



Department of Justice

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The Department of Justice announced today that it has advised counsel for Agway Inc. of DeWitt, New York, for H.P. Hood, Inc. of Boston, Massachusetts, and for Agri-Mark, Inc. of Haverhill, Massachusetts, that it will file an antitrust suit tomorrow to challenge the acquisition of Hood's assets by Agri-Mark, a newly-formed New England dairy farmers' cooperative, unless the transaction is abandoned.

The proposed suit would also challenge Agway's acquisition of the stock of Hood and related transactions, including a 10-year full-supply contract between Agri-Mark and Hood. Agri-Mark, Agway, and Hood would be defendants in the suit.

Attorney General Benjamin R. Civiletti said the suit would be filed in U.S. District Court in Burlington, Vermont, on Friday, June 27, 1980, if Agway continues with its plans to complete its tender offer for Hood stock.

The suit would charge that the planned transactions would violate Sections 3 and 7 of the Clayton Act.

Sanford M. Litvack, Assistant Attorney General in charge of the Antitrust Division, said the government would seek a temporary restraining order and preliminary injunction to halt the stock and asset acquisitions and related transactions pending trial.

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