

UNITED STATES DISTRICT COURT
DISTRICT OF WYOMING

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil No. C80-0239
)	
LARAMIE COUNTY LIQUOR DEALERS)	COMPETITIVE IMPACT
ASSOCIATION, an unincorporated)	STATEMENT
association,)	
)	
Defendant.)	
)	

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act [15 U.S.C. §16(b)], the United States hereby submits this Competitive Impact Statement relating to the proposed consent judgment submitted for entry in this civil antitrust proceeding.

I.

NATURE OF THE PROCEEDING

On August 11, 1980, the United States filed a civil Complaint under Section 4 of the Sherman Act (15 U.S.C. §4), alleging that defendant, Laramie County Liquor Dealers Association (defendant Association), and unnamed co-conspirators, had engaged in a combination and conspiracy to fix, raise, maintain, and stabilize the prices of beer, wine, and liquor sold to customers of Association members. The Complaint asks the Court to find that the defendant has violated Section 1 of the Sherman Act (15 U.S.C. §1) and further requests the Court to enjoin the continuance of

the conspiracy.

II.

PRACTICES GIVING RISE TO
THE ALLEGED VIOLATION

Defendant is an unincorporated association whose members are retail liquor dealers located in Laramie County, Wyoming. The Government contends and was prepared to show at trial that beginning at least as early as 1968 and continuing to the date of the filing of the Complaint (August 11, 1980) that defendant prepared, published and distributed suggested retail price lists for beer, wine and liquor. These price lists were distributed both to members of the defendant and to other retail liquor dealers in Laramie County. The price lists were prepared at defendant's expense, with dues collected from defendant's members, and were usually revised and distributed several times each year. The Government was further prepared to show at trial that the price lists were used by retail liquor dealers who were members of the defendant Association to establish their prices and that defendant prepared and published the price lists with the intent and knowledge that the price lists would be used by its members and other retail liquor dealers in establishing their prices for beer, wine and liquor sold in Laramie County.

According to the Complaint, the practices described above have had the following effects: (a) price competition in the sale of beer, wine and liquor in Laramie County has been restrained; (b) prices for beer, wine and liquor sold to customers of defendant Association's members and co-conspirators have been artificially fixed, raised, maintained and stabilized; (c) customers of defendant Association's members and co-conspirators have been deprived of the opportunity to purchase beer, wine and liquor in an open and competitive market; and (d) competition between and

among defendant Association's members and co-conspirators in the sale of beer, wine and liquor has been restrained.

III.

EXPLANATION OF THE PROPOSED
CONSENT JUDGMENT

The United States and defendant Laramie County Liquor Dealers Association have agreed that the proposed Final Judgment, which is in a form negotiated by the parties, may be entered by the Court at any time after compliance with the Antitrust Procedures and Penalties Act. The proposed Final Judgment provides that there has been no admission by anyone with respect to any issue of fact or law. Under the provisions of Section 2(e) of the Antitrust Procedures and Penalties Act, entry of this Final Judgment by the Court is conditioned upon a determination that the proposed judgment is in the public interest.

The proposed Final Judgment will prohibit the Laramie County Liquor Dealers Association from fixing or establishing prices and from suggesting, urging, inducing or recommending that any person who sells beer, wine or liquor, adhere to or otherwise base its prices on any price list (Sections IV(A) and (B)). The defendant Association will be prohibited from preparing, publishing, or distributing any price lists for beer, wine or liquor (Section IV(C)). The defendant Association is also prohibited from contacting persons who sell beer, wine or liquor with reference to the prices charged by that person and from attempting to enforce any price or price list (Sections IV(D) and (E)). The defendant Association is further prohibited from communicating or exchanging with any person who sells liquor information about prices or proposed prices (Section IV(F)).

In order to help put into effect the provisions of Section IV of the proposed Final Judgment, defendant Association is required to direct its members and other persons to whom it distributed

price lists (1) to destroy all such price lists (Section V(A)), and (2) to independently and individually review and recompute their current prices without reference to defendant's or anyone else's price list (Section V(B)). The proposed Final Judgment also requires that defendant's President and former Vice President submit the results of their individual recomputations to the Court (Section V(C)). The defendant Association is further required to provide the Final Judgment to each licensed liquor dealer in Laramie County, as well as to all future members of defendant Association, and to have the Final Judgment explained to its members by an attorney at an Association meeting held in 1981 (Sections V(D) and (E)).

The proposed Judgment is designed to prevent any recurrence of the activities alleged in the Complaint. The provisions in the proposed judgment are intended to ensure that future retail beer, wine and liquor prices in Laramie County are determined by the individual decision of each retail liquor dealer without consultation with defendant Association or any other retail liquor dealer. The provisions of the Final Judgment will be in effect for a period of ten years.

IV.

ALTERNATIVES TO THE PROPOSED FINAL JUDGMENT

The alternative to the proposed Final Judgment would be a full trial of the case. In the view of the Department of Justice, such a trial would involve substantial costs to the United States and is not warranted since the proposed Final Judgment provides the relief that the United States sought in its Complaint.

V.

REMEDIES AVAILABLE TO PRIVATE LITIGANTS

Section 4 of the Clayton Act (15 U.S.C. §15) provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover

three times the damages suffered, as well as costs and reasonable attorney fees. Under the provisions of Section 5(a) (15 U.S.C. §16(a)), this Final Judgment has no prima facie effect in the lawsuits which may be brought against the defendant.

VI

PROCEDURES AVAILABLE FOR
MODIFICATION OF THE PROPOSED JUDGMENT

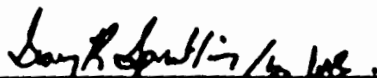
As provided by the Antitrust Procedures and Penalties Act, any person believing that the proposed judgment should be modified may submit written comments to Anthony E. Desmond, Department of Justice, Antitrust Division, 450 Golden Gate Avenue, San Francisco, California 94102, within the 60-day period provided by the Act. The comments and the Government's responses to them will be filed with the Court and published in the Federal Register. All comments will be given due consideration by the Department of Justice, which remains free to withdraw its consent to the proposed judgment at any time prior to its entry if it should determine that some modification of the judgment is necessary to the public interest. The proposed judgment itself provides that the Court will retain jurisdiction over this action, and that the parties may apply to the Court for such orders as may be necessary or appropriate for the modification or enforcement of the judgment.

VII.

DETERMINATIVE DOCUMENT

No materials and documents of the type described in Section 2(b) of the Antitrust Procedures and Penalties Act [15 U.S.C. §16(b)] were considered in formulating this proposed judgment.

Dated:



GARY R. SPRATLING



CHRISTOPHER S. COOK

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Justice