



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, JANUARY 28, 1972

The Department of Justice filed a civil antitrust suit today to enjoin three wholesale distributors of alcoholic beverages from fixing the prices at which Seagram's and Canadian Club products are sold to retailers in Alaska.

Attorney General John N. Mitchell said the complaint was filed in the United States District Court in Anchorage, Alaska and contains charges which are parallel to those made in a criminal indictment filed in the same court on December 9, 1970.

Named as defendants in the civil suit were: Odom Company, Seattle, Washington; Anchorage Cold Storage Co., Inc., Anchorage, an affiliate of Odom Company; and Alaska Distributors Company, Seattle.

Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said the suit alleges that:

--the defendants and their co-conspirators have violated Section 1 of the Sherman Act by agreeing to eliminate discounts other than those agreed upon in advance in connection with the sale of Seagram's products to retailers in Alaska:

--that the defendant companies have agreed to eliminate all discounts to Alaskan retailers on sales of Seagram's V.O., Seagram's Crown Royal and Canadian Club;

OVER

--that, as a result of the conspiracy, Alaskan retailers have been deprived of the opportunity to purchase Seagram's and Canadian Club products at competitive prices, and that the cost of such products to retailers and consumers in Alaska has been increased.

Throughout the period of the alleged conspiracy, which is charged to have begun in or about October of 1968, the defendants have been the exclusive distributors of Seagram's products to retailers in Alaska.

During the same period, Alaska Distributors has been the exclusive distributor of Canadian Club products to such retailers.

In 1969, the defendants sold approximately \$6 million worth of Seagram's and Canadian Club products in Alaska.

The suit asks that each of the defendants be permanently enjoined from divulging information regarding prices, discount terms or pricing intentions with respect to liquor products to any competitor, and that each defendant be required to independently determine and adopt new prices for the Seagram's and Canadian Club products which it sells.

On November 8, 1971, the defendant companies and two of their officers, which had been named as defendants in the criminal case, entered pleas of nolo contendere to the charges in the indictment.

On December 20, 1971, fines totalling \$85,000 were imposed against the defendants in that action.