



Department of Justice

FOR IMMEDIATE RELEASE
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**ILLINOIS DAIRY AND THREE INDIVIDUALS CHARGED
IN DAIRY PRODUCTS BID RIGGING CONSPIRACY**

WASHINGTON, D.C. -- A federal grand jury in Springfield, Illinois, today indicted an Illinois dairy company and three individuals for conspiring to suppress competition and rig bids for contracts to supply dairy products to public schools and other customers in central Illinois and eastern Missouri, according to the Department of Justice. This is the 127th case brought by the Department's Antitrust Division involving bid rigging in the supply of dairy products.

The indictment charges that the conspiracy began in the late 1960's and continued through the end of the 1989-1990 school year.

The one-count indictment was filed in U.S. District Court in Springfield, Illinois, against the following defendants:

- Prairie Farms Dairy Inc. of Carlinville, Illinois;
- Lyndell Oller, manager for Prairie Farms Dairy Inc. in Peoria, Illinois;
- James Rogers, formerly a manager for Meadow Gold Dairies in Champaign, Illinois, and currently a manager for Prairie Farms

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Dairy Inc. in Peoria, Illinois; and

-- Leonard Southwell, general manager and chief executive officer of Prairie Farms.

The indictment charges that in order to carry out the conspiracy, the defendants and their co-conspirators discussed among themselves the submission of prospective bids, designated which dairy would be the low bidder, refrained from bidding against each other or submitted intentionally high bids, and concealed the conspiracy.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, noted that to date 73 corporations and 80 individuals have been convicted and about \$59 million in fines have been imposed in cases involving bid rigging in supplying dairy products to public school districts. Sixteen grand juries in 12 states continue to investigate the milk industry.

In May 1994, Prairie Farms was indicted for its participation in a conspiracy to fix prices, rig bids and allocate territories on dairy products sold in southern Indiana and northwestern Kentucky. The case is pending awaiting a trial date.

Bingaman said that the investigation, which is continuing, is being conducted by the Chicago Field Office of the Antitrust Division. The U.S. Attorney's Office in Springfield, the Federal Bureau of Investigation's offices in Springfield and St. Louis, Missouri, the Great Plains Regional Office of the U.S. Department

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of Agriculture, the Illinois Attorney General's Office and the Missouri Attorney General's Office, assisted in the case.

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

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