



LONDON COMMUNITY
FOUNDATION



Community Foundations
of Canada Fondations
communautaires
du Canada

News Release

FOR IMMEDIATE RELEASE

Price Fixing Lawsuit Nets Funds for Food Banks, Breakfast Programs

National charity distributing proceeds from class action settlement

(LONDON, Ont.) November 8, 2004 – Canada’s largest network of public foundations is distributing more than \$300,000 to food charities across the country as part of a class action lawsuit involving several manufacturers of monosodium glutamate (MSG) and nucleotides, two popular flavour enhancers.

The settlement stems from price fixing that forced Canadian food manufacturers to pay more for MSG and nucleotides. This price increase was then passed on to consumers who ended up paying more for popular foods such as peanut butter. The action was initiated by the London law firm of Siskind, Cromarty, Ivey and Dowler LLP, on behalf of Canadian users of MSG and nucleotides. The defendants were multinational chemical producers.

“There is no way of tracking the consumers affected by this lawsuit,” said Martha Powell, Director of Development & Donor Services at the London Community Foundation. “Community foundations across the country were asked to step in and allocate this settlement in a way that benefits Canadian consumers.”

One portion of the settlement compensates food manufacturers and other purchasers of raw MSG and nucleotides, the second portion to be distributed to grocer organizations and the remainder distributed to consumers through Canada’s community foundations.

London Community Foundation will work with a cross-section of Canada’s 144 community foundations to distribute the settlement. Selected community foundations, approved by the court, will use the funds to provide grants to food-related charities, such as breakfast programs or food banks. Proceeds from the settlement will be in the hands of community groups within the next four to six weeks.

“Our foundation was approached by the London law firm managing this case,” said Ms. Powell. “They chose our network to distribute the lawsuit’s proceeds because we have a broad national reach and we work with an extremely wide range of charitable organizations.”

“Because community foundations work with all kinds of charities, we’re well positioned to identify organizations that can ensure this funding has the greatest possible community benefit,” said Monica Patten, President and Chief Executive Officer, Community Foundations of Canada. “Our network distributed more than \$90 million last year; we have a proven track record in funding community initiatives and we’re happy to use those skills to pass this settlement back to Canadians

London Community Foundation will report back on the grant disbursements one year from now.

The following community foundations are distributing funds from the lawsuit. The foundations were chosen to ensure broad geographic representation and the percentage allocated to each foundation is based on population.

Vancouver Foundation	19%
The Calgary Foundation	5%
Edmonton Community Foundation	5%
The Saskatoon Foundation	3.3%
The Winnipeg Foundation	3.7%
Toronto Community Foundation	25%
Community Foundation of Ottawa	9%
London Community Foundation	4%
Hamilton Community Foundation	6%
The Foundation of Greater Montreal	12%
Rural Community Foundation of Nova Scotia	3%
Community Foundation of Southeast New Brunswick	2.4%
Community Foundation of Newfoundland and Labrador	1.7%
Community Foundation of Prince Edward Island	0.5%
The Yellowknife Community Foundation	0.4%

London Community Foundation

London Community Foundation is a public foundation serving London and Middlesex County and is the tenth-largest community foundation in Canada. The Foundation, which was established by charter in 1954, was the vision of Mr. J. Allyn Taylor, retired Chairman of Canada Trust and currently the Foundation's Honorary Chair. London Community Foundation is governed by a volunteer board of directors and is operated by a staff of six.

Community Foundations of Canada

Community Foundations of Canada (CFC) is the national membership organization for one of the country's fastest growing charitable movements. Over the past decade, the number of Canadian community foundations has more than tripled and so have their combined assets.

Today, there are more than 144 community foundations in cities, towns and rural areas across Canada. Community foundations are locally run public foundations that build and manage endowment funds to support charitable activities in their area.

NOTE: A list of the companies involved in the case is attached. A notice outlining the settlement can be found [at www.classaction.ca/pdf/MSG Notice Cert settlement.pdf](http://www.classaction.ca/pdf/MSG_Notify_Cert_settlement.pdf). Background information is available at [www.classaction.ca/pdf/Main Agreement.pdf](http://www.classaction.ca/pdf/Main_Agreement.pdf) and www.classaction.ca/content/actions/msg_nucleotides.asp

Contacts:

Martha Powell, Director of Development & Donor Services, London Community Foundation
(519) 667-1600, ext. 103

Monica Patten, President & CEO, Community Foundations of Canada
(613) 236-2664 ext. 333

MSG/NUCLEOTIDES CLASS ACTION LITIGATION

Case Initiated

The case was first initiated in London, Ontario on September 7, 2001. Class action representatives from Quebec followed suit on September 25, 2001 and in British Columbia on October 4, 2001.

The case involved price fixing between 1990 and 1999.

Plaintiffs

Bona Foods Ltd. a Toronto-based family-owned food processing company that manufactures and distributes Italian-style deli meats to food distributors, pizzerias, supermarkets and restaurants throughout Canada.

La Cie McCormick Canada Co. a global manufacturer and distributor of spices and seasonings for consumers and the food industry. Its Canadian office is located in London, Ont.

Defendants

Archer Daniels Midland Company
Ajinomoto Co., Inc.
Ajinomoto U.S.A Inc.
Takeda Chemical Industries Ltd.
CJ Corp. f/k/a Cheil Jedang Corporation
CJ America Inc.
Daesang America Inc., f/k/a Miwon America Inc.
Kyowa Hakko Kogyo Co. Ltd.

Compensation Plan

Total compensation of approximately \$963,000 will be shared among:

Canadian Council of Grocery Distributors	25%
Canadian Federation of Independent Grocers	25%
Community Foundations (see list above)	45%
General Romeo Dallaire Foundation	5%