

## Pricing Conspiracy By 13 Sugar Firms Is Alleged in 2 Suits

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PHILADELPHIA — The Philadelphia School District and the state of Louisiana filed separate antitrust suits here charging 13 sugar and sugar-beet companies with conspiring to fix sugar prices.

Both cases allege that the companies violated the Sherman Antitrust Act and seek unspecified damages. The plaintiffs contend that a conspiracy to "fix and raise" sugar prices and to eliminate discounts existed before 1970 and is continuing.

The school district is suing on behalf of itself and other cities and school districts in the Eastern U.S. The city of Philadelphia filed a companion action with the school district. Both suits accuse the defendants of depriving the school districts of the benefits of free and open competition in purchasing sugar for school cafeterias and other uses.

Louisiana alleged similar restraints on competition in its state-related facilities.

Named as defendants are Amstar Corp., Borden Inc., North American Sugar Industries, Colonial Sugars, Sugar Refinery of Palm Beach Inc. and Industrial Sugars Inc., all of New York.

Also named as defendants are CPC International Inc., Englewood Cliffs, N.J.; Savannah Foods & Industries Inc., Savannah, Ga.; Glade County Sugar Grower Co-Op Association, Moorehaven, Fla.; National Home Products, Buffalo, N.Y.; SuCrest Corp., New York; RSN Projects Inc., New York, and Michigan Sugar Co., Saginaw.

The suits are the latest in a wave of antitrust cases involving the sugar industry. SuCrest, for example, said it is involved in 39 separate actions. Borden said it's involved in 23. All of the companies have been fighting the charges in court.

"It's just everybody coming into the act suing everybody in the sugar industry," said a Borden spokesman about the latest antitrust action.

"We certainly deny we were involved in any monopoly action," a spokesman for Amstar said.

## GWS Refuses To Pay Higher Prices for Gas

CHEYENNE (UPI) — A Great Western Sugar Co. (GWS) attorney Monday said his company was refusing to pay higher prices ordered for natural gas — partly because the method of authorizing the hike was unprecedented.

Paul Godfrey, GWS lawyer, testified during a Public Service Commission hearing into the higher rates authorized for gas sold by Montana-Dakota Utilities. The increase was to compensate for higher production costs at the well head.

Godfrey said the commission allowed the utility to average production costs in Montana, North Dakota, and Wyoming. He said the action was "something that this commission has never before allowed."

THE COST OF gas in the two other states is substantially higher than in Wyoming, he said.

The sugar company has refused to pay \$40,000 in higher prices since December, he said.

He also said Great Western was not given notice of the increase. But Walter Urbigit, an attorney for Montana-Dakota, said the commission gave "appropriate notice to all consumers."

Urbigit discounted Great Western's criticism of the averaging technique saying the increase fairly represented the additional cost of gas purchased by Montana-Dakota.

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