

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MISSOURI  
WESTERN DIVISION

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 v. ) Civil Action No. 20632-2  
 ) Filed: October 26, 1972  
 YELLOW FREIGHT SYSTEM, INC., )  
 )  
 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 civil action to obtain equitable relief against the above-named defendant, and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed and this action is instituted against the defendant under Section 4 of the Act of Congress of July 2, 1890 (15 U.S.C. § 4), as amended, commonly known as the Sherman Act, in order to prevent and restrain the continuing violations by the defendant as hereinafter alleged, of Sections 1 and 2 of said Act (15 U.S.C. §§ 1 and 2).

2. The defendant Yellow Freight System, Inc., maintains an office, transacts business, and is found within the Western District of Missouri, Western Division.

## II

### THE DEFENDANT

3. Yellow Freight System, Inc. (hereinafter referred to as "Yellow Freight") is made a defendant herein. Yellow Freight is a corporation organized and existing under the laws of the State of Indiana, with its principal place of business in Kansas City, Missouri. As used herein, the term "Yellow Freight" shall include all predecessors and subsidiaries of the defendant Yellow Freight System, Inc.

## III

### TRADE AND COMMERCE

4. Yellow Freight is a transportation company licensed by the Interstate Commerce Commission to operate as a common carrier of general commodities by motor vehicle. In 1970, the defendant ranked as the fourth largest motor carrier in the United States, with revenues of approximately \$170 million, and operated through more than 100 terminals and sales offices in more than 30 states and in foreign countries.

5. Yellow Freight purchases substantial quantities of fuel, vehicles, tires, motor vehicle equipment, office supplies, commodities, and services from other companies for use in its own operations. Many of Yellow Freight's suppliers control the routing (as consignees or shippers) of substantial amounts of freight of the kind the defendant is authorized to carry, between places served by defendant.

6. Yellow Freight's purchases of fuel, vehicles, tires, motor vehicle equipment, office supplies, commodities, and services from its suppliers are made in a continuous flow of interstate commerce. Conversely, Yellow Freight's transportation services rendered to these suppliers and its other customers are made in a continuous flow of interstate commerce.

IV

VIOLATIONS ALLEGED

7. Since at least as early as 1961, and continuing to the date of this complaint, the defendant has violated Section 3 of the Sherman Act by entering into combinations involving reciprocal purchasing arrangements with respect to a substantial amount of interstate commerce whereby the defendant purchased products and services from various suppliers upon the understanding that those suppliers would purchase the services of the defendant, in unreasonable restraint of the aforesaid trade and commerce.

8. Since at least as early as 1961, and continuing to the date of this complaint, the defendant, through the use of its purchasing power, has violated Section 2 of the Sherman Act by attempting to monopolize that part of the aforesaid interstate trade and commerce consisting of the requirements of actual and potential suppliers of the defendant for transportation services sold by the defendant.

9. Pursuant to the aforesaid combinations and attempt to monopolize, the defendant has done, among other things, the following:

- (a) adopted a policy of reciprocal purchasing or of purchasing from suppliers who would purchase from the defendant;
- (b) designated trade relations managers with the specific responsibility of coordinating trade relations within the corporation to facilitate and promote the practice of reciprocal dealing;
- (c) maintained purchase and sales records for the purpose of comparing purchases from, and sales to, suppliers;

- (d) took measures to insure that actual and potential suppliers were aware of defendant's practice of reciprocal purchasing;
- (e) discussed with actual and potential suppliers their sales and purchase positions relative to the defendant;
- (f) caused suppliers to purchase, or to maintain or increase their purchases, from the defendant in reciprocation for the defendant's purchases from those suppliers;
- (g) purchased goods and services from particular suppliers upon the understanding that those suppliers would purchase the services of the defendant; and
- (h) belonged to and took an active part in the Trade Relations Association, Inc., for the purpose of promoting the defendant's trade relations program.

V

EFFECTS

10. The aforesaid violations by the defendant have had the following effects, among others:

- (a) competitors of the defendant in the sale of transportation services have been foreclosed from selling substantial quantities thereof to firms that are actual and potential suppliers of the defendant; and
- (b) suppliers of various goods and services required by the defendant have been foreclosed from selling substantial quantities of such goods and services to the defendant.

PRAYER

WHEREFORE, plaintiff prays:

1. That the aforesaid combinations between the defendant and its suppliers involving reciprocal purchasing arrangements be adjudged and decreed to be in violation of Section 1 of the Sherman Act (15 U.S.C. §1).
2. That the aforesaid attempt to monopolize be adjudged and decreed to be in violation of Section 2 of the Sherman Act (15 U.S.C. §2).
3. That the defendant and its officers, directors, agents, and all other persons acting on behalf of the defendant, be perpetually enjoined from:
  - (a) entering into or adhering to any contract, agreement, or understanding with any supplier involving reciprocal purchasing arrangements;
  - (b) communicating to suppliers that it will place its purchases with or give preference to suppliers who purchase from the defendant;
  - (c) engaging in the practice of compiling statistics which compare defendant's purchases of goods or services from companies with sales by the defendant to such companies;
  - (d) discussing with suppliers comparative purchase and sales data of such companies relative to the defendant;
  - (e) designating approved suppliers based entirely or in part on suppliers' purchases from the defendant;

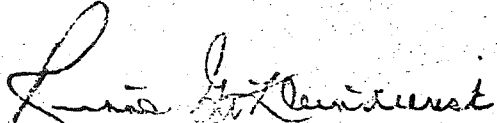
- (f) transmitting to personnel with sales responsibilities information concerning purchases by the defendant from particular suppliers, transmitting to personnel with purchasing responsibilities information concerning sales by the defendant to particular companies, or otherwise implementing any program involving reciprocity; and
- (g) utilizing purchases by the defendant or one of its subsidiaries, affiliated companies, or divisions from particular suppliers to promote sales to such suppliers by the defendant or one of its subsidiaries, affiliated companies, or divisions.

4. That this Court order the defendant to abolish any duties that are assigned to any of its officials or employees which relate to the conduct or effectuation of a reciprocity or trade relations program.


5. That this Court order the defendant to advise all of its suppliers, by written notice, that the defendant no longer engages in reciprocal purchasing, and to furnish a copy of the Final Order of this Court to such suppliers.

6. That plaintiff have such other relief as the nature of the case may require and the Court may deem just and proper.

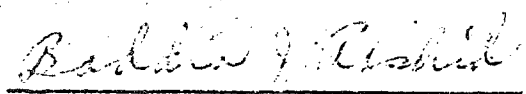
7. That plaintiff recover the costs of this action.

  
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