



Docket 8915. Complaint, Feb. 16, 1973—Decision, Jan. 24, 1974*

Consent order requiring the nation's largest operator and franchisor of self-service convenience retail food stores, principally "7-ELEVEN," and producer and distributor of dairy products, based in Dallas, Tex., among other things to cease engaging in illegal reciprocal purchasing or selling arrangements. The order further requires respondent to withdraw and isolate from all sales and purchasing personnel certain statistical data relating to purchases and sales.

Appearances

For the Commission: *Joseph A. Jeffrey, Carl D. Hevener, Harold G. Munter*

For the respondents: *G. Duane Vieth, Arnold & Porter, Wash., D.C.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act (15 U.S.C. Section 41 *et seq.*) and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the corporation and the individuals named as respondents in the caption hereof, and more particularly designated and described hereinafter, have violated and are now violating the provisions of Section 5 of the Federal Trade Commission Act, as amended, and it appearing to the Commission that a proceeding by it in respect thereof is in the public interest, hereby issues its complaint, stating the following:

PARAGRAPH 1. Respondent, the Southland Corporation, (hereinafter "Southland") is a corporation, incorporated in Texas on Nov. 21, 1961 as Southland Corporation of Texas, succeeding Southland Corporation (Delaware), which had been organized on Dec. 10, 1934. The present corporate name was adopted on Mar. 18, 1963. The principal offices of Southland are located at 2828 North Haskell Avenue, Dallas, Tex.

PAR. 2. Southland is the country's largest operator and franchisor of self-service convenience retail food stores and is also a major processor and distributor of dairy products. Southland's total sales for the year ended Dec. 31, 1971, were \$1,085,107,334 and net earnings were \$17,796,595. At year end 1971, Southland's total assets were \$326,478,061 and net worth was \$137,132,383. In Fortune magazine's rating of the fifty largest retailing companies in the United States, Southland ranked 24th in sales in 1970 and 26th in 1969. Southland's rate of sales growth during the period 1960-1970 was 14.74 percent, ranking it 10th among the nation's top 50 retailers.

PAR. 3. On Dec. 31, 1971, Southland's operations included 4,460 stores—some of which were convenience food stores (principally "7-

* Complaint reported as ordered amended by the administrative law judge at a prehearing conference on May 17, 1973, and confirmed by order of May 24, 1973.