

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) **Criminal No.: 96-CR-00761**
 v.)
) **[Filed: 12/3/96]**
 CHEIL JEDANG, LTD. a/k/a)
 CHEIL FOODS & CHEMICALS, INC.,) **Violation: 15 U.S.C. § 1**
)
 Defendant.) **Judge: Alesia**

INFORMATION

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

I.

DESCRIPTION OF THE OFFENSE

1. CHEIL JEDANG, LTD. ("CHEIL") a/k/a CHEIL FOODS & CHEMICALS, INC. is made a defendant on the charge stated below.
2. Beginning in or about June 1992 and continuing until approximately June 27, 1995, the exact dates being unknown to the United States, the defendant and co-conspirators entered into and engaged in a combination and conspiracy to suppress and eliminate competition by fixing the price and, later during that time period, allocating the sales volumes of lysine

offered for sale to customers in the United States and elsewhere. The combination and conspiracy, engaged in by the defendant and co-conspirators, is in 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 conspirators, the substantial terms of which were:

- (a) to agree to fix and maintain prices and to coordinate price increases for the sale of lysine in the United States and elsewhere; and
- (b) to agree to allocate the volumes of sales of lysine among the corporate conspirators.

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

- (a) participating in meetings and conversations to discuss the prices and volumes of sales of lysine sold in the United States and elsewhere;
- (b) agreeing, during those meetings and conversations, to charge prices at certain levels and otherwise to increase and maintain prices of lysine sold in the United States and elsewhere;

- (c) agreeing, during those meetings and conversations, to allocate among the corporate conspirators the volume of sales of lysine to be sold by each corporate conspirator in the United States and elsewhere;
- (d) issuing price announcements and price quotations in accordance with the agreements reached; and
- (e) participating in meetings and conversations to discuss prices and volumes of sales of lysine sold in the United States and elsewhere for the purpose of monitoring and enforcing adherence to the agreed-upon prices and sales volumes.

II.

DEFENDANT AND CO-CONSPIRATORS

5. Defendant CHEIL is a corporation organized and existing under the laws of Korea with its principal place of business in Seoul, Korea. During the period covered by this Information, CHEIL sold and distributed lysine, produced by a joint venture controlled by the defendant, to customers in Asia and elsewhere, including the United States.

6. Various corporations and individuals, not made defendants in this Information, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance of it.

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.

III.

TRADE AND COMMERCE

8. Lysine is an amino acid produced through a fermentation process and used primarily as a protein additive in swine and poultry feed. Lysine is used by swine and poultry farmers to supplement a diet of corn and thereby ensure proper growth of swine and poultry.

9. During the period covered by this Information, the defendant and co-conspirators sold and distributed lysine in a continuous and uninterrupted flow of interstate commerce to customers located in states other than the states or countries in which the defendant and co-conspirators produced lysine.

10. The business activities of the defendant and co-conspirators that are the subject of this Information were within the flow of, and substantially affected, interstate trade and commerce.

IV.

JURISDICTION AND VENUE

11. The combination and conspiracy charged in this Information was carried out, in part, in the Northern District of Illinois, Eastern Division, 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
Acting Assistant Attorney General

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

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