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7 UNITED STATES DISTRICT COURT
8 CENTRAL DISTRICT OF CALIFORNIA

9
10 UNITED STATES OF AMERICA,)

11 Plaintiff,)

12 v.)

13 AMERICAN BUILDING MAINTENANCE)
14 INDUSTRIES,)

15 Defendant.)

Civil No. 77-55-JWC

Filed: January 8, 1971

COMPLAINT

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

21 I

22 JURISDICTION AND VENUE

23 1. This complaint is filed and this action is instituted
24 against the defendant under Section 15 of the Act of Congress
25 of October 15, 1914, as amended (15 U.S.C. § 25), commonly known
26 as the Clayton Act, in order to prevent and restrain the
27 continuing violation by the defendant, as hereinafter alleged,
28 of Section 7 of the Clayton Act (15 U.S.C. § 18).

29 2. American Building Maintenance Industries transacts
30 business and is found within the Central District of California.
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II

DEFINITIONS

3. As used herein:

(a) "Southern California" refers to the area encompassed by Los Angeles, Orange, San Bernardino, Riverside, Santa Barbara and Ventura Counties in the State of California; and

(b) "Los Angeles area" refers to that part of Southern California bounded generally on the north by Oxnard, on the south by San Clemente, on the east by Fullerton, Pomona, Covina and Azusa, and on the west by the Pacific Ocean.

III

DEFENDANT

4. American Building Maintenance Industries (herein referred to as "ABMI") is hereby made the defendant herein. ABMI is a corporation organized and existing under the laws of the State of California and has its principal place of business at San Francisco, California. Each reference herein to ABMI shall include its subsidiary and affiliated corporations.

IV

NATURE OF TRADE AND COMMERCE

5. ABMI is one of the largest sellers of janitorial services in the United States with total revenues in 1969 of \$64,720,480, of which janitorial services accounted for \$52,431,984. American Building Maintenance Companies (ABMI's janitorial services division) has 56 branches serving more than 500 communities throughout the United States and Canada. In Southern California, ABMI's janitorial services facilities

1 are located in Los Angeles, Long Beach and Santa Ana. ABMI is
2 the largest seller of janitorial services in Southern California
3 with sales in 1969 of \$10,922,395, or approximately 10 percent
4 of the sales of janitorial services in the Southern California
5 market.

6 6. At the time of the acquisition and merger hereinafter
7 described, J. E. Benton Management Corporation and Benton
8 Maintenance Company (herein referred to collectively as "Benton")
9 were each corporations organized and existing under the laws of
10 the State of California. At said time, Benton was engaged in
11 the janitorial services, real estate and building management
12 businesses and operated in Southern California in the Los Angeles
13 area. In 1969, Benton's sales of janitorial services totalled
14 \$7,243,000, making it the fourth largest seller of such services
15 in Southern California with almost 7 percent of the sales in said
16 market.

17 7. Janitorial services contracting companies, including
18 ABMI, offer to sell and sell their services primarily to landlords,
19 managing agents and tenants of commercial, industrial and
20 institutional buildings. These services may include, but are
21 not limited to: general cleaning; sweeping and dusting; stripping,
22 waxing and polishing floors; carpet vacuuming and shampooing;
23 trash removal; venetian blind cleaning and repairing; washing
24 of floors and walls; furniture cleaning, polishing and refinish-
25 ing; elevator operating; and porter work.

26 8. In connection with its janitorial services contracting
27 business, ABMI maintains offices and serves customers in various
28 states of the United States. Both ABMI and Benton have purchased
29 and received substantial quantities of janitorial supplies that
30 have been shipped and transported across state lines and in
31 interstate commerce. Janitorial services customers of ABMI and
32 Benton have regularly engaged in commerce among the several

1 states of the United States.

2 V

3 OFFENSE ALLEGED

4 9. On or about June 30, 1970, ABMI acquired J. E. Benton
5 Management Corp. and Benton Maintenance Company was merged into
6 American Building Maintenance Company of California, a wholly
7 owned ABMI subsidiary.

8 10. The effect of the aforesaid acquisition and merger may
9 be to substantially lessen competition or tend to create a
10 monopoly in the sale of janitorial services in Southern California
11 and in the Los Angeles area, in violation of amended Section 7
12 of the Clayton Act, in the following ways, among others:

- 13 a. Actual and potential competition between
14 ABMI and Benton has been eliminated;
- 15 b. Benton has been eliminated as a substantial
16 factor in competition;
- 17 c. ABMI has increased in relative size to
18 such a point that its advantage over its
19 competitors threatens to be decisive; and
- 20 d. Concentration in the sale of janitorial
21 services has been increased to the detriment
22 of actual and potential competition.

23 PRAYER

24 WHEREFORE, the plaintiff prays:

25 1. That the acquisition and merger described in paragraph
26 9 of this complaint be adjudged a violation of amended Section
27 7 of the Clayton Act;

28 2. That ABMI be required to divest itself of the janitorial
29 services contracting business of J. E. Benton Management Corp.
30 and of Benton Maintenance Company which was merged into its
31 wholly owned subsidiary, American Building Maintenance Company
32 of California;

1 3. That the plaintiff have such other and further relief
2 as the nature of the case may require and which the Court may
3 deem just and proper; and

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

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6 
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8 Attorney General

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11 Assistant Attorney General

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