



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

LINDA LINGLE
GOVERNOR

Mark J. Bennett, Attorney General
Phone: (808) 586-1282
Fax: (808) 586-1239

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Anzai Announces Settlement of Antitrust Claims Against Houseware Manufacturer Salton, Inc.

Attorney General Earl I. Anzai announced today a \$8.2 million nationwide settlement with Houseware Manufacturer Salton, Inc., which resolves an antitrust lawsuit filed today by Hawaii, 43 other states, Puerto Rico, and the District of Columbia.

The lawsuit, the result of a two-year investigation led by the New York Attorney General's office, alleges that Salton coerced retailers into fixing the price for Salton's George Foreman™ contact grills, and into excluding Salton's competitors from their shelves. Salton's George Foreman™ contact grills are popular grills that cook food on both sides simultaneously, much like a waffle iron. Under the policies challenged by the Attorneys General, when retailers sold at a discount or stocked a competitor's product, Salton suspended the retailer until it fell into line with Salton's policies.

"Salton used the popularity of its products to prevent competition, and thereby harm consumers and retailers," Anzai said.

Under the settlement, Salton will pay \$8 million in damages, \$200,000 in investigative expenses, and notice costs. Salton will also agree to a court-order that prevents it from engaging in similar anti-competitive conduct in the future. The damage amount is subject to adjustment depending on the number of states signing on to the settlement.

Because of the difficulty and expense of identifying the many individual consumers and returning funds to them, the settlement agreement provides that the restitution funds be distributed to charitable entities and/or government agencies for initiatives to improve health care and nutrition in ways that benefit, as a group, the purchasers of the grills. Specific information about the distribution will be made available in March 2004, when Salton will complete its payments.

Further information on the settlement, including important documents, will be posted on the website of the [National Association of Attorneys General](http://naag.org) at <http://naag.org/issues/20020909-multi-salton.php>, which includes links to the website of all Attorneys General involved in the settlement, as soon as it becomes available. Individuals interested in the settlement are advised to check that site for further details, which should be posted within several days.