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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10

11 UNITED STATES OF AMERICA,)

12 Plaintiff,)

13 v.)

14 ACME MEAT COMPANY;)
BRISTOL FOODS, INCORPORATED,)
15 d/b/a GOLD PAK MEAT COMPANY;)
DELTA MEAT PACKING COMPANY;)
16 FEDERAL MEAT COMPANY;)
GEM PACKING COMPANY;)
17 GLOBE PACKING COMPANY;)
GREAT WESTERN PACKING COMPANY;)
18 MEAT PACKERS, INCORPORATED;)
O.K. MEAT PACKING COMPANY;)
19 QUALITY MEAT PACKING COMPANY;)
SERV-U MEAT PACKING COMPANY;)
20 SHAMROCK MEATS, INCORPORATED;)
UNION PACKING COMPANY; and)
21 WARD FOODS, INCORPORATED,)

22 Defendants.)
23

Civil No. 78-1436-RMT(TX)

Filed: April 13, 1978

15 U.S.C. § 1 (Sherman
Antitrust Act)

CONSPIRACY IN RESTRAINT OF
INTERSTATE TRADE AND COMMERCE:
EQUITABLE RELIEF SOUGHT

24 COMPLAINT

25 The United States of America, plaintiff, by its attorneys,
26 acting under the direction of the Attorney General of the United
27 States, brings this action to obtain equitable relief against the
28 above-named defendants, and complains and alleges as follows:

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I

JURISDICTION AND VENUE

1. This complaint is filed and this action is instituted under Section 4 of the Sherman Act (15 U.S.C. § 4), in order to prevent the continuing violation or the reoccurrence thereof by the defendants, as hereinafter alleged, of Section 1 of said Act (15 U.S.C. § 1).

2. Each of the defendants maintains an office, transacts business and is found within the Central District of California.

II

DEFINITIONS

3. As used herein, the term:

(a) "Meat packer" means a business entity which slaughters cattle (or has cattle slaughtered for it by a third party) and dresses and sells such slaughtered cattle as beef products, such as dressed beef, primal cuts, fabricated meat or finished meat products;

(b) "Carcass beef" means slaughtered beef which has been dressed and not processed into primal or sub-primal cuts or otherwise further processed;

(c) "Feed lot" means a business entity which feeds and retains cattle in order to allow such cattle to mature in age and weight for the purpose of slaughtering; and

(d) "Los Angeles Area" means the geographic area comprising the Counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura and Santa Barbara, California.

1 III

2 THE DEFENDANTS

3 4. Each of the corporations named below in this paragraph is
4 hereby made a defendant herein. Each of said defendants is
5 incorporated and exists under the laws of the state listed
6 opposite its name, with its principal place of business in the
7 city listed. During all or part of the period of time covered by
8 this complaint, each of said corporations operated as a meat packer
9 in the Los Angeles Area.

10	<u>Name of Corporation</u>	<u>State of</u> <u>Incorporation</u>	<u>Principal Place</u> <u>of Business</u>
11	Acme Meat Company	California	Los Angeles (Vernon), CA
12	Bristol Foods, Incorporated		
13	d/b/a Gold Pak Meat Company	California	Los Angeles (Vernon), CA
14	Delta Meat Packing Company	California	Los Angeles (Vernon), CA
15	Federal Meat Company	California	Los Angeles (Vernon), CA
16	Gem Meat Packing Company	California	Los Angeles (Vernon), CA
17	Globe Packing Company	California	San Fernando, CA
18	Great Western Packing Company	California	Los Angeles (Vernon), CA
19	O.K. Meat Packing Company	California	South Gate, CA
20	Quality Meat Packing Company	California	Los Angeles (Vernon), CA
21	Serv-U Meat Packing Company	California	Los Angeles (Vernon), CA
22	Shamrock Meats, Incorporated	California	Los Angeles (Vernon), CA
23	Union Packing Company	California	Los Angeles (Vernon), CA
24	Ward Foods, Incorporated	New York	Wilmette, IL

25 5. During all or part of the period of time covered by this
26 complaint, defendant Ward Foods, Incorporated operated as a meat
27 packer in the Los Angeles Area through its division Gold Ring Meats

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1 Division of Ward Foods, whose principal place of business is in
2 Los Angeles (Vernon), California.

3 6. Meat Packers, Incorporated, is hereby made a defendant
4 herein. Meat Packers, Incorporated is a non-profit corporation
5 organized and existing under the laws of the State of California,
6 with its principal place of business in Los Angeles (Vernon),
7 California. During all or part of the period of time covered by
8 this complaint, Meat Packers, Incorporated, operated as a trade
9 association for meat packers in the Los Angeles Area.

10 IV

11 CO-CONSPIRATORS

12 7. Various individuals and companies not made defendants in
13 this complaint have participated as co-conspirators in the violation
14 hereafter alleged and have performed acts and made statements in
15 furtherance thereof.

16 V

17 TRADE AND COMMERCE

18 8. During the period of time covered by this complaint, a
19 substantial volume of the cattle, which were slaughtered and
20 eventually sold as carcass beef in the Los Angeles Area by the
21 corporate defendants, were purchased from feed lots located in
22 the states of Arizona, Colorado, Idaho and Texas, and were shipped
23 in interstate commerce from such feed lots to corporate defendants'
24 plants located in the State of California. A substantial volume
25 of the cattle purchased by the corporate defendants from feed
26 lots located in the states of Arizona, California, Colorado, Idaho
27 and Texas were shipped in interstate commerce from the states in

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1 which such cattle were born to the states in which such feed lots
2 were located.

3 9. During the period of time covered by this complaint,
4 the defendants were the principal meat packers located in the
5 Los Angeles Area. The principal customers to whom they sold carcass
6 beef were chain and independent retail grocery stores, food
7 wholesalers, and government installations. Such customers also
8 satisfy some of their requirements for beef products by purchasing
9 carcass beef and other forms of beef from meat packers located
10 outside the State of California and then shipping such products
11 in interstate commerce into the State of California directly to
12 said customers.

13 10. In 1976, the defendants had total sales of approximately
14 \$827 million, including approximately \$277 million in the sales
15 of carcass beef.

16 11. During the period of time covered by this complaint, the
17 sale of carcass beef by each of the defendants was within the
18 flow of and substantially affected the above-described interstate
19 commerce.

20 VI

21 VIOLATION ALLEGED

22 12. Beginning at least as early as 1965, the exact date being
23 unknown to the plaintiff, and continuing thereafter into at least
24 1974, the defendants and co-conspirators entered into and have
25 engaged in an unlawful combination and conspiracy to restrain
26 the aforesaid interstate commerce in violation of Section 1 of
27 the Sherman Act (15 U.S.C. § 1). This violation may continue or
28 recur unless the relief hereinafter prayed for is granted.

1 13. The aforesaid combination and conspiracy has consisted of
2 an agreement, understanding, and concert of action among the
3 defendants and co-conspirators to fix, raise and stabilize the
4 selling price of carcass beef sold to their customers in the
5 Los Angeles Area.

6 14. For the purpose of forming and effectuating the aforesaid
7 combination and conspiracy, the defendants and co-conspirators have
8 done those things which they combined and conspired to do.

9 VII

10 EFFECTS

11 15. The aforesaid combination and conspiracy has had the
12 following effects, among others:

- 13 (a) price competition in the sale of carcass beef in
14 the Los Angeles Area has been restrained;
- 15 (b) customers in the Los Angeles Area of the defendants
16 purchasing carcass beef have been deprived of the
17 opportunity to purchase carcass beef in an open
18 and competitive market;
- 19 (c) prices for carcass beef sold to customers of the
20 defendants in the Los Angeles Area have been
21 artificially increased and stabilized; and
- 22 (d) the above described flow of interstate commerce
23 and trade has been adversely restrained.

24 PRAYER

25 WHEREFORE, plaintiff prays:

26 1. That the Court adjudge and decree that the defendants,
27 and each of them, have engaged in an unlawful combination and
28 conspiracy in unreasonable restraint of the aforesaid interstate

1 trade and commerce in violation of Section 1 of the Sherman Act.

2 2. That each of the defendant meat packers, its successors,
3 assigns, subsidiaries and transferees, and the respective officers,
4 directors, agents, and employees thereof, and all other persons
5 acting or claiming to act on behalf thereof, be perpetually
6 enjoined and restrained from, in any manner, directly or indirectly,
7 continuing, maintaining, renewing, or reviving the aforesaid
8 illegal combination and conspiracy, and from engaging in any other
9 combination, conspiracy, agreement, understanding, or concert
10 of action having a similar purpose or effect and from adopting
11 or following any practice, plan, program, or device having a
12 similar purpose or effect.

13 3. That defendant Meat Packers, Incorporated, its successors,
14 assigns, subsidiaries and transferees, and the respective officers,
15 directors, agents, and employees thereof, and all other persons
16 acting or claiming to act on behalf thereof, be perpetually
17 enjoined and restrained from, in any manner, directly or indirectly,
18 adopting or following any practice, plan, program, or device which
19 has the purpose or effect of allowing or promoting discussions,
20 exchanges or communications, in any form, of prices of
21 carcass beef among the defendant meat packers.

22 4. That plaintiff have such other, further and different
23 relief as the Court may deem just and proper.

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1 5. That the plaintiff recover the costs of this suit.

2 Dated:

3 *John H. Shenefield*

4 JOHN H. SHENEFIELD
5 Assistant Attorney General

DENNIS R. BUNKER

6 *Richard J. Favretto*

7 RICHARD J. FAVRETTO

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11 ANDREA S. ORDIN
12 United States Attorney