

please refer to the referenced case and enclose a check in the amount of \$13.50 for the judgment alone, or \$37.00 for the judgment and appendix. Make the check payable to the Consent Decree Library.

Joel Gross,

*Chief, Environmental Enforcement Section,
Environment and Natural Resources Division.*

[FR Doc. 98-21916 Filed 8-13-98; 8:45 am]

BILLING CODE 4410-15-M

DEPARTMENT OF JUSTICE

Antitrust Division

Proposed Termination of Judgment

Notice is hereby given that defendant, National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Services Corporation ("NLS"), has filed with the United States District Court for the Northern District of Georgia, Atlanta Division, a motion to terminate the Judgment in *United States v. National Linen Service Corporation*, Civil Action No. 5171, and that the Department of Justice ("Department"), in a stipulation also filed with the Court, has tentatively consented to termination of the Judgment but has reserved the right to withdraw its consent pending receipt of public comments. The Complaint in this case (filed April 25, 1955) alleged that NLS had monopolized and attempted to monopolize the linen supply business in the Southeastern United States, and had also entered into price fixing agreements with competing linen suppliers.

On June 28, 1956, a Judgment was entered against NLS. In 1964, the name of National Linen Service Corporation became National Service Industries, Inc. The Judgment applies to two subdivisions of NSI's textile rental division: National Linen Service and National Healthcare Linen Service. The provisions of the Judgment that are still in effect prohibit NSI from combining with any linen supply company or laundry to fix prices to consumers, allocate territories or customers, or exclude any person from engaging in the linen supply business. It further enjoins NSI from charging unreasonably low prices for the purpose of suppressing competition; offering to supply linens without charge or at prices that discriminate between different customers in the same trade area, where the effect may be to injure competition (except that NSI is permitted to lower its prices or offer rebates to meet competition); entering into any requirements contracts; making certain potentially defamatory representations

to customers about competitors of NSI; threatening competitors or customers of competitors; coercing or agreeing with suppliers not to sell to competitors of NSI; entering into employment contracts with certain non-compete provisions; and from acquiring an interest in certain competing firms.

The Department has filed with the Court a Memorandum setting forth the reasons why the Government believes that termination of the Judgment would serve the public interest. Copies of NSI's motion papers, the Stipulation containing the Government's consent, the Government's Memorandum and all further papers filed with the Court in connection with this motion will be available for inspection at the Legal Procedures Unit of the Antitrust Division, Room 215 North, Liberty Place, Washington, DC 20530, and at the Office of the Clerk of the United States District Court for the Northern District of Georgia, Atlanta Division, 2211 Richard Russell Building, 75 Spring Street, S.W., Atlanta, GA 30303-3361. Copies of any of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Interested persons may submit comments regarding the proposed termination of the decree to the Government. Such comments must be received by the Division within sixty (60) days and will be filed with the Court by the Government. Comments should be addressed to Mary Jean Moltenbrey, Chief, Civil Task Force, Antitrust Division, Department of Justice, Liberty Place Building, Suite 300, 325 7th Street, N.W., Washington, DC 20530.

Rebecca P. Dick,

Director, Civil Non-Merger Enforcement.

Stipulation

It is stipulated by and between the undersigned parties by their respective attorneys that:

1. Defendant, National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Services Corporation, will publish at its expense a Notice, in the form attached as Attachment 1, in (a) two consecutive issues of *Textile Rental* and (b) two consecutive issues of *Industrial Launderer*; an Order, in the form attached as Attachment 2, directing such publication, may be filed and entered by the Court forthwith without further notice to any party or any other proceedings.

2. The United States will publish in the **Federal Register** a notice announcing NSI's motion and the

Department's tentative consent to it, summarizing the Complaint and Judgment, describing the procedures for inspection and obtaining copies of relevant papers, and inviting the submission of comments.

3. An Order in the form attached hereto as Attachment 3 terminating the Judgment entered in this cause of action on June 28, 1956, as amended, may be filed and entered by the Court, upon the request of any party or by the Court *sua sponte*, at any time more than 70 days after the last publication of the notices required by Paragraphs 1 and 2 of this stipulation and without further notice to any party or any other proceedings, provided that Plaintiff has not withdrawn its tentative consent, which it may do at any time before the entry of an Order terminating the Consent Decree by filing notice of withdrawal of its consent with the Court and serving a copy of said notice upon the other party.

4. In the event plaintiff withdraws its consent, or if the proposed Order terminating the decree is not entered pursuant to this stipulation, then this stipulation shall be of no effect whatsoever, the making of this stipulation shall be without prejudice to any party in this or any other proceeding, and the stipulation shall not thereafter be used in this or any other action or for any other purpose.

For the Plaintiff, United States of America.

Joel I. Klein,

Assistant Attorney General, Antitrust Division.

A. Douglas Melamed,

Principal Deputy Asst. Attorney General, Antitrust Division.

Rebecca P. Dick,

Director, Civil Non-Merger Enforcement, Antitrust Division.

Mary Jean Moltenbrey,

Chief, Civil Task Force, Antitrust Division.

Susan L. Edelheit,

Asst. Chief, Civil Task Force, Antitrust Division.

Theodore R. Bolema,

Attorney, Antitrust Division, U.S. Department of Justice, Liberty Place Building, Suite 300, 325 7th Street, NW., Washington, DC 20530, Telephone: (202) 616-5945.

For the Defendant National Service Industries, Inc.

Eric Queen,

Fried, Frank, Harris, Shriver & Jacobson, One New York Plaza, New York, NY 10004-1980, Telephone: (212) 859-8077.

Counsel for National Service Industries, Inc.

Notice of Proposed Termination of the Consent Decree Entered Against National Linen Service on June 28, 1956

Please take notice that National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Service Corporation, the named defendant in the Consent Decree entered by the Court in the above-captioned matter on June 28, 1956, has asked this Court to enter a judgment terminating the Consent Decree.

The United States has filed with the Court a memorandum setting forth the reasons why it believes that termination of the Consent Decree would serve the public interest. Copies of NSI's motion to terminate, the stipulation containing the United States' tentative consent, the United States' memorandum, and all further papers filed with the court in connection with this motion will be available for inspection at the Legal Procedures Unit of the Antitrust Division, Room 215 North, Liberty Place Building, Washington, DC 20530, and at the Office of the Clerk of the United States District Court for the Northern District of Georgia, Atlanta Division, 2211 Richard Russell Building, 75 Spring Street, S.W., Atlanta, GA 30303-3361. Copies of any of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Interested persons may submit comments regarding the proposed termination of the Consent Decree to the United States. Such comments must be received by the Antitrust Division within sixty (60) days and will be filed with the Court by the United States. Comments should be addressed to Mary Jean Moltenbrey, Chief, Civil Task Force, Antitrust Division, Department of Justice, 325 7th Street, NW, Suite 300, Washington, D.C. 20530.

Order Establishing Notice and Public Comment Procedures for Motion To Terminate Consent Decree

Defendant, National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Services Corporation, having moved for an order terminating the Consent Decree entered by this court in 1956 in this case; Plaintiff, the United States of America, having tentatively consented to said motion; Plaintiff having proposed, and Defendant have agreed, that notice of the motion and of Plaintiff's tentative consent be published at the expense of Defendant, and that all interested persons be given an opportunity to submit comments concerning the

proposed termination of the Consent Decree; and it appearing to the Court desirable to invite such comments, and in consideration of the stipulation of the parties dated _____, 199__, it is:

Ordered, that the Defendant, NSI, publish at its own expense a notice in the form attached hereto as Exhibit "A" in two consecutive issues of *Textile Rental and Industrial Launderer* and file proof of such publication with the Court; and it is:

Further Ordered, that copies of all comments received by Plaintiff within sixty (60) days after the last publication of a notices required by this Order shall be filed with this Court by Plaintiff promptly after it receives such comments; and it is:

Further ordered, that this Court will not rule upon the motion of NSI until at least the seventieth (70th) day after the last publication of the notice of required by this Order.

Done, this _____ day of _____, 199__.

United States District Judge

Judgment Terminating Consent Decree

This cause having come on to be heard on the motion of National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Service Corporation, for termination of the Judgment entered in this case on June 28, 1956, and the United States of America having represented to the Court that it has no objection to the motion and notice of the motion having been published in the **Federal Register**, *Textile Rental and Industrial Launderer* and all interested parties having been given an opportunity to submit comments concerning the proposed termination of the Consent Decree, and the Court having considered all papers and comments filed in connection with this motion, and the Court finding that is in the public interest to terminate the Consent Decree, it is,

Ordered, Adjudged, and Decreed:

That said judgment is hereby terminated.

Dated: _____

United States District Judge

Memorandum of the United States in Response to the Motion of National Service Industries, Inc. for Judgment Terminating Consent Decree

National Service Industries, Inc. ("NSI"), the successor corporation to National Linen Service Corporation, has moved this Court to terminate the Judgment, entered by this Court on June 28, 1956. In a stipulation between NSI and the United States, (1) NIS agreed to publish notice of its motion and

invitation for comments thereon in *Textile Rental and Industrial Launderer*, (2) the United States agreed to publish notice in the **Federal Register**, and (3) the United States tentatively consented to the entry of a judgment terminating the Judgment at any time more than 70 days after the last publication of such notice.

This memorandum summarizes the Complaint that initiated this action and the resulting Judgment, explains the reason why the United States has consented to termination of the Judgment, and discusses the legal standards and precedents respecting termination or modification of consent decrees. It also discusses the procedures proposed by the United States, and agreed to by NSI, for giving public notice of the pending motion, obtaining public comment on the motion, and assuring the right of the United States to withdraw its consent after any comments are received from nonparties.

I

The Complaint and the Judgment

On April 25, 1955, the United States filed in this Court a civil complaint against National Linens Services, Inc. ("NLS"), the leading supplier of linen services in the Southeastern United States, charging NLS with monopolization and attempted monopolization of the linen service business in several Southern states in violation of Section 2 of the Sherman Act, 15 U.S.C. 2, and also of price fixing in violation of Section 1 of the Sherman Act, 15 U.S.C. 1. Specifically, the Complaint alleged that the defendant bought out hundreds of competitors, suppressed competition by providing service below its costs in areas in which the defendant faced competition, gave customers rebates and other inducements not to deal with competitors, threatened to force competitors out of business, and entered into price fixing agreements with several remaining competitors.

On June 28, 1956, the Judgment was entered against NLS. Several provisions relating to notification of third parties of any divestiture of certain subsidiaries by NSI have long since expired. The provisions still in effect prohibit NSI from engaging in certain conduct in the relevant geographic market. Specifically, the Judgment enjoins the defendant from combining with any linen supply company or laundry to fix prices to consumers, allocate territories or customers, or exclude any person from engaging in the linen supply business. The Judgment also enjoins the defendant from charging unreasonably

low prices for the purpose of suppressing competition, and from offering to supply linens without charge or at prices that discriminate between different customers in the same trade area, where the effect may be to injure competition (except that NSI is permitted to lower its prices or offer rebates to meet competition). The Judgment further enjoins NSI from entering into any requirements contracts, from making certain potentially defamatory representations to customers about competitors of NSI, from threatening competitors or customers of competitors, and from coercing or agreeing with suppliers not to sell to competitors of NSI. Finally, the Judgment also enjoins NSI from entering into employment contracts with certain non-compete provisions and from acquiring an interest in certain competing firms.

In 1964, the name of National Linen Service Corporation became National Service Industries, Inc. The Judgment applies to two subdivisions of NSI's textile rental division: National Linen Service and National Healthcare Linen Service.

II

Legal Standards Applicable to the Termination of an Antitrust Decree With the Consent of the Government

This Court has jurisdiction to modify or terminate the Judgment pursuant to Section XIX of the Judgment, Rule 60(b)(5) of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 60(b)(5), and "principles inherent in the jurisdiction of the chancery." *United States v. Swift & Co.*, 286 U.S. 106, 114 (1932).

Where, as here, the United States tentatively has consented to a proposed termination or modification of a judgment in a government antitrust case, the issue before the Court is whether termination or modification is in the public interest. See, e.g., *United States v. Western Elec. Co.*, 993 F.2d 1572, 1576 (D.C. Cir. 1993); *United States v. Western Elec. Co.*, 900 F.2d 283, 305 (D.C. Cir. 1990), *cert. denied*, 111 S. Ct. 283 (1990); *United States v. Loew's, Inc.*, 783 F. Supp. 211 (S.D.N.Y. 1992); *United States v. Columbia Artists Management, Inc.*, 662 F. Supp. 865, 869-70 (S.D.N.Y. 1987), *citing United States v. Swift & Co.*, 1975-1 Trade Cas. (CCH) ¶ 60,201, at 65,702-03, 65,706 (N.D. Ill. 1975); *cf. United States v. American Cyanamid Co.*, 556 F. Supp. 361, 367 (S.D.N.Y. 1983), *rev'd on other grounds*, 719 F.2d 558 (2d Cir. 1983), *cert. denied*, 465 U.S. 1101 (1984). This is the same standard that a District Court applies in reviewing an initial

consent judgment in a government antitrust case. See 15 U.S.C. 16(e); *Western Elec. Co.*, 900 F.2d at 295; *United States v. AT&T*, 552 F. Supp. 131, 147 n.67 (D.D.C. 1982), *aff'd sub nom, Maryland v. United States*, 406 U.S. 1001 (1983); *United States v. Radio Corp. of Am.*, 46 F. Supp. 654, 656 (D. Del. 1942), *appeal dismissed*, 318 U.S. 796 (1943).

The Supreme Court has held that where the words "public interest" appear in federal statutes designed to regulate public sector behavior, they "take meaning from the purposes of the regulatory legislation." *NAACP v. FPC*, 425 U.S. 662, 669 (1976); see also *System Fed'n No. 91 v. Wright*, 364 U.S. 642, 651 (1961). The purpose of the antitrust laws, the "regulatory legislation" involved here, is, of course, to protect competition. E.g., *United States v. Penn-Olin Chem. Co.*, 378 U.S. 158, 170 (1964) (antitrust laws reflect "a national policy enunciated by the Congress to preserve and promote a free competitive economy.") Thus, the relevant question before the Court at this time is whether termination of the Judgment would serve the public interest in "free and unfettered competition as the rule of trade." *Northern Pac. Ry. Co. v. United States*, 356 U.S. 1, 4 (1958); see also *Western Elec. Co.*, 900 F.2d at 308; *United States v. American Cyanamid*, 719 F.2d 558, 565 (2d Cir. 1983), *cert. denied*, 405 U.S. 1101 (1984); *United States v. Loew's, Inc.*, 783 F. Supp. at 213.

It has long been recognized that the government has broad discretion in settling antitrust litigation on terms that will best serve the public interest in competition. See *Sam Fox Pub'g Co. v. United States*, 366 U.S. 683, 689 (1961). The court's role in determining whether the initial entry of a consent decree is in the public interest, absent a showing of abuse of discretion or a failure to discharge its duty on the part of the government, is to determine whether the government's explanation is reasoned and not to substitute its own opinion, *United States v. Mid-America Dairymen, Inc.*, 1977-1 Trade Cas. (CCH) ¶ 61,508, at 71,980 (W.D. Mo. 1977); see also *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir. 1981), *cert. denied*, 454 U.S. 1083 (1981), *quoting United States v. National Broad. Co.*, 449 F. Supp. 1127, 1143 (C.D. Cal. 1978). The government may reach any of a range of settlements that are consistent with the public interest. See, e.g., *Western Elec.*, 900 F.2d at 307-09; *Bechtel*, 648 F.2d at 665-66; *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975). The court's role is to conduct a limited review to "insur[e]

that the government has not breached its duty to the public in consenting to the decree," *Bechtel*, 648 F.2d at 666, through malfeasance or by acting irrationally.

The standard is the same when the government consents to the termination or modification of an antitrust judgment. *Swift & Co.*, 1975-1 Trade Cas. (CCH) ¶ 60,201, at 65,702-03. Where the Department of Justice has offered a reasoned and reasonable explanation of why the termination or modification vindicates the public interest in free and unfettered competition, and there is no showing of abuse of discretion or corruption affecting the government's recommendation, the Court should accept the Department's conclusion concerning the appropriateness of termination or modification.

III

Reasons Why the United States Tentatively Consents to Termination of a Judgment

The nature of competition for linen services has changed dramatically from what it was in 1956 and will undoubtedly continue to change in the future. Many new linen suppliers and uniform companies have entered the markets in which the defendant operates and not compete successfully against NIS. The Judgment has accomplished its remedial objective of permitting competition to develop in these markets, so that the alleged predatory practices that gave rise to the Complaint in 1955 are unlikely to be effective today. The remaining injunctive provisions do not proscribe any conduct that is not already proscribed by the Sherman Act and case law, and thus no longer serve any useful purpose. Indeed, the remaining injunctions may deter vigorous competition by NSI that could only benefit consumers. For all of the foregoing reasons, the United States concludes that termination of the Judgment is in the public interest.

IV

Proposed Procedures for Giving Public Notice of the Pending Motion and Inviting Comment Thereon

The opinion in *Swift & Co.*, 1975-1 Trade Cas. (CCH) ¶ 60,201, at 65,703, articulates a court's responsibility to implement procedures that will give nonparties notice of, and an opportunity to comment upon, antitrust judgment modifications proposed by consent of the parties:

Cognizant * * * of the public interest in competitive economic activity, established

chancery powers and duties, and the occasional fallibility of the Government, the court is, at the very least, obligated to ensure that the public, and all interested parties, have received adequate notice of the proposed modification. * * * (Footnote omitted.)

The Department of Justice believes that giving the public notice of the filing of a motion to terminate the Judgment in a government antitrust case, and an opportunity to comment upon that motion, is generally necessary to ensure that both the Department and the Court properly assess the public interest. Accordingly, over the years, the Department has adopted and refined a policy of consenting to motions to modify or terminate antitrust judgments only on condition that an effort be undertaken to notify potentially interested persons of the pendency of the motion. In the case at bar, the United States has proposed, and NSI has agreed to, the following:

1. The Department will publish in the **Federal Register** a notice announcing NSI's motion and the Department's tentative consent to it, summarizing the Complaint and Judgment, describing the procedures for inspecting and obtaining copies of relevant papers, and inviting the submission of comments.

2. NSI will publish notice of its motion in two consecutive issues of *Textile Rental* and two consecutive issues of *Industrial Launderer*. These periodicals are trade journals likely to be read by persons interested in the markets affected by the Judgment. The published notices will provide for public comment during the following 60 days.

3. The Department of Justice will file with the Court copies of all comments that it receives.

4. The parties will stipulate that the Court will not rule upon the motion for at least 70 days after the last publication by defendant of the notices described above (and thus for at least 10 days after the close of the period for public comments), and the Department will reserve the right to respond to comments or withdraw its consent to the motion at any time until an order modifying or terminating the Judgment is entered.

This procedure is designed to provide all potentially interested persons with notice that a motion to terminate the Judgment is pending and an adequate opportunity to comment thereon. NSI has agreed to follow this procedure, including publication of appropriate notices. The parties are therefore submitting to the Court a separate proposed order establishing this

procedural approach, asking that it be entered forthwith.

V

Conclusion

For the foregoing reasons, the United States (1) asks the Court to enter the order submitted herewith directing publication of notice of NSI motion, and (2) tentatively consents to the termination of the Judgment herein.

Dated:

Theodore R. Bolema,
Attorney, Antitrust Division, U.S. Department
of Justice, Liberty Place Building, Room 300,
325 7th Street, NW., Washington, DC 20530,
(202) 616-5945.

Attorney for the Plaintiff, United States of
America

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DEPARTMENT OF JUSTICE

Parole Commission

Sunshine Act Meeting

PUBLIC ANNOUNCEMENT

Pursuant To The Government In the Sunshine Act (Public Law 94-409 [5 U.S.C. Section 552b])

AGENCY HOLDING MEETING: Department of
Justice, United States Parole
Commission.

TIME AND DATE: 2:00 p.m., Monday,
August 17, 1998.

PLACE: 5550 Friendship Boulevard,
Suite 400, Chevy Chase, Maryland
20815.

STATUS: Open.

MATTER TO BE CONSIDERED: The meeting
is being held to discuss the budget
proposal for the fiscal year 2000.

Earlier notice of this meeting could
not be made because the Commission
was only advised on this date of the
deadline set by the Department of
Justice for the draft budget proposal,
and a later meeting would conflict with
Commissioners' schedules.

AGENCY CONTACT: Pamela Posch, Office
of the General Counsel, United States
Parole Commission, (301) 492-5959.

Dated: August 11, 1998.

Michael A. Stover,
General Counsel, U.S. Parole Commission.
[FR Doc. 98-21986 Filed 8-12-98; 11:00 am]
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DEPARTMENT OF LABOR

Employment Standards Administration

Wage and Hour Division; Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR Part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR Part 1, Appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act. The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public comment procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedes decisions thereto, contain no expiration dates and are effective from their date of notice in the **Federal Register**, or on the date written notice is received by the agency, whichever is earlier. These decisions are to be used in accordance with the provisions of 29