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# BUSINESS FORMS QUEBEC

RESTRICTIVE TRADE PRACTICES COMMISSION  
DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS  
CANADA

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RESTRICTIVE TRADE PRACTICES COMMISSION

BUSINESS FORMS  
QUEBEC

Report in the Matter of an Inquiry Relating to the  
Quotations in 1965 to the Province of Quebec  
on Public Tenders 162 and 163 for  
the Sale or Supply of  
Business Forms

Ottawa  
1970

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RESTRICTIVE TRADE PRACTICES COMMISSION

R. S. MacLellan, Q.C.	Chairman
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RESTRICTIVE TRADE PRACTICES COMMISSION

OTTAWA

May 25, 1970.

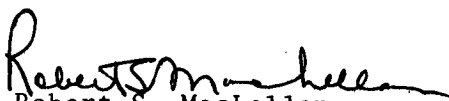
The Honourable Ron Basford, P.C., M.P.,  
Minister of Consumer and Corporate Affairs,  
Ottawa, Ontario.

Sir:

I have the honour to transmit to you the English and French texts of a report by the Restrictive Trade Practices Commission entitled "Business Forms - Quebec".

This report follows from an inquiry carried out under the Combines Investigation Act relating to Quotations in 1965 to the Province of Quebec on Public Tenders 162 and 163 for the Sale or Supply of Business Forms.

Yours very truly,

  
Robert S. MacLellan,  
Chairman.



## TABLE OF CONTENTS

	<u>Page</u>
CHAPTER I - PUBLIC TENDER NO. 163. . . . .	1
CHAPTER II - CONCLUSIONS. . . . .	15
APPENDIX A - Estimate Sheets of Drummond Business Forms Ltd. and Savoy Business Forms Limited. . .	19
APPENDIX B - Witnesses Examined in this Inquiry and Appearances. . . . .	21





## CHAPTER I

### PUBLIC TENDER NO. 163

The allegation of the Director of Investigation and Research in this inquiry is as follows:

"It is alleged that

Autographic Business Forms Limited  
Drummond Business Forms Ltd.  
Integrated Business Forms Inc.  
Modern Business Forms Limited  
Savoy Business Forms Limited

conspired, combined, agreed or arranged to prevent or lessen unduly competition in the sale or supply of business forms to the Province of Quebec in response to its Request for Quotation - Public Tender #163 dated 27 July 1965."

On May 11, 1970, the Commission submitted a report concerning the activities of a number of business form manufacturers in the area of open-pricing practices. The present report relates exclusively to identical tenders submitted by five manufacturers. The relevant market is the call for tenders and the tenderers are the participants.

The business forms industry is also described in the Commission's other report. The Province of Quebec's call for tenders pertained to business forms referred to as snap-out sets or unit set forms. A unit set form is a multiple part form, plain or printed, as an individual set, with or without one-time carbon. The parts are held together in a set by a stub using a variety of fastening techniques.

The five companies which submitted the identical tenders may be described, briefly, as follows:

Autographic Business Forms Limited (Autographic)

The company was incorporated on August 10, 1920 under the laws of Canada as Autographic Register Systems

Limited. The name was changed to Autographic Business Forms Limited in 1954. In December, 1965, Southam Press Limited acquired control of the company by purchasing its outstanding shares of common stock. Effective January 1, 1966 the business, property and assets of the company were sold to The Southam Printing Company Limited, a fully-owned subsidiary of Southam Press Limited, and the company became inactive. Southam-Autographic, a division of The Southam Printing Company Limited, has carried on the business form manufacturing operations of Autographic Business Forms Limited. Business forms are manufactured at Candiac, Quebec. This plant replaced the old plant in Montreal. Sales offices are located in Montreal and Toronto, with resident salesmen in Quebec City, Sherbrooke and Lucerne, Quebec. In the rest of Canada business forms are sold through agents. The head office of the company is in Montreal, Quebec.

Drummond Business Forms Ltd. (Drummond)

The company was incorporated on November 8, 1949 under the laws of Quebec. The company manufactures business forms at its plant in Drummondville, Quebec. The company's head office is in Drummondville with regional sales offices in eight other cities. Sales are made throughout Canada. In 1964 the company acquired all the outstanding shares of Integrated Business Forms Inc., a business form manufacturing company in Montreal.

Integrated Business Forms Inc. (Integrated)

The company was incorporated as Integrated Business Forms Inc., Société de Formules mécanographiques Inc. on March 16, 1962 under the laws of Quebec. In 1964 it became a wholly-owned subsidiary of Drummond Business Forms Ltd. The company manufactures business forms at its plant in Montreal, principally for the Quebec market although some sales are made in Ontario. Its head office is in Montreal.

Modern Business Forms Limited (Modern)

The company was incorporated on September 25, 1954 under the laws of Quebec, as Modern Business Forms Limited. The name Formules d'affaires modernes Ltée was added in 1964. Business forms are manufactured at its plant in Quebec City. The company's principal market is in the Province of Quebec.

Savoy Business Forms Limited (Savoy)

The company was incorporated on January 29, 1940 under the laws of Canada as Form Printers Limited. The name was changed to Savoy's Continuous Forms Limited in 1944 and to Savoy Business Forms Limited, Les Formules commerciales Savoy Limitée in 1963. The company manufactures business forms at its plant in St. Jean, Quebec. It has three sales offices covering the Provinces of Quebec and Ontario. Its head office is in St. Jean, Quebec.

The facts in this inquiry are clear and arose from two calls for tenders by the General Purchasing Service of the Province of Quebec, on July 27, 1965, for business forms for the Department of Health. The closing date for the two requests for quotations known as Public Tender No. 162 and Public Tender No. 163 was August 6, 1965 and the delivery date for both quotations was November 1, 1965.

As the allegation shows, only Public Tender No. 163 is under study. Tender No. 162 is related to it chronologically but is referred to only as allowing a clearer picture of the situation.

Six quotations were received in connection with Public Tender No. 162, three of which were accompanied by the required certified cheques for 10 per cent of the quotation, as follows:

Moore Business Forms Ltd.	\$27,833.80
Integrated Business Forms Inc.	\$30,885.05
Drummond Business Forms Ltd.	\$30,885.05

The following three quotations were disqualified because they were not accompanied by the required certified cheques:

Autographic Business Forms Limited	\$33,204.40
Savoy Business Forms Limited	\$30,891.70
Ditto of Canada Ltd.	\$29,419.00

Public Tender No. 163 called for 1,200,000 hospital out-patient services forms and 25,000 correction forms known as AH-85, Rev. 1966. Seven quotations were received by the General Purchasing Service of the Province of Quebec:

Modern Business Forms Limited	\$40,878.75
Moore Business Forms Ltd.	\$41,843.50
Autographic Business Forms Limited	\$40,878.75
Savoy Business Forms Limited	\$40,878.75
Drummond Business Forms Ltd.	\$40,878.75
Integrated Business Forms Inc.	\$40,878.75
Ditto of Canada Ltd.	\$33,880.00

The Savoy and Ditto quotations were not accompanied by the required certified cheques and were therefore rejected. Despite the fact that the Moore quotation was the highest one, it is in evidence that Moore was awarded the contract.

Mr. R.J. Bédard, President of Modern, stated that he had decided to submit a quotation at a slightly lower price; he later altered this price so as to render it identical to that of Autographic. He had received a telephone call from an Autographic representative who had requested him to quote a price identical to his. Mr. Bédard explained as follows:

"Q. . . . and he suggested that you quote the same price as his company and the price was. . .

A. We did establish a price and I know that there was a difference, but not of several thousand dollars.

Q. You mean between your original quotation and that of Autographic?

A. Yes, yes.

Q. And did you re-establish your price to the level of the price of Autographic when you received the telephone call?

A. Yes.

Q. And do you recall whether the representative of Autographic gave you information concerning the other companies which were supposed to put in tenders?

A. We were all supposed to put in tenders at the same price.

Q. All at the same price?

A. Yes, otherwise there would be no deal.

Q. And do you recall whether the representative of Autographic actually told you that the other companies were going to put in tenders at the same price?

A. He was supposed to inquire about this and if there was no deal he was going to call me back.

Q. Did he actually call you back?

A. It went well, that is the reason why he. . .  
I do not know whether it is all I tell you or otherwise. . .".

The following is Mr. Bédard's explanation of the motives which prompted him to act in this fashion:

"MR. LECOURS:

Q. Mr. Bedard, with regard to the agreement which you had with the Autographic Company about putting in a tender at the same price and to which you referred some time ago, can you explain to us the reason of the agreement?

A. The reason of the agreement?

Q. Yes.

A. Do you know how I reasoned about this? I said: the Association. . . there are big companies which belong to the Association, formerly there were Crain, Autographic, Savoy and then Moore and I said: the government will find this very funny, of course, but we all have the same prices and it will say: 'The large companies are the ones which have organized the small ones and the latter are not the ones which have organized the large companies. Therefore, in order to penalize the large companies, we are going to give the contract to the small company'. And as I was the smallest company accordingly I thought that I would have it. But it was the contrary that occurred, we all had the same prices, but there was one who had a higher price and I did not take this into account. They said : 'We are going to give the contract to

the highest bidder and thus out-manoeuvre the others.' This was their reasoning and nothing else."

Mr. J. M. Rutherford, Comptroller of Moore, testified that Mr. D.S. Howard, former President and General Manager of Autographic, had telephoned him to inquire if Moore intended bidding. Mr. Rutherford replied that he did not know but that he would inquire. At the beginning of August 1965, and more particularly on the day following the said telephone conversation, Mr. Howard was advised of Moore's intention to bid but Mr. Rutherford did not give him any opportunity to discuss prices:

"Q. Do you know what was the purpose of the phone call?

A. No, I don't, because I don't think -- I didn't give him an opportunity to produce a purpose, if I can use that expression. In the light of history, I can make my own surmise.

Q. Were any figures mentioned in relation to any other company?

A. Not to us, not to me.

Q. Did he mention any other company?

A. No."

Mr. Rutherford also testified as follows:

"Q. Perhaps we might just clear up a point. This telephone call was made before your company actually submitted the tender?

A. Yes. Mr. Côté had the information. He was, no doubt, in the process of drawing up, whatever the format is, I am not familiar with, perhaps a form or perhaps in a covering letter to the Quebec government."

Mr. W. A. Ruddock, General Sales Manager of Moore, had left his office on the last Friday of July 1965, and it was only upon returning to his office on the third Monday in August that he was apprised of the telephone

conversation between Messrs. Rutherford and Howard. He had set Moore's price and Mr. Côté, Moore's representative in Quebec, had been entrusted with the submission of the tender. The price had been arrived at by reducing the list price by 20 per cent. Mr. Ruddock explained that "That was as far as I was prepared to cut the price under the circumstances." Mr. Ruddock added that Moore had previously tendered to the Quebec government for orders, ". . . for years".

Mr. D.A. Howard, of Autographic, stated that he had no recollection of having been in touch with Mr. Rutherford before the closing date for the submission of tenders in connection with Public Tender No. 163, but that he probably did contact him some time after. Questioned as to the manner in which his prices were arrived at, he explained that for large orders, the price was based on costs. He could not otherwise explain the identical tenders:

"Q. Do you know or do you have any idea what this tender would be based on?

A. As I stated before, any of the large orders were based on a costed price."

Mr. Howard also testified as follows:

"Q. To your knowledge, did anybody from Autographic call any competitor of Autographic with regard to this tender?

A. No, not to my knowledge.

Q. Mr. Howard, in order to refresh your memory, may I refer you to the evidence of a previous witness in this inquiry, that is the evidence given by a Mr. Rutherford of Moore Business Forms Limited. Mr. Rutherford was asked in evidence the following question concerning this tender:

'Q. Can you tell us, first of all, what you know about this situation?',

and the answer by Mr. Rutherford was as follows:

'Yes, my involvement was a telephone



call I received. Shall I name who it was with?'

Mr. Robinette answered:

'Oh, yes.'

Mr. Rutherford continued by saying:

'From a Mr. Howard of the then Autographic Company, which is now one of the Southam Companies.'

Can you explain why Mr. Rutherford would make this statement under oath?

A. I certainly can't explain it, no. If I called Bill Rutherford, it certainly wasn't anything to do with the price.

Q. Was there a possibility that you called Mr. Rutherford?

A. There might have been, it could be that I called him.

Q. Did Mr. Rutherford call you regarding this tender?

A. I am trying to recall, but I do not remember any discussion with Bill Rutherford regarding this contract. I am not denying that we might have or I might have called him or he might have called me, but I cannot recall why I would do it, because at that time I was under the impression that Moore were not quoting on Quebec government business, so if I thought they weren't competitors, I don't know of any reason that I would call him. As I understood it, as far as Quebec was concerned, the Quebec government had a policy of 'buy Quebec' as much as possible, and it was my understanding at that time, as I recall, that Moore and Crain were not getting government business, so why I would call Bill Rutherford regarding a Quebec government tender, I don't know, and I certainly do not recall any conversation with Bill Rutherford.

. . .

Q. Do you have knowledge of the fact that the result was that a number of the tenders on this Quebec government tender were identical?

A. No, it doesn't seem likely that that could happen.

Q. Did you have knowledge of this fact?

A. I think I heard later, but I am not sure. There again, as I say, we didn't get the order, that I know, so I wasn't too interested.

Q. Do you know now that a number of the tenders were identical on this particular tender?

A. It is impossible that a number of tenders could be identical; it is impossible.

Q. If I were to tell you that they were identical, can you give me any explanation as to why they were identical?

THE CHAIRMAN:

It might be more honest if you informed the witness that it is on the record that there were a number of identical tenders.

MR. BURGESS:

The specific instance, Mr. Chairman, is actually irrelevant. I am more interested in the theory involved.

THE WITNESS:

Would you repeat the question, please?

---(Reporter reads back last question)

THE WITNESS:

No, I cannot give you an explanation."

Mr. N. G. Mahoney, former General Sales Manager of Autographic, was not involved in Public Tender No. 163. The following is his explanation as to how the prices were established.

"Q. Who estimated the quotations for Autographic on this tender?

- A. All tenders of governmental nature, federal or provincial, were job costed, if they were over \$1,000 in value. They were sent down to our plant and the various foremen in the plant would figure out how much labour is required, how much material is required, et cetera, et cetera, how much the plant overhead would be, and that would be the end of that, and then it would come back up to our accounting department and the controller, and the president of the company, and they would then decide what price we felt
- the company could quote and still make a profit.

. . . .

Q. Mr. Mahoney, knowing the business forms industry as you do, and the pricing methods used, does it seem unusual to you, or would it seem unusual to you if I told you definitely that there were identical tenders in this particular instance?

A. It would seem unusual.

Q. Can you give us any explanation as to why tenders of this nature might be identical?

A. No."

Mr. G. M. Savoy, President of Savoy, could not recall Public Tender No. 163. Mr. John A. Savoy was the company's sales manager at that time, but has since retired.

It was only some time after it was submitted that Mr. H. J. Savoy, Chairman of the Board of Savoy, heard about this tender. He believed that the estimate sheet which accompanied the tender had been prepared by the company's salesman in Quebec, Mr. Guy Blouin, acting on instructions issued by Mr. St-Onge, of the estimation department. Questioned regarding the identical prices in the various tenders, Mr. Savoy testified as follows:

"MR. BURGESS:

Q. Can you explain why these tenders were identical?

A. No, I can't explain it.

Q. Does it appear unusual to you that these tenders were identical?

A. I think they could be identical. If I may digress, I think we could say that a great deal of quotations made on similar forms could be identical without any knowledge that they are identical, especially during the few years past.

Q. You, of course, are aware of the intricate calculations that are made in order to determine what quotation will be bid by any particular company?

A. Yes, I know that they are now more intricate than ever.

. . .

THE CHAIRMAN:

I think that the question might have been framed differently, but it has the same effect as the comment I made, and I believe that it behooves Mr. Savoy to answer that if he thinks he has knowledge and experience in his firm to state here if this is a coincidence which happened often or not.

THE WITNESS:

I wouldn't know. If you don't know that there are other quotations at the same price, you wouldn't be able to say, would you? It could happen.

. . .

THE CHAIRMAN:

If all costs are the same, then the margins added on, the percentage for profit and overhead, et cetera, would all be the same? This would have to take place.

THE WITNESS:

It would have to take place, yes.

THE CHAIRMAN:

So, it would be a reasonable explanation that figures on tenders are identical because the basis for computation is the same with respect to that field of the industry?

THE WITNESS:

That is a hard one to say yes or no to, but I can see your point. I can't answer that really.

THE CHAIRMAN:

You see, the whole basis of this matter is this: let us assume just for the purpose of attempting to understand this coincidence, that a buyer asks for tenders from five firms. He wants to buy one hundred sets of a special type of form which has 20 lines, so many holes along the side, it is of a particular nature so far as the business form is concerned, and then could the five working independently come up with a figure of \$12.69 per set?

THE WITNESS:

They could quite easily. Mind you, it might fall under a certain list and they might all use the same list. It is like when you go into a store, the list price is such and such, it is a suggested list by his supplier, and that is a \$5.00 item, and you go down the street and you might have ten people the same, and yet you might have one that would be \$4.85, because he deviates from perhaps the proposed list.

THE CHAIRMAN:

So that one reasonable explanation, according to what I understand from what you have said, is that the five who come up with the \$12.69 in my example, might be referring to the same price list which is current on the market?

THE WITNESS:

It could be."

Mr. G. Veilleux, President of Drummond, denied having been in contact with his competitors before the tender was submitted but admitted having discussed it afterwards with Mr. D.S. Howard of Autographic. The notation hereafter appears on Drummonds' estimate sheet, a copy of which is appended hereto as Appendix A (for purposes of comparison, a copy of Savoy's estimate sheet is also included in this Appendix):

"Drummond      Final Price      \$41.66      \$14.12"

Above this notation, but in a different handwriting are the following words:

"Prices Quoted                      33.80      12.75"

Added to the bottom of the page are the letters "Int" which refer to Integrated. The "Prices Quoted", namely \$33.80 and \$12.75 are those which were in fact tendered and these figures are identical to those submitted by Modern, Autographic, Savoy and Integrated. Mr. Veilleux testified that it was he who had written these three lines at the bottom of the estimate sheet and that he could not recall why the "Final Price", as shown, had not been used. The reference to Integrated is to the effect that he "said to Integrated to put in a tender for the same price." Integrated had been advised by telephone of the tendered price. According to Mr. Veilleux, the occurrence of identical prices can be explained as follows:

"Q. From companies, that is, a list of companies which tendered for number 163 AH 85. You will note with me that the tenders of Modern, Autographic, Savoy, D.B.F. that is, Drummond Business Forms and Integrated are identical?

A. Yes. Here, of course, it is probably. . .

Q. Can you explain this?

A. I have no explanation to give about that. Obviously if these companies take the same price list which we happen to have and everybody has almost the same price, the price may be identical to the cent, if they make a calculation of course. But it may be otherwise, if they forget something in the formula or if they do not charge enough or charge too much. One hundred tenders may be put in and by using the list of one company the figures may agree cent

for cent with those of the others.

. . .

Q. And so, according to you, the reason why the prices were identical in 5 cases is probably due to the fact that the five companies followed the same price list?

A. The same lists.

Q. The same lists?

A. That's right.

Q. And when you come to this conclusion, do you also conclude that the list followed by the manufacturers was that of a manufacturer in particular?

A. It all depends, there may be one. . . there may be one interpretation of a list in particular, yes.

Q. But in this case, you have no indication?

A. No, I do not have any.

Q. You have nothing to indicate that such and such a list was followed?

A. No, not at all."

## CHAPTER II

### CONCLUSIONS

In response to Public Tender No. 163, identical prices were quoted in their respective submissions, by Autographic, Drummond, Integrated, Modern and Savoy. Moore Business Forms Ltd. had quoted \$41,843.50 and it is in evidence that Moore was awarded the contract by the General Purchasing Service of the Province of Quebec. Ditto of Canada Ltd.'s quotation, \$33,880.00 was obviously lower, but the required certified cheque did not accompany Ditto's submission. Savoy quoted an identical price, but did not forward the certified cheque; however, this voluntary "omission" would not justify excluding Savoy from the context of this matter. Since Integrated tendered separately and, from all appearances, independently of Drummond, the mere fact that Integrated is a wholly-owned subsidiary of Drummond does not permit exclusion of Integrated.

Although Mr. Howard, of Autographic, could not recall communicating with either Mr. Bédard or Mr. Rutherford before tendering, it was established beyond all doubt by Messrs. Bédard and Rutherford that it was Mr. Howard who had made the contact.

According to Messrs. Savoy and Veilleux, the fact that the five companies had adopted identical price lists could be the explanation for the identical prices. However, this hypothesis cannot be entertained upon examination of the estimate sheets reproduced in Appendix A. In any case, Mr. Mahoney, former General Sales Manager of Autographic, claimed that when large orders were involved, all tenders were job-costed.

Finally, Mr. Howard, of Autographic, contended that he would have had no cause for calling Moore because the latter "were not quoting on Quebec government business. . .". However, Mr. Ruddock, of Moore, stated that his company had tendered to the Quebec government "for years". Mr. Howard further explained that his belief stemmed from the fact that the government of the Province of Quebec "had a policy of 'buy Quebec' as much as possible, . . .". These contradictory statements concerning the identical prices create an unreal climate



and the mystery can only be solved if the clue is none other than the agreement initiated by Mr. Howard of Autographic.

The Report of the Director of Investigation and Research for the year ended March 31, 1965 contains the following comments:

"As in past years, the Director continued to receive reports regarding identical tenders received by various federal, provincial and municipal bodies and various public agencies.

Each reported incident was carefully considered in the light of the provisions of the Combines Investigation Act. Some of these reports concerned incidents which had been dealt with in the past and in which there had been no indication of an offence under the Act. In such cases the complainant was notified to that effect. In other cases, after careful investigation, it was decided that there was no reason to believe there had been a violation of the Act and the complainant was similarly notified. Some of the reported incidents related to matters already under consideration by the Director, and in these cases the information obtained was incorporated in the material under study at the time. At the end of the fiscal year, a number of situations involving identical tenders disclosed sufficient evidence in addition to the identity of tenders to warrant further exploration with a view to determining whether there is cause for formal inquiry.


The Director has, from time to time, made public his position with respect to identical tendering practices. The matter was the subject of evidence given by the Director of Investigation and Research and the Auditor General before the Standing Committee of the House of Commons on Public Accounts on December 6 and 9, 1963. In his statement the Director outlined the fields in which identical tenders were common. These included chemicals, construction equipment and materials, electrical equipment and supplies, iron and steel products, paper and paper products, petroleum products, and a miscellaneous group including such items as fire hose, ice cream, milk, medical supplies, snow-fencing, typewriters, fishing equipment, rubber tires, fire insurance, pencils, type metal and explosives.

The Director's continuing position on the subject is that while identical tenders might be collusive, the fact of identity of prices does not necessarily reflect collusion among the bidders. In a market characterized by a homogeneous product and relatively few firms, any difference in the prices at which the firms regularly sell the product can only be temporary unless some unusual factor is present. In this type of market a price reduction by one seller will normally be followed by a price reduction on the part of other sellers and unless industry sales have expanded significantly each firm will usually retain its original share of the market at a lower margin of profit. For this reason, sellers in such a market tend to avoid any action which would result in such instability and, as long as the price structure is not disturbed by others, they are reluctant to make any price concession that may be detected by their competitors. Rather, a seller in this type of market tends to assume that if all sellers quote list prices, and factors other than price create no preference, he is just as likely as any of his competitors to receive the business, or a share of it, at list prices."

The Commission has, on numerous occasions, dealt with the matter of identical tenders and with tendering procedures aimed at and resulting in the frustration of the sealed tender system. In its Report on "Dairy Products, Montreal" (R.T.P.C. No. 46, 1968), the Commission stated as follows:

"The Restrictive Trade Practices Commission studied rotation systems for the allocation of contracts between tenderers, in its 'Report of an Alleged Combine in the Matter of a Call for Tenders by the Town of Duvernay for the Construction of Sewers and Water Mains', (1963 - RTPC No. 25). Relying on Rex v. McGavin Bakeries Ltd. et al., [1952] 1 D.L.R. 225, the Commission considered that the restriction resulting from an agreement to establish a rotation system in connection with calls for tenders was undue in manner. In the matter of 'Street Paving Tenders in the City of Hull', (1965 - RTPC No. 35), the Commission concluded that an arrangement by which tenderers arrogated to themselves the right to select constituted 'an undue restriction of competition having regard to the manner in which the arrangement was carried out.' "

In the present case the submission of identical tenders by the five firms does not appear to have been related to a scheme for the rotation of tenders but to the elimination of competition in price between them on the particular contract. The manner in which this objective was sought by a collusive arrangement or agreement was clearly undue. One must necessarily rely on the inference of possible competition allowing a lower price than the collusive price. The circumstantial evidence, the required inferences and the conclusions based on facts necessarily lead the Commission to believe that the allegation in the present case is well-founded. Without justification in the light of subsection (2) of section 32 of the Combines Investigation Act, Autographic Business Forms Limited, Drummond Business Forms Ltd., Integrated Business Forms Inc., Modern Business Forms Limited and Savoy Business Forms Limited arranged to prevent or lessen unduly competition in the sale or supply of business forms to the Province of Quebec in response to its Request for Quotation - Public Tender No. 163 dated 27 July 1965, contrary to the public interest.

  
Chairman

  
Vice-Chairman

  
Member

Ottawa,  
May 25, 1970.

# APPENDIX A

## ESTIMATE SHEET - DRUMMOND BUSINESS FORMS LTD.

SALESMAN F. Coy ESTIMATE SHEET DATE 20 Oct / 69 ABN 54D

CUSTOMER Mr. Cross Minister Sante ADDRESS Rg. 477512 - Farm AN-85

QUANTITY	NO. OF PARTS	SIZE LARGEST PART	KIND OF FORM	FLAT CHARGES	NO. M SETS	AMOUNT
1,200	4	8 1/2 x 12 1/2	Receipts	E.H.C.	91	00
			Service Extras	MAJOR CHARGES 11	2	91 00
				MINOR CHARGES		
	SIZE OF EACH PART	COLOUR AND KIND OF STOCK	EXTRA PAPER BASED ON SIZE OF EACH PART	MARGINAL CHARGES		
	x 53	32M blank #7	44	DELETIONS		
	x -	26M blank	14	BACK PRINTING 1		54 60
	x 17	26M suit	14	CHANGE IN BACK PRINTING		
	x 17	26M quo	14	INK green		1/00 00
	x 17	26M summer	14	TWO COLOUR PRINTING 1111		1/00 00
	x 17	26M canvas	14	GROSS BUYING		19 25
	x 121		1.00	NUMBERING AND SERIAL LETTER CHARGES		
	x			PERFORATIONS HORIZONTAL		
	x			PERFORATIONS VERTICAL		
	x			PUNCHING		19 25
	x	32M blank #7	43	SAFETY TINTS		
	x	26M suit	12			
	x			59 double stub		13 25
	x					
TOTAL STOCK EXTRAS PER M SETS				TOTAL FLAT CHARGES		470 60

CHARGES PER M SETS	M SETS	M SETS	25 M SETS	M SETS	M SETS	M SETS
NO. PARTS	NO. PARTS	NO. PARTS	NO. PARTS	NO. PARTS	NO. PARTS	NO. PARTS
FLAT CHARGES (SEE ABOVE)			35	35		
RUNNING CHARGE 4.23 x 6			25 38	7 96	41 17	13 16
CARBON CHARGE 2.17 x 5			12 35	2 47		
PAPER EXTRAS (SEE ABOVE)			1 00	54	1 21	65
STAPLING <input type="checkbox"/> BINDING <input type="checkbox"/>			40 08	11 22		
Double stub					1 84	-
S.P. 202			22 06	9 06	43 52	
Inc 15%			26 87	10 42	42 52	13 81
Inc 15%			33 80	12 73		
Drummond Inc final			41 66		1 14	12
2.9						12 96
PRICE PER M SETS						

# ESTIMATE SHEET - SAVOY BUSINESS FORMS LIMITED

## LA VOY. SETS ESTIMATE SHEET

SEPARATE EXTENDING PRICES. FILL IN THE SPECIFICATIONS REQUIRED AND BE SURE TO QUOTE DEFINITELY ACCORDING TO THE SPECIFICATIONS FIGURED ON:

DATE 2-26-66 1966

SALESMAN George H. Brown

## CUSTOMER

FORM NO. AH 85 Rev: 1266

Reg. 44 7512.  
QUOTATION NO. (Publication) # 163

CITY		PROVINCE		
QUANTITY	NO. OF PARTS	SIZE	LARGEST PART LENGTH	KIND OF FORM
12000	1	8 1/2	X 12 1/2	SAVOY SETS <input checked="" type="checkbox"/>
2501	2	8 1/2	X 11 3/4	UNIBETS <input type="checkbox"/>
		X		NCR PAPER <input type="checkbox"/>
		X		
		X		
		X		

**PAPER EXTRAS BASED ON EACH INDIVIDUAL SHEET SIZE**

PART	SIZE OF EACH PART	COLOR AND KIND	M	PRICE PER M
1	X	Blue	32	50
2	X	"	24	
3	X	Vert	"	15
4	X	gris	"	15
5	X	Jaune clair	"	15
6	X	Orange	"	15
7	X			100
8	X	Blue	32	50
9	3 3/8 x 1 1/2	Vert	24	15
10	2 1/2 x 1 1/2			
11	2 3/8 x 1 1/2	Blue		
12	X			

**TOTAL PAPER EXTRAS  
PER M SETS**

RULE		FLAT CHARGES			AMOUNT	
1 A	BASIC					
1 B D	PLAIN SETS (LESS)					
1 B 1	DELETION					
1 B 2	DESIGNATIONS	6			30	00
1 B 3	MARGINAL					
1 B 4	MINOR	1			25	00
1 B 5	MAJOR	2059			118	00
1 B 6	BLOCKOUTS					
1 B 7	COLOR SAND					
1 C	BACK PRINTING	1			59	00
2 B	N.G.R. PAPER					
2 A	INK	Unit			15	00
2 B	TWO COLOR PRINTING	25 + 25			50	00
3 C	SAFETY TINT					
4	GROUPING					
5 A 1	OFF STANDARD LENGTH					
5 A 2	DIFFERENT LENGTHS IN SET					
7 A	NUMBERING					
7 B	SERIAL LETTERS					
8	PUNCHING	4 plates			20	00
8	PERFORATIONS					
		double stick 3x3			9	00
	TOTAL FLAT CHARGES				326	00
9	DIVIDE FLAT BY BASIC QTY.	5	20			
		15	25			

CHARGES PER M SETS	1200M SETS	2.5M SETS	M SETS	M SETS	M SETS	M SETS
	PARTS TO SET <u>6</u>	PARTS TO SET <u>5</u>	PARTS TO SET	PARTS TO SET	PARTS TO SET	PARTS TO SET
RUNNING CHARGE	38 53	12 32				
CARBON RUNNING						
PAPER EXTRAS	1 10	65				
EXTRA NUMBERS						
BINDING						
PERFORATIONS						
SAFETY TINT <i>d. 250x24x3</i>	72					
PUNCHING						
FLAT	27	27				
SPECIAL EXTRAS						
<i>12186</i> TOTAL 3972	40 62	13 24				
	1 23	90				
PLUS <input type="checkbox"/> LESS <input type="checkbox"/> %	41 84	13 64				
	33 80	12 75				
FINISHED PRICE PER M						

## APPENDIX B

### WITNESSES EXAMINED IN THIS INQUIRY

The following list gives the names of witnesses examined in this inquiry and the current or former business affiliation of the witness relevant to the inquiry:

#### October 25-26, 1967, at Toronto, Ontario

J. C. Kinnear	) Moore Business Forms Ltd.
W. A. Ruddock	)
J. M. Rutherford	)

#### November 23, 1967, at Quebec City, Quebec

R. J. Bédard	) Modern Business Forms Limited
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#### November 24, 1967, at Montreal, Quebec

R. Veilleux	) Integrated Business Forms Inc.
G. Veilleux	) Drummond Business Forms Ltd.
G. M. Savoy	) Savoy Business Forms Limited

#### June 12, 1968, at Montreal, Quebec

H. J. Savoy	) Savoy Business Forms Limited
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#### June 13, 1968, at Toronto, Ontario

N. G. Mahoney	) Autographic Business Forms
D. S. Howard	) Limited

APPEARANCES AT THE HEARING BEFORE THE COMMISSION

October 29, 1969 at Montreal, Quebec

<u>Counsel</u>		<u>Representing</u>
J. C. C. Chipman	)	Autographic Business Forms Limited
	)	Drummond Business Forms Ltd.
	)	Integrated Business Forms Ltd.
C. Lauzon	)	Savoy Business Forms Limited
M. E. Hickson	)	Modern Business Forms Limited

The Director of Investigation and Research was  
represented by:

O. R. Sametz  
M. Lecours





INDUSTRY CANADA/INDUSTRIE CANADA



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