

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA

Filed: 9/23/97

v.

Case No.: 97-CR176

HENRY C. ZENI,

Violation: 15 U.S.C. § 1

Defendant.

Judge Clevert

INFORMATION

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

I.

DESCRIPTION OF THE OFFENSE

1. HENRY C. ZENI is hereby made a defendant on the charge stated below.
2. Beginning at least as early as the mid-1980's, and continuing until or about January 1996, the exact dates being unknown to the United States, the defendant and co-conspirators, Zelman Levine and other corporations and individuals, entered into and engaged in a combination and conspiracy to suppress and eliminate competition by fixing prices, rigging bids, and allocating contracts for the sale of point-of-purchase displays to Anheuser-Busch, Inc. The combination and conspiracy, engaged in by the defendant and co-conspirators, is an unreasonable restraint of interstate 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 prices on the submission of bids for contracts for the sale of point-of-purchase displays to Anheuser-Busch, Inc.;
- (b) to agree to submit collusive and rigged bids for contracts to sell point-of-purchase displays to Anheuser-Busch, Inc.; and
- (c) to allocate contracts for the sale of point-of-purchase displays to Anheuser-Busch, Inc. among and between the conspirators.

II.

MEANS AND METHODS OF THE CONSPIRACY

4. For the purpose of forming and effectuating the aforesaid combination and conspiracy, the defendant and co-conspirators did those things which they combined and conspired to do, including, among other things:

- (a) participating in telephone conversations to discuss the prices to bid on contracts for the sale of point-of-purchase displays to be awarded by Anheuser-Busch, Inc.;
- (b) agreeing, during those conversations, to fix prices on the submission of bids on those contracts for the sale of point-of-purchase displays to be awarded by Anheuser-Busch, Inc.;

- (c) agreeing, during those conversations, to submit collusive, rigged bids on those contracts for the sale of point-of-purchase displays to be awarded by Anheuser-Busch, Inc.;
- (d) agreeing, during those conversations, to allocate those contracts for the sale of point-of-purchase displays to be awarded by Anheuser-Busch, Inc. among and between the conspirators;
- (e) submitting collusive and rigged bids on those contracts for the sale of point-of-purchase displays to be awarded by Anheuser-Busch, Inc.;
- (f) receiving the contracts and purchase orders to supply Anheuser-Busch, Inc. with the point-of-purchase displays;
- (g) providing point-of-purchase displays to Anheuser-Busch, Inc. on contracts awarded on the basis of collusive and rigged bids;
- (h) receiving payment from Anheuser-Busch, Inc. on contracts awarded on the basis of collusive and rigged bids;
- (i) concealing the conspiracy and conspiratorial contacts through various means; and
- (j) agreeing to continue fixing prices, rigging bids, and allocating contracts from year to year.

III.

DEFENDANT AND CO-CONSPIRATORS

5. During the period covered by this Information, defendant HENRY C. ZENI, of Brookfield, Wisconsin, was involved in the sale of point-of-purchase

displays in the United States from approximately June 1974 through the end of the conspiracy period in his capacity as an employee of Everbrite, Inc. Everbrite, Inc. is a corporation organized and existing under the laws of the State of Delaware with its principal place of business in Milwaukee, Wisconsin. From April 1981 through December 1993, ZENI was Everbrite Inc.'s Vice-President of Special Accounts. ZENI became Vice-President of Everbrite Neon in late December 1993 and is currently in that position. During the period covered by this Information, ZENI was responsible for developing, producing, selling and distributing point-of-purchase displays to Anheuser-Busch, Inc.

6. Other corporations and individuals, including Zelman Levine, not made defendants in this Information, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

7. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, the allegation 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.

IV.

TRADE AND COMMERCE

8. Point-of-purchase displays include plastic or neon bar taps, clocks, lights, lamps, signs, or other miscellaneous promotional items that contain the brand name or logo of the product to be sold. Point-of-purchase displays are placed

by breweries in bars, restaurants, and stores to advertise their products to the consumer.

7. During the period covered by this Information, Anheuser-Busch, Inc. purchased substantial quantities of permanent point-of-purchase display materials from suppliers located throughout the United States, including from Everbrite, Inc. and other co-conspirators. These purchases were often made by issuing a contract or purchase order to a conspirator after the conspirator had submitted a written price quotation or bid pursuant to the Anheuser-Busch, Inc.'s practice of seeking competitive bids for sizable contracts.

8. During the period covered by this Information, the defendant, acting on behalf of Everbrite, Inc., and co-conspirators obtained a substantial number of contracts and purchase orders for point-of-purchase displays from Anheuser-Busch, Inc. through the submission of collusive, rigged bids.

9. During the period covered by this Information, the defendant, acting on behalf of Everbrite, Inc., and co-conspirators sold and distributed point-of-purchase displays in a continuous and uninterrupted flow of interstate commerce to Anheuser-Busch, Inc., which is located in a state other than the states in which Everbrite, Inc. and other co-conspirators developed and produced point-of-purchase displays.

10. During the period covered by this Information, Everbrite, Inc. developed, produced, sold, and distributed point-of-purchase displays in Wisconsin and other states using materials and supplies obtained in interstate commerce and

distributed point-of-purchase displays at the direction of Anheuser-Busch, Inc. to states other than Wisconsin.

11. During the period covered by this Information, the activities of the defendant and co-conspirators with respect to the sale of point-of-purchase displays to Anheuser-Busch, Inc. were within the flow of, and substantially affected, interstate trade and commerce.

V.

JURISDICTION AND VENUE

13. The combination and conspiracy charged in this Information was formed and carried out, in part, in the Eastern District of Wisconsin 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
Antitrust Division

_____/s/_____
James H. Mutchnik

_____/s/_____
Gary R. Spratling
Deputy Assistant Attorney General
Antitrust Division

_____/s/_____
Carla M. Stern

Attorneys, Midwest Field Office
Antitrust Division
Suite 600
209 South LaSalle Street
Chicago, Illinois 60604
(312) 353-7530

_____/s/_____
Marvin N. Price, Jr.
Assistant Chief, Midwest Field Office
Antitrust Division

_____/s/_____
Thomas P. Schneider
United States Attorney
Eastern District of Wisconsin