

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	Civil Action No. 84 C 1896
	)	
v.	)	Filed: March 1, 1984
	)	
SOUTH WATER MARKET CREDIT	)	
ASSOCIATION,	)	
	)	
Defendant.	)	

COMPLAINT

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, brings this action to obtain equitable relief against the defendant named herein and complains and alleges as follows:

I.

JURISDICTION AND VENUE

1. This complaint is filed and this action is instituted under Section 4 of the Sherman Act (15 U.S.C. § 4) in order to prevent and restrain violation by the defendant of Section 1 of the Sherman Act (15 U.S.C. § 1).

2. The defendant South Water Market Credit Association transacts business and is found within the Northern District of Illinois.

II.

DEFINITION

3. As used herein "produce" means fresh fruits and vegetables.

III.

DEFENDANT

4. The South Water Market Credit Association (hereinafter referred to as the "Association") is made a defendant herein. The Association is incorporated under the laws of the State of Illinois. Its principal place of business is in Chicago, Illinois.

IV.

CO-CONSPIRATORS

5. Various other persons and firms, not made defendants herein, participated in the violation hereinafter alleged and performed acts and made statements in furtherance thereof.

V.

TRADE AND COMMERCE

6. The Association is an organization of approximately 25 wholesale produce firms which sell directly to hotels, restaurants, grocery stores, and distributors from a terminal market known as the South Water Market in Chicago. Each member controls one or more units at the terminal market. Customers of Association members are located in Illinois and other states. The produce that Association members sell comes from throughout the United States.

7. The Association serves a number of functions for its members. One of its primary functions is to distribute to members credit information regarding customers and potential customers.

8. The Association does not tabulate the dollar value of produce sold to its members. Each member is an independent business. The gross sales of at least one Association member are approximately \$16 million annually, and other members also have substantial sales. Association members sell a significant portion of their produce on credit.

9. During the period covered by this complaint, there was a substantial, continuous, and uninterrupted flow in interstate commerce of produce across state lines to the terminal market in which Association members conduct business. During the period covered by this complaint, Association members also sold substantial quantities of produce in a continuous and uninterrupted flow of interstate commerce from the terminal market to customers who transported the produce across state lines to other states. The activities of the Association and co-conspirators, as hereinafter alleged, were within the flow of, and substantially affected, interstate commerce.

## VI.

### VIOLATION ALLEGED

10. The Association was incorporated in 1928. It succeeded the Chicago Produce Trade and Credit Association,

a membership organization of produce sellers in Cook County, Illinois, which began in 1902. Beginning in 1902 and continuing thereafter until the date of filing of this complaint, the defendant, its predecessor organization, and co-conspirators have engaged in a continuing combination and conspiracy to suppress and eliminate competition in the sale of produce in unreasonable restraint of the interstate trade and commerce described above, in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

11. The aforesaid combination and conspiracy consisted of an agreement, understanding, and concert of action among the defendant and co-conspirators to fix and maintain credit terms employed in the sale of produce.

12. For the purpose of forming and effectuating the aforesaid conspiracy, the defendant and co-conspirators did those things which, as hereinbefore alleged, they combined and conspired to do, including, among other things:

- (a) agreeing to fix the length of time for which Association members extend credit to their customers;
- (b) agreeing to withhold credit from customers who did not pay bills within terms established by the Association and co-conspirators; and
- (c) agreeing to withhold credit from customers who did not establish credit through the Association.

VII.

EFFECTS

13. The aforesaid combination and conspiracy has had the following effects, among others:

- (a) prices paid for produce by customers of Association members have been fixed and maintained at artificial and noncompetitive levels;
- (b) competition in terms and conditions of sale of produce has been restrained and suppressed; and
- (c) customers of Association members have been denied the benefits of free and open competition in the sale of produce.

VIII.

PRAYER

WHEREFORE, the plaintiff prays:

1. That the Court adjudge and decree that the defendant and co-conspirators have combined and conspired to restrain interstate trade and commerce in violation of Section 1 of the Sherman Act;

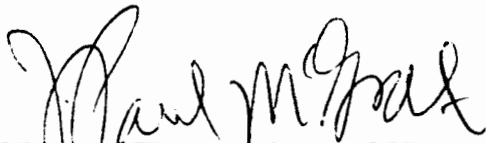
2. That the defendant, its officers, managers, agents, employees, successors, and all other persons acting or claiming to act on behalf of the defendant, be enjoined and restrained from, in any manner, directly or indirectly, continuing, maintaining, or renewing the combination and conspiracy

hereinbefore alleged, or from engaging in any other combination, conspiracy, contract, agreement, understanding, or concert of action having a similar purpose or effect, and from adopting or following any practice, plan, program, or device having a similar purpose or effect;

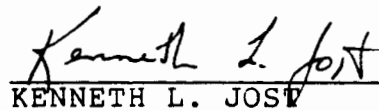
3. That the Association be required to provide appropriate notice to its members informing each of them of the entry of any final judgment herein and of their rights and responsibilities under any such final judgment;

4. That the plaintiff have such other and further relief as the Court may deem just and proper; and

5. That the plaintiff recover the costs of this suit.



J. PAUL McGRATH  
Assistant Attorney General



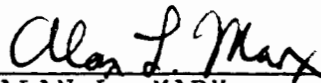
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