



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, JUNE 15, 1970

The Department of Justice filed three antitrust suits today charging four grain exporting companies with entering into unlawful agreements providing for exclusive stevedoring services at their grain elevators in Gulf Coast ports.

Attorney General John N. Mitchell said the suits, charging violations of the Sherman Act, and proposed consent decrees were filed in U.S. District Courts in New Orleans, Louisiana, and Beaumont, Texas.

Names as defendants in the New Orleans suits were Bunge Corporation, New York City, and Archer-Daniels-Midland Company, Minneapolis, Minnesota, and Garnac Grain Company, Inc., New York City. The Beaumont suit named Continental Grain Company, New York City.

The Bunge complaint alleged that since 1962 the company and Southern Stevedoring Company, Inc., New Orleans, named as a co-conspirator in the suit, have engaged in a conspiracy to monopolize and unreasonably restrain the stevedoring of grain at the Bunge export grain elevator at Destrehan, Louisiana, the principal grain export location in the United States.

Under a contract, Southern became the resident stevedoring company at the Bunge elevator, the suit said, and Bunge has undertaken by various means to persuade ship owners using the Bunge elevator to designate Southern as stevedore.

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The suit also charged that Bunge has taken steps to make it impossible for outside stevedores to compete with Southern at the Bunge elevator, and as a condition of accepting a ship at its elevator for loading, Bunge required ship owners who are entitled to select stevedores to agree to designate Southern for grain-loading.

The complaint against Archer-Daniels-Midland and Garnac, joint owners and operators of the only other grain elevator in Destrehan, charged that since 1963 the companies have required all ship owners who are entitled to select stevedores to enter into contracts obligating them to hire T. Smith & Son, Inc., as stevedore as a condition of accepting the ship at the elevator for loading.

The complaint against Continental charged that since 1965 the company has required the hiring of Atlantic & Gulf Grain Stevedoring Associates for stevedoring work at its Beaumont elevator.

Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said the proposed consent decrees, which may be entered in 30 days to terminate the cases, would enjoin the four companies from directly or indirectly conditioning the loading of grain at their elevators upon the hiring of a particular stevedore.

The decree extends to all grain elevators owned or operated by the companies in the United States.

The United States is the world's leading grain exporter, and two-thirds of U.S. grain exports are shipped from elevators along the Gulf Coast.