



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, MARCH 6, 1970

The Department of Justice filed a civil antitrust suit today charging Evans Products Company, of Portland, Oregon, with making reciprocal purchasing and selling arrangements with railroads.

Attorney General John N. Mitchell said the complaint, which was filed in the United States District Court at Chicago, Illinois, charged that Evans Products has, since 1958, entered into combinations with various railroads to restrain trade involving reciprocal purchase and sales arrangements, in violation of Section 1 of the Sherman Act.

The complaint also charged that Evans Products, since 1958, has used its purchasing power in an attempt to monopolize the requirements of actual and potential supplier-customers for railroad transportation equipment which is sold by Evans Products, in violation of Section 2 of the Act.

The violations, the suit alleged, have had the effect of foreclosing competitors of Evans Products from selling substantial quantities of railway equipment to railroads that are supplier-customers of Evans Products, and of preventing actual and potential railroad suppliers of shipping space usable by Evans Products from selling substantial quantities of such shipping space to Evans Products.

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Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said Evans Products is a major producer of railroad transportation equipment, and is a leading firm in the rail-car damage prevention equipment field. In 1968, approximately \$49 million of Evans' total sales of \$341,664,000 were accounted for by the sale or leasing of railroad transportation equipment. Evans Products also is a major producer and distributor of plywood and other building materials, a substantial portion of which moves by rail.

The suit asked that the reciprocal arrangements and attempt to monopolize by Evans Products be declared unlawful; that Evans Products take action to eliminate the means by which the reciprocal practices were carried out; and that Evans Products be enjoined from engaging in reciprocal practices with respect to all actual and potential customers and suppliers.