this 20th day of February, A. D. 1942, after hearing in open court, and upon due consideration, it was, on motion of Mercer B. Tate, Jr., Esq., counsel for David H. Brillhart, J. Harris Warthman, and Robert Cresswell, Trustees of the Debtor herein,

Ordered, adjudged and decreed:

1. That the acceptance by the said Trustees of the Debtor of the offer of Bulletin Company, which is as follows:

Bulletin Company hereby offers to purchase from Public Ledger, Inc., and the aforesaid Trustees, the newspaper known as The Evening Public Ledger,— that is to say, the names “Evening Public Ledger,” “Evening Ledger,” and the “Philadelphia Evening Public Ledger,” all rights to use the same, the goodwill of Public Ledger, Inc., the certificate of membership of the Philadelphia Evening Public Ledger owned [fol. 1018] by Public Ledger, Inc., in The Associated Press and all rights therein and thereunder and in and to all privileges and property of The Associated Press, including the bonds of The Associated Press held by Public Ledger, Inc., of the par value of \$1,000.

As the consideration for such sale, we agree to pay the sum of Forty Thousand Dollars (\$40,000). In addition we will indemnify and save harmless Public Ledger, Inc., said Trustees and their successors, from any assessments which may be made by The Associated Press against it, them or any of them, subsequent to the confirmation by the Court of said sale to Bulletin Company.

Bulletin Company will assume and pay the weekly assessments to The Associated Press with respect to said Associated Press membership for service for the period beginning February 9, 1942 and ending February 21, 1942.

be and the same is hereby authorized, and the sale of the assets of the Debtor, described in the said offer, is hereby confirmed, upon the payment by Bulletin Company to the said Trustees of the sum of forty thousand dollars (\$40,000) and the delivery to the said Trustees in writing of the agreement of indemnity set forth in the said offer.

2. That the said Trustees, David H. Brillhart, J. Harris Warthman and Robert Cresswell, be and they are hereby directed to transfer, assign and deliver to Bulletin Company:

(a) The newspaper publication formerly known or now known as “Philadelphia Evening Public Ledger,” “The Evening Public Ledger,” “Evening Public Ledger,” or

[fol. 1019] "Evening Ledger," and all the rights of the Debtor and its Trustees to use each and every of the said names with or in respect to a newspaper published by Bulletin Company or its assigns, and also including all of the right, title and interest of the Debtor and the said Trustees to publish the said newspaper;

(b) The good-will of Public Ledger, Inc., in respect to the newspaper known as above described and heretofore published by Public Ledger, Inc., and the Trustees of the said Debtor;

(c) The certificate of membership in The Associated Press now standing in the name of "Philadelphia Evening Public Ledger," and to take such other and further action which may be necessary to effect such transfer of said membership to Bulletin Company or its assigns; and

(d) The bonds in the aggregate in the sum of one thousand dollars (\$1,000) of The Associated Press, now owned by the Debtor.

(S.) Harry E. Kalodner, Guy K. Bard, *United States District Judge.*

DEFENDANTS' EXHIBIT B (1)

For value received, the undersigned, as Trustees of Public Ledger, Inc., (formerly known and styled as Curtis-Martin Newspapers, Inc.), do hereby assign, transfer and convey unto Bulletin Company, owner of the "Evening Public Ledger" newspaper (also sometimes known as "Philadelphia Evening Public Ledger" or "Evening Ledger"), the within certificate of membership No. 6579 and all of the right, title and interest of Public Ledger, Inc., [fol. 1020] and of said Trustees therein and thereunder and in and to all privileges and property of The Associated Press, subject to the By-Laws and to all of the obligations of membership.

Dated this 20th day of February, 1942.

In the presence of:

(S.) David H. Brillhart, Mercer B. Tate, Jr., J. Harris Warthman, Elizabeth Whyte. Robert Cresswell, Frederick H. Knight.

As Trustees of Public Ledger, Inc.,

*By Appointment of the United States District Court
In and for the Eastern District of Pennsylvania.*

DEFENDANTS' EXHIBIT B (2)

For value received, the undersigned, as Trustees of Public Ledger, Inc., (formerly known and styled as Curtis-Martin Newspapers, Inc.), do hereby assign, transfer and convey unto Bulletin Company, owner of the "Evening Public Ledger" newspaper (also sometimes known as "Philadelphia Evening Public Ledger" or "Evening Ledger"), all of the right, title and interest of Public Ledger, Inc., and of said Trustees in and to Bond No. 598 issued by The Associated Press of the par value of \$1,000. The undersigned Trustees agree to execute and deliver any and all further documents which may be reasonably required effectually to consummate a transfer of the title to said bond, and to take such other and further action which may be necessary to effect a transfer of said bond to Bulletin Company or its assigns.

Dated this 20th day of February, 1942.

In the presence of:

(S.) David H. Brillhart, Mercer B. Tate, Jr., J. Harris Warthman, Frederick H. Knight, Robert Cresswell, Elizabeth Whyte.

*As Trustees of Public Ledger, Inc.,
By Appointment of the United States District Court,
In and for the Eastern District of Pennsylvania.*

DEFENDANTS' EXHIBIT B (3)

February 20, 1942.

The undersigned, Bulletin Company, a corporation duly organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania, hereby agrees to indemnify and save harmless Public Ledger, Inc., David H. Brillhart, J. Harris Warthman, and Robert Cresswell, as Trustees of Public Ledger, Inc., and their successors, from any assessments which may be made by The Associated Press against it, them or any of them subsequent to the [fol. 1022] confirmation by the United States District Court in and for the Eastern District of Pennsylvania on Febru-

ary 20, 1942, of the sale of the name or names and good-will of Public Ledger, Inc., its membership in The Associated Press and all of its rights incident to such membership to Bulletin Company.

In witness whereof, Bulletin Company has caused this instrument to be executed in its corporate name and on its corporate behalf by its Vice President and its corporate seal to be hereunto affixed, duly attested by its Secretary as of the 20th day of February, 1942.

Bulletin Company, by (S.) Wm. L. McLean, Jr., *Vice President.* (Seal.)

Attest:

(S.) Richard W. Slocum, *Secretary.*

DEFENDANTS' EXHIBIT C

Average daily circulation of the Evening Bulletin by months for the years 1941 and 1942

1941

January	477,768
February	480,029
March	481,606
April	481,253
May	476,808
June	479,558
July	474,572
August	471,843
September	478,198
October	490,425
November	500,140
December	535,636

1942

January	606,186
February	632,413
March	638,847
April	630,410
May	623,225

1942

June	625,543
July	615,295
August	623,354
September	621,116
October	623,917
November	635,286
December	623,627

[fol. 1023] IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK

[Title omitted]

STIPULATION DATED FEBRUARY 27, 1943, AS TO CERTAIN FACTS
RELATING TO WIDE WORLD PHOTOS, INC., AND THE ASSO-
CIATED PRESS (OF ILLINOIS)

* * * * *

[fol. 1024] Pursuant to stipulation of the parties dated February 11, 1943, it is hereby stipulated for all purposes of this case, subject to all pertinent objections which may be made other than objections as to accuracy, that:

1. The facts set forth in plaintiff's request for admissions numbers 33-a; 33-e through 33-n, both inclusive; 33-p; 33-q and 33-r are true, and the documents referred to in plaintiff's request for admissions numbers 33-e through 33-n, both inclusive, are accurate and correct copies.

2. With respect to plaintiff's request for admission number 33-b:

The copy of the by-laws of The Associated Press (of Illinois) annexed hereto and marked Exhibit A is a true and correct copy of the said by-laws in effect immediately prior to September 30, 1900.

[fol. 1025] 3. With respect to plaintiff's request for admission number 33-c:

The copy of the report to stockholders of The Associated Press (of Illinois) annexed hereto and marked Exhibit B is a true and correct copy of said report.

4. With respect to plaintiff's request for admission number 33-d:

The copy of resolution adopted by the stockholders of The Associated Press (of Illinois) at their meeting held in Chicago, Illinois, on September 12-13, 1900, annexed hereto and marked Exhibit C, is a true and correct copy of said resolution.

5. The facts set forth in plaintiff's request for admissions numbered 33-o are true except that St. Clair McKelway, Adolph F. Ochs, and Alfred H. Belo had been, prior to May 16, 1900, representatives of the stockholdings of their respective newspapers who were members of The Associated Press (of Illinois).

6. With respect to Interrogatory No. 103:

The only customers known to The Associated Press, aside from those listed in Exhibit No. 40 attached to plaintiff's request for admissions, as having been customers served by Wide World Photos, Inc., in the month of July 1941 are those whose names were furnished to The Associated Press by the New York Times at the time The Associated Press acquired the stock of Wide World Photos, Inc., a list of which is attached hereto and marked Exhibit D.

7. With respect to Interrogatory No. 104:

[fol. 1026] A comparison of the names of the persons listed on Exhibit 41, annexed to plaintiff's request for admissions with the names of the persons furnished to The Associated Press by the New York Times, listed in Exhibit D attached hereto, shows that the following were not furnished to The Associated Press by the New York Times:

Adelaide Advertiser
Brisbane Courier
Canadian Freeman
Columbia School of Journalism
Daily Mirror, Australia
Edmonton Journal
Jewish World
Oscar Kersenbaum
Le Soleil
Luso Americano
Pico Post
Sidney Daily Telegraph

8. With respect to Interrogatory No. 105:

The Associated Press was not furnished with the names of any other customers of Wide World Photos, Inc., except those referred to in the answer to Interrogatory 103.

9. With respect to Interrogatory No. 106:

The Associated Press was not furnished with the names of any other customers of Wide World Photos, Inc., except those referred to in the answer to Interrogatory 103.

10. With respect to Interrogatory No. 107:

Wide World Photos, Inc., discontinued its mat service to all of its customers on or about February 7, 1942. On De- [fol. 1027] cember 10, 1941, it notified the following persons or organizations, listed on Exhibit 41 annexed to plaintiff's request for admissions, that it would not be possible for Wide World Photos, Inc., to serve them after December 31, 1941:

Brastvo Slovak News
 The Catholic Observer
 Commercial News Press
 Ernest Printing Company
 Federated Press, N. Y. C.
 Michigan Times
 Greek Daily Herald
 The Italian Echo
 Jewish Morning Journal
 Newsday
 Queens Evening News
 Zanesville News
 Serbian Daily
 Jewish Daily Forward
 Fore River Publishing Co.

Wide World Photos, Inc., however, continued to serve The Federated Press, The Jewish Daily Forward, and The Catholic Observer until February 7, 1942.

11. With respect to Interrogatory No. 108:

The names of all persons and/or organizations, except Associated Press members, presently receiving picture service of Wide World Photos, Inc. (formerly Wide World News and Photos Inc.), are as follows:

Oscar Kersenbaum, Buenos Aires
 La Press, Montreal

Montreal Standard
 PM New York
 [fol. 1028] Time, Inc.
 Toronto Star.

Dated, February 27, 1943.

John Henry Lewin, Charles H. Weston, Charles B. Rugg, *Special Assistants to the Attorney General, Attorneys for Plaintiff*; Milbank, Tweed & Hope, *Attorneys for the Defendants, The Associated Press et al.*; Townley, Updike & Carter, Weymouth Kirkland, *Attorneys for Defendants Tribune Company and Robert Rutherford McCormick.*

[fols. 1029-1049] EXHIBIT "A" Omitted. See Exhibit 10,
 Printed side page, 292 ante

[fols. 1050-1053] EXHIBIT "B" omitted. See Exhibit 11,
 printed side page 313 ante.

[fol. 1054] EXHIBIT "C" omitted. See Exhibit 12, printed
 side page 317 ante.

[fol. 1055] EXHIBIT "D"

World Wide Photos, Inc., Photo Subscribers as of July 23,
 1941

All American Newspaper Representative, New York City
 Baltimore Sun
 Boston Herald Traveler
 Brooklyn Eagle
 British Press Service
 Buffalo Courier Express
 Chicago Daily News
 Chicago Daily Times
 Christian Science Monitor
 Cleveland Plain Dealer
 Sydney, Australia, Mirror
 Detroit News

Diario De La Marina, Havana
Duluth Herald and News Tribune
Elliott Service
Estampa, Bogota
Illustrated Current News, New Haven, Conn.
Jewish Daily Forward, New York
La Presse, Montreal
Le Petit Journal, Montreal
Life-Times, Inc., New York
Los Angeles Examiner
Melbourne, Australia, Herald and Weekly Times
Minneapolis Tribune
Montreal Standard
Pressenbild, Stockholm
Nordisk Press, Copenhagen
[fol. 1056] New York Times
Netherlands Trading Society, Batavia, D. E. I.
Nu Method Matrix, New York City
O'Jornal, Rio
Pittsburgh Post-Gazette
Providence Journal
PM, New York
Ramon Rocas, Manila
Salvation Army, New York
Springfield Republican, Springfield, Mass.
New York Staats-Zeitung
Standard Gravure, Louisville
Tel-Pic Syndicate, New York
Los Angeles Times
Tokyo Asahi
Toledo Blade
Toronto News
United Features Syndicate
United States News
Vancouver Sun
Newsweek Magazine
Youngstown Vindicator
Todo, Mexico City (magazine)
St. Louis Globe Democrat

Wide World Photos, Inc., Mat Service Subscribers as of
July 23, 1941

Arkansas Gazette, Little Rock, Arkansas
 Baltimore Daily Correspondent, 327 North Gay Street,
 Baltimore, Maryland
 * Bluefield Daily Record, 229 West 43rd Street, New
 York City
 * Charleston Daily Mail, 229 West 43rd Street, New
 York City.
 [fol. 1057] Benedictine Press, St. Benedict, Oregon
 Binghamton Press, Binghamton, New York
 Brastvo Slovak News, 9 East North Street, Wilkes-
 Barre, Pa.
 Brazil Times, Brazil, Ind.
 Bridgeport Herald, Bridgeport, Conn.
 British Press Service, 30 Rockefeller Plaza, New York
 City
 Catholic News, 369 Lexington Avenue, New York City
 Catholic Observer, Pittsburgh, Pa.
 Catholic Transcript, Hartford, Conn.
 Chattanooga Times, Chattanooga, Tenn.
 Citrus Valley News, 333 South Thomas Street, Pomona,
 Calif.
 Commercial News Press, 156 West Pico Blvd., Los An-
 geles, California.
 Compton Printing Company, 1029 West Washington
 Blvd., Los Angeles, Calif.
 Danville Register Bee, Danville, Va.
 Denver Register, Denver, Colo.
 Easton Express, Easton, Pa.
 Elizabeth Daily Journal, Elizabeth, N. J.
 El Monte Independent, 541 West Valley Blvd., El Monte,
 California
 R. W. Ernst Printing Co., 3600 S. Western Avenue, Los
 Angeles, Calif.
 Federated Press, 30 Irving Place, New York City
 Fore River Newspaper Co., 136 East Howard Street,
 Quincy, Mass.
 Fresno Guide, Fresno, Calif.

* These two W. Va. papers represented by Bell Syndicate
 in New York.

Gloversville Leader Republican and Herald, Gloversville, New York.
 Grand Rapids Times, Grand Rapids, Michigan
 Greek Daily Herald, 140 West 26th Street, New York City
 [fol. 1058] Greenville News, Greenville, S. C.
 Holyoke Transcript, Holyoke, Mass.
 Italian Echo, 653 Atwells Ave., Providence, R. I.
 Ithaca Journal, Ithaca, N. Y.
 Jersey Observer, Hoboken, N. J.
 Lancaster New Era, Lancaster, Pa.
 La Prensa, 245 Canal Street, New York City
 Le Petit Journal, 1242 Rue Saint-Denis, Montreal, Canada
 Lynchburg News and Advance, Lynchburg, Va.
 Monitor, 125 Twelfth Street, San Francisco, Calif.
 Nebraska State Journal, Lincoln, Nebraska
 New Britain Herald, New Britain, Conn.
 New World, 109 North Dearborn Street, Chicago, Illinois.
 Newsday, Hempstead, L. I.
 Ottawa Journal, Ottawa, Ontario, Canada
 Pasadena Star News, Pasadena, Calif.
 Pawtucket Times, Pawtucket, R. I.
 Philadelphia Jewish Journal, Fifth and Spruce Sts., Philadelphia, Pa.
 Polish Everybody's Daily, Everybody Building, Buffalo, N. Y.
 Queens Evening News, 107-42 Merrick Blvd., Jamaica, L. I.
 Reading Times, Reading, Pa.
 The Record Newspapers, Troy, N. Y.
 San Bernadino Sun-Telegram, San Bernadino, Calif.
 Schenectady Union-Star, Schenectady, N. Y.
 Scranton Times, Scranton, Pa.
 Southern California Associated Newspapers, 829 Security Bldg., Los Angeles, Calif.
 Southwest Wave, Los Angeles, Calif.
 Spokesman-Review, Spokane, Wash.
 [fol. 1059] Staats-Zeitung, 22 North William Street, New York City
 Sun Journal, Lewiston, Me.
 Troy Record, Troy, N. Y.
 Valley Times, 11109 Magnolia Blvd., North Hollywood, Calif.
 West Los Angeles Weekly Independent, 11216 Santa Monica Blvd., W. Los Angeles, Calif.

West Coast Printers, 338 North Western Avenue, Los Angeles, Calif.

Wilmington News Journal, Wilmington, Del.

Zanesville News, Zanesville, O.

Progress Journal, Second Avenue, San Diego, Calif.

Steffire Type Service, 4757 W. Adams, Los Angeles, Calif.

Joseph Lyddon Printing Co., San Bernadino, Calif.

Philadelphia Record, Philadelphia, Pa.

Capital News

Compton Herald

La Jolla Weekly Light

Serbian

Illustrated Press

[fol. 1060] IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK

[Title omitted]

Interrogatories on Behalf of Defendant, the Associated Press and Answers Thereto of the Plaintiff, United States of America

[fol. 1061] INTERROGATORIES ON BEHALF OF THE DEFENDANT, THE ASSOCIATED PRESS, TO BE ANSWERED UNDER OATH BY THE PLAINTIFF, UNITED STATES OF AMERICA, PURSUANT TO RULE 33 OF THE FEDERAL RULES OF CIVIL PROCEDURE

1. State the date or dates upon which Mrs. Eleanor Medill Patterson, publisher of the Washington Times-Herald, complained, alleged, or stated, orally or in writing, to the Department of Justice or to Thurman Arnold, former Assistant Attorney General, or to any other official, employee, or representative of said Department, that she was or would be or might be unable to obtain membership in The Associated Press.

2. State the date or dates upon which Marshall Field or The Chicago Sun or any employee or representative of Marshall Field or of The Chicago Sun complained, alleged, or stated, orally or in writing, to the Department of Justice or to Thurman Arnold, former Assistant Attorney General, or to any other official, employee, or representative of said

Department, that he was or would be or might be unable to obtain membership in The Associated Press.

[fol. 1062] 3. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with United Press Associations under which United Press Associations agrees to furnish its news service for publication in The Chicago Sun.

4. If the answer to Interrogatory 3 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

5. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with New York Herald-Tribune News Service, or any other person, firm, or corporation, under the terms of which New York Herald-Tribune Service is furnished for publication in The Chicago Sun.

6. If the answer to Interrogatory 5 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

7. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with Acme Newspictures, Inc., under the terms of which Acme Newspictures, Inc., granted to The Chicago Sun any right to receive and publish the service of Acme Newspictures, Inc., in the said The Chicago Sun.

8. If the answer to Interrogatory 7 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties [fol. 1063] thereto, and the nature and dates of any modifications thereof.

9. State whether Marshall Field or The Chicago Sun, or any employee of Marshall Field or The Chicago Sun, has

entered into any contracts or agreements with any persons, firms, or corporations, other than those specifically mentioned in Interrogatories 3 to and including 8 under the terms of which such persons, firms, or corporations furnish news, features, pictures, comics or other material for publication in The Chicago Sun.

10. If the answer to Interrogatory 9 is in the affirmative, set forth in detail the terms of all of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

11. State whether Mrs. Eleanor Medill Patterson or the Washington Times-Herald, or any employee of Mrs. Eleanor Medill Patterson or of the Washington Times-Herald, has, during the period January 1, 1939, to date, entered into or is now a party to any contracts or agreements with United Press Associations under which United Press Associations agrees to furnish its news for publication in the Washington Times-Herald.

12. If the answer to Interrogatory 11 is in the affirmative, set forth in detail the terms of said contracts or agreements, including the dates upon which they were made, the parties thereto, and the nature and dates of any modifications thereof.

13. State whether Mrs. Eleanor Medill Patterson or the Washington Times-Herald, or any employee of Mrs. Eleanor Medill Patterson or of the Washington Times-Herald, has, during the period January 1, 1939, to date, entered into or is now a party to any contracts or agreements with King [fol. 1064] Features, Inc., or with any other person, firm, or corporation, under which any services furnished by King Features, Inc., including I. N. S. news service, is furnished for publication in the Washington Times-Herald.

14. If the answer to Interrogatory 13 is in the affirmative, set forth in detail the terms of said contracts or agreements, including the dates upon which they were made, the parties thereto, and the nature and dates of any modifications thereof.

15. State whether Mrs. Eleanor Medill Patterson or the Washington Times-Herald or any employee of Mrs. Eleanor

Medill Patterson or of the Washington Times-Herald, has, during the period January 1, 1939, to date, entered into or is now a party to any contracts or agreements with Chicago Tribune-New York News Syndicate, Inc., under which said Syndicate agrees to furnish its services, news, and otherwise, for publication in the Washington Times-Herald.

16. If the answer to Interrogatory 15 is in the affirmative, set forth in detail the terms of said contracts or agreements, including the dates upon which they were made, the parties thereto, and the nature and dates of any modifications thereof.

17. State whether Mrs. Eleanor Medill Patterson or the Washington Times-Herald or any employee of Mrs. Eleanor Medill Patterson or of the Washington Times-Herald has, during the period January 1, 1939, to date, entered into or is now a party to any contracts or agreements with any persons, firms, or corporations, other than those specifically mentioned in Interrogatories 11 to and including 16 under the terms of which such persons, firms, or corporations furnish news, features, pictures, comics, or other material for publication in the Washington Times-Herald.

18. If the answer to Interrogatory 17 is in the affirmative, set forth in detail the terms of all of said contracts or [fol. 1065] agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

19. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun is the owner in whole or in part of the capital stock of "Chicago Sun Syndicate, Inc.," an Illinois corporation.

20. If the answer to Interrogatory 19 is in the affirmative, state whether Chicago Sun Syndicate, Inc., is engaged in the business of selling or otherwise furnishing news, features, pictures, comics, or other material for publication in newspapers.

21. If the answer to Interrogatory 20 is in the affirmative, state

- (a) the names of all newspapers, foreign and domestic, to which said Chicago Sun Syndicate, Inc., has, during the period from December 1, 1941, to date, furnished such news, features, pictures, comics, or other material;

(b) with respect to each such newspaper, whether it was furnished news, features, pictures, comics, or other material;

(c) with respect to each newspaper furnished news, whether such news was local news, Washington news, domestic news other than local or Washington news, or foreign news;

(d) whether said Syndicate has entered into any agreements or understandings of any nature whatsoever with any such newspaper that the service, whether news, features, pictures, comics, or other material, would be in any manner whatsoever or to any extent whatsoever exclusively furnished to such newspaper [fol. 1066] within the locality or any part thereof wherein such newspaper was published.

22. If the answer to Interrogatory 21, sub-paragraph (d) is in the affirmative, set forth in detail the terms of all such agreements or understandings, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

23. State whether Marshall Field, The Chicago Sun, or the Chicago Sun Syndicate, Inc., publishes or owns in whole or in part the firm or corporation which publishes "Parade—The Weekly Picture Newspaper."

24. If the answer to Interrogatory 23 is in the affirmative, state the names of all newspapers which, during the period December 1, 1941, to date, have been furnished or sold copies of said "Parade."

25. If the answer to Interrogatory 23 is in the affirmative, state whether contracts or agreements have been entered into by the publisher of "Parade" or any one acting in his behalf for the sale of "Parade" to any persons, firms, or corporations.

26. If the answer to Interrogatory 25 is in the affirmative, give the dates of all such contracts, the parties thereto, and the terms thereof, including any modifications thereof.

27. State whether any officials, employees, or representatives of the Department of Justice of the United States, or of the Federal Bureau of Investigation thereof, called

upon or interviewed, during the months of January, February, March, and April, 1942, any members of The Associated Press.

28. If the answer to Interrogatory 27 is in the affirmative, state

[fol. 1067] (a) the names of all such officials, employees, or representatives who saw, called upon, or interviewed members of The Associated Press;

(b) the names of the members called upon and interviewed by each such official, employee, or representative;

(c) the date of each such interview or call;

(d) if each such official, employee, or representative inquired of any such members whether the member had received a form of proxy from the Chicago Tribune or from any one representing the Chicago Tribune to vote against the election of Marshall Field at the annual meeting of members of The Associated Press to be held in April, 1942, or whether each such official, employee, or representative otherwise discussed or inquired about such election; and

(e) if each such official, employee, or representative inquired of any such members whether the member had received a form of proxy from the Washington Post, the Washington Evening Star, or the Washington Sunday Star, or from any representative of said newspapers, to vote against the election of Eleanor Medill Patterson to be held in April, 1942, or whether each such official, employee, or representative otherwise discussed or inquired about such election.

29. If the answer to Interrogatory 27 is in the affirmative, state whether any of such officials, employees, or representatives made any written report of his call or interview.

30. If the answer to Interrogatory 29 is in the affirmative, describe such written reports in such manner as to permit them to be designated.

31. State whether Exhibit 1, hereto attached and made a part hereof, is a correct copy of a letter sent by Marshall

[fol. 1068] Field to Kent Cooper, General Manager of The Associated Press, under date of October 24, 1941.

32. State whether Exhibit 2, hereto attached and made a part hereof, is a correct copy of the document enclosed in the letter of Marshall Field referred to in Interrogatory 31.

33. State whether Marshall Field solicited proxies on behalf of his application for membership in The Associated Press.

34. If the answer to Interrogatory 33 is in the affirmative, state all the names of the members of The Associated Press or of the newspapers represented by such members from whom Marshall Field solicited proxies.

35. State whether any proxies were given as a result of the solicitation for proxies by said Marshall Field or by any one acting for or in behalf of said Marshall Field, and if so state who gave such proxies and to whom.

36. State whether Silliman Evans voted a total of 120 proxies in behalf of the application of Marshall Field for election to membership in The Associated Press at the 1942 annual meeting of members of said Association.

37. State the names of the several newspapers which have paid or offered to pay \$250,000 or more to obtain membership in The Associated Press, referred to in paragraph 76 of the Complaint herein.

38. State whether the linotype machines, presses, and other equipment used in the printing of The Chicago Sun are owned by Marshall Field or The Chicago Sun.

39. If the answer to Interrogatory 38 is in the negative, state whether such linotype machines, presses, and other equipment are owned by The Chicago Daily News.

[fols. 1069-1071] 40. If the answer to Interrogatory 39 is in the affirmative, set forth in detail the terms of all contracts, agreements, or leases under which The Chicago Sun has used and now uses said equipment, including the dates upon which they were made, the parties thereto, and the nature and dates of any modifications thereof.

Milbank, Tweed & Hope, Attorneys for The Associated Press, *et al.*

Exhibit 1 omitted. See Exhibit 32, printed side page 373, ante.

[fols. 1072-1074] Exhibit 2 omitted. See Exhibit 33, printed side page 376, ante.

[fol. 1075] IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK

[Title omitted]

ANSWERS OF THE PLAINTIFF, UNITED STATES OF AMERICA, TO
THE INTERROGATORIES ADDRESSED TO IT BY THE DEFENDANT
THE ASSOCIATED PRESS

1. On April 9, 1940, Mrs. Mabel Walker Willebrandt, as counsel for Mrs. Eleanor Medill Patterson, publisher of the Washington Times-Herald, orally stated to Thurman Arnold, former Assistant Attorney General, at a conference requested by Mrs. Willebrandt that Mrs. Patterson was or would be or might be unable to obtain membership in The Associated Press. On November 22, 1940, Mrs. Patterson and Mrs. Willebrandt orally stated to Mr. Arnold at a conference in his office that Mrs. Patterson was or would be or might be unable to obtain membership in The Associated Press.

2. On October 31, 1941, Louis S. Weiss, as counsel for Marshall Field, orally stated to the Attorney General at a conference in his office that Marshall Field apparently would be unable to obtain membership in The Associated Press. On January 30, 1942, Marshall Field, accompanied by his counsel, Louis S. Weiss and Donald Richberg, orally [fol. 1076] stated to the Attorney General at a conference in his office that Marshall Field had been unable to obtain membership in The Associated Press. Exhibit No. 1, annexed hereto and made a part hereof, is a correct copy of a letter dated February 5, 1942, from Marshall Field to the Attorney General making a complaint against The Associated Press based upon the fact that Marshall Field had been unable to obtain membership therein.

3. When the plaintiff received the interrogatories addressed to it by the defendant The Associated Press it was

without knowledge or information sufficient to enable it to answer Interrogatories Nos. 3 to 10, inclusive, 19 to 26, inclusive, 33 to 36, inclusive, and 38 to 40, inclusive, relating to the business of Marshall Field, The Chicago Sun, or the Chicago Sun Syndicate, Inc., or relating to proxies solicited, obtained or voted on behalf of Marshall Field's application for membership in The Associated Press.

Exhibit No. 2-A, annexed hereto and made a part hereof, is a correct copy of a letter dated April 5, 1943, from Tom C. Clark, Assistant Attorney General, to Louis S. Weiss, counsel for Marshall Field, requesting that the information called for by the interrogatories referred to above be furnished to the plaintiff. Exhibit No. 2-B, annexed hereto and made a part hereof, is a correct copy of the enclosure referred to in said letter.

Exhibits Nos. 3-A and 3-B, annexed hereto and made a part hereof, are correct copies, respectively, of a letter from Louis S. Weiss to Tom C. Clark dated April 14, 1943, and of the memorandum enclosed in said letter. The copies of contracts and lists annexed to said memorandum are annexed to and form a part of Exhibit No. 3-B.

The plaintiff believes that the information furnished by Exhibits Nos. 3-A and 3-B is accurate.

4. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 4 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

[fol. 1077] 5. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 5 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

6. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 6 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

7. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 7 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

8. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 8 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

9. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 9 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

10. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 10 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

11. When the plaintiff received the interrogatories addressed to it by the defendant The Associated Press it was without knowledge or information sufficient to enable it to answer Interrogatories Nos. 11 to 18, inclusive, relating to the business of Mrs. Eleanor Medill Patterson or the Washington Times-Herald.

Exhibit No. 4-A, annexed hereto and made a part hereof, is a correct copy of a letter dated April 5, 1943, from Tom C. Clark, Assistant Attorney General, to Mrs. Eleanor Medill Patterson requesting that the information called for by the interrogatories referred to above be furnished to the plaintiff. Exhibit No. 4-B, annexed hereto and made a part hereof, is a correct copy of the enclosure referred to in said [fol. 1078] letter. The plaintiff has not received any reply to said letter of April 5, 1943.

The plaintiff is without knowledge or information sufficient to answer Interrogatory No. 11, except that United Press Associations has informed the plaintiff that it was, as of August 1, 1942, furnishing certain news reports for publication in both the morning and the evening editions of the Washington Times-Herald and except that the plaintiff is informed that Editor & Publisher 1942 and 1943 International Year Books list the Washington Times-Herald as receiving some service from United Press Associations.

12. The answer to Interrogatory No. 11 applies in all respects to Interrogatory No. 12. The plaintiff adopts as its answer thereto the answer to Interrogatory No. 11.

13. Exhibit No. 5, annexed hereto and made a part hereof, is a correct copy of a document furnished to the plaintiff in 1942 by a representative of International News Service. The plaintiff was informed by said representative that said document was a correct copy of the contract then in effect under which International News Service supplied certain news reports for publication in the Washington Times-Herald. The plaintiff is otherwise without knowledge or information sufficient to answer Interrogatory No. 13, except that the plaintiff is informed that Editor & Publisher 1942 and 1943 International Year Books list the Washington Times-Herald as receiving some service from International News Service.

14. The answer to Interrogatory No. 13 applies in all respects to Interrogatory No. 14 and the plaintiff adopts as its answer thereto the answer to Interrogatory No. 13.

15. The plaintiff is without knowledge or information sufficient to answer Interrogatory No. 15, except that the plaintiff is informed that Editor & Publisher 1943 International Year Book lists the Washington Times-Herald as [fol. 1079] receiving some service from the Chicago Tribune-New York News Syndicate, Inc.

16. The answer to Interrogatory No. 15 applies in all respects to Interrogatory No. 16 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 15.

17. The plaintiff is without knowledge or information sufficient to answer Interrogatory No. 17, except that the plaintiff has been advised by Reuters Limited, that in 1942 it furnished certain news service to the Washington Times-Herald and except that the plaintiff is informed that Editor & Publisher 1942 and 1943 International Year Books list the Washington Times-Herald as receiving some service from Reuters Limited, and its 1942 International Year Book lists the Washington Times-Herald as receiving some news service from the Chicago Tribune.

18. The answer to Interrogatory No. 17 applies in all respects to Interrogatory No. 18 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 17.

19. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 19 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

20. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 20 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

21. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 21 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

22. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 22 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

[fol. 1080] 23. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 23 and the plaintiff

adopts as its answer thereto its answer to Interrogatory No. 3.

24. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 24 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

25. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 25 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

26. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 26 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

27. During the month of March 1942 employees of the Federal Bureau of Investigation called upon or interviewed officers or employees of certain members of The Associated Press.

28. Exhibit No. 6, annexed hereto and made a part hereof, states (a) the names of the employees of the Federal Bureau of Investigation who, during the months of January, February, March, or April, 1942, called upon or interviewed officers or employees of members of The Associated Press; (b) the names of such officers or employees called upon or interviewed by each employee of the Federal Bureau of Investigation; and (c) the date (or, where the files of the plaintiff do not disclose the exact date, the approximate date) of each such interview or call.

(d) In each interview referred to in Exhibit No. 6, except those with Robert R. McCormick and Robert W. Slocum, the employee of the Federal Bureau of Investigation inquired whether the member had received a form of proxy from, or had been solicited by, the Chicago Tribune or a representative thereof to vote against the election of [fol. 1081] Marshall Field to membership in The Associated Press and in the course of the interviews other matters relating in some degree to such election, such as the rules of The Associated Press governing the admission of members and the fact that in most cases the member had received a letter from Marshall Field requesting proxies in support of his application for membership in The Associated Press, were discussed.

(e) In none of the interviews referred to in Exhibit No. 6 did the employee of the Federal Bureau of Investigation

inquire whether the member had received a form of proxy from the Washington Post, the Washington Evening Star, or the Washington Sunday Star, or any representative thereof, to vote against the election of Eleanor Medill Patterson to membership in The Associated Press, or otherwise discuss or inquire about such election.

At the time that Thurman Arnold, former Assistant Attorney General, requested that employees of the Federal Bureau of Investigation interview certain members of The Associated Press or their representatives, he was informed that the Chicago Tribune was engaging, or was about to engage, in a campaign to solicit votes against the election of Marshall Field to membership in The Associated Press. Thurman Arnold then had no information or reason to believe that the Washington Post, the Washington Evening Star, or the Washington Sunday Star or any representative thereof was soliciting, or was contemplating soliciting, votes against the election of Mrs. Eleanor Medill Patterson to membership in The Associated Press. He requested that the employees of the Federal Bureau of Investigation interview certain members of The Associated Press or their representatives and inquire as to the character of the solicitation of votes by the Chicago Tribune or its representatives. He did not request any inquiry as to how the members so solicited would or might vote, or give proxies, for or against election of Marshall Field to membership in The [fol. 1082] Associated Press and he did not request any inquiry as to solicitation of votes or proxies by the Washington Post, the Washington Evening Star, or the Washington Sunday Star against the election of Eleanor Medill Patterson to membership in The Associated Press.

29. Various employees of the Federal Bureau of Investigation made written reports of the interviews or calls referred to in Exhibit No. 6.

30. Exhibit No. 7, annexed hereto and made a part hereof, describes the written reports referred to in Interrogatory No. 29, in such manner as to permit them to be designated.

31. Exhibit 1, attached to the interrogatories addressed to the plaintiff by the defendant The Associated Press, is a correct copy of a letter sent by Marshall Field to Kent Cooper, General Manager of The Associated Press, under date of October 24, 1941.

32. Exhibit 2, attached to the interrogatories addressed to the plaintiff by the defendant The Associated Press, is a correct copy of the document enclosed in the letter from Marshall Field referred to in Interrogatory No. 31.

33. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 33 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

34. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 34 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

35. The Answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 35 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

[fol. 1083] 36. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 36 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

37. Plaintiff believes that the owners of the following newspapers have paid or offered to pay \$250,000 or more to obtain membership in The Associated Press:

Marshall Field, as owner of The Chicago Sun.
 News Syndicate Co., Inc., as owner of the New York
 News
 Illinois Printing & Publishing Co., as owner of the
 Chicago Herald-Examiner
 Frank Munsey, as owner or beneficial owner of the
 New York Sun
 Eugene Meyer & Co., as owner or purchaser of The
 Washington Post.

The plaintiff believes that the owners of numerous other newspapers have paid or offered to pay \$250,000 or more to obtain membership in The Associated Press. One of the grounds for such belief is the following statement in the report of the Special Committee on Revision of the By-Laws appointed in 1941 by the President of The Associated Press:

In metropolitan centers Associated Press memberships were often carried on the books of member newspapers at values upwards of a million dollars; and in

the early twenties, transfers of such memberships were made upon considerations well into the hundreds of thousands.

A further ground for said belief is the following statement made by S. E. Thomason, publisher of the Chicago Times, at the annual meeting of members of The Associated Press in April 1941:

[fol. 1084] I think there is nobody here who is not cognizant of the fact that his Associated Press franchise is probably worth, with good measure, ten per cent today of what it was twenty years ago, on the market; and I think the reason for that certainly is not to be found in the service of the Associated Press, because the service of the Associated Press, under its management, has unquestionably greatly improved.

I know; I had experience at a time when an Associated Press franchise in the city of Chicago was worth a million dollars. There was no question about it: properties were transferred on that basis.

38. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 38 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

39. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 38 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

40. The answer to Interrogatory No. 3 applies in all respects to Interrogatory No. 40 and the plaintiff adopts as its answer thereto its answer to Interrogatory No. 3.

[fol. 1085] *Duly sworn to by John Henry Lewin. Jurat omitted in printing.*

[fol. 1086]

EXHIBIT No. 1

Two Fifty Park Avenue

New York

February 5, 1942.

Hon. Francis Biddle,
Attorney General of the United States,
Department of Justice,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL:

I am hereby making a written statement of my complaint against the Associated Press, a membership corporation organized and existing under the laws of the State of New York. I am advised by counsel that, as the Associated Press is now constituted and functioning, it is engaged in a combination and conspiracy in restraint of trade and commerce among the United States and with foreign nations in violation of the laws of the United States.

I am the founder and owner of The Chicago Sun, a daily newspaper published every morning and on Sundays, circulating in Chicago and the vicinity.

The Sun was established in fulfillment of a long felt want of the people of Chicago who have for years voiced their demand for a first class metropolitan morning newspaper, dedicated to the search for truth, liberal and humane in its outlook, and loyal to the American spirit and to American institutions. My purpose has been and is to satisfy that demand. When I announced the publication of the paper, I specifically promised the people of Chicago that it would be in all respects a standard and complete newspaper. Moreover, the first editorial gave assurances to the citizens of the Midwest that they might look to the Sun to furnish "that full and factual report without which no American would wish to formulate judgments affecting his own, his children's and the nation's future". In the [fol. 1087] circumstances, not only my general purpose but my specific commitment requires that I give the readers of The Sun the fullest report of events that modern and effective newsgathering facilities can supply.

The Sun cannot fulfill its obligations to the public without the unique service afforded by the Associated Press (known throughout the world as "AP"). The paper has,

I understand, already achieved a circulation which makes it one of the ten largest morning papers in America. Despite this fact, I have been advised that it is the only standard morning paper in the United States circulating in a city of more than 100,000 population which does not have the services of the AP. In these circumstances it is vital that such services be made available to The Sun at the earliest practicable moment. Not only have I recognized that fact since the paper was first projected, but that is the conclusion of every responsible newspaperman with whom I have discussed the matter.

As will appear in greater detail below, I have sought membership in the AP. I have been blocked in obtaining that membership because of the provisions of the AP by-laws, under which a single newspaper with an AP membership is in a position to obstruct the rendition of AP services to a competitor. It thus appears that in 1942 a responsible citizen of the United States, desiring to bring to his fellow-citizens the news of the world, creates his newspaper at peril if another newspaper with an AP membership happens to have preceded him in the field. Particularly now, when the war has created an almost unlimited demand for news, this is an intolerable situation alike for me and for the citizens of this country.

I lay these facts before you in some detail in order that you may determine whether the public interest does not require that appropriate proceedings be brought against AP under the applicable statutes to the end that its unique services shall be thrown open to all newspapers in the country who are ready, able and willing, as I am, to assume the burdens and responsibilities of membership.

[fol. 1088]

I

In order to understand the difficulty of establishing a first rate newspaper without AP facilities, it is necessary to consider the unique and exclusive facilities of that organization as a news-gathering agency.

1. From all corners of the world, news is transmitted to the American offices of AP. From those offices, after editing by employees of AP, it is distributed to members through a net-work of leased wires extending throughout the United States and foreign countries.

The news—whether news articles or photographic news—is obtained from the following sources:

(a) From the staff of news reporters and news-gatherers maintained by AP in the United States and in foreign countries.

(b) Through exchange agreements made with news-gathering agencies and associations in foreign countries.

(c) From member newspapers, each of which is required by the contract of membership to furnish to AP *exclusively* all news of spontaneous origin arising within the locality which the member serves.

This requirement alone—that all member newspapers must furnish exclusively to AP the news from their localities—renders its service unique and irreplaceable. The member newspapers, some 1,400 in number, constitute approximately three-fifths of the total newspapers published in the United States. Included are substantially all of the leading newspapers. This feature of AP cannot, in the nature of things, be duplicated.

2. The impossibility of obtaining a substitute for the facilities of AP is well shown by its own statements (with its own italics) of what those facilities are:

[fol. 1089] “* * * A news report of 1,000,000 words every 24 hours * * * larger than the combined daily reports of *all other American news agencies combined.*”

“* * * a staff of 7,200, augmented by the staffs of member newspapers and affiliated news services in foreign countries * * * a total of approximately 100,000 men and women contributing, directly or indirectly, to each day’s effort * * * a staff many times larger than the staffs of *all other American news agencies combined.*”

“* * * 290,000 miles of leased news wires in this country alone * * * a network larger than the network of *all other American news agencies combined.*”

“* * * operating the only state-by-state news circuits in existence * * * circuits that carry more

state and regional news daily than *all other American news agencies combined.*"

"* * * 100 news bureaus in this country alone * * * offices in more than 250 cities over the world * * * more regularly established news connections by cities than *all other American news agencies combined.*"

"* * * an annual budget of approximately \$12,000,000 * * * 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.*"

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

"* * * Its Washington staff of approximately 150 is the largest corps of news men ever assembled under one roof for the exclusive job of reporting governmental affairs. This group includes a special regional staff representing each state and reporting by [fol. 1090] wire all news of regional interest with thoroughness and speed * * * the only staff of its kind anywhere."

"* * * The biggest financial news department in the world: 200 writers, editors and statisticians in New York, Washington, Chicago, San Francisco and foreign capitols * * * no juniors, no inexperienced trainees; all stories are by writers who are recognized authorities."

"* * * War news: AP, controlling the only leased news cable in the world, occupies a top position in handling the reports of its 2500 correspondents abroad."

"* * * Farm news: One segment of the staff specializes in farm news. These writers work under the general supervision of a farm editor with headquarters in Chicago * * * still others in Washington are particularly concerned with farm legislation and allied farm subjects as they develop in the nation's capitol."

“* * * Science News: The AP report carries the daily stories of * * * its present-day corps of science specialists * * * all expert in their field.”

(The foregoing statements are taken from a recent advertising pamphlet published by AP, transmitted herewith as Exhibit 1.)

“The news photo operations of the Associated Press, first begun in 1927, today are by far the most extensive of any in existence. It has the only network of news photo wire transmission, regularly maintained and trans-continental in character, in the world.” (Extract from statement of Kent Cooper made at the time of the purchase of Wide World Photos, Inc. from the New York Times, July 26, 1941.)

[fol. 1091] The AP has recently stated that an “impartial survey of *all* coverage for the past year showed that AP was ahead on 82% of all important news events.”

In addition to those already enumerated there are numerous other features including comics, women's news, fashion news, stage and screen news, which are supplied through AP or its wholly owned subsidiaries.

II

Although The Chicago Sun has been published for just two months, its experience illustrates the difficulties encountered by a newspaper operating without AP facilities.

1. I have attempted to furnish substitutes for some of the more important services that would come to the Sun as a matter of course if it were an AP newspaper. The cost of these substitutes, according to our best estimates, adds enormously to the expense of getting out the Sun. Computed on an annual basis this cost is greatly in excess of the annual assessment of an AP newspaper conducting a comparable publication. Moreover, the services furnished by such substitute facilities cannot in the nature of things represent coverage as efficient as that which would be received if the Sun were an AP member. Accordingly, without AP service the Sun is at a serious competitive disadvantage in the Chicago field and incurs as a result great indirect losses that are obviously incalculable.

2. Although it is manifestly impossible to recite or even to know in detail all of the expenses and disadvantages oc-

casioned to the Sun by reason of the lack of AP membership, the following constitute a few of the burdens which the Sun has been carrying:

(a) *As to news.*

1. In the present war period the Sun has encountered repeated instances in which it has been at a disadvantage [fol. 1092] in the matter of news reports coming to it from the war areas. In the nature of things at a time of world crisis, every facility which forwards the rapid dissemination of news is essential for a standard newspaper. The Government itself has felt this need and is cooperating with the regular press services to assist them in giving information to the country, not only in connection with direct war reporting, but also in connection with its manifold other activities affected by the war. The AP, being the largest of these services, is in daily touch on a hundred fronts with the various departments and bureaus of the Government. The Sun, however, handicapped, as I have said, in the matter of direct news reports from the war areas, is also deprived of that avenue of cooperation with the Government which it would have if the services of AP were at its disposal.

2. The Sun's difficulties are not confined to the reporting of the war. In national news alone the lack of Associated Press facilities has caused the Sun's Washington office to detail perhaps ten men to tasks made necessary by that lack—men who, if the newspaper had the same AP privileges as its competitors, could be given other assignments. In other offices throughout the country extra personnel, made necessary by the absence of AP facilities, has had to be employed.

3. In the area around Chicago, owing to the insufficiency of outside news services, the Sun has been forced, at heavy expense, to maintain its own correspondents. Since many of these are part-time men, who have to attend first to their own principal occupations, they do not report with the same promptness and regularity as do full time reporters. Material accordingly comes in late, making for a congestion of work at the copy desk and in the composing room prior to the first edition of the Sun, thereby causing substantial increased mechanical costs.

The absence of appropriate local news services is of peculiar importance at this time and will become of greater [fol. 1093] importance in the next months. There will occur in Illinois this year an important senatorial election. In order to inform the citizens of Illinois as to the issues and developments during the campaign, county by county coverage is a necessity. In its present situation, the Sun is and will continue to be under the gravest handicap in providing that information to its readers.

4. In the absence of any adequate type of business report comparable to that furnished by AP, the Sun has been forced to spend several hundred dollars a week merely on business information and news.

5. The coverage of sporting events has presented a special problem. The bowl football games at New Orleans, Durham, Miami, and Dallas have had to be handled by the Sun by special assignment, although members of the AP received news of these events as a matter of course. So have such other sporting events as the Open Golf Tournament at Los Angeles, the recent All Star Professional Football Game in New York, and various hockey games. As a matter of routine the Sun has been forced to maintain correspondents at flat weekly rates at all of the Big Ten colleges because of inadequate coverage of sporting news at those colleges by the services presently available to the Sun.

6. The handling of specialized news has proved to be a matter of the utmost difficulty to the Sun because of the lack of coverage in these fields by the competing services. Full texts of speeches and public reports available to AP members do not reach the Sun through the news services which are at its disposal. It is without special science and aviation reports such as are supplied to AP members. It cannot have the quantity and quality of farm news supplied to AP members, although its location in the capital of the farm country makes this a matter of decisive importance. Though the lack of adequate coverage of election returns has not yet become a factor important to the Sun, it is [fol. 1094] clear that the lack of the highly specialized and unique AP service in this regard will become a matter of vital consequence during the course of this and subsequent years.

The foregoing general statements indicate some of the difficulties under which the Sun has been laboring up to

this time. To these may be added a few specific instances in which stories, coming in as a matter of routine to members of the AP, were not available to the Sun until after they had been made available to its competitors.

Secretary Wickard announced some time ago that the price of corn was too high. This was news of vital importance in the Chicago area. It was followed the next day by a five-cent drop in the price of corn on the Chicago Board of Trade. The Secretary's statement sent out by AP was not then available to the Sun.

The AP had an eye-witness story of the sinking of the battleship "Barham." The Sun obtained coverage—inferior coverage—only after several editions had appeared.

A recent lynching in Missouri produced the same result.

A radio interview was arranged, through the good offices of the Army, involving a trans-Atlantic talk between the first American soldier to land in Ireland and his fiancée in Minnesota. The Sun did not receive this story—important for morale and helpful in fostering international good will—until it had gone to the expense of making its own investigation after seeing the story in other papers.

The complete text of the recent Roberts report on Pearl Harbor—a report for which the whole country was waiting—was furnished to the Sun only in excerpt by the news services available to it.

(b) *As to photographic news.*

Increasingly important to a modern newspaper are the photographic services; these are today a source of news [fol. 1095] scarcely less important than the ordinary news reports. In this field AP, with its Wirephoto Service, is pre-eminent. Prior to July, 1941, Wide World Photos, Inc. served newspapers and others not members of the AP with photographs, but in or about July, 1941, AP purchased Wide World Photos, Inc. and the competition of that company has now been suppressed since it has ceased to renew its old contracts or to make new contracts for supplying photographs to its former patrons. Other photographic services are beyond the reach of the Sun, since they have made exclusive regional contracts with competing newspapers. Every effort has been made to secure for the Sun either the services of International or of Acme. The first was found to be unavailable because of outstanding con-

tracts; the second was committed by exclusive contract to the Chicago Tribune which definitively refused to share the Acme services with the Sun. As a consequence, we have been especially hampered in the matter of photographs and at the present time are threatened with additional difficulties in this regard because of arrangements now pending between the Army and Navy and the principal suppliers of photographic services.

I enumerate some of the grave handicaps which the Sun has faced and still faces with respect to photographic news:

1. At a cost of close to \$1,000 a week, the Sun has had to maintain a Washington photographic bureau to supply it with news pictures as well as official Army and Navy releases. The Army and Navy releases come to the Sun only after the existing news picture services have been supplied.

2. The Sun has been forced to maintain, at its own expense, photo transmission equipment in the major news centers of this country, such as New York, Boston, San Francisco, Los Angeles, Kansas City, Seattle, Texas, New Orleans and Nashville. When news stories break in localities outside of these immediate areas, the Sun must incur additional expense to obtain photographic coverage.

[fol. 1096] 3. There has been proposed by the Army and Navy a plan for a photographic pool to handle war pictures. This plan is not as yet in full operation. AP, International Photos, Acme and Life have been invited to be members of this pool. To the pool each member will supply the same number of photographers. These photographers will be accredited as war correspondent-photographers by the Army and Navy and will be the sole photographers sent wherever action photographs are available. Under the plan, the photographs made by any pool photographer will be returned to the United States for censorship, and after censorship will be available to each member of the pool. The AP will furnish these photographs to all of its present members as one of the incidents of membership. Even if the Sun, which cannot at this time obtain photographic service either from the AP or from International Photos or from Acme, should be permitted to join the pool, a matter which has not yet been clarified—it would have to provide, as a condition to its membership in the pool, photographers in undetermined numbers but in any event as many as each

of the other pool members. As a result the Sun would be required, alone, to bear an expense equal to that borne by the AP and the other photographic services.

4. Specific instances in the last few weeks, in which the public was entitled to photographic news and the Sun has been at a disadvantage in supplying such news, have been the following:

On Mr. Churchill's recent trip to Canada, the Sun would have been completely without coverage had it not sent a photographer and transmission equipment to Ottawa.

On the crash of the air liner carrying Carole Lombard, the Sun was forced to send a special photographer from Los Angeles to Las Vegas. In this case, as in the Churchill case, the additional cost to the Sun amounted to several hundred dollars.

[fol. 1097] To cover the story of the torpedoing of freighters and tankers off the east coast, the Sun sent its own correspondent and photographer to Norfolk, Virginia, for pictures and stories of the survivors.

On major sporting events, the Sun has repeatedly had to supply its own photographs, at substantial expense.

(c) *As to features.*

The incidental services in the nature of feature services supplied by the AP to its members have large importance in the daily conduct of a newspaper. The AP accords to its members as a matter of routine such vital things as basic maps, background and morgue material. The Sun must provide most of these for itself. As an instance of the difficulties under which it labors, it has been compelled to make an agreement with another newspaper for some of this material. Even that agreement, however, is subject to the limitation that the other newspaper may not make available to the Sun whatever part of the material comes to it from AP or to which AP is exclusively entitled.

The disadvantages of a newspaper unable to obtain AP coverage were never greater than at this time, with news so poignantly important in so many different areas in this country and elsewhere throughout the world. I have been aware of these disadvantages since the Sun was first established. I am continuously kept aware of them by the readers of the Sun. Inquiry is constantly made as to why the

Sun is without AP services. That indeed has constituted one of the principal criticisms of the paper made by its readers.

III

The by-laws of the AP prevent the furnishing of its news service to non-member newspapers (although such service may be and is supplied regularly to all radio stations, since [fol. 1098] these are not in direct competition with AP newspapers). Membership is confined to the owners of newspapers, but, as the by-laws are now drawn, persons establishing new newspapers may be blocked in their efforts to acquire membership by the arbitrary action and selfish purposes of their competitors.

1. The by-laws of AP (a copy of which (25th Ed., April 21, 1941) is transmitted herewith as Exhibit 2) must be assented to by every member of the corporation. They are expressly declared (Article III, Sec. 4) to constitute a contract between the members and the corporation.

2. The contract of membership set forth in the by-laws by its terms permits members of AP to limit the number of newspapers that may have access to its unique facilities and thus to place formidable and intolerable obstacles in the path of one who wishes to start a new competitive newspaper.

If a person purchases the assets of a newspaper, the owner of which is a member of AP, the purchaser becomes automatically entitled to AP membership by virtue of such purchase. In such a case, there are no provisions regarding his eligibility. A person purchasing an AP newspaper must, regardless of character or responsibility, be admitted to membership (By-laws, Article III, Secs. 2, 3).

If, on the other hand, a person has not purchased an AP newspaper, he is largely at the mercy of the newspapers with which he must compete. The by-laws provide that he must apply for AP membership. His application may be passed on either (a) by the board of directors or (b) by the members. The board of directors may act only if the veto power against an applicant is waived (by-laws, Article III, Sec. 2). This veto power—called the “right of protest”—is the right possessed by member newspapers with whom the new newspaper will compete (By-laws, Article III, Sec. 7). If the right of protest is not waived, then all consid-

eration of the application is postponed to the next meeting [fol. 1099] of the members of AP and unless the applicant for admission receives the vote of four-fifths of those present at such meeting of members, he will be denied membership.

3. The AP's policy of protecting its members from the competition of new members has been well expressed by Mr. Kent Cooper, vice-president and general manager of AP. In reporting to the board of directors of AP on April 1, 1933, upon the necessity for retrenchment of expenses, he stated:

“Coupled with this effort we have sought to increase the membership in fields where the recruiting need not *infringe upon the home territories of existing members*, that the costs might be more widely proportioned.” (Italics ours)

He added:

“The whole theory of mutual cooperation in news collection, wherein the members exchange their news, works best by having direct reciprocal access to the news of any community large enough to support an AP newspaper. *Moreover, the larger the number of participants in a truly cooperative endeavor, the smaller the pro rata expense to each.*” (Italics ours)

The financial savings that would result from increased membership have been subordinated to the interest of newspapers desiring to be secure from competition in their particular territories. In practice, during the long life of AP, few persons have succeeded in obtaining membership where members exercised—by refusal to waive—their right of protest.

IV

In order to obtain the use of the facilities of AP, I applied on September 26, 1941 for admission to membership. I am [fol. 1100] informed that the application came before the board of directors of AP and that then and there the owner of the principal competing newspaper in the Chicago area expressly protested against consideration of my application and stood on his right of protest. Thereafter and on October 2, 1941, the receipt of my application was acknowl-

edged in a letter from Lloyd Stratton, Assistant Secretary, to Mr. Silliman Evans, the publisher of the Sun, in which he said:

“The board (of directors of the Associated Press) received the application but upon inquiry learned that membership interests of other Chicago members were involved. There being no waivers of those interests attached to the application, the board found that under the by-laws, it did not have the authority to act, and therefore the application must be referred to the next annual meeting of the membership, which will be held on April 20, 1942, in New York City, New York.”

On October 24, 1941, I wrote Mr. Kent Cooper, vice-president and general manager of AP, calling to his attention the serious consequences of delay, and referring to the fact that there were no assurances that I could be elected even in April. I notified him that “when I announced the publication of this paper, I led the people of Chicago to believe that it would be in all respects a standard and complete newspaper; my performance cannot and must not fall short of my promise.” I told him that lacking assurances of AP service, “I cannot at the outset or at any time assure my readers that in due course the paper will have the benefit of all the standard press services available to other papers.”

Since the dispatch of my letter of October 24, 1941, there have been conferences between representatives of the Sun and various officers of AP. Those conferences have proved entirely fruitless. It has been suggested to me that I seek an AP morning membership in Chicago by the purchase of [fol. 1101] the Hearst morning membership in that City. In good faith I made a generous cash offer to that end, but those negotiations have completely failed, although that membership is not now used on week-days and I was willing to share its use on Sunday with the Hearst interests. It has also been suggested to me that I await the April meeting of the members of AP in order to ascertain whether or not I would be elected to membership. I find no reason or justification for so waiting in view of the history of other applicants for membership who have sought election at the meetings of members.

Certain officers of AP have suggested to me that at the meeting of members to be held in April, 1942 efforts will be made to liberalize the by-laws in order to facilitate the

election of new members. They have been unwilling, however, and in the nature of things they cannot, give me assurance either that the by-laws will be so liberalized at that time or that, if liberalized, further delays will not be occasioned, at the instance of competitors, to my then becoming a member.

In the light of the foregoing, I have concluded that I must invoke the processes of the law in order to obtain for the Sun the facilities of the Associated Press.

V

Under its by-laws as they are now written, the structure of the Associated Press is inconsistent with wholehearted service to the public. Since newspapers unable to obtain membership are subjected to almost insuperable obstacles in the way of competition, the placing in the hands of competitors of the power to hamper or prevent new newspapers from obtaining this service in effect permits existing member newspapers to determine what and how many new publications shall come effectively into the newspaper field.

Vicious as restraints in other fields may be, a restraint upon the publication of new newspapers strikes peculiarly [fol. 1102] at fundamental American conceptions. Freedom of the press can have its full fruition only if new persons, with fresh points of view, can become the publishers of newspapers and compete effectively with existing newspapers. The public policy of the United States cannot tolerate that a few men shall dictate the number or the personality of those who supply the materials for thought and action to Americans.

Respectfully yours, (S.) Marshall Field.

830

[fol. 1103]

EXHIBIT No. 2-A

Department of Justice
Washington, D. C.

April 5, 1943.

Louis S. Weiss, Esquire, Cohen, Cole, Weiss & Wharton, 61
Broadway, New York, New York.

Re: *United States v. The Associated Press, et al.*

DEAR SIR:

On Saturday, April 3, the Government was served by The Associated Press with a number of interrogatories, responses to which must be filed on or before April 19, 1943. A number of these interrogatories relate to the business of Mr. Marshall Field, The Chicago Sun, and the Chicago Sun Syndicate, Inc. A copy of these interrogatories is herewith enclosed.

It will be appreciated if you would make the information called for by these interrogatories available to this office at your earliest convenience. We should like to have at least five copies of the information submitted, including the contracts called for. Will you advise us whether or to what extent you will furnish this information and the approximate date we may expect to receive it.

Very truly yours, Tom C. Clark, Assistant Attorney
General.

Enc. No. 917997.

[fol. 1104]

EXHIBIT No. 2-B

Interrogatories Relating to the Business of Mr. Marshall
Field, The Chicago Sun, and the Chicago Sun Syndicate,
Inc., Served upon the Government by the Associated
Press on April 3, 1943

3. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with United Press Associations under which United Press Associations agrees to furnish its news service for publication in The Chicago Sun.

4. If the answer to Interrogatory 3 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

5. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with New York Herald-Tribune News Service, or any other person, firm, or corporation, under the terms of which New York Herald-Tribune Service is furnished for publication in The Chicago Sun.

6. If the answer to Interrogatory 5 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

7. State whether Marshall Field of The Chicago Sun or any employee of Marshall Field or of The Chicago Sun has, during the period July 1, 1941, to date, entered into any contracts or agreements with Acme Newspictures, [fol. 1105] Inc., under the terms of which Acme Newspictures, Inc., granted to The Chicago Sun any right to receive and publish the service of Acme Newspictures, Inc., in the said The Chicago Sun.

8. If the answer to Interrogatory 7 is in the affirmative, set forth in detail the terms of each of said contracts or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

9. State whether Marshall Field or The Chicago Sun, or any employee of Marshall Field or The Chicago Sun, has entered into any contracts or agreements with any persons, firms, or corporations, other than those specifically mentioned in Interrogatories 3 to and including 8 under the terms of which such persons, firms, or corporations furnish news, features, pictures, comics or other material for publication in The Chicago Sun.

10. If the answer to Interrogatory 9 is in the affirmative, set forth in detail the terms of all of said contracts

or agreements, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

19. State whether Marshall Field or The Chicago Sun or any employee of Marshall Field or of The Chicago Sun is the owner in whole or in part of the capital stock of "Chicago Sun Syndicate, Inc.," an Illinois corporation.

20. If the answer to Interrogatory 19 is in the affirmative, state whether Chicago Sun Syndicate, Inc., is engaged in the business of selling or otherwise furnishing news, features, pictures, comics, or other material for publication in newspapers.

21. If the answer to Interrogatory 20 is in the affirmative, state

[fol. 1106] (a) the names of all newspapers, foreign and domestic, to which said Chicago Sun Syndicate, Inc., has, during the period from December 1, 1941, to date, furnished such news, features, pictures, comics, or other material;

(b) with respect to each such newspaper, whether it was furnished news, features, pictures, comics, or other material;

(c) with respect to each newspaper furnished news whether such news was local news, Washington news, domestic news other than local or Washington news, or foreign news;

(d) whether said Syndicate has entered into any agreements or understandings of any nature whatsoever with any such newspaper that the service, whether news, feature, picture, comics, or other material would be in any manner whatsoever or to any extent whatsoever exclusively furnished to such newspaper within the locality or any part thereof wherein such newspaper was published.

22. If the answer to Interrogatory 21, sub-paragraph (d) is in the affirmative, set forth in detail the terms of all such agreements or understandings, including the dates they were made, the parties thereto, and the nature and dates of any modifications thereof.

23. State whether Marshall Field, The Chicago Sun, or the Chicago Sun Syndicate, Inc., publishes or owns in whole or in part the firm or corporation which publishes "Parade—The Weekly Picture Newspaper."

24. If the answer to Interrogatory 23 is in the affirmative, state the names of all newspapers which, during the period December 1, 1941 to date, have been furnished or sold copies of said "Parade."

25. If the answer to Interrogatory 23 is in the affirmative, state whether contracts or agreements have been entered into by the publisher of "Parade" or any one acting in his behalf for the sale of "Parade" to any persons, firms, or corporations.

26. If the answer to Interrogatory 25 is in the affirmative, give the dates of all such contracts, the parties thereto, and the terms thereof, including any modifications thereof.

33. State whether Marshall Field solicited proxies on behalf of his application for membership in The Associated Press.

34. If the answer to Interrogatory 33 is in the affirmative, state all the names of the members of The Associated Press or of the newspapers represented by such members from whom Marshall Field solicited proxies.

35. State whether any proxies were given as a result of the solicitation for proxies by said Marshall Field or by any one acting for or in behalf of said Marshall Field, and if so state who gave such proxies and to whom.

36. State whether Silliman Evans voted a total of 120 proxies in behalf of the application of Marshall Field for election to membership in The Associated Press at the 1942 annual meeting of members of said Association.

38. State whether the linotype machines, presses, and other equipment used in the printing of The Chicago Sun are owned by Marshall Field or The Chicago Sun.

39. If the answer to Interrogatory 38 is in the negative, state whether such linotype machines, presses, and other equipment are owned by The Chicago Daily News.

40. If the answer to Interrogatory 39 is in the affirmative, set forth in detail the terms of all contracts, agree-

ments, or leases under which The Chicago Sun has used and now uses said equipment, including the dates upon which they were made, the parties thereto, and the nature and dates of any modifications thereof.

[fol. 1108]

EXHIBIT No. 3-A

Cohen, Cole, Weiss & Wharton
Attorneys and Counsellors at Law
61 Broadway
New York

April 14, 1943.

Hon. Tom C. Clark,
Assistant Attorney General,
Department of Justice,
Washington, D. C.

Re: *United States v. Associated
Press et al.*

DEAR SIR:

Replying to your letter of April 5th, I have taken up with Mr. Marshall Field, The Chicago Sun and The Chicago Sun Syndicate, Inc., the interrogatories concerning which the Government asked me to inquire.

I am enclosing herewith the information called for by these interrogatories, except for certain items of a private nature which I have advised Mr. Field are irrelevant and immaterial to the issues of the case. Five copies of such information are submitted as requested by you.

You will note that the exhibit showing the features made available to newspapers by the Sun Syndicate contains a column reading "starting date" and that that starting date in a number of instances preceded December 4, 1941. This, I am informed, is because certain of the features so made available were acquired by The Sun Syndicate after its organization but had actually been in existence for a considerable period before the Sun started publication. As a consequence the starting date indicates when that particular feature was first made available to the newspaper purchasing it by the predecessor owner.

Very truly yours, (Signed) Louis S. Weiss.

[fol. 1109]

EXHIBIT No. 3-B

Memorandum Relating to the Business of Mr. Marshall Field, The Chicago Sun and The Chicago Sun Syndicate, Inc. in Respect of Interrogatories Served Upon the Government by The Associated Press on April 3, 1943.

3. The answer to Interrogatory 3 is "Yes".

4. As and by way of answer to Interrogatory 4, copies of the contracts made between United Press Associations and The Chicago Sun are annexed hereto and made a part hereof.

5. The answer to Interrogatory 5 is "Yes".

6. As and by way of answer to Interrogatory 6, copies of the contracts made between New York Tribune, Inc. and Marshall Field and between New York Tribune Inc. and The Chicago Sun are annexed hereto and made a part hereof.

7. The answer to Interrogatory 7 is "Yes".

8. As and by way of answer to Interrogatory 8, a copy of the contract made between Acme Newspapers Inc. and Marshall Field, doing business as The Chicago Sun, together with supplementary letter, is annexed hereto and made a part hereof.

9. The answer to Interrogatory 9 is "Yes".

10. As and by way of answer to Interrogatory 10, copies of the following contracts, agreements and orders made between The Chicago Sun and sundry persons, firms and corporations, under which such persons, firms and corporations furnish news, features, pictures, comics or other material for publication in The Chicago Sun, are annexed hereto and made a part hereof:

NEA Service Inc.;
Register & Tribune Syndicate;
[fol. 1110] The Newspaper PM;
New York Post;
Transradio Press Service Inc.;
The McClure Newspaper Syndicate;
Mrs. Mary M. Aldrich;
Mr. Kenesaw M. Landis;

The McNaught Syndicate Inc. (BO Sunday Comic—
Fontaine Fox Sunday Comic);
Publishers Syndicate;
Reuters;
National Newspaper Service (Dr. Brady);
Mr. Baer and Mrs. Baer (“The Toodle Family Cut
Out”; “The Toodle Family”);
The City Press Association of Chicago;
Wander Company and Alfred M. Lowenthal (“Captain
Midnight”);
Carl Grubert (“The Berry’s”);
United Features Syndicate;
The Bell Syndicate Inc.;
British Combine Photos, Ltd.;
North American Newspaper Alliance, Inc.;
National Newspaper Service (Draftie Daily and Sun-
day);
Harris & Ewing Photographic Service.

19. The answer to Interrogatory 19 is “Marshall Field”.
[fol. 1111] 20. The answer to Interrogatory 20 is “Yes”.

21. As and by way of answer to Interrogatories 21(a),
(b) and (c), a list of all the newspapers, foreign and domes-
tic, to which The Chicago Sun Syndicate, Inc. has during
the period from December 1, 1941 to date furnished news,
features, pictures, comics or other material, is annexed
hereto and made a part hereof. The said list shows the
material furnished and in general establishes the nature
of that material.

As and by way of answer to Interrogatory 21(d), a list
of the newspapers with which the Syndicate has entered
into exclusive agreements or understandings is annexed
hereto and made a part hereof.

22. As and by way of answer to Interrogatory 22, the
list annexed by way of answer to Interrogatory 21(d) con-
tains summaries of terms of the said agreements or under-
standings and the parties thereto.

23. By way of answer to Interrogatory 23, Marshall
Field owns of record all of the stock of the corporation
which publishes “Parade—The Weekly Picture News-
paper” and is the beneficial owner of 70% of such stock.

24. By way of answer to Interrogatory 24, a list of the
names of all newspapers which during the period from De-

ember 1, 1941 to date have been furnished or sold copies of "Parade" is annexed hereto and made a part hereof.

25. The answer to Interrogatory 25 is that contracts and agreements have been entered into by the publisher of "Parade" for the sale of "Parade" to persons, firms and corporations.

26. By way of answer to Interrogatory 26, reference is made to the list made a part of the answer to Interrogatory 24.

[fol. 1112] 33. The answer to Interrogatory 33 is "Yes".

34. As and by way of answer to Interrogatory 34, Marshall Field solicited proxies from all members of the Associated Press as listed in the 1940 directory of the AP members.

35. As and by way of answer to Interrogatory 35, Marshall Field solicited proxies and 134 proxies were given in his behalf to Silliman Evans. A list of the said proxies, showing who gave the same, is annexed hereto and made a part hereof.

36. The answer to Interrogatory 36 is that Silliman Evans voted a total of 134 proxies on behalf of the application of Marshall Field for election to membership in the Associated Press at the 1942 annual meeting of members of said Association.

38. The answer to Interrogatory 38 is "No", save and except that The Chicago Sun owns some incidental equipment having a gross value not exceeding \$5000.

39. The answer to Interrogatory 39 is that the facts regarding the ownership of the linotype machines, presses and other equipment are unknown.

40. As and by way of answer to Interrogatory 40, copies of the contracts under which The Chicago Sun has used and now uses said equipment are annexed hereto and made a part hereof. References to the price paid by The Chicago Sun to the Chicago Daily News have been eliminated from these copies.

[fol. 1113] Contract, March 6, 1943, Chicago Sun With
United Press

Agreement Made this Sixth day of March 1943, at New York, N. Y., between the United Press Associations, a New York corporation, hereinafter called United Press, and Marshall Field, doing business as the Chicago Sun, hereinafter called the Publisher

Witnesseth:

That for and in consideration of the sum of One Dollar, each to the other in hand paid, the receipt whereof is hereby acknowledged, and of the mutual covenants herein contained, the parties hereto have mutually agreed as follows:

First. United Press hereby bargains and sells to the Publisher the right and privilege of publishing in the Sun, a newspaper printed in the English language, at Chicago, Ill., its regular night leased wire and auxiliary Report, and agrees as far as practicable to deliver to the Publisher such news Report daily by automatic printer telegraph machines. Said night leased wire and auxiliary Report shall be filed to the Publisher at New York, N. Y., or elsewhere if United Press so elect.

Second. The Publisher agrees to provide typewriter and any necessary quarters for wire and operator or printer-telegraph machines, and any necessary wire, installation and power required for operation of printer-telegraph machines, and agrees to receive and accept said news Report and pay without deduction to United Press, at its New York office, during the term of this agreement and any extension thereof, the sum of \$1750.00 (Seventeen hundred and fifty dollars) per week, weekly in advance, Provided, (1) that if the Telegraph or Telephone Company to which tolls are paid on behalf of the Publisher by United Press, raises the [fol. 1114] tolls on said news Report or increases the rental rate on printer-telegraph machine equipment supplied by them; or if the wage scale for union employees is increased, said Publisher shall also pay the increases in such tolls, rental or union wages to the United Press; (2) that if said news Report or any wire or other facilities used in the transmission thereof shall be hereafter made subject to any Federal or State tax of any kind payable either directly or

indirectly by United Press, the Publisher shall reimburse United Press for the proportion thereof, as determined by United Press, properly applicable to said news Report; (3) that in case of a war or any other extraordinary event requiring an additional or extraordinary expenditure of \$500.00 or more weekly by United Press in securing and delivering the news of the same, United Press may assess and the Publisher shall pay United Press an additional weekly sum not to exceed 25% of the Publisher's regular weekly payment, for a period coincident with said extraordinary expenditure by United Press.

Third. The Publisher agrees not to furnish, or permit to be furnished, by his employees or from his office any portion of the United Press Report, or any news tips therefrom, to any other person, corporation, publication or publisher, or make any other use thereof than in the above mentioned newspaper, without the written consent of United Press, and further agrees to respect all release pledges on advance matter and to carry copyright line on all copyrighted matter, and to carry the United Press credit line wherever it appears in the service copy.

Fourth. ~~The Publisher agrees to furnish to United Press at the office of the Publisher all the local news and special service from tributary news territory collected by the Publisher, without cost to United Press.~~

Fifth. ~~It is mutually agreed that United Press reserves the right to make working arrangements and exchanges of news and wire facilities with other press associations, publishers or persons and to sell said news Report to any other party or parties.~~

Sixth. It is further mutually agreed that United Press shall in no event be liable for any loss or damage arising to the Publisher by reason of the publication of any of the news received by the Publisher from United Press.

Seventh. This agreement is made subject to the ability of wire companies to furnish facilities, and the continuance of intermediate clients now on the circuit, unless United Press is satisfied with the rate named in this agreement, or same can be mutually readjusted.

Eighth. This agreement shall continue for ten (10) years from March 8th, 1943, and shall thereafter renew

itself continuously for periods of ten (10) years unless either party notify the other by registered letter received at least six months before the beginning of the first renewal period or any subsequent renewal period, of its desire to terminate this agreement, in which event this agreement shall terminate at the beginning of the next renewal period which would have commenced thereafter; otherwise, it shall remain in full force and effect, subject to all the terms and conditions hereof. In the event of the sale, transfer or consolidation of the aforesaid newspaper property of the Publisher, the Publisher hereby guarantees that his successor or assignee will fulfill the terms and conditions herein contained for the full life of this agreement.

Ninth. It is further mutually understood and agreed that time, both as to delivery of said news Report and as to said weekly payments, is of the essence of this agreement; that a waiver of any breach shall not be construed to effect a waiver of any future breach of this agreement.

Tenth. This written agreement comprises the entire understanding of the parties hereto on the subject matter [fol. 1116] herein contained; any and all oral representations or agreements of any agent of either party hereto shall be null, void and of no effect whatsoever.

(See reverse side for additional clauses)

Eleventh. The service described in the First Article of this agreement shall consist of the following: (1) The night leased wire report, from 2 pm. to 4 am. Central Time, daily, including double trunk service on Saturday nights; (2) The regular financial wire; (3) One hour financial overtime, Monday to Friday and two hour Saturday supplemental financial printer; (4) The race service; (5) Race chart service, one chart daily; (6) Special Springfield service to be filed to the Sun, tolls collect; (7) Day double trunk daily except Sunday; (8) Copies of sectional day wires from the Chicago office of the United Press.

Twelfth. It is further agreed that in event of complete and permanent cessation of publication of the above-mentioned newspaper, as differentiated from sale, transfer or consolidation, service under this agreement shall be terminated and either party will be liable for performance either as to service or payments.

Thirteenth. It is further agreed that the rate mentioned in Clause 3 of Article 2 includes an existing 15% war assessment, but that in the event of the general withdrawal of this assessment, no reduction in rate shall accrue to the Publisher hereunder.

Fourteenth. This agreement supersedes previous agreements between the United Press and the Chicago Sun, including an agreement dated September 29, 1941 with all attachments thereto, and an agreement dated March 23rd, 1942 providing for Broadcast service.

Fifteenth. It is further agreed that the day double trunk and sectional day reports are for publication only in regular morning editions of the Chicago Sun, and are not to be [fol. 1117] used in any editions reaching the streets before 5 pm., and carrying next day's date.

United Press Associations, by Hugh Baille, President. The Chicago Sun, by Silliman Evans, Publisher.

Signed and delivered in the presence of: As to U. P. A., Jack Bisco; As to Publisher, C. J. Randau.

ЕХНІВІТ "А"

Resolved, First: That Hugh Baille, as President, J. H. Furay, as Vice-President, and Edwin Moss Williams, as Vice-President, be and they are each hereby authorized to execute and deliver, on behalf of this corporation, any and all so-called perpetual contracts or so-called asset value agreements or contracts or agreements between this corporation and any person, firm, association, partnership or corporation concerning the delivery by this corporation and the use by any such person, firm, association, partnership or corporation, of any news report or other property or service produced or sold by this corporation, with full power in any of the said persons acting and signing any such contract or agreement on behalf of this corporation in the capacity stated, to fix the kind of news report, product, or service agreed to be delivered under such contract or [fol. 1118] agreement, the rate or rates to be charged therefor, the period during which such contract or agreement shall be effective, and any and all other terms and

conditions of any such contract or agreement as such person, acting in the capacity stated, may in his entire discretion determine; and

Second: That each of the above-named persons, acting in the capacities above-stated, respectively, shall have full power and authority to do or cause to be done any and all things on behalf of this corporation necessary, incidental or proper for the accomplishment of all the foregoing authorizations, and to cause this corporation to carry out and perform, on its part, the several terms and conditions of any and all such contracts or agreements; and

Third: That the Secretary or other proper officer of this corporation be and he is hereby authorized to execute, seal and deliver such certified or other copies of this resolution or extracts therefrom, as the business of this corporation may from time to time require.

Hugh Baille, President and Chairman. R. H. Fancher, Secretary.

[fol. 1119] STATE OF NEW YORK,
County of New York, ss:

R. H. Fancher, being first duly sworn, deposes and says that he is the duly elected and qualified Secretary of United Press Associations, a New York corporation, and that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of United Press Associations at a meeting of the said Board of Directors duly held, upon waiver of notice signed by all the members of said Board of Directors, on the 9th day of May, A. D. 1942, at 11 o'clock A. M., at its offices in the Daily News Building, New York, N. Y., at which meeting a quorum of said Board of Directors was present and that said resolution is still in force and effect.

R. H. Fancher.

Subscribed and sworn to before me this 12th day of March 1943. Carl B. Molander, Notary Public, Queens Co. Clks. No. 1279. Certificate filed in N. Y. Clerk's No. 119. Commission expires March 30, 1943. (Seal.)

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[fol. 1121]

The Chicago Sun
400 W. Madison St.
Chicago
Postal Telegraph

Charge U. P.
December 8, 1941.

Clem J. Randau, United Press, New York.

Rex Smith orders two hour undertime till forbid. Rate
\$211 weekly.

T. R. Curran.

December 4, 1941.

United Press Assns., New York, New York.

Confirming conversations with Boyd Lewis, we hereby
order a special four-hour extension of the United Press
night trunk wire providing complete news service up to
6 a. m. CST. at \$191.62 weekly.

This service and billing is in addition to that described in
the basic agreement between the Chicago Sun and United
Press dated Sept. 29, 1941; is to be governed by the same
terms and conditions, and this memorandum shall be con-
sidered a part thereof.

This special service shall start as soon as possible.

The Chicago Sun, by Silliman Evans.

[fol. 1122]

Chicago, Illinois,
November 24, 1941.

United Press Assns., New York, N. Y.

Confirming conversations with Boyd Lewis, we hereby
order Sunday day service at \$126.75 weekly.

This service and billing is in addition to that described in
the basic agreement between the Chicago Sun and United
Press dated Sept. 29, 1941; is to be governed by the same
terms and conditions, and this memorandum shall be con-
sidered a part thereof.

The starting date of this Sunday report shall be the same
as that of the regular U. P. service.

The Chicago Sun, by Rex Smith, Editor.

The Chicago Sun
400 W. Madison St.
Chicago

November 19, 1941.

United Press Assns., New York, N. Y.

Confirming conversation with T. R. Curran, we hereby order United Press race chart service, one chart daily, at a weekly rate of \$129.74.

This service is in addition to that described in the basic agreement with United Press dated Sept. 29, 1941, but shall [fol. 1123] be governed by the same terms and conditions, and this memorandum shall be considered a part thereof. The starting date of the chart service shall be the same as that of the regular U. P. service.

The Chicago Sun.

The Chicago Sun
400 W. Madison St.
Chicago

November 21, 1941.

Mr. Thomas J. Barry, The Chicago Sun, Daily News Building, Chicago, Illinois.

DEAR TOM:

In conformance with our conversation of Wednesday afternoon and superseding our previous arrangement for special coverage from Springfield, Ill., here is the outline of coverage from the capitol:

The Sun is to increase its weekly payments to us by \$35.00 to cover the cost of an additional staff man at our Springfield bureau who will be responsible for obtaining and filing night leads and a. m. releases from Springfield.

This copy is to be filed day press collect to the Sun either by Western Union or Postal Telegraph, whichever suits your convenience. The Sun is to pay these tolls.

We are to endeavor to keep our Springfield filings under 1000 words. Chamberlain and other staff men will be trusted to write night leads so that the bulk of day material may be picked up at an early hour.

[fol. 1124] Your correspondent, Adolph Belval, will be instructed to check with our bureau to be sure there is no duplication of filing.

So far as possible, we will attempt to meet a four p. m. deadline on these filings.

Will you please give us at least two weeks notice in the event you wish to terminate this agreement but modifications upward of this special service may be made on short notice, of course.

We will be glad to modify this arrangement in any way possible to make the service more acceptable and usable.

With best regards,

Sincerely, Boyd Lewis.

Accepted, (Signed) Thomas J. Barry.

THE CHICAGO SUN, 400 W. Madison St., Chicago.

November 29, 1941

UNITED PRESS ASSNS.
New York, N. Y.

Confirming conversations with Elmer C. Walzer, we hereby order a one-hour special wire operating daily except Saturday and Sunday from 3 p. m. to 4 p. m. C. S. T. and Saturday from 1 pm to 2 pm at \$113.69 weekly. This service is to provide Chicago stock table including high and low for year, dividend sales, open, high low, close and net change; bid and asked prices on untraded New York Stock [fol. 1125] Exchange stocks; and net changes on curb stocks, curb bonds, and New York Stock Exchange bonds.

This service and billing is in addition to that described in the basic agreement between the Chicago Sun and United Press dated Sept. 29, 1941; is to be governed by the same terms and conditions, and this memorandum shall be considered a part thereof.

The starting date of this special wire shall be Monday, December 1, 1941.

The Chicago Sun. By (Signed) O. M. Smucker.

The Chicago Sun
400 W. Madison St.
Chicago

November 21, 1941.

United Press Associations, 220 E. 42nd St., New York, N. Y.

Confirming conversations with Boyd Lewis, we hereby order additional United Press financial service to consist of one additional hour of service daily except Saturday and Sunday on circuit 7506 from 4:30 to 5:30 p. m. EST and two hours on circuit 7516 on Saturdays only between 1 and 3 p. m. EST, at a weekly rate of \$51.89.

This service is to be in addition to that described in the basic agreement with the United Press dated Sept. 29, 1941, but shall be governed by the same terms and conditions and this memorandum shall be considered a part thereof. The starting date of this additional service shall be the same as the regular financial service.

The Chicago Sun. By (Signed) G. A. De Witt.

[fol. 1126] Contract, September 29, 1941, Chicago Sun and
U. P.

Agreement made this twenty-ninth day of September 1941, at New York, N. Y., between the United Press Associations, a New York corporation, hereinafter called United Press, and Marshall Field and Silliman Evans, individuals, hereinafter called the Publisher.

Witnesseth:

That for and in consideration of the sum of One Dollar, each to the other in hand paid the receipt whereof is hereby acknowledged, and of the mutual covenants herein contained, the parties hereto have mutually agreed as follows:

First. United Press hereby bargains and sells to the Publisher the right and privilege of publishing in the (see Article 13) a newspaper printed in the English language at Chicago, Illinois, its regular night leased wire and auxiliary Report, and agrees as far as practicable to deliver to the Publisher such news Report every evening by automatic printer telegraph machines.

Said night leased wire and auxiliary Report shall be filed to the Publisher at New York, N. Y., or elsewhere if United Press so elect.

Second. The Publisher agrees to provide typewriter and any necessary quarters for wire and operator or printer-telegraph machines, and any necessary wire, installation and power required for operation of printer-telegraph machines, and agrees to receive and accept said news Report and pay without deduction to United Press, at its New York office, during the term of this agreement and any extension thereof, the sum of \$1,000 (One Thousand Dollars) per week during the first year; \$1,200 (Twelve Hundred Dollars) per week during the next three years and thereafter \$1,400 (Fourteen Hundred Dollars) per week, weekly in advance, *Provided*, (1) that if the Telegraph or Telephone Company to which tolls are paid on behalf of the Publisher by United Press, raises the tolls on said news Report or increases the rental rate on printer-telegraph [fol. 1127] machine equipment supplied by them; or if the wage scale for union employees is increased, said Publisher shall also pay the increases in such tolls, rental or union wages to the United Press; (2) that if said news Report or any wire or other facilities used in the transmission thereof shall be hereafter made subject to any Federal or State tax of any kind payable either directly or indirectly by United Press, the Publisher shall reimburse United Press for the proportion thereof, as determined by United Press, properly applicable to said news Report; (3) that in case of a war or any other extraordinary event requiring an additional or extraordinary expenditure of \$500.00 or more weekly by United Press in securing and delivering the news of the same, United Press may assess and the Publisher shall pay United Press an additional weekly sum not to exceed 25% of the Publisher's regular weekly payment, for a period coincident with said extraordinary expenditure by United Press.

Third. The Publisher agrees not to furnish, or permit to be furnished, by his employees or from his office any portion of the United Press Report, or any news tips therefrom, to any other person, corporation, publication or publisher, or make any other use thereof than in the above mentioned newspaper, without the written consent of United

Press, and further agrees to respect all release pledges on advance matter and to carry copyright line on all copyrighted matter, and to carry the United Press credit line wherever it appears in the service copy.

Fourth. The Publisher agrees to furnish to United Press at the office of the Publisher all the local news and special service from tributary news territory collected by the Publisher, without cost to United Press.

Fifth. It is mutually agreed that United Press reserves the right to make working arrangements and exchanges of news and wire facilities with other press associations, publishers or person and to sell said news Report to any other party or parties.

[fol. 1128] Sixth. It is further mutually agreed that United Press shall in no event be liable for any loss or damage arising to the Publisher by reason of the publication of any of the news received by the Publisher from the United Press.

Seventh. This agreement is made subject to the ability of wire companies to furnish facilities, and the continuance of intermediate clients now on the circuit, unless United Press is satisfied with the rate named in this agreement, or same can be mutually readjusted.

Eighth. This agreement shall continue for five (5) years from December 20, 1941 and shall thereafter renew itself continuously for periods of five (5) years unless either party notify the other by registered letter received at least six months before the beginning of the first renewal period or any subsequent renewal period, of its desire to terminate this agreement, in which event this agreement shall terminate at the beginning of the next renewal period which would have commenced thereafter; otherwise, it shall remain in full force and effect, subject to all the terms and conditions hereof. In the event of the sale, transfer or consolidation of the aforesaid newspaper property of the Publisher, the Publisher hereby guarantees that his successor or assignee will fulfill the terms and conditions herein contained for the full life of this agreement.

Ninth. It is further mutually understood and agreed that time, both as to delivery of said news Report and as to

said weekly payments, is of the essence of this agreement; that a waiver of any breach shall not be construed to effect a waiver of any future breach of this agreement.

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

(See reverse side for additional clauses)

[fol. 1129] Eleventh. The service described in the First Article of this agreement shall consist of the financial wire and the race wire in addition to the regular night leased wire report.

Twelfth: It is further agreed that in event of complete and permanent cessation of publication of the above-mentioned newspaper, as differentiated from sale, transfer or consolidation, service under this agreement shall be terminated and neither party will be liable for performance either as to service or payments.

Thirteenth. Service under this agreement shall commence on Dec. 20, 1941 or any time prior thereto on option of Publisher. Name of the paper to be added to this agreement by letter attachment when chosen.

United Press Associations, by Hugh Baillie, President. Marshall Field and Silliman Evans, by Marshall Field, Silliman Evans. (Seal.)

Signed and delivered in the presence of: Carl B. Molander, as to U. P. A. Jack Bisco, as to Publisher.

[fol. 1130] Contract October 15, 1941, Chicago Sun and New York Tribune, Inc., with Feature List Attached; Letters, November 22, 1941, and October 20, 1941, Concerning Chicago Sun-New York Tribune Syndicate Service Provided for in Contract of October 15, 1941; Contract March 25, 1943, Chicago Sun-New York Tribune, Inc., Covering New York Tribune Syndicate Service, With List of Syndicate Features Attached.

Agreement between New York Tribune, Inc., hereinafter sometimes called the Syndicate, and Marshall Field, who

is organizing and about to publish a Daily Newspaper in Chicago, Illinois.

1. During the period of two (2) years beginning November 15, 1941, and, except as hereinafter provided, continuing to and including November 14, 1943, the Syndicate shall furnish said Marshall Field, in ample time prior to release dates, at the following rate and upon the following terms and conditions, the Syndicate's Blanket Service and Syndicate Features, which at the date hereof consist of those listed in the annexed schedule marked "Schedule A."

2. This service also entitled Marshall Field to first option in his territory upon any new Features which the Syndicate may develop or acquire. If such Features are of usual run or customary substitutions, they will be included hereunder without additional charge; but if they are of unusual merit or of exceptional and unusual cost, the Syndicate shall be entitled to ask a fair price therefor, taking into consideration the significance of the City of Chicago, in addition to the rate stated herein, in which event said Marshall Field shall have the option to accept or reject such Features of unusual merit or of exceptional and unusual cost.

3. Current News Reports (including current Foreign Cables) and such Special Articles and Features included in the Syndicate's Blanket Service as may be specified by said Marshall Field from time to time will be transmitted [fol. 1131] promptly to him from New York City by telegraph, and said Marshall Field will reimburse the Syndicate for the out of pocket expense incurred for such transmission. All other material included in the Syndicate's Blanket Service will be mailed to said Marshall Field at Chicago, in proof or matrix form, and he will reimburse the Syndicate for the expense of postage.

4. Marshall Field shall pay the syndicate for the two years of said term commencing on November 15, 1941, weekly at the rate of \$600.00 per week, plus postage and the expense of telegraphic transmission of News Reports and Special Features as provided in Paragraph 3 hereof. However, Marshall Field shall have the option at any time within the term of this contract to extend this contract for an additional five year period at the weekly rate of \$500 per week plus postage and the expense of telegraphic transmission of News Reports and Special Features as provided

in paragraph 3 hereof. This weekly rate of \$500 shall begin when the extension is signed. However, if at any time during the term of the agreements, by reason of any emergency proclaimed by any Governmental authority, of war conditions, of abridgement of transportation facilities or of priorities decreed, the Syndicate would, in its sole judgment, incur, in order to perform this Agreement, additional expenditures, or by reason of inflation or otherwise, the Syndicate is of the opinion that the buying power of the dollar has been materially decreased, then from time to time the Syndicate shall, upon sixty days' notice in writing to said Marshall Field, have the right to request an increase in the price of said service. Whether or not this increase is granted shall be determined by an arbitration committee of three members, one member named by the said Marshall Field, one member named by the Syndicate, and one member named by both of the contracting parties.

5. Except as otherwise herein provided, so long as the Syndicate's Blanket Service shall remain substantially the same as the above described give and take, the said weekly [fol. 1132] rate shall remain unchanged; if, however, there should be material deterioration in such Service as the result of substitutions or otherwise, appropriate adjustments shall be made in the weekly rate.

6. ~~This Service is for the exclusive use of said Marshall Field in the City of Chicago.~~ Said Marshall Field shall not publish or cause or allow publication of any Features in advance of release date set by the Syndicate. He shall not use or cause or allow the use of any Feature except for one publication in the newspaper which he is about to publish and shall not sell or otherwise dispose of any Feature furnished, without written consent of the Syndicate. Said Marshall Field, however, shall have the right to assign this Agreement to any individual, corporation or partnership who or which may become the publisher of said newspaper, provided, however, that in no circumstances shall any such assignment release the said Marshall Field from his personal liability hereunder. The termination of this Agreement shall end all rights of said Marshall Field to the use of matter furnished hereunder.

7. Marshall Field shall have the right to query and receive information from the syndicate on news stories of

special interest to Chicago from whatever points the New York Tribune Inc., maintains news facilities. This special coverage cannot be construed as an assignment service but is intended by the said Marshall Field to provide protective coverage through the syndicate on important stories of extraordinary Chicago interest.

8. Nothing herein contained shall obligate the Syndicate to furnish matter which because of copyright by others or for any other reason it has no right to sell; and the obligations of the Syndicate hereunder are subject to rules now or hereafter in force of The Associated Press.

9. Marshall Field in his newspaper shall print in connection with the copyrighted and/or trade-marked matter [fol. 1133] a copyright notice and/or notice of trade mark registration, as the case may be, in form required by law by giving the name of the copyright and/or trade mark proprietor.

10. This Agreement, when properly executed, shall bind the parties hereto and their respective executors, administrators, successors and assigns.

11. This Agreement shall not be binding until accepted hereon in writing by the President or Vice president of the Syndicate in New York City. The foregoing provisions hereof constitute the whole Agreement and no oral modifications or additions shall be binding.

Dated: New York City, October 15, 1941.

New York Tribune, Inc., By Howard Davis, Vice
President. Silliman Evans (L.S.), Agent for Mar-
shall Field.

Rex Smith, Editor.

[fol. 1135] Chicago, Illinois, November 22, 1941.
New York Tribune Inc., 230 West 41st Street, New York,
New York.

GENTLEMEN :

The Agreement which you executed with me under date of October 15, 1941, provides that you shall forward to me your Syndicate's Blanket Service and Syndicate Features during the period of two years beginning November 15, 1941, and continuing to and including November 14, 1943.

I am not yet prepared to publish the Daily newspaper for which this Service was purchased from you and accordingly request that the first paragraph of that Agreement be changed to read as follows—

“1. During the period of two years beginning on January 1, 1942, unless an earlier date is set by Marshall Field by giving ten days' written notice to New York Tribune Inc. fixing such earlier date and, except as hereinafter provided, and continuing to and including December 31, 1943 or two years from the earlier date so set by Marshall Field, the Syndicate shall furnish said Marshall Field, in ample time prior to release dates, at the following rate and upon the following terms and conditions, the Syndicate's Blanket Service and Syndicate Features, which at the date hereof consist of those listed in the annexed schedule marked 'Schedule A'.”

I understand that as of November 15 the Lucius Beebe column has been released at my request by the Chicago Herald-American and I agree to pay you from that date to the date when our amended agreement begins the amount which would have been received by you for the Beebe column for that period from the Chicago Herald-American. The News Service and Lippmann and Sullivan features may be released by the Chicago Journal of Commerce before the beginning of our amended agreement. In that event, I agree to pay you from the date of such releases to the date [fol. 1136] of the beginning of our amended agreement the amount which you would have received for the News Service and Lippmann and Sullivan features from the Chicago Journal of Commerce during said period.

Yours very truly, Silliman Evans, Agent for Marshall Field.

MARSHALL FIELD AND SILLIMAN EVANS

In the Pre-Publication Office of the New Chicago Morning
Newspaper Suite 1260 Field Building, 135 S. La Salle
Street, Chicago, Illinois.

Andover 5656

October 20, 1941

AIR MAIL SPECIAL DELIVERY

Mr. Harry Staton, General Manager, New York Herald
Tribune Syndicate, 230 West 41st Street, New York City,
New York.

DEAR MR. STATON:

Regarding paragraph seven, it is our understanding that out of pocket expenses incurred by the Syndicate shall be paid back to the Syndicate by Marshall Field, and you may attach this to the contract between New York Tribune, Inc., and Marshall Field for the Syndicate's blanket service and syndicate features.

Very truly yours, (Signed) Silliman Evans Agent
for Marshall Field.

(Signed) Rex Smith, Editor.

Accepted: New York Tribune Inc.; Howard Davis Vice
President.

[fol. 1137] This agreement between the New York Tribune, Incorporated, hereinafter sometimes called the Syndicate, and The Chicago Sun, a daily newspaper published in Chicago, Illinois, supersedes the agreement dated October 15, 1941, between the New York Tribune, Incorporated and Marshall Field.

(1) During the period of three (3) years beginning March 29, 1943, and, except as hereinafter provided, continuing to and including March 28, 1946, the Syndicate shall furnish said Chicago Sun, in ample time prior to release dates, at the following rate and upon the following terms and conditions, the Syndicate's Blanket Service and Syndicate Features, which at the date hereof consist of those listed in the annexed schedule marked "Schedule A".

(2) This service also entitles The Chicago Sun to first option in its territory upon any new features which the

Syndicate may develop or acquire. If such features are of usual run or customary substitutions, they will be included hereunder without additional charge; but if they are of unusual merit or of exceptional and unusual cost, the Syndicate shall be entitled to ask a fair price therefor, taking into consideration the significance of the City of Chicago, in addition to the rate stated herein, in which event said Chicago Sun shall have the option to accept or reject such Features of unusual merit or of exceptional and unusual cost.

(3) Current News Reports (including current Foreign Cables) and such Special Articles and Features included in the Syndicate's Blanket Service as may be specified by said Chicago Sun from time to time will be transmitted promptly to them from New York City by telegraph, and said Chicago Sun will reimburse the Syndicate for the out of pocket expense incurred for such transmission. All other material included in the Syndicate's Blanket Service will be mailed to said Chicago Sun at Chicago, in proof or matrix form, and they will reimburse the Syndicate for the expense of postage.

(4) The Chicago Sun shall pay the Syndicate for the three (3) years of said term commencing on March 29, 1943, [fol. 1138] weekly at the rate of \$400.00 per week, plus postage and the expense of telegraphic transmission of News Reports and Special Features as provided in Paragraph 3 hereof. However, if at any time during the term of the agreements, by reason of any emergency proclaimed by any Governmental authority, of war conditions, of abridgement of transportation facilities or of priorities decreed, the Syndicate would, in its sole judgment, incur, in order to perform this Agreement, additional expenditures, or by reason of inflation or otherwise, the Syndicate is of the opinion that the buying power of the dollar has been materially decreased, then from time to time the Syndicate shall, upon sixty days' notice in writing to said Chicago Sun, have the right to request an increase in the price of said service. Whether or not this increase is granted shall be determined by an arbitration committee of three members, one member named by the said Chicago Sun, one member named by the Syndicate, and one member named by both of the contracting parties.

(5) Except as otherwise herein provided, so long as the Syndicate's Blanket Service shall remain substantially the same as the above described give and take, the said weekly rate shall remain unchanged; if, however, there should be material deterioration in such Service as the result of substitutions or otherwise, appropriate adjustments shall be made in the weekly rate.

(6) ~~This Service is for the exclusive use of said Chicago Sun in the City of Chicago.~~ Said Chicago Sun shall not publish or cause or allow publication of any Features in advance of release date set by the Syndicate. They shall not use or cause or allow the use of any Feature except for one publication in The Chicago Sun and shall not sell or otherwise dispose of any Feature furnished, without written consent of the Syndicate.

(7) The Chicago Sun shall have the right to query and receive information from the Syndicate on news stories of special interest to Chicago from whatever points the New York Tribune, Incorporated, maintains news facilities. This special coverage cannot be construed as an assignment service but is intended by the said Chicago Sun to provide [fol. 1139] protective coverage through the Syndicate on important stories of extraordinary Chicago interest.

(8) Nothing herein contained shall obligate the Syndicate to furnish matter which because of copyright by others or for any other reason it has no right to sell; and the obligations of the Syndicate hereunder are subject to rules now or hereafter in force of The Associated Press.

(9) The Chicago Sun shall print in connection with the copyrighted and/or trade-marked matter a copyright notice and/or notice of trade mark registration, as the case may be, in form required by law by giving the name of the copyright and/or trade mark proprietor.

(10) This Agreement, when properly executed, shall bind the parties hereto and their respective executors, administrators, successors and assigns.

(11) It is further agreed that in event of complete and permanent cessation of publication of the above-mentioned newspaper, as differentiated from sale, transfer or consolidation, service under this agreement shall be terminated

and neither party will be liable for performance either as to service or payments.

(12) This Agreement shall not be binding until accepted hereon in writing by the President or Vice President of the Syndicate in New York City. The foregoing provisions hereof constitute the whole Agreement and no oral modifications or additions shall be binding.

(13) The Chicago Sun shall have the option to renew this contract for an additional two years, at the same terms and conditions, by giving the Syndicate due notice in writing prior to December 28, 1945.

March 25, 1943.

New York Tribune, Inc., By Howard Davis, Executive Vice President; The Chicago Sun, By Silliman Evans.

[fol. 1140] "Schedule A"

NEW YORK HERALD TRIBUNE SYNDICATE FEATURES

Comics		Our Bill	
		by Harry Haenigsen	H
Sunday		Peter Piltdown	
		by Mal Eaton	H
(S-Standard Page)			
(H-Half Page)		Weekday	
Mr. and Mrs.		H. T. Webster	
by Arthur Folwell . .	S-H	Mr. and Mrs.	
The Timid Soul		Commentators	
by H. T. Webster . .	S-H	Walter Lippmann—	
Betty		3 articles weekly	
by C. A. Voight	H	Mark Sullivan—	
Peter Rabbit		4 articles weekly	
by Harrison Cady . .	H	Major G. F. Eliot—	
Clarence		7 articles weekly	
by Frank Fogarty and		William L. Shirer—	
Weare Holbrook . .	H	1 article weekly	
Skeets		Daily and Weekly Features	
by Dow Walling . . .	H		

	Daily	Home Institute service, including recipes and appliance news
Daily Cartoon Service		Gardens—Putz' "Garden Notebook"
Dinner Menus		Science—Feature article
Lewis Gannett's reviews		Stamps—News of stamp world
Sport Column		Puzzles—Weekly Crossword and Cryptograms
Bridge—Florence Osborn		House Clinic—Elizabeth Gordon—illustrated articles
Fashions—Katherine Vincent		Beauty—Sara Sutton
Children—Burgess' Nature Stories		Fashions—Katherine Vincent
News—Full News Service		State of Business—Harvey Runner
	Once-A-Week	Business Index
Theatres—Weekly Letter		
"This New York"—Lucius Beebe		
Society—Howard White		
Homemaking—Complete		

[fol. 1141] Contract December 8, 1942 (Chicago Sun-Acme Newspictures, Inc.; Letter December 8, 1942 *re* Acme Mat Service

Agreement made this Eighth day of December, 1942, at Cleveland, Ohio, between Acme Newspapers, Inc., a Delaware corporation (hereinafter called Acme), First Party, and Marshall Field, an individual doing business as The Chicago Sun (hereinafter called the Publisher), Second Party,

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 Sun a newspaper printed in the English language at Chicago, Ill., its Telephoto Service received at its Chicago Bureau and delivered by pneu-