IN THE UNITED STATES DISTRICT COURT
FOR THE NORTH DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	CIVIL ACTION NO. _____
	)	
v.	)	
	)	
TOM PAIGE CATERING CO., INC.	)	
and VALLEY FOODS, INC.,	)	
	)	
	)	
Defendants.	)	

COMPLAINT

The United States of America, plaintiff, by its attorneys acting under the direction of the Attorney General of the United States, brings this civil action against the above-named defendants and complains and alleges as follows:

From at least April 1994 to at least June 1997, the defendants entered into a contract, combination or conspiracy designed to lessen and eliminate competition for food service contracts with the Cleveland Head Start program. Specifically, the defendants formed a joint venture having the effect of restraining competition for food service contracts to the Cleveland Head Start program. Immediately prior to the joint venture, the defendants were the only companies bidding on such contracts.

I

DEFENDANTS AND CO-CONSPIRATORS

1. Tom Paige Catering Co., Inc. ("Paige") is made a defendant herein. Paige is a corporation organized and existing under the laws of the State of Ohio. Paige sells meals and catering services to customers in Northern Ohio. Paige is engaged in interstate commerce and in activities substantially affecting interstate commerce.

2. Valley Foods, Inc., ("Valley") is made a defendant herein. Valley is a corporation organized and existing under the laws of the State of Ohio. Valley sells meals and catering services to customers in Northern Ohio. Valley is engaged in interstate commerce and in activities substantially affecting interstate commerce.

3. Various individuals not made defendants in this Complaint have participated as co-conspirators in the violation alleged in the Complaint, and have performed acts and made statements in furtherance of it.

4. Whenever this Complaint refers to any corporation's act, deed, or transaction, it means that such corporation engaged in the act, deed, or transaction by or through its officers, directors, agents, employees, or other representatives while they actively were engaged in the management, direction, control, or transaction of its business or affairs.

II

JURISDICTION AND VENUE

5. This Complaint is filed under Section 4 of the Sherman Act, as amended (15 U.S.C. § 4), in order to prevent and restrain the continuing violations, as hereinafter alleged, by the defendants of Section 1 of the Sherman Act (15 U.S.C. § 1). This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331 and 1337.

6. Each of the defendants maintains an office, transacts business, and is found in the Northern District of Ohio.

III

TRADE AND COMMERCE

7. During the period covered by this Complaint, each of the defendants has engaged in the business of providing food services, including meals, to Cleveland Head Start in the Northern District of Ohio.

8. Cleveland Head Start is a program funded by the United States government. The program provides comprehensive developmental services for low income pre-school children ages three to five and social services for their families. As part of the program, Cleveland Head Start contracts with vendors to provide free lunches for its participants. The Cleveland Head Start lunch contract totals in excess of $300,000 annually and is funded primarily by the United States Department of Agriculture.

9. Each of the defendants purchases substantial quantities of food stuffs, materials, and supplies for use in its food

service contracts that originate from various sources located outside the State of Ohio. The activities of the defendants have been within the flow of, and have substantially affected, interstate commerce.

IV

VIOLATION ALLEGED

10. Beginning at least as early as April 1994, and continuing at least through August 1997, the exact dates being unknown to the United States, the defendants 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, as amended (15 U.S.C. § 1). This unlawful combination and conspiracy will continue or may be renewed unless the relief sought here is granted.

11. The combination and conspiracy consists of a continuing agreement, understanding, and concert of action among the defendants and co-conspirators to end competition between the defendants for food contracts to the Cleveland Head Start program. Since at least 1993, the defendants have been the only vendors providing food services to Cleveland Head Start.

12. For the purpose of forming and effectuating this combination and conspiracy, the defendants did the following things, among others:

(a) formed a joint venture restraining competition between the defendants; and

(b) submitted bids, as a joint venture, for food service contracts to the Cleveland Head Start program.

V

EFFECTS

13. This combination and conspiracy has had the following effects, among others:

(a) price competition among defendants for the food service contracts has been unreasonably restrained and eliminated; and

(b) tax payers and Head Start program participants have been deprived of the benefits of free and open competition in the sale of meals for children in the Cleveland Head Start program.

VI

RELIEF SOUGHT

Plaintiff seeks the following relief:

1. That the Court adjudge and decree that the defendants and their co-conspirators have combined and conspired to restrain interstate trade and commerce in violation of Section 1 of the Sherman Act as alleged in the Complaint.

2. That the defendants be ordered to dissolve the joint venture formed by them on April 1, 1994, and be enjoined and restrained from directly or indirectly, in any manner, continuing, maintaining, or renewing the alleged agreement, or from entering into any other venture, agreement, understanding, plan, program, or other arrangement having a similar purpose or effect as the alleged agreement, with each other or anyone else for a period of ten years.

3. That each defendant, its officers, directors, agents, employees and successors and all other persons acting or claiming to act on their behalf be enjoined, restrained, and prohibited for a period of ten years from:

(a) agreeing with any other food service contractor to fix, establish, raise, stabilize or maintain prices quoted on food service contracts;

(b) participating in any discussion with or communicating with any other food service contractor concerning prices quoted on food service contracts; and

© agreeing with any other food service contractor on customers or territories to be served.

4. That each defendant shall establish and maintain an antitrust compliance program.

5. That for ten years after the entry of the Final Judgment, on or before its anniversary date, each defendant shall file with plaintiff an annual Declaration reporting that such defendant has complied with the terms of the Final Judgment and has engaged in no activities of the type prohibited by the Final Judgment.

6. That plaintiff have such other relief as the nature of the case may require and the Court may deem just and proper.

Dated:

Respectfully submitted,

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