

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA)	
)	Criminal No.: CR-97-537
v.)	
)	Filed: 9/30/97
N.S. MEYER, INC.,)	
)	Violation: 15 U.S.C. § 1
Defendant.)	(Price Fixing)
)	Judge Dubois

INFORMATION

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

I

DEFENDANT AND CO-CONSPIRATORS

1. N.S. Meyer, Inc. is hereby made a defendant on the charge stated below. N.S. Meyer, Inc. is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York, New York. N.S. Meyer is engaged in the sale of military insignia throughout the United States and in foreign countries.

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

3. 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.

II

BACKGROUND

4. The Army-Air Force Exchange Service (AAFES), a unit of the United States Department of Defense, is headquartered in Dallas, Texas. Each year, AAFES purchases thousands of items including military insignia, for resale to Army and Air Force personnel at AAFES facilities worldwide. Military insignia are items purchased by military personnel to be placed on or used with their uniforms, including, but not limited to, those items which designate rank, unit, areas of expertise, and campaigns, as well as medals, awards, ribbons, patches, crests, chevrons, buckles and buttons.

5. AAFES contracts with vendors to supply military insignia through open order contracts. An open order contract authorizes a vendor to sell military insignia to AAFES facilities designated in the contract at the prices set forth in that vendor's contract on an ongoing basis during the term of the contract. In January 1993, AAFES awarded to the defendant and co-conspirator companies open order contracts which are the subject of this information. These contracts hereinafter are referred to as the 1993 Open Order Contracts.

III

OFFENSE CHARGED

6. Beginning at least as early as 1992 and continuing into 1995, 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

in unreasonable restraint of interstate and foreign trade and commerce.

7. The charged conspiracy consisted of a continuing agreement, understanding and concert of action among the defendant and co-conspirators, the substantial terms of which were to fix prices on military insignias supplied to AAFES under the 1993 Open Order Contracts.

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

- (a) meeting and discussing among themselves the submission of prospective prices on the 1993 Open Order Contracts;
- (b) agreeing among themselves to raise prices to be submitted on the 1993 Open Order Contracts;
- (c) exchanging among themselves prospective prices to be submitted on the 1993 Open Order Contract; and
- (d) submitting fixed prices for the 1993 Open Order Contracts.

IV

TRADE AND COMMERCE

9. During the period covered by this information, a substantial quantity of military insignia sold by the defendant and co-conspirators pursuant to the 1993 Open Order Contracts were shipped across state lines and overseas to AAFES facilities.

10. During the period covered by this information, the activities of the defendant and co-conspirators, which 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 Eastern District of Pennsylvania 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/"
WILLARD S. SMITH

"/s/"
GARY R. SPRATLING
Deputy Assistant Attorney General

"/s/"
BRADFORD L. GEYER

"/s/"
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"/s/"
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