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# Antitrust Probe Readied

By Susan Guffey  
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Gov. Camacho said yesterday his recent Washington trip has produced an impending investigation into possible antitrust violations on Guam that may be making prices of goods unduly high.

With the approval of U.S. Attorney General William B. Saxbe, a Federal Trade Commission (FTC) ruling, and an executive order signed yesterday by Camacho, the U.S. Department of Justice will soon join local forces in an intensive antitrust investigation here.

The joint effort will investigate possible price fixing, market allocations, tie-in arrangements and other antitrust violations.

Bruce B. Wilson, acting assistant Attorney General of the Justice Department's Antitrust Division, said the division would assist Guam's U.S. Attorney through its San Francisco field office.

Yesterday's executive order gave J. Leo McCormick, Guam's new Consumer Counsel, investigatory powers of an assistant Attorney General. McCormick was directed to dig into "reported or suspected violations of federal antitrust and consumer protection laws...including, but not limited to, the Sherman Antitrust Act..."

Camacho said he asked the White House, Justice Department and FTC "early in

March" about the applicability of and jurisdiction over antitrust and fair trade laws on Guam.

While in Washington, "I met with Vice President Gerald Ford, Attorney General Saxbe and FTC Chairman Louis Ingeman, and received answers to all of my questions," the Governor said.

From the FTC, Camacho said he received a unanimous decision that the FTC Act is applicable to Guam. Camacho said Ingeman also suggested steps to follow in proceeding against unfair trade practices.

Following investigation by local and federal agencies, evidence will be presented to a federal grand jury on Guam to investigate these violations, Guam Attorney General Keith Andrews said.

Federal antitrust lawyers will assist Guam's U.S. Attorney if trials follow.

The Attorney General's office here has been under Camacho's orders since May 1972 to investigate trade pictures in the Guam business community. Andrews said yesterday he became aware of this directive early in 1973.

The investigation and compilation of possible violations has continued, Andrews said, though current local laws were "found to be most inadequate."

The statute has been tested only once by the Attorney General's office, Andrews said.

That prosecution was unsuccessful. The law carries a \$1,000 fine and does not provide for a prison term.

Penalties under the Sherman Antitrust Act are stringent. Besides the possibility of fines up to \$50,000 and up to a year in jail, individuals damaged by unfair trade practices may individually or in a class action sue the violator for punitive damages in a civil suit. The plaintiff can recover triple damages.

"This act has a tremendous and far-reaching effect

particularly with a business having hundreds or perhaps thousands of customers who might file such actions and, if successful, could bankrupt a very large and independent business organization," said Andrews.

Two other acts were mentioned by Andrews as back-ups for the Sherman antitrust legislation.

The Clayton Act provides for the illegality of price discrimination, services or facilities, and provides for a maximum penalty of \$5,000.

The Robinson-Patman Act makes illegal discrimination in rebates, discounts or advertising and underselling, and provides for up to a \$5,000 penalty or one year in jail or both.

Andrews said there is evidence of several "probable" violations, but neither he nor the Governor were willing to "name names."

"We're not looking forward to prosecuting people," he added. "There are practices here on the island, business-wise, that are not to our liking," said Gov. Camacho. "We hope we can stop it."