

## JBS Reaches \$25M Beef Price-Fixing Deal With Indirect Buyers

By **Katie Buehler**

Law360 (April 17, 2023, 6:40 PM EDT) -- JBS USA Food Co. has agreed to pay \$25 million to settle claims filed by a class of indirect beef product purchasers accusing the meat processing giant of participating in a nationwide scheme to constrain the supply of beef products and drive up prices, according to a Minnesota federal court filing.

The indirect purchasers class, which consists of sandwich shop chain Erbert & Gerbert's Inc. and its affiliates, told a Minnesota federal judge on Friday that along with monetary relief, the **settlement agreement** ensures JBS' cooperation in the prosecution of the remaining anti-competition claims against other members of the so-called Big Four meatpacking companies — Tyson, Cargill and National Beef.

JBS has agreed to provide a detailed description of principal facts relevant to the case and to make at least three employees available as witnesses if the case goes to trial, among other things.

The indirect purchasers urged the judge to preliminarily approve the settlement, which was a result of extensive negotiations, according to court documents. The settlement will end some of the claims in a multidistrict litigation action pending in the court.

The MDL accuses JBS, Tyson, Cargill and National Beef of conspiring since at least 2015 to constrain the supply of beef products nationwide and artificially inflating their prices, according to court documents. The four companies allegedly implemented the scheme by colluding together at trade association conferences and industry events, the lawsuit claims.

The Minnesota MDL was created in June by combining a Connecticut federal lawsuit filed by Subway Protein Litigation Corp., a Florida federal lawsuit filed by food service distributor Cheney Brothers Inc., and a New York federal lawsuit filed by investment company Amory Investments LLC.

In addition to the \$25 million payment, JBS has agreed to provide data, documents and contact information to facilitate class notice and settlement administration and a reasonably detailed recitation of facts used in interviews of JBS employees.

JBS' settlement agreement is the second deal the company has reached related to the beef price-fixing claims.

In February 2022, the company reached a \$52.5 million **"icebreaker" agreement** with a class of direct buyers in which the company also agreed to cooperate with the class on its remaining claims.

Counsel for both parties didn't immediately respond to requests for comment Monday.

The indirect purchasers class is represented by Shawn M. Raiter of Larson King LLP, A. Blaine Finley of Cuneo Gilbert & LaDuca LLP and Sarah Sterling Aldridge of Barrett Law Group PA.

JBS is represented by Donald G. Heeman, Jessica J. Nelson and Randi J. Winter of Spencer Fane LLP, Michael B. Carlinsky, Sami H. Rashid and Kevin A. Janus of Quinn Emanuel Urquhart & Sullivan LLP, Lewis A. Remele Jr. and Christopher R. Morris of Bassford Remele PA and William F. Hargens and Patrick E. Brookhouser Jr. of McGrath North Mullin & Kratz PC LLO.

The case is In re: Cattle and Beef Antitrust Litigation, case number 0:22-md-03031, in the U.S. District Court for the District of Minnesota.

--Editing by Janice Carter Brown.

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