



# Department of Justice

FOR IMMEDIATE RELEASE  
FRIDAY, JUNE 23, 1972

The Department of Justice filed a civil antitrust suit today charging the Westinghouse Electric Corporation with using reciprocal purchasing arrangements with 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 Pittsburgh, Pennsylvania, where Westinghouse maintains its home office.

The suit charged that Westinghouse has violated Section 1 of the Sherman Act by entering into arrangements to purchase goods and services from its suppliers on the understanding that such suppliers would purchase goods and services from Westinghouse.

According to the complaint, Westinghouse's reciprocal purchasing arrangements have had the effect of foreclosing its competitors from selling substantial quantities of goods and services to its suppliers.

The complaint also charged that the arrangements had the effect of preventing other suppliers of such goods and services from selling in substantial quantities to Westinghouse.

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Acting Assistant Attorney General Walker B. Comegys, in charge of the Antitrust Division, said the proposed judgment would be in effect for 10 years.

He said it would prohibit Westinghouse from:

-- purchasing products or services from, or selling products or services to, any customer or supplier upon the understanding that Westinghouse's purchases of products or services from such customer or supplier will be conditioned upon its sales to such customer or supplier;

-- communicating to any customer, supplier or contractor that Westinghouse's sales to any such person are a factor in its purchasing decisions;

-- discussing with any supplier or contractor the relationship of purchases and sales between them or comparing statistical data to further such a relationship; and,

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

Westinghouse is also directed by the proposed judgment to refrain from establishing or maintaining any office or position whose activities, programs or objectives are to promote trade relations involving reciprocal purchasing arrangements.

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.