

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA : **Criminal No.: 96CR394**
v. : **Filed: [5/30/96]**
SOUTHERN CONTAINER CORPORATION, : **Violation:**
Defendant. : **15 U.S.C. §1**
- - - - - -x **Judge: Batts**

INFORMATION

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

1. Southern Container Corporation ("Southern") is hereby
made a defendant on the charge stated below.

DESCRIPTION OF THE OFFENSE

2. Beginning at least as early as 1988 and continuing until
about 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.

DEFENDANT AND CO-CONSPIRATORS

5. Southern is a Delaware corporation with its principal place of business in Hauppauge, New York. During the period covered by this Information, Southern had several plants which produced corrugated boxes and related materials. One of Southern's plants was located in Dayton, New Jersey. A portion of that plant was devoted to the manufacture of point-of-purchase display materials, a substantial part of which was sold to Philip Morris, Inc.

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 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 to Philip Morris, Inc.

10. During the period covered by this Information, Southern obtained contracts for display materials from Philip Morris Inc. worth approximately ten million dollars (\$10,000,000).

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/"
JOEL I. KLEIN
Acting Assistant Attorney General

"/s/"
REBECCA MEIKLEJOHN

"/s/"
GARY R. SPRATLING

"/s/"
STEVEN TUGANDER

"/s/"
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