

F.B.I. TO AID FIGHT ON PRICE-FIXERS

Justice Department Enlists
Help in Hunting for Illegal
Steps to Cut Competition

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WASHINGTON, Jan. 1—The Justice Department's Antitrust Division has enlisted the support of the Federal Bureau of Investigation in its effort to uncover illegal price-fixing around the country.

The new move was made with publicity late in 1974 and is too recent to have shown results. But high antitrust officials caution against excessive expectations from the step, they are hopeful that more "discoveries" of price-fixing conspiracies will turn up if the F.B.I. becomes involved.

Agents of the F.B.I. will not have to become experts in such esoteric antitrust areas as "oligopoly theory," concentrated industries or corporate mergers. Instead, they are being asked to keep on the alert for straightforward conspiracies among sellers, small as well as large, to fix prices and thus eliminate competition for a product or a service.

"The typical F.B.I. agent," an antitrust official said, "does not wake up in the morning thinking antitrust. We are trying to make them conscious of the fact that price-fixing is a criminal violation just like financial fraud or kidnapping."

Pamphlet to be Circulated

As a first step in the new program, the antitrust division is preparing a short pamphlet for circulation to F.B.I. agents that will deal, according to an internal memorandum, "with the antitrust laws and method of investigating potential violations."

Another step involves participation for the first time of attorneys and others from the Antitrust Division in training for new F.B.I. agents a Quantico, Va.

"An F.B.I. agent," another official said, "might simply stumble across a beautiful price-fix-

ing case while he is investigating organized crime. He should be on the watch for this."

The decision to try to make more use of the F.B.I. was one of several steps undertaken by the Antitrust Division following President Ford's economic message to Congress Oct. 8, in which Mr. Ford said, "I am determined to return to the vigorous enforcement of antitrust laws." This was one of many points in the message and did not receive great attention for a 5 per cent income-tax surcharge on better-off taxpayers, are already out of date or have been dropped. But the effort at tougher antitrust enforcement apparently remains in effect.

New Approaches Outlined

A planning document disclosing the new approaches of the antitrust division includes these other items, apart from more use of the F.B.I.:

¶ A particular look at "industries and commodities which have had significant price increases within the last year."

¶ A survey of past antitrust decrees where price-fixing was involved, with concentration "on these decrees outstanding involving particular companies or particular industries which have experienced significant price increases, to determine whether those recent price increases were in any way the result of collusion."

¶ A survey of about 70 cities, large and small, "to determine how many local real estate organizations still retain (fixed) fee schedules."

¶ An examination of the prices of "homogenous products," such as bread, in different markets, on the ground that "significant differences which seem unexplained by ordinary economic factors, such as transportation costs, would be a signal of possible collusive activity and would result in further investigation."

Auto Industry Studied

In addition, the outgoing Attorney General, William B. Saxbe, has disclosed that the Antitrust Division is investigating several "concentrated industries"—those dominated by a few producers, such as the automobile industry.

Officials said the economic policy office of the Antitrust Division was taking another look at this long-standing problem, to determine whether the very existence of concentration has the effect of raising prices.

President Ford's economic advisers disclosed shortly after the series of economic "summit" meetings last September and early October that the emphasis of numerous participants on antitrust and related matters, including the effect of Government regulation in raising prices, was one element of the meetings that had come as something of a surprise and that caught the President's attention.