



Department of Justice

FOR IMMEDIATE RELEASE
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AT

The Department of Justice today filed a civil antitrust suit charging the National Broiler Marketing Association (NBMA) with fixing the price of chickens in violation of Section 1 of the Sherman Act.

Attorney General Richard G. Kleindienst said that the suit was filed in U.S. District Court in Atlanta, Georgia.

Assistant Attorney General Thomas E. Kauper, in charge of the Antitrust Division, said that the complaint alleges that the members of NBMA and others entered into a combination and conspiracy to fix prices of broiler chickens at artificially high levels.

NBMA is a Georgia corporation headquartered in Jackson, Mississippi, whose members are engaged in the marketing of broiler chickens.

Substantially all of the broilers marketed nationwide by the approximately 60 firms who are members of NBMA are produced for them under agreements with growers who raise the broilers from chickens supplied by members of NBMA.

When the broilers are 8-10 weeks old they are slaughtered and processed for sale to supermarkets, restaurants, and other institutions.

In 1971, NBMA members' sales -- in almost every state -- amounted to more than \$600 million, representing about 50 percent of total sales of broilers in the United States.

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The alleged combination and conspiracy consisted of an agreement:

- to exchange information about past, present, and future prices for broilers;

- to establish and disseminate broiler prices;

- to sell less than Grade A broilers at agreed-upon discounts from the Grade A price;

- to withhold broiler parts from the market in order to increase their price;

- to establish and disseminate broiler production guidelines;

- to reduce the number of broilers available for marketing in accordance with such guidelines; and

- to sell surplus broilers to customers in foreign countries.

The suit asked that NBMA and all persons acting under, through or for NBMA be enjoined from carrying out directly or indirectly the alleged combination and conspiracy, and from furnishing to or requesting from processors of broilers any information concerning prices, terms, or conditions for the sale or production of broilers.