



Department of Justice

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**FLAV-O-RICH PLEADS GUILTY TO MILK BID RIGGING,
AGREES TO PAY \$7 MILLION IN FINES**

WASHINGTON, D.C. -- The Department of Justice filed seven antitrust felony informations against Flav-O-Rich Inc. of Louisville, Kentucky, today, charging it with participating in seven separate conspiracies to rig bids on contracts to supply milk and other dairy products to public schools.

Flav-O-Rich has agreed to plead guilty to all charges and to pay fines totalling \$7 million for violating the Sherman Act.

The seven informations were filed in U.S. District courts in Atlanta, Georgia; Pikeville, Kentucky; Bowling Green, Kentucky; Jackson, Mississippi; Greensboro, North Carolina; Columbia, South Carolina; and Knoxville, Tennessee.

The Georgia information charges Flav-O-Rich with participating in a combination and conspiracy to rig the bids submitted for the award and performance of contracts to supply dairy products to public schools in various school districts in Georgia, beginning at least as early as 1985 and continuing at least through June 1988.

The Pikeville, Kentucky, information charges Flav-O-Rich with participating in a combination and conspiracy to rig the bids submitted for the award and performance of contracts to

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