



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, FEBRUARY 21, 1974

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The Department of Justice filed suit today challenging the acquisitions by Mrs. Smith's Pie Company, Pottstown, Pennsylvania, of four related companies described in the complaint as the "Harriss Company."

The four acquired companies are:

- Michigan Lloyd J. Harriss Pie Co., of Saugatuck, Michigan;
- Douglas Cold Storage Co., of Saugatuck, Michigan;
- Lloyd J. Harriss Pie Co., Chicago, Illinois; and
- Food Industries of America, Inc., Shelby, Michigan.

Attorney General William B. Saxbe said that the suit, charging a violation of Section 7 of the Clayton Act, was filed in the U.S. District Court in Philadelphia.

At the time of the acquisitions in May 1973, Mrs. Smith's Pie Co. was the nation's largest producer of frozen dessert pies and Harriss Company was the nation's fourth largest producer.

According to the complaint, at the time of the acquisitions, Michigan Lloyd J. Harriss and Lloyd J. Harriss Pie Companies were each engaged in the production of frozen dessert pies.

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Products produced by the two companies were frozen and stored by Douglas Cold Storage. Food Industries processed various fruits used by Michigan Lloyd J. Harriss in the production of frozen dessert pies. The four firms were under common ownership, management and control at the time of the acquisitions.

The complaint alleged that in 1972 Mrs. Smith's Pie Co. accounted for approximately 33 percent of total industry sales of frozen dessert pies, with sales of \$53.5 million.

In that year, the Harriss Company accounted for some seven percent of total industry sales, with sales of \$12.2 million.

According to the complaint, the production and sale of frozen dessert pies is highly concentrated, with four producers accounting for 61 percent of total industry sales in 1972.

Assistant Attorney General Thomas E. Kauper, in charge of the Antitrust Division, said the acquisitions would eliminate direct competition between Mrs. Smith's Pie Co. and Harriss Co., while substantially increasing the concentration in the production and sale of frozen dessert pies, and would substantially lessen competition in the frozen dessert pie industry.

The complaint asked that the acquisitions be declared unlawful and that Mrs. Smith's Pie Co. be required to divest itself of the four acquired companies.