



Department of Justice

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TEXAS COMPANY CHARGED WITH RIGGING BIDS ON SCHOOL BREAD CONTRACTS

WASHINGTON, D.C. – The Department of Justice today charged a San Antonio bakery with conspiring to rig bids on contracts to supply bread and bread products to public school districts located in Bexar and Hays Counties in south Texas.

The information, filed in U.S. District Court in San Antonio, charges Richter's Bakery of San Antonio Inc. with conspiring with others, through its predecessor corporation, to suppress and eliminate competition, in violation of Section 1 of the Sherman Act. Richter's participated in the conspiracy from at least as early as 1978 until August 1994.

The bread and bread products purchased by the school districts were used in the preparation of breakfasts and lunches for school children.

Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division, said the charge resulted from an investigation by a federal grand jury in San Antonio into alleged antitrust violations in the bread and bread products industry in south Texas. The investigation is being conducted by the Antitrust Division's Dallas Field Office with the assistance of special agents of the United States Department of Veterans Affairs, Office of Inspector General, and with the cooperation of the U.S. Attorney's Office for the Western District of Texas.

The maximum penalty for a corporation convicted under the Sherman Act is a fine in an amount equal to the greatest of (a) \$10,000,000; (b) twice the pecuniary gain derived from the crime; or (c) twice the pecuniary loss caused to the victims of the crime.