



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice today filed a civil antitrust suit charging a dairy cooperative--Mid-America Dairymen, Inc.--with attempting to monopolize and unreasonably restrain the sale of milk in a 10-state area.

Acting Attorney General Robert H. Bork said the complaint was filed in U.S. District Court in Kansas City, Missouri.

This is the third antitrust suit filed by the Justice Department since 1972 challenging the activities of the nation's dairy cooperatives.

The two previous suits were filed against Associated Milk Producers, Inc. (AMPI) and Dairymen, Inc.

Mid-America has its principal headquarters in Springfield, Missouri and has a membership of approximately 19,000 milk producers located in Texas, Missouri, Kansas, Nebraska, Iowa, Illinois, Minnesota, Wisconsin, Arkansas and Oklahoma.

The complaint charged that Mid-America has attempted to monopolize the sale of milk in its marketing area, in violation of Section 2 of the Sherman Act, by a number of

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practices designed to eliminate competition from independent producers. According to the complaint these practices include:

- unreasonably restricting the ability of members to withdraw from Mid-America and market milk in competition with the cooperative;
- unreasonably restricting the right of independent milk haulers to transport the milk of independent producers;
- requiring milk processors to purchase all or substantially all of their milk requirements from Mid-America, and buying out those processors who purchased milk from independent producers;
- agreeing with other associations of milk producers to flood local milk markets in order to lower the price which independent producers receive for their milk; and
- agreeing with other milk producers to restrict the shipment of milk into Mid-America's marketing area.

The complaint also charged that Mid-America has violated Section 1 of the Sherman Act by entering into agreements with milk haulers which restrain the ability of competing independent producers to transport their milk to processors.

The complaint said that, as a result of these violations, competition in the production and sale of milk in Mid-America's marketing area has been restrained and eliminated.

The suit asked that Mid-America be prohibited from continuing the practices cited in the complaint.

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