

preceding the date of these breaches. The Commission also considered the following aggravating factors: (1) the law firm's use of the CBI and its provision to an associate were not inadvertent; (2) unauthorized individuals had access to and presumably viewed the CBI; (3) the law firm violated the APO in three different ways; (4) the law firm did not discover the public exposure of the CBI; and (5) the law firm failed to follow its own procedures by accessing and using CBI to which the firm had restricted access pending the completion of the cross-use agreement.

The Commission also considered the law firm's argument that its use of the exhibit and its provision of CBI to the associate attorney was consistent with 28 U.S.C. 1659(b), which provides for the transfer and admissibility of the Commission record in federal district court litigation under certain circumstances. However, the Commission determined that the exhibit at issue was not a part of the Commission record, as defined under 19 CFR 210.38(a), and thus, it was not within the scope of section 1659(b). In addition, the Commission noted that the application of section 1659(b) would not mitigate the public exposure of the CBI.

The Commission determined to issue private letters of reprimand to the partner who served as lead counsel and to the senior counsel. The Commission determined that they were both part of the decisions to use the CBI in the filing, to provide it to the associate attorney, and to delegate the removal of the exhibit to the associate, who did not have any previous experience with section 337 investigations and Commission APO practice. The Commission determined to issue a warning letter to the second partner, who worked on the filing and was aware of the associate's access to the CBI, but was not involved with the finalization of the document or the failed process to remove the confidential exhibit.

The Commission found that good cause existed to issue a warning letter to the associate under 19 CFR 201.15(a). The associate was not a signatory to the APO in the underlying section 337 investigation and did not have previous Commission APO experience, and thus the Commission determined that the issuance of a sanction would be inappropriate. However, the associate had several years of experience as an attorney, was aware that the exhibit was confidential, and had received specific instructions to remove the confidential exhibit from the filing. The associate was also directly responsible for the public exposure of CBI.

*Case 8.* The Commission determined that an attorney at a law firm breached the APO issued in a section 337 investigation when the law firm publicly filed in EDIS and served to its clients a confidential document that the attorney had prepared.

Although the document contained unredacted CBI, the attorney did not place confidential headers on the document when he was preparing it to be filed. As a result, after the attorney finalized the document, a paralegal filed the document publicly on EDIS, and the law firm's client, who was not on the APO, was provided with a copy of the document. After the document was posted to EDIS, opposing counsel notified the attorney that the document contained CBI, and the paralegal, at the attorney's direction, contacted the Office of the Secretary to request that the document be removed from public view. In addition, the attorney contacted the client who had received the document and requested that the client destroy it. The attorney refiled the document as confidential, but multiple unauthorized individuals had accessed the document while it was available publicly on EDIS.

In determining whether to issue a sanction for the breach, the Commission considered the following mitigating factors: (1) the breach was unintentional and inadvertent; (2) the attorney self-reported the breach to the Commission; (3) after being notified of the breach, the attorney took prompt action to remedy the breach and prevent further dissemination of CBI; and (4) the attorney had not previously breached an APO in the two-year period preceding the date of this breach. The Commission also considered the following aggravating factors: (1) the attorney did not discover the breach; and (2) unauthorized individuals had access to and presumably viewed the CBI.

The Commission determined to issue a private letter of reprimand to the attorney. The Commission determined not to hold the paralegal who filed the document or any other individuals at the law firm responsible for the breach. The attorney was the only person involved in the preparation of the document for filing, and the breach occurred because the attorney failed to apply CBI headers.

*Case 9.* The Commission determined that an attorney breached the APO in a section 337 investigation by transmitting to unauthorized individuals a link to a document that contained unredacted CBI obtained under the APO.

The attorney discovered the breach eight days after sending the link when

he received a question from one of the unauthorized recipients who had gained unauthorized access. Upon learning of the breach, the attorney immediately deactivated the link and confirmed that unauthorized recipients had destroyed the document and would refrain from using any CBI that they may have viewed. The attorney also immediately reported the breach to the opposing counsel and, two days later, reported the breach to the Commission.

In determining whether to issue a sanction for the breach, the Commission considered mitigating factors, including that: (1) the breach was inadvertent and unintentional; (2) the law firm discovered its own breach; (3) the law firm promptly self-reported the breach; (4) after discovering the breach, the law firm took prompt action to remedy the breach and prevent further dissemination of CBI; (5) the law firm implemented new procedures to prevent against similar breaches in the future; and (6) the attorney had not previously breached an APO in the two-year period preceding the date of this breach. The Commission also considered the aggravating factor that unauthorized persons had access to and presumably viewed CBI.

The Commission issued a private letter of reprimand to the attorney.

By order of the Commission.

Issued: December 1, 2023.

**Sharon Bellamy,**

*Supervisory Hearings and Information Officer.*

[FR Doc. 2023-26806 Filed 12-6-23; 8:45 am]

**BILLING CODE 7020-02-P**

## INTERNATIONAL TRADE COMMISSION

[USITC SE-23-058]

### Sunshine Act Meetings

*Agency Holding the Meeting:* United States International Trade Commission.

**TIME AND DATE:** December 14, 2023 at 11:00 a.m.

**PLACE:** Room 101, 500 E Street SW, Washington, DC 20436, Telephone: (202) 205-2000.

**STATUS:** Open to the public.

#### MATTERS TO BE CONSIDERED:

1. Agendas for future meetings: none.
2. Minutes.
3. Ratification List.
4. Commission vote on Inv. Nos. 701-TA-583 and 731-TA-1381 (Review)(Cast Iron Soil Pipe Fittings from China). The Commission currently is scheduled to complete and file its determinations and views of the Commission on December 21, 2023.

5. *Outstanding action jackets*: none.

**CONTACT PERSON FOR MORE INFORMATION:** Sharon Bellamy, Supervisory Hearings and Information Officer, 202–205–2000.

The Commission is holding the meeting under the Government in the Sunshine Act, 5 U.S.C. 552(b). In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

By order of the Commission.  
Issued: December 5, 2023.

**Sharon Bellamy,**

*Supervisory Hearings and Information Officer.*

[FR Doc. 2023–26967 Filed 12–5–23; 4:15 pm]

**BILLING CODE 7020–02–P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### **United States v. Koch Foods Incorporated; Proposed Final Judgment and Competitive Impact Statement**

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)–(h), that a proposed Final Judgment, Stipulation, and Competitive Impact Statement have been filed with the United States District Court for the Northern District of Illinois, Eastern Division, in *United States v. Koch Foods Incorporated*, Civil Action No. 23–15813. On November 9, 2023, the United States filed a Complaint alleging that Koch Foods Incorporated (“Koch”), one of the largest poultry processors in the United States, unlawfully requires independent chicken farmers to pay Koch an exit fee if the farmers switch from working with Koch to working with one of its rivals. Koch’s practices are alleged to violate section 202(a) of the Packers and Stockyards Act and section 1 of the Sherman Act.

The proposed Final Judgment, filed at the same time as the Complaint, requires Koch to refrain from including a termination payment obligation in any farmer contracts and from taking any steps to collect any termination payments for the next seven years. It also requires Koch to repay all termination payments it has received from farmers, and to reimburse farmers for legal costs they incurred in responding to Koch’s efforts to collect termination payments.

Koch is required to certify that it has given the required notices to farmers, made the required payments and reimbursements within 120 days of

entry of the Final Judgment, and submitted any disputed claims for payment or reimbursement to a referee selected by the Division, whose decision will be final. Koch will provide an annual certification that it continues to comply with provisions of the proposed Final Judgment for its duration of seven years, unless it is terminated earlier by agreement with the Division and a determination by the Court that termination is in the public interest. The proposed Final Judgment also imposes other cooperation and reporting requirements.

Copies of the Complaint, proposed Final Judgment, and Competitive Impact Statement are available for inspection on the Antitrust Division’s website at <http://www.justice.gov/atr> and at the Office of the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division. Copies of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Public comment is invited within 60 days of the date of this notice. Such comments, including the name of the submitter, and responses thereto, will be posted on the Antitrust Division’s website, filed with the Court, and, under certain circumstances, published in the **Federal Register**. Comments should be submitted in English and directed to Chief, Civil Conduct Task Force, Antitrust Division, Department of Justice, 450 Fifth Street NW, Suite 8600, Washington, DC 20530 (email address: [ATRJudgmentCompliance@usdoj.gov](mailto:ATRJudgmentCompliance@usdoj.gov)).

**Suzanne Morris,**

*Deputy Director of Civil Enforcement Operations, Antitrust Division.*

#### **United States District Court for the Northern District of Illinois Eastern Division**

*United States of America, 450 Fifth Street NW, Washington, DC 20530, Plaintiff, v. Koch Foods Incorporated, 1300 W Higgins Road, Suite 100, Park Ridge, IL 60068, Defendant.*

Case No. 1:23–cv–15813

Judge John F. Kness

#### **Complaint**

Raising chickens is a bet-the-farm proposition. Many chicken farmers must borrow hundreds of thousands of dollars to finance the construction of chicken houses—huge structures that hold over 50,000 chickens each. A farmer is largely beholden to a poultry processor, which owns the chicks, feed, antibiotics, and other inputs for raising chickens. Without a loan from the bank, there is no farm; without a contract with a processor, there is no loan; and

without the processor’s fair dealing, the farm may fail.

To secure better working conditions or pay, a chicken farmer’s only recourse often is switching processors. Even in the best of circumstances, competition for farmers’ chicken growing services is uncertain because switching processors can be a costly, risky, and difficult endeavor. But Koch Foods, a leading poultry processor, has suppressed competition even further by imposing exit penalties on its chicken farmers who want to switch to a competitor. Koch’s conduct deprives farmers of the benefits of competition and lowers their compensation. Koch’s exit penalties are an unfair practice under section 202(a) of the Packers and Stockyards Act and violate section 1 of the Sherman Act. These practices should be enjoined.

#### **I. Introduction**

1. A chicken farmer’s success depends on a processor. A farmer must invest hundreds of thousands of dollars to build chicken houses to a processor’s specifications. A bank will loan money for the construction only if a processor has agreed to offer the farmer a contract; the bank often sees the farmer’s contract before the farmer. After obtaining a loan and building the houses, the farmer generally has no practical alternative but to accept the contract terms for growing chickens offered by the processor.

2. Once built, chickens houses cannot be relocated or readily repurposed. If the processor provides insufficient flocks, poor quality chicks, or substandard feed, the farmer may not earn enough to meet the terms of the loan—and can literally lose the farm.

3. Broiler chicken farmers, commonly called “growers,” generally can contract only with a processor operating a processing facility close enough to transport chickens and feed cost-effectively.<sup>1</sup> Few growers have more than three other processors close enough to contract for their growing services. And when the grower wants to switch processors, alternative processors may not need new growers.

4. For these reasons, processors have substantial leverage over contract growers. Where it exists, competition among processors for chicken growers can sometimes increase their compensation and motivate a processor to provide better terms to farmers. Growers’ ability to switch processors

<sup>1</sup> Most chicken farmers raise “broilers,” the chickens that are slaughtered and processed for people to consume. Other chicken farmers raise breeder hens or pullets (chicks). In at least some cases, Koch imposed its exit fees on breeder-hen and pullet farmers as well as broiler farmers.