IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS

UNITED STATES OF AMERICA	)	**Seal Lifted: 03/01/1999**
	)	Criminal No.: 3-98-CR-338-R
v.	)	
	)	Filed: 09/30/1998
LONZA, AG,	)	
	)	Violation: 15 U.S.C. § 1
Defendant.	)	
	)	Judge: Jerry Buchmeyer

INFORMATION

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

I

DESCRIPTION OF THE OFFENSE

1. Lonza, AG, a corporation organized and existing under the laws of Switzerland, is made a defendant on the charge stated below.

2. Beginning at least as early as January 1992 and continuing until at least March 1998, the exact dates being unknown to the United States, the defendant and co-conspirators entered into and participated in a combination and conspiracy to suppress and eliminate competition by fixing the price and allocating the volume of niacin and niacinamide sold in the United States and elsewhere. The combination and conspiracy engaged in by the defendant and co-conspirators was in unreasonable restraint of interstate and foreign trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

3. The charged 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:

(a) to agree to fix and maintain prices and to coordinate price increases for the sale of niacin and niacinamide in the United States and elsewhere;

(b) to agree to allocate among the corporate conspirators the volume of sales of niacin and niacinamide in the United States and elsewhere; and

(c) to agree to allocate among the corporate conspirators customers of niacin and niacinamide in the United States and elsewhere.

4. For the purpose of forming and carrying out the charged combination and conspiracy, the defendant and co-conspirators did those things that they combined and conspired to do, including, among other things:

(a) participating in meetings and conversations in the United States and Europe to discuss the prices and volume of niacin and niacinamide sold in the United States and elsewhere;

(b) agreeing, during those meetings and conversations, to charge prices at certain levels and otherwise to increase and maintain prices of niacin and niacinamide sold in the United States and elsewhere;

(c) agreeing, during those meetings and conversations, to allocate among the corporate conspirators the approximate volume of niacin and niacinamide to be sold by each corporate conspirator in the United States and elsewhere;

(d) agreeing, during those meetings and conversations, to allocate among the corporate conspirators customers of niacin and niacinamide in the United States and elsewhere;

(e) exchanging sales and customer information for the purpose of monitoring and enforcing adherence to the above-described agreement; and

(f) issuing price announcements and price quotations in accordance with the agreements reached.

II

BACKGROUND

5. Niacin and niacinamide are vitamins of the B-complex group. These vitamins are sold by manufacturers and resellers to customers in both the human and animal nutrition industries. Niacin and niacinamide are ingredients necessary for the growth and development of both humans and animals.

III

DEFENDANT AND CO-CONSPIRATORS

6. During the period covered by this Information, Lonza, AG was a corporation organized and existing under the laws of Switzerland, with its principal place of business in Basel, Switzerland. Lonza, AG manufactures niacin and niacinamide in Visp, Switzerland, and is engaged in the sale of niacin and niacinamide throughout the United States and in foreign countries.

7. Various corporations and individuals not made defendants herein participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

8. Wherever in this Information reference is made to any act, deed, or transaction of a corporation, the allegation means that the corporation engaged in the act, deed, or transaction

by or through its officers, directors, agents, employees, or representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

IV

TRADE AND COMMERCE

9. During the period covered by this Information, the defendant and co-conspirators sold and distributed a substantial quantity of niacin and niacinamide in a continuous and uninterrupted flow of interstate and foreign trade and commerce to customers located in states or countries other than the states or countries in which the niacin and niacinamide were produced.

10. During the period covered by this Information, the activities of the defendant and co-conspirators that are the subject of this Information were within the flow of, and substantially affected, interstate and foreign trade and commerce.

V

JURISDICTION AND VENUE

11. The combination and conspiracy charged in this Information was carried out, in part, within the Northern District of Texas within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

Dated:

_____"/s/"_____
JOEL I. KLEIN
Assistant Attorney General

_____"/s/"_____
ALAN A. PASON
Chief, Dallas Office

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