

UNITED STATES DISTRICT COURT

DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 ) Civil Action No. N 75-261  
 v. )  
 ) Filed:  
 FOSTER BAM; )  
 )  
 CITIES SERVICE COMPANY; and ) October. 31, 1975  
 AMERICAN NATURAL GAS COMPANY, )  
 )  
 Defendants. )

COMPLAINT

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, brings this action against the defendants named herein and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed and this action is instituted against the defendants under Section 15 of the Act of Congress of October 15, 1914, as amended (15 U.S.C. § 25), commonly known as the Clayton Act, in order to prevent and restrain the continuing violation by the defendants, as hereinafter alleged, of Section 8 of the Clayton Act (15 U.S.C. § 19).

2. Defendants Foster Bam and Cities Service Company transact business and are found within this district.

II

DEFENDANTS

3. Foster Bam is made a defendant herein. Defendant Bam maintains an office in Greenwich, Connecticut. Since 1973, he has been and now is a director of defendant Cities

Service Company. Defendant Bam has also been a director of defendant American Natural Gas Company since 1960, but he resigned from that position on June 20, 1975, after being notified of plaintiff's intention to file this action.

4. Cities Service Company (hereinafter referred to as "Cities Service") is made a defendant herein. Cities Service is a corporation organized and existing under the laws of the State of Delaware. Cities Service has capital, surplus, and undivided profits aggregating more than \$1 million, and is engaged in whole or in part in commerce.

5. American Natural Gas Company (hereinafter referred to as "American Natural") is made a defendant herein. American Natural is a corporation organized and existing under the laws of the State of Delaware. American Natural has capital, surplus, and undivided profits aggregating more than \$1 million, and is engaged in whole or in part in commerce.

### III

#### TRADE AND COMMERCE

6. Defendant Cities Service has been and is engaged in the production, refining, marketing and distribution of petroleum and petroleum products and gas at wholesale and retail in interstate commerce. Defendant Cities Service also has been and is engaged in efforts to acquire interests in oil and gas producing properties including oil and gas producing properties leased by the Federal Government in accordance with the Outer Continental Shelf Lands Act (43 U.S.C. §§ 1331-1343) which are intended to be explored and developed into producing oil and gas wells, the products of which are to be transported to on-shore locations and thence to other states of the United States.

7. Defendant American Natural has been and is engaged in the production, purchase, marketing, transmission, and distribution of petroleum, petroleum products and gas in interstate commerce. Defendant American Natural, through its wholly-owned subsidiary American Natural Gas Production Company, also has been and is engaged in efforts to acquire interests in oil and gas producing properties including oil and gas producing properties leased by the Federal Government in accordance with the Outer Continental Shelf Lands Act (43 U.S.C. §§1331-1343) which are intended to be explored and developed into producing oil and gas wells, the products of which are to be transported to on-shore locations and thence to other states of the United States.

8. Since June 19, 1973, defendants Cities Service and American Natural have bid against each other in at least twenty (20) instances to obtain from the Federal Government interests in identical potential oil and gas producing properties.

9. Defendants Cities Service and American Natural have been, by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of a provision of the antitrust laws.

#### IV

#### VIOLATION ALLEGED

10. Defendant Foster Bam at the same time has been a director of both defendant Cities Service and defendant American Natural, in violation of Section 8 of the Clayton Act.

11. Defendant Cities Service has permitted defendant Foster Bam to be elected and to serve as one of its directors at the same time that defendant Foster Bam

was a director of defendant American Natural, in violation of Section 8 of the Clayton Act.

12. Defendant American Natural has permitted defendant Foster Bam to be elected and to serve as one of its directors at the same time that defendant Foster Bam was a director of defendant Cities Service, in violation of Section 8 of the Clayton Act.

13. Defendants will continue the aforesaid violation of Section 8 of the Clayton Act unless the relief hereinafter prayed for is granted.

PRAYER

WHEREFORE, plaintiff prays:

1. That it be adjudged and decreed that defendants have violated Section 8 of the Clayton Act.

2. That defendant Foster Bam be perpetually enjoined from becoming a director of serving as a director in any two or more competing corporations, any one of which has capital, surplus, and undivided profits aggregating more than \$1 million, engaged in interstate commerce.

3. That defendant company or companies from which defendant Foster Bam is directed to resign be compelled to accept his resignation and be enjoined from permitting him to be elected as a director or allowing him to serve as a director in the future.

4. That defendants Cities Service and American Natural each be perpetually enjoined from permitting to be elected or allowing to serve as a director any person who is at the same time a director of a competing corporation engaged in interstate commerce.

5. That pursuant to Section 15 of the Clayton Act (15 U.S.C. §25) an order be made and entered herein requiring defendant American Natural to be brought before

this Court in this proceeding and directing the United States Marshal of the District of Connecticut to serve a summons on it.

6. That the plaintiff have such other and further relief as the nature of the case may require and the Court may deem just and proper in the circumstances.

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

  
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