

# Tomato Exec Faces More Felonies For Antitrust Violations

Paul Elias, Associated Press Writer

SAN FRANCISCO (AP) — Federal authorities investigating an alleged tomato price-fixing plot involving some of the nation's biggest food chains broadened their case against the former owner of a California company Thursday with five more felony counts.

The new charges, which add to seven counts pending from an earlier indictment, allege that Frederick Scott Salyer violated antitrust laws by fixing prices or rigging bids for the sale of tomato products to McCain Foods USA Inc., Conagra Foods Inc. and Kraft Foods Inc.

Salyer had previously pleaded not guilty to charges of bribery, conspiracy, racketeering and obstruction of justice that were unsealed in Sacramento federal court in February.

Prosecutors say Salyer bribed purchasing managers to buy tomato products from his company, Monterey-based SK Foods. Salyer also is charged with overseeing the sale and shipment of processed tomato products that contained high levels of mold or had been intentionally mislabeled.

The 54-year-old is being held in jail and is appealing the \$6 million bail set by U.S. District Court Judge Lawrence Karlton as too high.

"The charges are overblown," said Salyer's lawyer, Malcolm Segal. Segal said Salyer will plead not guilty when he is arraigned on the new charges May 4 and is hopeful of an acquittal once the case goes to trial.

Salyer is accused of being at the center of price-fixing ring that helped SK Foods capture 14 percent of the processed tomato market and rise to the second largest tomato processor in the state before investigators raided the company in 2008. Salyer, who was living in Europe since October, was secretly indicted Jan. 5 and was arrested at New York's John F. Kennedy International Airport on Feb. 4.

Buyers from Kraft, Frito-Lay Inc., Safeway Inc. and B&G Foods Inc. have pleaded guilty to accepting bribes in the case. In all, 10 former employees or customers of SK Foods have pleaded guilty in connection with the investigation.

In addition, several lawsuits have been filed against SK Foods, which filed for bankruptcy protection in May 2009. Olam International of Singapore purchased the company two months later for \$39 million.

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