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8 UNITED STATES DISTRICT COURT
9 FOR THE NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11
12 UNITED STATES OF AMERICA) Cr. No.: 00-573
13)
14 v.) VIOLATION:
15 GARFIELD PALLISTER,) Title 15, United States Code,
16 Defendant) Section 1 -- Conspiracy in Restraint of Trade
17) (Bid Rigging)
18)

19 **INFORMATION**

20 The United States of America, acting through its attorneys, charges:

21 **I.**

22 **THE DEFENDANT**

- 23 1. GARFIELD PALLISTER is made a defendant on the charge stated below.
- 24 2. At all relevant times, defendant GARFIELD PALLISTER was the owner of Columbus
25 Books, a bookstore dealing in new and used books, located in San Francisco, California.
- 26 3. Various corporations and individuals not made defendants in this Information
27 participated as co-conspirators in the offense charged and performed acts and made statements in
28 furtherance of it.

1 **II.**

2 **POSTAL AUCTIONS**

3 4. At all relevant times, the United States Postal Service, San Francisco District,
4 conducted public auctions of undelivered and unclaimed mail, including lots of hardback and
5 paperback books. The auctions were held approximately every eight weeks at the Embarcadero
6 Postal Center in San Francisco, California. Along with other merchandise, each auction involved
7 approximately 50 lots of books. Each lot consisted of approximately 800-1000 books and carried a
8 minimum bid price. The merchandise to be sold at these auctions, including the lots of hardback and
9 paperback books, was available for preview one and one-half hours before the start of the auction and
10 was sold to the highest bidder.

11 **III.**

12 **DESCRIPTION OF THE OFFENSE**

13 5. On or about September 23, 1999, in the Northern District of California, PALLISTER
14 and others, both known and unknown, knowingly participated in a combination and conspiracy, in
15 violation of Section 1 of the Sherman Act (15 U.S.C. § 1), to suppress competition by rigging bids at
16 the auction of undelivered and unclaimed mail conducted by the United States Postal Service, San
17 Francisco District, held on that date at the Embarcadero Postal Center. The combination and
18 conspiracy engaged in by the defendant and his co-conspirators was an unreasonable restraint of
19 interstate trade and commerce.

20 6. The charged combination and conspiracy consisted of an agreement, understanding,
21 and concert of action among PALLISTER and his co-conspirators, who were other regular bidders
22 and purchasers of books, the substantial terms of which were to allocate certain book lots among
23 themselves and to refrain from full competitive bidding for certain book lots at the aforesaid auction.

24 7. For the purposes of forming and carrying out the charged conspiracy, PALLISTER
25 and his co-conspirators did those things they combined and conspired to do, including, among other
26 things, meeting during the preview period prior to the auction to discuss bidding for certain book lots
27 and to allocate among themselves certain book lots on which each of them would bid, with the
28 understanding and agreement that they would not then bid against each other on those lots that had

1 been allocated to each participant in the conspiracy. As a result, PALLISTER and his co-
2 conspirators were able to purchase certain book lots at prices lower than would have resulted from a
3 fully competitive auction, thereby depriving the United States Postal Service of the full value of the
4 auctioned merchandise.

5 **IV.**

6 **TRADE AND COMMERCE**

7 8. The auctions conducted by the San Francisco District attracted numerous out-of-state
8 bidders and involved books mailed to and from addresses in states other than the State of California.
9 In addition, the books were mailed by publishers, book clubs, and others that were located outside the
10 State of California. As a result of these activities, the auctions and the books sold at those auctions
11 were in a continuous and uninterrupted flow of, and substantially affected, interstate trade and
12 commerce.

13 9. The business activities of PALLISTER and his co-conspirators that are the subject of
14 this Information were within the flow of, and substantially affected, interstate trade and commerce.

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V.

JURISDICTION AND VENUE

10. The combination and conspiracy charged in this Information was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

_____/s/_____
Joel I. Klein
Assistant Attorney General

_____/s/_____
Christopher S Crook
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_____/s/_____
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