

Mr. REUSS. May I ask a question?

Mr. VAN GEMERT. May I add one thing?

I deny them for the company, and I deny them personally, based upon my inspection of the operations of this division.

Mr. ROSENTHAL. OK.

Mr. REUSS. As a lawyer you are familiar with the hearsay rule?

Mr. VAN GEMERT. Yes, sir.

Mr. REUSS. And are you going to give us nonhearsay evidence this morning—are you going to rely on hearsay evidence?

Mr. VAN GEMERT. I have not directed myself to this technical distinction. I think that I should make it clear that I was the one in the company who was advised of the Federal Trade Commission investigation. This was Wednesday of last week. I flew to this area Friday. I have with me the manager of our economic research department from Oakland, Calif., and a member of the legal department, who works with me. We immediately went to the division office on Saturday morning, and from Saturday morning until now I have had a total of, approximately, 10 hours' sleep. I worked until 5 o'clock Sunday morning and Monday morning, and went into hearings at 10 o'clock that morning. I went back and I continued this to date.

The reason I mention this is this: When this sort of charge is made and it is heard at the administrative office, we, of course, are exceedingly concerned, but our interest extends beyond that concern. The charge is, as a member of the committee pointed out earlier today, really one of credibility. I studied the matter at length before I came here and it was apparent to me that this was a question of credibility or, possibly, even dishonesty. From our standpoint, if the charge were correct, it would have to mean dishonesty on Safeway's part. I tended to reject that because I know what our operation is and what our uniform pricing policies are around the country, but I did not close my mind. When I came into the area I did not come in to prepare Safeway's defense, although that was ultimately my responsibility as a lawyer for the company. I came into this area to investigate our own operation and to satisfy myself, personally, in depth, more than a lawyer in the Antitrust Division or the Federal Trade Commission would do as to where the truth in this matter did lie. And I have satisfied myself.

Now, I have inspected the records. And the people under me. And those who have helped me. I have inspected them in detail. And I am familiar with this type of record, because I have done this hundreds of times in our operation. I looked at every bulletin that had been issued through the stores. I looked at the price books that were in the stores. I sent a lawyer who was with me into the stores with no prior knowledge of anyone in our operation, to talk to the members of the night stocking crew, who are the ones who physically do the price marking in our stores, to talk with checkers. I did everything that an investigator would do. And I have personally convinced myself that there is no truth to this accusation. And I am here to so testify. And if this be hearsay evidence, so be it.

Mr. REUSS. Well, is it?

Mr. VAN GEMERT. I do not know.

Mr. REUSS. No further questions.