

Lawsuit alleges price fixing by snow removal firms

By Kathryn Reed

Thousands of Tahoe Donner residents could have been the victims of a price fixing scheme involving two snow removal companies in Truckee.

A lawsuit was filed in Nevada County Superior Court last week against Elements Mountain Company – Jamie LeGare – formerly known as Jamie Waltman, Joanne Waltman and Matthew Warren.

Ten counts have been listed in the suit. Allegations are that from 2008-17, Snowtech and Waltman companies were in collusion regarding how much they would charge people for snow removal in the Truckee subdivision. In March 2017, the companies merged and became Elements Mountain. The individuals named above worked for the companies.

“I think this case is quite straight forward and more so than most price fixing cases I’ve been involved in,” Stuart Gross with the Gross & Klein law firm in San Francisco told *Lake Tahoe News*. “Fundamentally this case is about ensuring basic principles that govern fair competition are protected.”

No one from Elements Mountain Company returned a phone call.

Michael Cramer and Brian Paddock are the named plaintiffs in this class-action lawsuit. Between 5,000 and 7,000 people in this housing development may have been victims during the time span stated. The lawsuit alleges the infractions occurred from April 2010-March 13, 2017.

Included in the court documents are emails between the individual companies.

In an email dated April 26, 2010, Warren who was the principal

at Snowtech and became the new company's secretary, wrote, "In the interest of placating homeowners on pricing, we'd be willing to take a \$30 price increase if you took a \$25 price increase. This gives the perception that there is a little bit of competitive pricing happening in TD. We will still maintain our Price Guarantee policy." This was sent to Jamie Waltman, who was the president of Waltman and is president of the merged company.

The lawsuit contends that starting in 2011 the defendants met in person to decide on the prices.

"When the agreed pricing and services were memorialized in a bullet-point list, the list would be destroyed after being used for this purpose," the lawsuit alleges.

The two companies are also accused of keeping out competition, which further allowed them to set prices. Those prices are alleged to be much higher than other locations in the greater Truckee-Tahoe area.

"In some ways price fixing is quite simple. This case is a good example of that. We have explicit agreements between these two competitors to fix the minimum price and then how to calculate it for other customers," Gross said.

The lawsuit claims violation of the Cartwright Act, which deals with fair competition; false advertising; breach of contract; intentional interference with the contract; unfair competition; and aiding and abetting.

The plaintiffs are seeking monetary damages—hoping to "recover compensatory, punitive, and threefold the damages determined to have been sustained by them as a result of the conduct of defendants," the suit states.