

# National City Trust Case Goes to Jury

A jury of 12 housewives trying the federal government's anti-trust case against the National City Lines, E. Roy Fitzgerald, the company's president, and others, was ordered last night by Judge William J. Campbell in federal District court to recess and resume its deliberations at 10 a. m. today. The jury had deliberated 12 hours. The trial began Feb. 14.

The government charged the group with conspiracy in restraint of trade in connection with the operations of the National City Lines and the Pacific City Lines of San Francisco. It alleged that the operating transportation companies entered into agreements whereby in exchange for cash advances its suppliers were given exclusive contracts for their products—actions alleged to be in restraint of trade.

## Charge Suppliers Invested

The government charged that supplier defendants advanced as much as 8 million dollars as investments to assist National City and its officers in buying up transportation lines thruout the country. In return National City and Pacific agreed to buy from the suppliers such items as buses, tires, and gasoline.

Attorneys for the defendants denied any conspiracy, or even an attempt, to monopolize the transportation business in the areas in which they operated.

Atty. John T. Chadwell, representing Fitzgerald and the National City and Pacific City Lines, in his closing arguments asserted "there is no truth in the government's charge that Fitzgerald ever conspired with any one." He described Fitzgerald as an energetic man who started with nothing and raised himself to affluence thru his own energy and ability.

## Stock Sale Held Costly

Chadwell said Fitzgerald foresaw in 1934 that local street car systems in small cities thruout the country were breaking down and that such systems required replacements with modern equipment. After a costly experience in selling a stock issue thru bankers, Fitzgerald made an arrangement to obtain financing thru his suppliers without having to pay fees and other charges.

It was these considerations and not any conspiracy which led to the supply contracts and the investments, Chadwell said. He asserted that each contract was different in form from the others and that each was negotiated separately.

Representing a gasoline supplier, Templeton Brown, said the situation "was no different from that of a housewife who purchases her milk from one milk dealer. If they (the defendants) are in restraint of trade, so is the housewife."