Including Great Western

Sugar Refiners Indicted for Price Fixing

SAN FRANCISCO (AP) — Six major sugar refiners have been indicted by a federal grand jury on charges of conspiring to raise and fix the price of sugar for at least three years prior to 1973 in 19 Western and Midwestern states.

The Justice Department also filed two companion civil suits on Thursday seeking to prohibit the companies from exchanging price information.

The action culminates a year-long Justice Department investigation of pricing practices in the $2.5 billion U.S. sugar market.

Urgency
The probe gained urgency with recent sharp increases in retail sugar prices, but Thursday's indictments and companion lawsuits do not involve the recent rise, a government spokesman said.

Asst. Atty. Gen. Thomas E. Kauper, head of the Justice Department's antitrust division, said, however, that recent pricing practices in the industry are under investigation.

Three of the six companies were indicted for conspiring to fix sugar prices in California, Arizona, and in Las Vegas and Reno, Nev. Five of the six firms were charged with a separate price-fixing conspiracy in other Western and Midwestern states.

Two Accused
In a third civil suit, two companies — including one indicted firm and a seventh sugar company — were accused of conspiring to restrain competition in five Western states. The government said they had agreed not to market sugar under grocery chain house brands which usually are sold at cheaper prices.

The six companies named as defendants in the indictments returned in U.S. District Court here were Great Western Sugar Co., Denver; American Crystal Sugar Co., formerly of Denver; Holly Sugar Corp., Colorado Springs, Colo.; California and Hawaiian Sugar Co., San Francisco; Amalgamated Sugar Co., Ogden, Utah; and Consolidated Foods Corp. of Chicago.

American Crystal was dissolved in 1973 and was succeeded by a cooperative association based in Fargo, N.D., which goes by the same name.

Full Compliance
J.C. Tanner, president of American Crystal, said that the cooperative and its predecessor "have conducted their affairs in full compliance with the antitrust laws." He refused further comment until officials of American Crystal studied the indictment.

Allan M. Lipman Jr., secretary and legal counsel for Amalgamated Sugar Co., said, "We don't think we have anything to hide. We don't think we've committed any antitrust violations in the market area in which we are charged."

Examine Evidence
Spokesmen for California and Hawaiian, Holly Sugar and Great Western said they would withhold comment until they have had a chance to examine the indictment.

The markets involved include Colorado, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma...