UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA	)	Filed: May 17, 1999 **(Under Seal)**
	)	**Seal Lifted: September 23, 1999**
v.	)	
	)	Criminal No.: 399-CR-181-G
ISLAND PERIODICALS, L.L.C.,	)	
	)	
Defendant.	)	15 U.S.C. §§ 1, 3

INFORMATION

The United States of America, acting through its attorneys, charges:

I

DESCRIPTION OF THE OFFENSE

1. ISLAND PERIODICALS, L.L.C., is made a defendant on the charge stated below.

2. Beginning at least as early as 1986 and continuing into 1999, the exact dates being unknown to the United States, the defendant and co-conspirators entered into and engaged in a combination and conspiracy to suppress and eliminate competition by allocating territories and customers for the sale and distribution of magazines and other periodicals in Puerto Rico, the U.S. Virgin Islands, and elsewhere. The charged combination and conspiracy unreasonably restrained interstate trade and foreign commerce in violation of Sections 1 and 3 of the Sherman Act (15 U.S.C. §§ 1, 3).

3. The combination and conspiracy consisted of a continuing agreement,

understanding and concert of action among the defendant and co-conspirators, the substantial terms of which were to allocate territories and customers for the sale and distribution of magazines and other periodicals in Puerto Rico, the U.S. Virgin Islands, and elsewhere.

4. For the purpose of forming and carrying out the charged combination and conspiracy, the defendant and co-conspirators did the following things, among others:

(a) discussed allocating and agreed to allocate certain territories among themselves;

(b) discussed allocating and agreed to allocate certain customers among themselves;

(c) discussed refraining and agreed to refrain from soliciting customers within each other's designated territories; and

(d) carried out their agreement.

II

DEFENDANT AND CO-CONSPIRATORS

5. The defendant is a corporation originally organized and existing under the laws of the State of Texas as Island Periodicals, Inc., then reorganized under the laws of the State of Delaware as Island Periodicals, L.L.C., with its principal place of business on St. Thomas, the U.S. Virgin Islands. The defendant is engaged in the sale and distribution of magazines and periodicals in Puerto Rico, the U.S. Virgin Islands, and elsewhere. At all times relevant to this Information, the defendant, or

its predecessor, did business in Puerto Rico, the U.S. Virgin Islands, and elsewhere, selling and distributing magazines and other periodicals to retailers for resale.

6. Various individuals and corporations, not made defendants in this Information, participated as co-conspirators in the charged combination and conspiracy and performed acts and made statements in furtherance of it.

7. Whenever this Information refers to any act, deed or transaction of any corporation, it means that the corporation engaged in the act, deed or transaction by or through its officers, directors, employees, agents or other representatives while they were actively engaged in the management, direction, control or transaction of its business or affairs.

III

TRADE AND COMMERCE

8. Magazines and other periodicals are distributed and sold to retail customers by wholesalers, referred to in the magazine industry as "independent distributors" or "IDs". The defendant, its predecessor, and its co-conspirators operated as IDs and were engaged in the business of distributing and selling magazines and other periodicals to retail customers, who in turn sold these magazines and other periodicals to the public. During the charged conspiratorial period, the defendant or its predecessor distributed magazines and periodicals to retailers in Puerto Rico, the U.S. Virgin Islands, and elsewhere through its magazine wholesale agency located on St. Thomas Island.

9. During the period covered by this Information, the defendant, its

predecessor, and co-conspirators sold and distributed in Puerto Rico, the U.S. Virgin Islands, and elsewhere magazines and other periodicals manufactured and produced in the continental United States. These magazines and other periodicals were shipped across state lines in a continuous and uninterrupted flow of interstate and foreign commerce from their places of manufacture to customers located in Puerto Rico, the U.S. Virgin Islands, and elsewhere. Payments for the magazines and periodicals distributed and sold by the defendant, its predecessor, and its co-conspirators were mailed by the defendant, its predecessor, and its co-conspirators from Puerto Rico, the U.S. Virgin Islands, and elsewhere to vendors located in the continental United States.

10. The activities of the defendant, its predecessor, and co-conspirators that are the subject of this Information were within the flow of, and substantially affected, interstate trade and foreign commerce.

IV

JURISDICTION AND VENUE

11. The combination and conspiracy charged in this Information was carried out, in part, within the five years preceding the filing of this Information. Defendant has expressly waived venue as it relates to the filing and disposition of

this Information. Defendant agrees that this Information may be prosecuted in the Northern District of Texas, Dallas Division.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTIONS 1 and 3.

_____"/s/"_____
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_____"/s/"_____
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_____"/s/"_____
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