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Title **Antitrust Immunity for AT&T is Barred by High Court Ruling**

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Abstract Supreme Court says that AT&T is subject to the antitrust laws just like anyone else.

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TRUST IMMUNITY A.T.&T. IS BARRED HIGH COURT RULING



On Allows U.S. Civil Suit to ed — I.C.C.-Alaska Pipeline ute on Rates to Be Heard

The New York Times

WASHINGTON, Nov. 28—The Supreme Court rejected today the contention of American Telephone and Telegraph Company that its far-flung communication network is immune from Government antitrust prosecution because it is subject to heavy Federal and State regulation.

The Justices voted unanimously to leave standing a decision that the Federal Government has jurisdiction to consider the telephone conspiracy and monopoly charges that the Department of Justice brought in 1974 against the telephone company and its subsidiaries, including Western Electric Company.

The high court also agreed to hear next year a dispute between the Federal Trade Commission and the affiliates of seven major oil companies over rates to be charged for use of the Trans-Alaska Pipeline system.

Case Stalled During Challenge

The ruling in the telephone antitrust suit (American Telephone and Telegraph Co. v. U.S.) means that the Government's suit, stalled during the jurisdictional challenge, can now proceed into pre-trial motions for documents and taking of depositions.

The Government contends that A.T. & T. and 23 companies it owns in whole or in part conspired to monopolize telephone service and equipment, obstructing connection with other systems and protecting themselves and their customers from equipment manufactured by Western Electric.

The antitrust suit also seeks to force A.T. & T. to divest itself of Western Electric, which in turn would divest itself of high manufacturing assets to insure competition in the field. In addition, the Western Electric Long Lines Division would be separated from the other operating companies to promote competition.

D. deButts, chairman of A.T. & T., said in a statement that the company was "disappointed" by the ruling because it had hoped . . . the public might be spared the cost of what could become the most complex and expensive antitrust litigation in the nation's history.

deButts said he believed the cost of the lawsuit was "unnecessary" because telephone companies "are not in violation of the antitrust laws" and are confident the courts will reject the Government charges.

Two years ago a Federal District Court rejected the companies' contention that they enjoyed "implied immunity from antitrust liability because they are subject to an all-pervasive scheme of regulation" by the Federal Communications Commission and comparable state agencies.

The District Court held that some immunity might arise where specific instances of conflict between antitrust and other jurisdiction were established. It said that the F.C.C. might prove to have primary jurisdiction, but that none had yet been established.

Parallel Appeal Was Rejected

A.T. & T. tried to carry this ruling directly to the Supreme Court last January, but losing the United States Court of Appeals. The high court refused to take the case. Then a parallel appeal was rejected by the Court of Appeals for the District of Columbia, the ruling the Supreme Court left intact today.

In the Alaska Pipeline case (Mobil Alaska Pipeline Co. v. U.S., No. 77-452, and others), the Justices agreed to decide whether the I.C.C. had the right to suspend rates proposed by the pipeline companies and substitute its own schedule, which averaged about 20 percent lower.

On Oct. 20, the Supreme Court issued an order permitting the companies to collect higher rates while their appeal is pending, subject to possible refund. Two weeks ago, the Justices voted, 5 to 3, to continue that authority, rejecting objections that permission to collect an additional \$1.5 million a day had been granted "improvidently and precipitately."



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