



# Department of Justice

FOR IMMEDIATE RELEASE  
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**SOUTH CAROLINA MAN AND CORPORATION CHARGED  
WITH DAIRY PRODUCTS BID RIGGING**

WASHINGTON, D.C. -- The Department of Justice said a federal grand jury in Columbia, South Carolina, today returned a four-count indictment against Edgar Allen Spears and Young's Food Stores Inc., both of Sumter, South Carolina, for participating in a conspiracy to rig bids for dairy products contracts in South Carolina public schools and for mail fraud.

Count one of the indictment charged Spears and Young's Food, the successor corporation to Sumter Dairies Inc., with participating in a conspiracy to rig bids to supply dairy products to various South Carolina school districts in violation of the Sherman Antitrust Act. The indictment said the conspiracy began at least as early as the spring of 1983 and continued at least through May 1988.

The three other counts charged Spears and Young's Food with separate violations of the mail fraud statute by causing the U.S. Postal Service to deliver three payments from Florence County School District 3 to Sumter Dairies Inc. to supply milk to the public schools in that district pursuant to the 1987/1988 school year contract awarded to Sumter Dairies on the basis of collusive bids.

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During the period covered by the indictment, Spears was the general manager of Sumter Dairies, a South Carolina dairy cooperative. The company was engaged in the sale and distribution of dairy products in South Carolina.

Charles A. James, Acting Assistant Attorney General in charge of the Antitrust Division, said the charges arose in connection with a grand jury investigation in Columbia, South Carolina, into collusive practices by dairy products suppliers in South Carolina. James said the investigation, being conducted by the Division's Atlanta Field Office, is continuing.

The maximum penalty for an individual convicted of a violation of the Sherman Act occurring prior to November 16, 1990, is three years in prison and a fine not to exceed the greatest of \$250,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty which may be imposed against a corporation convicted of a violation of the Sherman Act occurring prior to November 16, 1990 is a fine not to exceed the greatest of \$1 million, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for an individual convicted of mail fraud violation is five years in prison and a fine not to exceed the greatest of \$250,000, twice the pecuniary gain derived from

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the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty which may be imposed against a corporation convicted of a mail fraud violation is a fine not to exceed the greatest of \$500,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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