



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**RESIDENTIAL DOOR MANUFACTURER AGREES TO PAY \$6 MILLION  
IN FINES FOR INVOLVEMENT IN PRICE FIXING CONSPIRACY**

WASHINGTON, D.C. -- One of the two largest residential door manufacturers in the United States has agreed to pay \$6 million in criminal fines for conspiring to fix the prices of doors, the Department of Justice's Antitrust Division said today.

The Division said today's case was the first one filed as a result of the government's ongoing investigation into collusive practices in the \$600 million residential door industry. The Division is expected to file related cases in this industry.

Premdor Corporation, which is headquartered in Tampa, Florida, and is a subsidiary of Premdor Inc., a Toronto, Canada, corporation, was charged with fixing the price of residential flush doors from January to December 1993.

The doors are made of flat wood that can be covered with various types of door facings and are used primarily in residential basements, bedrooms and bathrooms. They are sold to U.S. door distributors and wholesalers, home improvement centers and residential construction companies.

"The Antitrust Division is slamming the door on price fixing

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that affects consumers," said Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division. "This case is an example of the Division's determination to shut down criminal price fixing conspiracies that could potentially affect every household across the country."

The conspiracy charged that Premdor and its co-conspirators agreed to increase residential door prices and refrain from offering lower prices of doors to certain customers in violation of the Sherman Antitrust Act.

Bingaman said that the charges, filed in U.S. District Court in Tampa, Florida, arose in connection with a grand jury investigation into collusive practices by flush door manufacturers. The continuing investigation is being conducted by the Division's Litigation I section with the assistance of the Federal Bureau of Investigation.

Premdor's agreement to pay a \$6 million fine is subject to court approval.

The maximum penalty for a corporation convicted of a violation of the Sherman Act is the greatest of a \$10 million fine, twice the gross pecuniary gain the corporation derived from the crime or twice the gross pecuniary loss caused to the victims of the crime.

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