



Department of Justice

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FOR IMMEDIATE RELEASE
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The Department of Justice filed a civil antitrust suit today charging Airco, Inc., formerly known as Air Reduction Company, Inc., with using reciprocal purchasing arrangements with customers and suppliers in violation of the Sherman Act.

Attorney General John N. Mitchell said the complaint was filed in the United States District Court in New York City, where Airco maintains its home office.

The suit charged that Airco, a large, diversified industrial corporation engaged in the manufacture and sale of a variety of metal products, industrial gases and equipment, has since at least 1959 entered into arrangements with various suppliers to restrain trade by reciprocating purchases in violation of Section 1 of the Sherman Act.

The complaint also charged that Airco has used its purchasing power since at least 1959 to promote sales in an attempt to monopolize the requirements of its actual and potential suppliers for ferroalloys, industrial gases, and other products sold by the company in violation of Section 2 of the Sherman Act.

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Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said that Airco's program of reciprocal purchasing arrangements has had the effect of foreclosing its competitors from selling substantial quantities of goods and services to the firm's customers, and preventing suppliers from selling goods and services to Airco.

The complaint asked that Airco be enjoined from continuing any reciprocal purchasing arrangements, from communicating to suppliers that they will receive preference if they purchase products from Airco, and from compiling statistics which compare Airco's purchases from companies with sales by Airco to such companies.

The complaint also asked that Airco be prohibited from discussing with any supplier the relationship of purchases and sales between them or from compiling approved lists of suppliers based upon suppliers' purchases from Airco. The complaint further asked that Airco abolish any duties that are assigned to any of its officials or employees which relate to the promotion of reciprocal purchasing arrangements.

In 1969, Airco had total sales of approximately \$487 million, maintained production facilities in 23 states, and marketed its products domestically through over 2,000 independent dealers and distributors.