1 MARQUIS L. SMITH .GERALD F. MCLAUGHLIN 2 BARBARA J. SVEDBERG Antitrust Division 3 Department of Justice 450 Golden Gate Avenue - Room 16432 Box 36046 San Francisco, California Telephone: (415) 556-6300 4 94102 Б 6 7 IN THE UNITED STATES DISTRICT COURT 8 FOR THE DISTRICT OF ALASKA 9 AT ANCHORAGE . ••• 10 11 UNITED STATES OF AMERICA, 12 Plaintiff, 13 CIVIL ACTION NO. A-13-72 14 Filed: January 28, 1972 ODOM COMPANY; 15 ANCHORAGE COLD STORAGE CO., INC.; and ALASKA DISTRIBUTORS COMPANY, Antitrust 16 Defendants. 17 18 COMPLAINT 19 The United States of America, plaintiff, by its 20 attorneys, acting under the direction of the Attorney 21 General of the United States, brings this civil action to 22 obtain equitable relief against the above-named defendants, 23. 24 and complains and alleges as follows: 25 Т 26 JURISDICTION AND VENUE This complaint is filed and this action is 27 1. 28 instituted under Section 4 of the Act of Congress of 29 July 2, 1890, entitled "An Act to protect trade and 30 commerce against unlawful restraints and monopoly," as 31 amended (15 U.S.C. § 4), commonly known as the Sherman Act, in order to prevent and restrain the continuing 32-76514-1 Gro

Ì

violation by the defendants, as hereinafter alleged, Section 1 of said Act (15 U.S.C. § 1).

1

. 2

3

4

Б

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

**2**8

29

30

31

32

-76514-1 6PO 2. Each of the defendants transacts business . found within the District of Alaska.

# THE DEFENDANTS

II

3. Odom Company is named a defendant herein. Company is a corporation organized and existing und laws of the State of Washington with its principal c located in Seattle, Washington.

4. Anchorage Cold Storage Co., Inc. is named a defendant herein. Anchorage Cold Storage Co., Inc. corporation organized and existing under the laws of State of Alaska with its principal office located i. Anchorage, Alaska. It is an affiliate of defendant a Company and distributes and sells products to retail located in the Anchorage, Alaska area for defendant Company.

5. Alaska Distributors Company is named a defe herein. Alaska Distributors Company is a corporatic. organized and existing under the laws of the State o Washington with its principal office located in Seat Washington.

### III

## **CO-CONSPIRATORS**

6. Various individuals not made defendants in complaint participated as co-conspirators in the vio hereinafter alleged, and have performed acts and mar's statements in furtherance thereof.

#### DEFINITIONS

IV

7. As used herein:

3

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

 $\mathbf{28}$ 

29

30

31

32

76514-1

- (a) "Seagram's products" means the following brand name alcoholic beverages: Seagram's V.O., Seagram's Crown Royal, Seagram's Seven Crown, Seagram's Benchmark Bourbon, Seagram's gins and Seagram's 100 Pipers Scotch;
  (b) "Canadian Club" means Hiram Walker's whiskey, sold in Alaska under the brand name of Canadian Club;
- (c) "free goods" means that quantity of alcoholic beverages received without charge by a retailer in excess of the amount actually purchased by such retailer; and
- (d) "retailer" means a person, partnership, corporation, state or federal installation engaged, in whole or in part, in the business of selling alcoholic beverages to consumers at retail either by the bottle, can or by the drink, including retail package stores, cocktail bars, taverns and clubs.

5

#### V

### TRADE AND COMMERCE

8. The defendant wholesalers purchase alcoholic beverages, including Seagram's products and Canadian Club, from sources of supply located in Canada, other foreign countries and in states other than the State of Alaska. All alcoholic beverages purchased by said defendants are

shipped either in foreign or in interstate and foreign commerce into the State of Alaska for sale to retailers located in that state. In 1968 and 1969, defendant wholesalers sold approximately \$6,000,000 annually of Seagram's products and Canadian Club to retailers located in the State of Alaska.

1

2

3

4

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

10-70514-1 OPO 9. During the period of time covered by this complaint, defendants Odom Company, Anchorage Cold Storage Co., Inc. and Alaska Distributors Company have been the exclusive wholesale distributors of Seagram's products and Alaska Distributors Company has been the exclusive wholesale distributor of Canadian Club to retailers in the State of Alaska.

#### .VI

#### VIOLATION ALLEGED

10. Beginning in or about October 1968, the exact date being to the plaintiff unknown, and continuing thereafter up to and including the date of the filing of this complaint, the defendants and co-conspirators have engaged in a combination and conspiracy in unreasonable restraint of the aforesaid interstate and foreign trade and commerce in alcoholic beverages, in violation of Section 1 of the Sherman Act (15 U.S.C. § 1). Said offense will continue unless the relief hereinafter prayed for is granted.

5

11. The aforesaid combination and conspiracy has consisted of a continuing agreement, understanding and concert of action among the defendants and co-conspirators, the substantial terms of which have been to raise, fix and maintain the prices, terms and conditions of sale with respect to Seagram's products and Canadian Club sold to retailers in the State of Alaska by:

(a) eliminating the giving of discounts
in the form of free goods or otherwise
except to the extent agreed upon and
published by the defendants in advance;
and

(b) eliminating all discounts in connection with the sale of Seagram's V.O., Seagram's Crown Royal, and Canadian Club.

12. For the purpose of forming and effectuating the aforesaid combination and conspiracy, the defendants and co-conspirators have performed the acts and done those things which, as hereinbefore alleged, they have combined and conspired to do.

#### VII

#### EFFECTS OF THE COMBINATION AND CONSPIRACY

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

(a) retailers in the State of Alaska have been deprived of the opportunity to purchase Seagram's products and Canadian Club at competitive prices;
(b) competition in the sale of Seagram's products to retailers in the State of Alaska has been suppressed and eliminated; and

(c) the cost of Seagram's products and Canadian Club to retailers and consumers in the State of Alaska has been increased.

#### PRAYER

WHEREFORE the plaintiff prays:

1. That the aforesaid combination and conspiracy in restraint of interstate and foreign trade and commerce be adjudged and decreed to be unlawful and in violation of Section 1 of the Sherman Act.

~ 7/514-1 0+0

1

2

3<sup>.</sup>

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

2. That the defendants and their officers, directors, agents, employees, successors and assigns, and all persons acting on their behalf, be perpetually enjoined and restrained from, in any manner, directly or indirectly, continuing, maintaining or renewing the aforesaid combination and conspiracy, and from engaging in practices having the purpose of effect of continuing, renewing or reviving the violation hereinbefore alleged.

1

2

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

 $\mathbf{22}$ 

23

24

25

26

27

28

29

30

31

32

-742.14 1 Bru 3. That the defendants and their officers, directors, agents, employees, successors and assigns, and all persons acting on their behalf, be perpetually enjoined and restrained from, in any manner, directly or indirectly, engaging in any combination, conspiracy, agreement or understanding concerning the terms, prices or conditions of sale of any liquor products which they distribute.

4. That the defendants and their officers, directors, agents, employees, successors and assigns, and all persons acting on their behalf, be perpetually enjoined and restrained from, in any manner, directly or indirectly, exchanging with or divulging to any competitor information concerning prices, discount terms, pricing intentions, pricing methods or any term or condition affecting the price of any liquor products which they sell.

5. That the defendants be required within sixty days following entry of a final judgment in this action to:

(a) withdraw their then effective price listsfor the sale of Seagram's products and CanadianClub in Alaska;

(b) individually review their prices, discount terms and other conditions relating to the sale of such products on the basis of their individual cost figures and individual assessments of

appropriate profit margins; and

(c) adopt new prices, discount terms and other conditions relating to the sale of such products on the basis of such independent review.

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

That the plaintiff recover the costs of this action. 7. Dated:

JOHN N. MITCHELL Attorney General

W. MCLAREN Assistant Attorney General

Baddia J. Rashil BADDIA J. RASHID

Manauer MARQUIS L. SMITH

BARBARA J. SVEDBERG Attorneys Department of Justice **3**....

GERALD F. MCLAUGHLIN

ANTHONY

Attorneys, Department of Justice

E. DESMOND

G. KENT EDWARDS United States Attorney

30

31

32

-76514-1 620

3

4

Б

6

7

8

. 9

10

11

12

13

14

15

16

17