Department of Justice

FOR IMMEDIATE RELEASE
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JUSTICE DEPARTMENT ALLOWS CREATION OF JOINT VENTURE OF PROVIDERS OF ARMORED CAR SERVICES

WASHINGTON, D.C. -- The Department of Justice today approved a proposal by five providers of armored car services to form the Armored Transport Alliance (ATA), a joint venture that would service financial institutions and commercial businesses.

In a business review letter issued by the Department's Antitrust Division, Assistant Attorney General Joel I. Klein stated that "the proposed joint venture would enable its small armored transport service provider members to, in effect, provide a new service--to serve customers they currently can not service efficiently. To the extent this cooperation creates an additional option for customers who desire to secure armored transport services on a broad regional or national basis from a single source, ATA's marketing efforts could be pro-competitive."

In this market, financial institutions and other large commercial firms utilize armored transport service to move cash and other valuable property. The organizers of ATA suggest that the merger trend among banks and other armored transport

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customers during the past decade has caused smaller armored transport providers to lose a number of their local or regional clients to larger armored transport providers who are able to provide services more broadly throughout expanded geographic markets.

Under the proposal, ATA would be designed to allow its members to better serve those customers who need or desire armored transport services on a broader basis, and who wish to procure such services from a single source. ATA would communicate to its members the potential for joint bidding on jobs beyond the capability of individual members. It would prepare joint bids on the basis of one-on-one discussions with members interested in participating in a specific joint bid. No competitively sensitive information regarding joint bids would be exchanged amongst individual members. All members would remain free not to participate in a joint bid or to bid against ATA for any job.

ATA would operate as a corporation, with The Board of Directors consisting of one representative of each member, and officers or employees of ATA. ATA would be managed on a day-to-day basis by officers or employees who would neither be employed by, nor own stock in, any member.

Under the Department's business review procedure, a person or organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will

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challenge the activity as a violation of federal antitrust laws.

A file containing the business review request and the Department's response may be examined in the Antitrust Documents Group, Suite 215, Liberty Place, 325 7th Street, N.W., Washington, D.C. 20530. After a 30-day waiting period, the document supporting the business review will be added to the file.

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