**WHAT HAPPENED? WHAT IS THE STORY BEHIND THE CASE?**

**The major stockholders of two competing railroads set up a holding company to buy controlling interest in their railroads**

**The Sherman Antitrust Act (1890) forbade “unreasonable restraints on trade”**

**President T. Roosevelt considered himself a trustbuster and was pushing a campaign of busting up bad monopolies, believing that the Northern Securities Company was formed only to eliminate competition and ordered it to be dissolved**

**HOW DID THE SUPREME COURT RULE IN THE CASE?**

The Court found that a holding company formed solely to eliminate competition between the two railroads was in violation of the Sherman Antitrust Act

It unreasonably restrained interstate and international commerce Congress, under the commerce clause, had the authority to eliminate monopolies

Federal antitrust legislation could apply to any conspiracy which sought to eliminate competition between otherwise competitive railroads.

**INVOLVED (ex. people, states, amendments, laws)**

Northern Securities Company, Sherman Antitrust Act, Theodore Roosevelt, Commerce Clause of the Constitution

**NAME OF CASE**

Northern Securities Co v. U.S.

**YEAR OF CASE**

**1904**

**WHAT IS THE CONSTITUTIONAL ISSUE IN THIS CASE?**

Whether the United States Congress had the authority, under thee Commerce Clause of the Constitution, to regulate the holding company’s effort to eliminate competition.