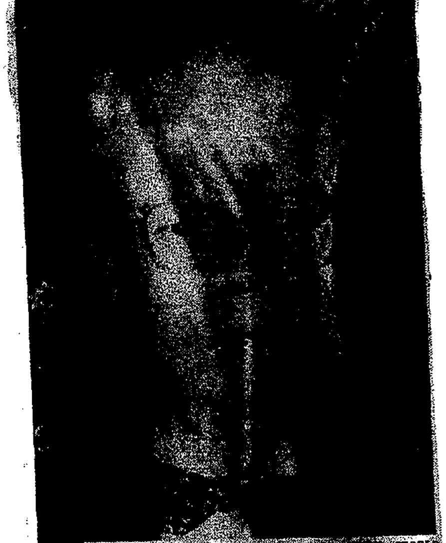

WIDE WORLD

APPEALS JUDGE LINDLEY: For trust-busters, he puts a . . .

Ban on Prespanking

A company, says Judge Walter Lindley, can't be barred from all future merger negotiations on the mere suspicion that it intends to concoct a monopoly.

That was his opinion in the National Lead Co. case before the Court of Appeals at Danville, Ill. But it's rated a good bet this week that the Federal Trade Commission will ask the U.S. Supreme Court to overturn that ruling and uphold the commission's much-criticized 1953 order that —in effect—broadly interpreted the FTC act to:

- Prevent mergers by National Lead with any of its competitors.
- Require National Lead and others to stop using pricing systems that resulted in identical prices.

Lindley's decision—handed down on the company's appeal of the FTC order—affirms the latter provision, but dismisses the charge that National Lead is planning to quell competition through mergers. Opinion: "The order before us seeks to spank the child because he may somewhere, somehow in the future engage in mischief. It is elementary that a court of equity will not enjoin one from doing what he is not attempting and does not intend to do."

What happens next is up to FTC, but chemical companies wondering about merger-hunts are taking a keen interest in the outcome.