



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, SEPTEMBER 8, 2009
WWW.USDOJ.GOV

AT
(202) 514-2007
TDD (202) 514-1888

DEPARTMENT OF JUSTICE WILL NOT CHALLENGE PROPOSED CONDUCT OF LESS-THAN-TRUCKLOAD FREIGHT TRANSPORTATION JOINT VENTURE

WASHINGTON – The Department of Justice announced today that it will not challenge a proposal by seven regional less-than-truckload (LTL) freight transportation companies to bid jointly and engage in other collaborative activity as part of their nationwide LTL truck transportation services joint venture. Based on representations made by the applicants, the Department said that the proposed conduct is not likely to reduce competition in regional LTL truck transportation markets and could enhance competition in the long haul LTL market.

The regional LTL carriers that comprise the Reliance Network joint venture are: Averitt Express Inc.; DATS Trucking Inc.; Lakeville Motor Express Inc.; Land Air Express of New England; Pitt Ohio Express; Canadian Freightways; and Epic Express.

The carriers have represented that each serves a distinct geographic region in North America with insignificant overlap among their respective operations. They further represented that each carrier faces significant competition in the regions in which they operate and that, collectively, the carriers would account for less than 20 percent of the LTL freight transportation business in these regional markets, and far less than 20 percent of a nationwide LTL freight transportation market.

The Reliance Network carriers requested a business review letter from the Antitrust Division expressing its enforcement intentions with respect to a proposal to engage in collaborative activity, including collective rate-making for multi-regional shipments and territorial restrictions. The carriers represent that the proposal would allow them to offer “seamless” nationwide LTL freight transportation services and respond to shipping opportunities that originate from multiple regions by sharing key information and internal systems. To achieve these efficiencies, the carriers represent that they will combine information technology, operations, sales and marketing efforts, and administration. Each member carrier will continue to operate its regional LTL business independently and will retain the right to withdraw unilaterally from the joint venture.

Under the Department’s business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division currently intends to challenge the action under the antitrust laws.

A file containing the business review request and the Department’s response may be examined in the Antitrust Documents Group of the Antitrust Division, U.S. Department of Justice, 450 Fifth Street, N.W., Suite 1010, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file, unless a basis for their exclusion for reasons of confidentiality has been established under the Business Review Procedure.

###