

## Report on Supply Chain Compliance Volume 3, Number 13. June 25, 2020 Former Bumble Bee CEO sentenced to prison for price fixing

By Sascha Matuszak

On June 16, Chris Lischewski, former CEO of Bumble Bee Foods LLC, was <u>sentenced to 40 months in jail<sup>[1]</sup></u> and a criminal fine of USD 100,000. Lischewski led a price-fixing ring that included his own company and two competitors, StarKist and Chicken of the Sea.

A whistleblower revealed the <u>price-fixing scheme had been ongoing since at least 2004</u>. Class action lawsuits brought by several companies, including Wegmans Food Markets Inc., Olean Wholesale Grocery Cooperative, Giant Eagle, and Walmart Inc., list as many as 56 separate individuals and entities as part of a "<u>conspiracy players list</u>" that helped keep the scheme running. Parent companies Dongwon Industries and Thai Union Group PCL were named, as well as several executives from the three companies and the president of the National Fisheries Institute, John Connelly.

The prison sentence and fine are considered rare penalties for an antitrust action, but the duration of the scheme played a role, as did the fact that canned tuna is generally a staple for lower-income individuals and families.

- <u>1</u> United States Department of Justice, Office of Public Affairs, "Former Bumble Bee CEO Sentenced To Prison For Fixing Prices Of Canned Tuna," news release, June 16, 2020, <a href="https://bit.ly/2Bd7NqH">https://bit.ly/2Bd7NqH</a>.
- <u>2</u> Sascha Matuszak, "Bumble Bee ex-CEO convicted for price-fixing," *CEP Magazine*, February 2020, https://bit.ly/3fzoThh.
- **3** Jason Smith, "Walmart's amended tuna lawsuit says NFI's Connelly, Thai Union's Chansiri, 54 others acted in conspiracy," Undercurrent News, May 15, 2017, <a href="http://bit.ly/2kAjsEd">http://bit.ly/2kAjsEd</a>.

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