



# Department of Justice

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FOR IMMEDIATE RELEASE  
FRIDAY, JANUARY 28, 1972

The Department of Justice filed a civil antitrust suit today charging Owens-Illinois, Incorporated, one of the world's leading manufacturers of packaging products, with entering into reciprocal purchasing arrangements with its customers and suppliers in violation of the Sherman Act.

Attorney General John N. Mitchell said the complaint and a proposed consent judgment, which would become final in 30 days upon approval by the court, were filed together in the United States District Court in Toledo, Ohio.

The suit charged that Owens-Illinois, which has its headquarters in Toledo, 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 from Owens-Illinois.

It is also charged that Owens-Illinois has used its purchasing power to promote sales in an attempt to monopolize the requirements of its actual and potential customer-suppliers for packaging products and other products which Owens-Illinois produces, in violation of Section 2 of the Sherman Act.

OVER

Owens-Illinois is alleged to have engaged in these violations since at least 1960.

In 1970, Owens-Illinois had total sales of over \$1 billion. Owens-Illinois makes substantial purchases of goods and services from corporations that are purchasers of the type of products produced by Owens-Illinois.

The suit alleges that the effect of the reciprocal purchasing arrangements has been to foreclose competitors of Owens-Illinois from selling substantial quantities of goods to Owens-Illinois' suppliers, and to prevent suppliers of the type of goods and services purchased by Owens-Illinois from selling substantial quantities of such goods and services to Owens-Illinois.

Deputy Assistant Attorney General Walker B. Comegys, Antitrust Division, said the proposed judgment, which would be in effect for 10 years, would prohibit Owens-Illinois from purchasing products or services from any supplier on the condition or understanding that such supplier will make purchases from Owens-Illinois.

The proposed judgment would also prohibit Owens-Illinois from communicating to any actual or potential supplier or contractor that preference in purchasing by Owens-Illinois will be given to such supplier or contractor based upon Owens-Illinois' sales to that supplier or contractor.

OVER

In addition, Owens-Illinois would be prohibited from maintaining statistical compilations that compare sales to and purchases from a particular supplier or group of suppliers.

The proposed judgment would also prohibit Owens-Illinois from agreeing with a particular supplier that such supplier will purchase from certain of Owens-Illinois' customers in order to reciprocate for purchases made by Owens-Illinois from such supplier.

Owens-Illinois is directed by the proposed judgment to refrain from establishing or maintaining any office or position which has as its program or objective the promotion of trade relations involving reciprocal purchasing arrangements.