THE COMPETITION TRIBUNAL

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TRIBUNAL DE LA CONCURRENCE

F F F T 15 1991

REGISTRAR - REGISTRAIRE

OTTAWA, ONT. #2(B)

IN THE MATTER of an application by the Director of Investigation and Research for orders pursuant to section 92 of the Competition Act, R.S.C. 1985, c.C-34, as amended;

AND IN THE MATTER of the acquisition by Hillsdown Holdings (Canada) Limited of 56% of the common shares of Canada Packers Inc.

BETWEEN:

THE DIRECTOR OF INVESTIGATION AND RESEARCH

Applicant

- and -

HILLSDOWN HOLDINGS (CANADA) LIMITED, MAPLE LEAF MILLS LIMITED, CANADA PACKERS INC. and ONTARIO RENDERING COMPANY LIMITED

Respondents

AFFIDAVIT

- I, Russell Hopcroft, of the Town of Flamborough, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:
- 1. I was employed by Ontario Rendering Company Limited ("Orenco") for sixteen years prior to November 7, 1990, when my employment was terminated. Most recently, I held the position of Marketing Manager, primarily responsible for the sale of finished products from the rendering operation and was a member of Orenco's management team. Prior to that, I was responsible for all raw material acquisition and finished product sales for Orenco. As such, I have knowledge of the matters to which I hereinafter depose.
- 2. Subsequent to the acquisition by Hillsdown Holdings (Canada) Limited ("Hillsdown") of a controlling interest in Canada Packers Inc. ("CP"), I was advised by Pat Jones, at that time General Manager of Orenco, that an agreement had been entered into with the Bureau of Competition Policy (the "Bureau") whereby Hillsdown undertook to keep the operations of Orenco and Rothsay, the rendering division of Maple Leaf Mills Limited ("MLM"), separate pending the Bureau's review of the transaction.

- 3. In July of 1990, Mr. Jones, who formerly reported to a Vice President at CP, began reporting to Joe Kosalle, the person at MLM responsible for the rendering operations of Rothsay.
- 4. On November 5, 1990, Mr. Jones was appointed by MLM to the position of General Manager of the combined Orenco and Rothsay rendering business. A copy of the Announcement of Mr. Jones' appointment is attached as Exhibit "A" to this Affidavit.
- 5. On November 7, 1990, I was advised by Mr. Jones that my employment with Orenco was terminated effective that day. My responsibilities with Orenco were assumed by Vic Malta, the Ontario Marketing Manager for Rothsay.
- 6. Following my dismissal, I had discussions with Orenco employees and was informed and believe that Hillsdown has taken steps to integrate the collection routes of the Rothsay and Orenco operations. I do not know the extent to which the operations of Orenco and Rothsay have been further combined.
- 7. From my experience with Orenco, I believe that if Hillsdown completely integrates the operations of Rothsay and Orenco, including the elimination of separate records of the Orenco routes, customers and equipment, and disposes of Orenco trucks and other equipment used in its business, it will be very difficult, if not impossible, to restore the Orenco business to its state at the time of the Acquisition.

of Flamborough, in the Province of Ontario, this 14th day of February, 1991.

A Commissioner, etc.

Russell Hopcroft

SIMON ANTHONY CLEMENTS, a Commissioner, etc., Province of Ontario, while a student-at-law. Expires: June 11, 1993.

AGRIBUSINESS GROUP 319 Bridgeport Ad &. Suite 1000 Water Co. Ontario 1923 2K9

(\$19) 886-8400 (416) 846-4440 FAX (519) 747-8110

November 05, 1990

To All Employees:

ANNOUNCEMENT

I am pleased to announce the appointment of Mr. Pat Jones as General Manager of our Rendering Company. Pat is a long-term employee of Canada Packers and has been involved for many years in the beef industry and most recently has been the person most responsible for the ORENCO rendering facility here in Ontario.

Pat will be headquartered at our Rendering Divisional office located in Moorefield, Ontario and will be reporting directly to myself for this important area of business for our new amalgamated company.

I am sure all of you will want to join me in welcoming Pat to his new position and give him the necessary support to continue making the Rendering Company an integral part of the Agribusiness Group of companies.

G.B. Ballantyne

President CP/MLM

AGRIBUSINESS GROUP

GBB:sfw

This is Exhibit A referred to in the affidavit of RUSSELL HORCROFT sworn before me, this 14 Hh day of FEBRUARY, 1991

SIMON ANTHONY CLEMENTS, a Commissioner, etc., Province of Ontario, while a student-at-law. Expires: June 11, 1993.