
IN THE MATTER OF
STAR FRUIT COMPANY ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2(c)
OF THE CLAYTON ACT

Docket 8408. Complaint, June 1, 1961—Decision, Oct. 17, 1961

Consent order requiring packer-distributors of citrus fruit in Lake Alfred, Fla., to cease violating Sec. 2(c) of the Clayton Act by paying commissions or brokerage to some of their brokers and direct buyers purchasing for their own accounts for resale.

COMPLAINT

The Federal Trade Commission, having reason to believe that the parties respondent named in the caption hereof, and hereinafter more particularly described, have been and are now violating the provisions of subsection (c) of Section 2 of the Clayton Act, as amended (U.S.C. Title 15, Section 13), hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Star Fruit Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida with its offices and principal place of business located at Lake Alfred, Florida, with mailing address at Post Office Box 998, Lake Alfred, Florida.

Respondent Norman V. Huff is an individual and is president of respondent Star Fruit Company. Respondent Robert V. Huff is an individual and is vice president and treasurer of respondent Star Fruit Company. Respondent Mary H. Grantham is also an individual and is secretary of respondent Star Fruit Company. The business address of said individual respondents is the same as that of the corporate respondent. Said individual respondents, at all times hereinafter mentioned, have directed and controlled the acts and practices and policies of corporate respondent Star Fruit Company including the acts and practices hereinafter mentioned. Said corporate respondent and individual respondents are hereinafter collectively referred to as respondents.

PAR. 2. Respondents are now, and for the past several years have been, engaged in the business of packing, selling and distributing citrus fruit, such as oranges, tangerines, and grapefruit, all of which are hereinafter sometimes referred to as citrus fruit or fruit products. Respondents sell and distribute citrus fruit directly, and in many instances through brokers, to buyers located in various sections of the United States. When brokers are utilized in making sales, respondents pay said brokers for their services a brokerage or commission, usually at the rate of 5 cents per carton or 10 cents per $1\frac{3}{4}$ bushel box or equivalent. Respondent's annual volume of business in the sale and distribution of citrus fruit is substantial.

PAR. 3. In the course and conduct of their business over the past several years, respondents have sold and distributed and are now selling and distributing citrus fruit in commerce, as "commerce" is defined in the aforesaid Clayton Act, as amended, to buyers located in the several states of the United States other than the State of Florida in which respondents are located. Respondents transport, or cause such citrus fruit, when sold, to be transported from their place of business or packing plant in the State of Florida, or from other places within said State, to such buyers or to the buyers' customers located in various other states of the United States. Thus there has been, at all times mentioned herein, a continuous course of trade in commerce in citrus fruit across state lines between said respondents and the respective buyers thereof.

PAR. 4. In the course and conduct of their business as aforesaid, respondents, have been and are now making substantial sales of citrus fruit to some, but not all, of their brokers and direct buyers purchas-

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ing for their own account for resale, and on a large number of these sales respondents paid, granted or allowed, and are now paying, granting or allowing to these brokers and other direct buyers on their purchases, a commission, brokerage, or other compensation, or an allowance or discount in lieu thereof, in connection therewith.

PAR. 5. The acts and practices of respondents in paying, granting or allowing to brokers and direct buyers a commission, brokerage or other compensation, or an allowance or discount in lieu thereof, on their own purchases, as above alleged and described, are in violation of subsection (c) of Section 2 of the Clayton Act, as amended (U.S.C. Title 15, Section 13).

DECISION AND ORDER

This matter having come on to be heard by the Commission upon a record consisting of the Commission's complaint charging the respondents named in the caption hereof with violation of subsection (c) of Section 2 of the Clayton Act, as amended, and an agreement by and between respondents and counsel supporting the complaint, which agreement contains an order to cease and desist, an admission by the respondents of all the jurisdictional facts alleged in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint, and waivers and provisions as required by the Commission's rules; and

The Commission having considered the agreement and order contained therein and being of the opinion that the agreement provides an adequate basis for appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings are made, and the following order is entered:

1. Respondent, Star Fruit Company, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida, with its offices and principal place of business located at Lake Alfred, Florida, with mailing address as P.O. Box 998, Lake Alfred, Florida.

Respondents Norman V. Huff, Robert V. Huff, and Mary H. Grantham are individuals and are officers of and maintain the same business address as that of said corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents.

ORDER

It is ordered, That respondents Star Fruit Company, a corporation, and its officers, and Norman V. Huff, Robert V. Huff, and Mary H. Grantham, individually and as officers of Star Fruit Company, and

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respondents' agents, representatives and employees, directly or through any corporate, partnership, sole proprietorship, or other device in connection with the sale of citrus fruit or fruit products in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from :

Paying, granting or allowing, directly or indirectly, to any buyer or to anyone acting for or in behalf of, or who is subject to the direct or indirect control of such buyer, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, upon or in connection with any sale of citrus fruit or fruit products to such buyer for his own account.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.