



# Department of Justice

FOR IMMEDIATE RELEASE  
TUESDAY, OCTOBER 5, 1976

AT  
202-739-2014

A federal grand jury today indicted five firms and two of their corporate presidents on charges of violating the anti-trust laws in connection with the sale of group package tours to Hawaii.

Attorney General Edward H. Levi said the indictment and a companion civil suit, both charging a violation of Section 1 of the Sherman Act, were filed in U.S. District Court in Honolulu.

Named as defendants in the indictment are:

- Hawaiian Holidays Tours, Inc., and Hawaiian Holidays, Inc., and their president Norman P. Sosner;
- Inter-Island Travel Service, Limited, d/b/a Trade Wind Tours of Hawaii, and its president Robert E. MacGregor;
- International Travel Brokers, Inc.; and
- Hawaii Unlimited.

The civil suit names only the five companies as defendants.

According to the indictment, the defendant firms are engaged in the assembling, sale, and operation of group inclusive tours (GIT) to Hawaii. Such tours use discounted airfares made available by the airlines and consist of air transportation, hotel accommodations, and sightseeing features.

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Assistant Attorney General Donald I. Baker, in charge of the Antitrust Division, said the indictment charges the defendants with conspiring from at least as early as 1971 through at least December 20, 1974, to fix, maintain, and stabilize the prices of their GIT tour packages.

Sales of Hawaiian GIT tour packages in 1972 exceeded \$88 million.

The indictment and complaint charge that the conspiracy had the following effects, among others:

- the prices of GIT tour packages to Hawaii have been raised, fixed, maintained, and stabilized at artificial and noncompetitive levels;
- purchasers of GIT tour packages to Hawaii have been deprived of free and open competition in the sale of GIT tour packages; and
- competition between and among defendants and co-conspirators has been restricted, suppressed, and restrained.

The maximum penalty upon conviction of a corporate defendant is a \$50,000 fine and the maximum penalty upon conviction of an individual is a \$50,000 fine and one year in prison.

The civil suit asks the court to enjoin the defendants from continuing or reviving the conspiracy and from engaging in any plan or program having a similar purpose or effect.

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