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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10

11 UNITED STATES OF AMERICA)

Cr. No.: 99-0276

12)
13 v.)

Filed: July 19, 1999

14 PFIZER, INC.,)

VIOLATIONS:
Title 15, United States Code,
Section 1 -- Price Fixing and
Customer and Territorial
Allocation

15)
16 Defendant)

(San Francisco Venue)

17)
18 INFORMATION

19 COUNT ONE - CONSPIRACY TO RESTRAIN TRADE IN SODIUM ERYTHORBATE

20 (15 U.S.C. § 1)

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

22 I.

23 DESCRIPTION OF THE OFFENSE

24 1. PFIZER, INC. is made a defendant on the charge stated below.

25 2. From in or about July 1992 until in or about December 1994, defendant

26 PFIZER and co-conspirators participated in a combination and conspiracy to suppress

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1 and eliminate competition by fixing the prices of sodium erythorbate to be sold in the
2 United States. The combination and conspiracy engaged in by the defendant and
3 co-conspirators was in unreasonable restraint of interstate trade and commerce in
4 violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

5 3. The charged combination and conspiracy consisted of a continuing
6 agreement, understanding, and concert of action among the conspirators, the
7 substantial terms of which were to agree to fix and maintain prices and to coordinate
8 price increases for the sale of sodium erythorbate in the United States.

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

- 12 (a) participating in meetings and conversations to discuss the prices of
13 sodium erythorbate to be sold in the United States;
- 14 (b) agreeing, during those meetings and conversations, to charge prices
15 at certain levels and otherwise to increase and maintain prices of
16 sodium erythorbate to be sold in the United States;
- 17 (c) agreeing, during those meetings and conversations, to allocate
18 market shares of sodium erythorbate in the United States; and
- 19 (d) issuing price announcements and price quotations in accordance
20 with the agreements reached.

21 II.

22 DEFENDANTS AND CO-CONSPIRATORS

23 5. PFIZER is a corporation organized and existing under the laws of the
24 state of Delaware. During the period covered by this Information, PFIZER was
25 engaged in the business of producing and selling sodium erythorbate to customers in
26 the United States.

1 COUNT TWO - CONSPIRACY TO RESTRAIN TRADE IN MALTOL

2 (15 U.S.C. § 1)

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

4 I.

5 DESCRIPTION OF THE OFFENSE

6 12. PFIZER is made a defendant on the charge stated below.

7 13. From in or about December 1989 until in or about December 1995,
8 defendant PFIZER and co-conspirators participated in a combination and conspiracy to
9 suppress and eliminate competition by allocating the customers and territories for
10 maltol to be sold in the United States and elsewhere. The combination and conspiracy
11 engaged in by the defendant and co-conspirators was in unreasonable restraint of
12 interstate trade and commerce in violation of Section 1 of the Sherman Act
13 (15 U.S.C. § 1).

14 14. The charged combination and conspiracy consisted of a continuing
15 agreement, understanding, and concert of action among the conspirators, the
16 substantial terms of which were to agree to allocate the customers and territories for
17 maltol to be sold in the United States and elsewhere.

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

- 21 (a) participating in meetings and conversations to discuss the
22 allocation of customers and territories for maltol to be sold in the
23 United States and elsewhere; and
24 (b) agreeing, during those meetings and conversations, to allocate
25 customers and territories for maltol to be sold in the United States
26 and elsewhere.

1 II.

2 DEFENDANTS AND CO-CONSPIRATORS

3 16. PFIZER is a corporation organized and existing under the laws of the
4 state of Delaware. During the period covered by this Information, PFIZER was
5 engaged in the business of producing and selling maltol to customers in the United
6 States and elsewhere.

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

10 18. Whenever in this Information reference is made to any act, deed, or
11 transaction of any corporation, the allegation means that the corporation engaged in
12 the act, deed, or transaction by or through its officers, directors, employees, agents, or
13 other representatives while they were actively engaged in the management, direction,
14 control, or transaction of its business or affairs.

15 III.

16 TRADE AND COMMERCE

17 19. Maltol is a chemical food-flavoring agent and includes the products ethyl
18 maltol and methyl maltol.

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

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

26 IV.

1 JURISDICTION AND VENUE

2 22. The combination and conspiracy charged in this Information was carried
3 out, in part, in the Northern District of California, within the five years preceding the
4 filing of this Information.

5 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

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