



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, JUNE 30, 1972

The Department of Justice filed a civil antitrust suit today charging T.I.M.E.-DC Inc., a truck line based in Lubbock, Texas, with using reciprocal purchasing arrangements with its customers and suppliers in violation of the Sherman Act.

Attorney General Richard G. Kleindienst said the complaint and a proposed judgment -- which will become final in 30 days upon approval by the Court -- were filed in the U.S. District Court in Dallas.

T.I.M.E.-DC is the sixth largest truck line in the United States. It operates over 37,000 miles of truck routes through 47 terminals in the United States and Canada and had total revenues in 1971 of approximately \$154 million.

The company is the result of a merger in 1969 of three large truck lines, T.I.M.E., DC International, and LASME, or Los Angeles-Seattle Motor Express.

The suit charged that since at least 1962, T.I.M.E.-DC has violated Section 1 of the Sherman Act by entering into arrangements to purchase products and services from its suppliers upon the understanding they would purchase services from T.I.M.E.-DC.

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The suit also charged that T.I.M.E.-DC has used its purchasing power since at least 1962 in an attempt to monopolize the requirements of its actual and potential suppliers for the kind of services provided by the company in violation of Section 2 of the Act.

According to the complaint, T.I.M.E.-DC's reciprocal purchasing arrangements have had the effect of foreclosing its competitors from selling substantial amounts of common carrier services to its suppliers.

The complaint also charged that the arrangements had the effect of foreclosing other suppliers of goods and services required by T.I.M.E.-DC from selling such goods and services to the company.

Acting Assistant Attorney General Walker B. Comegys, in charge of the Antitrust Division, said the proposed judgment would be in effect for 15 years.

He said it would prohibit T.I.M.E.-DC from:

-- using its purchases to aid, influence or promote its sales to suppliers;

-- purchasing or selling products, goods or services on the condition or understanding that purchases by it from any supplier will be based or conditioned upon its sales to such supplier;

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-- communicating to any customer that its sales to such customer are a factor in its purchasing decisions; and,

-- maintaining statistical compilations that compare sales to and purchases from suppliers.

The judgment also would require T.I.M.E.-DC to:

-- refrain from assigning any trade relations function or duty to any employee;

-- instruct its officers and agents that they must adhere to the policy of basing all purchasing decisions on price, quality, service and financial responsibility; and,

-- invite competitive bids for major purchases of trucks, trailers, tires, petroleum products, and certain other equipment and supplies.

Comments to the Department of Justice and the Court regarding the proposed judgment are invited from members of the public during the 30-day waiting period prior to the judgment becoming final.