



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**CINCINNATI COMPANY AND ITS PRESIDENT CHARGED WITH BID  
RIGGING ON SCHOOL MILK CONTRACTS IN OHIO AND KENTUCKY**

WASHINGTON, D.C. -- A Cincinnati, Ohio, company and its president plead guilty today to conspiring to rig bids on school milk contracts in southwestern Ohio and northern Kentucky, according to the Department of Justice's Antitrust Division. The company also agreed to pay \$100,000 in civil damages to the state.

The Coors Brothers Company of Cincinnati, Ohio, and its president, Richard M. Coors Jr., participated in a conspiracy that began in 1984 and continued through the 1988-89 school year, the Department said in the one-count federal felony charge filed in U.S. District Court in Cincinnati.

In addition, Coors Brothers agreed to pay a \$100,000 civil settlement to Ohio for damages the state's public schools suffered from paying inflated prices for school milk because of the conspiracy.

According to the government, Coors Brothers and Richard M. Coors Jr. conspired with other dairies to allocate contracts to supply dairy products to public school districts in southwestern

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Ohio and northern Kentucky. Richard M. Coors Jr. joined the conspiracy after becoming president of the dairy in November 1987.

According to the charge, Coors Brothers and Richard M. Coors Jr. discussed the submission of prospective bids for various school dairy contracts with other conspirators, then designated which company would be the low bidder on each contract.

In order to carry out the conspiracy, the Department said Coors Brothers and Richard M. Coors Jr. sometimes submitted intentionally high, or complimentary, bids to assist the conspirators in obtaining their school dairy contracts.

Joseph H. Widmar, Acting Assistant Attorney General in charge of the Antitrust Division, said the charge is the result of a grand jury investigation in Kentucky and Ohio into suspected bid rigging in the dairy products industry. The investigation by the Antitrust Division's Cleveland office is continuing, Widmar said.

The Antitrust Division has filed a total of 112 criminal cases against 63 corporations and 69 individuals in the milk and dairy products industry for bid-rigging conspiracies. Cases have been brought in Kentucky, Florida, Georgia, North Carolina, South Carolina, Virginia, Illinois, Texas, Mississippi, Tennessee, Indiana, Oklahoma, Alabama, Michigan, New York, Connecticut and Louisiana.

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To date, 57 corporations and 53 individuals have been convicted and a total of approximately \$54.7 million in fines imposed. Total civil damages are more than \$8 million. Twenty-seven grand juries in 19 states continue to investigate the milk industry.

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

The maximum penalty which may be imposed against an individual convicted of a violation of the Sherman Act occurring prior to November 16, 1990, is a term of imprisonment of three years, 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.

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