

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -	-x	Judge: Chin
	:	
UNITED STATES OF AMERICA	:	Criminal No.: 96CR395
	:	
v.	:	Filed: [5/30/96]
	:	
MANUFACTURERS CORRUGATED	:	
BOX CO., INC.	:	Violation:
	:	
Defendant.	:	15 U.S.C. §1
- - - - -	-x	

INFORMATION

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

1. Manufacturers Corrugated Box Co., Inc. ("Manufacturers") is hereby made a defendant on the charge stated below.

DESCRIPTION OF THE OFFENSE

2. Beginning as early as April 1984 and continuing until at least July 1991, the exact dates being unknown to the United States, the defendant and co-conspirators engaged in a combination and conspiracy in unreasonable restraint of interstate trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. §1).

3. The aforesaid combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendant and co-conspirators, the substantial terms of which were to rig bids and allocate contracts for the supply of display materials awarded by Philip Morris, Inc.

4. For the purpose of forming and effectuating the aforesaid combination and conspiracy, the defendant and co-conspirators did those things which they combined and conspired to do, including, among other things:

(a) designating which supplier of display materials would be the low bidder on contracts awarded by Philip Morris, Inc. and arranging for one or more higher, noncompetitive price quotations or bids from other suppliers to be submitted to Philip Morris, Inc.; and

(b) making substantial payments of money or arranging for substantial payments of money to be made to purchasing agents at Philip Morris, Inc. for their assistance in furthering the conspiracy.

DEFENDANT AND CO-CONSPIRATORS

5. Manufacturers is incorporated in New York and has its principal place of business in Maspeth, New York. Manufacturers is a producer of point-of-purchase display materials. During the period covered by this Information, Philip Morris, Inc. was a significant customer of Manufacturers.

6. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, such allegation shall be deemed to mean that the corporation engaged in such act, deed, or transaction by or through its officers, directors, agents, employees, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

7. Various persons and firms, not made defendants herein, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

TRADE AND COMMERCE

8. Display materials are used by many manufacturers, among them cigarette, consumer health goods, food, liquor and cosmetic companies, as a means of promoting their products.

9. During the period covered by this Information, Philip Morris, Inc. purchased substantial quantities of display materials from suppliers located throughout the United States. These purchases were often made by issuing a contract to a supplier after the supplier had submitted a written price quotation or bid pursuant to Philip Morris, Inc.'s practice to seek at least three competitive bids for sizable contracts.

10. Between April 1984 and July 1991, the defendant and co-conspirators obtained a substantial number of contracts for display materials from Philip Morris, Inc. From 1987 through mid-1991, Manufacturers obtained contracts for display materials from Philip Morris, Inc. worth approximately thirty-one million dollars (\$31,000,000).

11. During the period covered by this Information, the activities of the defendant and co-conspirators with respect to the sale of display materials to Philip Morris, Inc. were within the flow of, and substantially affected, interstate commerce.

DEFINITION

12. "Display materials" means the manufacture, assembly, or

packaging of any printed point-of-purchase display materials, including but not limited to display stands, posters, banners, counter cards, or sell sheets, used for the advertising or promotion of consumer goods, primarily in retail stores.

JURISDICTION AND VENUE

13. The aforesaid combination and conspiracy was formed and carried out, in part, within the Southern District of New York within the five years preceding the filing of this Information.

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

Dated:

"/s/"
ANNE K. BINGAMAN
Assistant Attorney General

"/s/"
REBECCA MEIKLEJOHN

"/s/"
GARY R. SPRATLING

"/s/"
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"/s/"
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