

10-23-95

THE STATE OF TEXAS,)	IN THE DISTRICT COURT
)	
Plaintiff,)	
)	
v.)	
)	
ABBOTT LABORATORIES; AMERICAN)	OF TRAVIS COUNTY, TEXAS
ACADEMY OF PEDIATRICS;)	
BRISTOL-MYERS SQUIBB COMPANY;)	
MEAD JOHNSON & COMPANY; AND)	
ROSS LABORATORIES,)	
)	
Defendants)	331ST JUDICIAL DISTRICT

CONSENT JUDGMENT

Plaintiff the State of Texas ("Texas") and Defendant American Academy of Pediatrics ("AAP"), by and through their counsel of record, have applied to the Court for entry of this Consent Judgment before any testimony has been taken, without trial or adjudication of any issue of fact or law. In recognition whereof, it is hereby ORDERED:

1. The Court finds that the AAP has appeared before the Court and that the Court has jurisdiction over the AAP for all purposes.

2. By agreeing to the entry of this Consent Judgment, the AAP does not admit any liability with respect allegations against it in this lawsuit.

3. The AAP shall not encourage, initiate, or participate in a boycott of or refusal to deal with any infant formula manufacturer in any manner based upon said manufacturer's use of nondeceptive advertising.

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Annexa Rodriguez
DISTRICT CLERK
TRAVIS COUNTY, TEXAS

4. The AAP shall not discriminate among infant formula manufacturers in any manner based upon said manufacturer's use of nondeceptive advertising, including but not limited to membership on AAP-sanctioned committees, access to AAP employees or members, advertising in AAP publications, sponsorship of AAP programs, and/or allocation of booths at conventions.

5. Nothing in this Consent Judgment is intended to preclude the AAP from continuing to speak out on matters of public health, and the AAP accordingly reserves the right to continue to speak out on matters of public health, including matters relating to the AAP's position recommending against direct-to-consumer advertising of infant formula and its opposition to the indiscriminate distribution of discharge packs.

6. For three years following the date on which this Order becomes final, the AAP shall promptly provide the Antitrust Section of the Consumer Protection Division of the Office of the Attorney General of Texas with a copy of any written policy, practice, or statement made or promulgated by the AAP relating to the advertising of infant formula or the provision of free infant formula samples.

7. Upon submission to the Court by Texas and the AAP of a stipulation and joint motion to modify this Order, said Order shall thereupon be modified in accordance with the stipulation and joint motion without further action of the Court.

8. Any and all liens on the property of the AAP that Texas has in connection with this lawsuit are by this Consent Judgment released and removed.

9. The claims of Texas in this lawsuit against the AAP are dismissed with prejudice to the refileing of same, with each party bearing its own costs and expenses.

10. Nothing contained in this Consent Judgment is or has been created for the benefit of any third party, and nothing herein shall be construed to provide any rights to any third party.

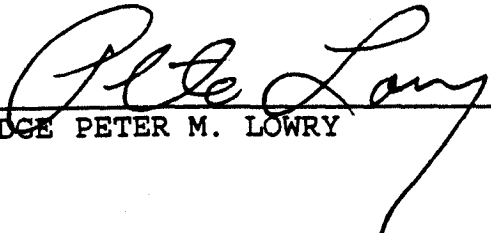
11. This Consent Judgment shall be governed by the laws of Texas. Any dispute concerning this Consent Judgment or its interpretation may be resolved only in the District Court for Travis County, Texas, and both parties acknowledge the jurisdiction of the Court for such purposes.

Jurisdiction is maintained by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction, implementation, or modification of this Order. The parties waive any right to bring suit or be heard with regard to this Consent Judgment in any other court. The parties consent to service of any pleading or other notice relating to this Consent Judgment by first-class mail on counsel of record in this proceeding.

12. Texas and the AAP have compromised and settled all claims for relief against the AAP arising prior to the

date of this Consent Judgment, as well as any potential but unasserted claims for relief against Texas arising out of Texas' investigation and bringing of this lawsuit. Texas and the AAP have agreed to entry of the Consent Judgment. It is hereby determined that no just reason exists for delay in entering this Consent Judgment in the manner provided herein and, therefore, entry of this Consent Judgment is hereby directed.

Signed, this 23rd day of October, 1995.



JUDGE PETER M. LOWRY

CONSENT

Plaintiff State of Texas and Defendant American Academy of Pediatrics agree to the form and substance and hereby request entry of the foregoing Consent Judgment.

DAN MORALES
Attorney General of Texas

JORGE VEGA
First Assistant Attorney
General

LAQUITA A. HAMILTON
Deputy Attorney General for
Litigation

THOMAS P. PERKINS, JR.
Assistant Attorney General
Chief, Consumer Protection
Division

MARK TOBEY
Assistant Attorney General
Deputy Chief for Antitrust

REBECCA FISHER
Assistant Attorney General
Antitrust Section
State Bar No. 07057800

OFFICE OF THE ATTORNEY
GENERAL
P.O. Box 12548
Austin, TX 78711-2548
512/463-2185
512/320-0975 (Facsimile)

By: Rebecca Fisher
Attorneys for Plaintiff
State of Texas

Donald R. Harris
Nicole Finitzo
Horace W. Jordan, Jr.
JENNER & BLOCK
One IBM Plaza
Chicago, IL 60611
312/222-9350
312/527-0484 (Facsimile)

Robert M. Roller
ROLLER & ALLENSWORTH
620 Congress Avenue
Suite 200
Austin, TX 78701
512/708-1250
512/708-0519 (Facsimile)

By: Robert Roller & C. J. Jacob
Attorneys for Defendant
American Academy of
Pediatrics