



Department of Justice

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The Department of Justice today filed a civil antitrust suit against Societe Nationale des Poudres et Explosifs (SNPE) of Paris, France, and Fayette Chemical Corporation, of Wood Ridge, New Jersey.

Attorney General Benjamin R. Civiletti said the suit was filed in U.S. District Court in Newark, New Jersey.

SNPE is a French company that produces and sells industrial nitrocellulose. Fayette, a wholly owned subsidiary of Polychrome Corporation, distributes industrial nitrocellulose in the United States.

Industrial nitrocellulose is a synthetic resin used in lacquers, wood finishes, paints, primers, textile and paper coatings, book bindings, printing inks, cellophane film coatings, and fingernail polishes. Annual U.S. sales of industrial nitrocellulose are approximately \$64 million.

The complaint alleges that, in the fall of 1977, SNPE, along with five other foreign producers of industrial nitrocellulose, formed a pool to coordinate their sales to the United States. As part of the pool arrangement, it is alleged that Fayette agreed to act as the exclusive sales agent in the United States for the pool participants. The complaint alleges that the defendants and various

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co-conspirators, through the pooling arrangement, fixed the price and allocated the sale of foreign industrial nitrocellulose imported in the United States in 1977 and 1978.

The complaint seeks an injunction prohibiting the defendants from maintaining or renewing their alleged anticompetitive conduct.

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