

Bepartment of Justice

FOR IMMEDIATE RELEASE THURSDAY, APRIL 2, 1970

The Department of Justice filed a civil antitrust suit today to require Healthcare Corporation, of Boston, Massachusetts, to divest itself of General Dental Supply Co., Inc.; M. A. Sechter Dental Equipment & Supply Co., Inc.; Hebard-Metro Dental Co., Inc.; and Hebard Dental Supply Co., Inc., all of which are located in metropolitan New York.

Attorney General John N. Mitchell said the suit was filed in the United States District Court in New York City.

The suit said that Healthcare's acquisitions of the four dental dealers eliminated actual and potential competition in the sale of dental supplies in metropolitan New York, in violation of Section 7 of the Clayton Act.

The complaint asked that the acquisitions be declared unlawful, that Healthcare be required to divest itself of all its interests in each of the four companies, and that Healthcare be enjoined for a period of five years from acquiring any dental dealer without the approval of the Department of Justice or the Court.

Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said that Healthcare Corporation is one of the largest dental dealers in the United States. It had operating revenues of \$6.5 million in 1968 and of \$21.5 million in the first eight months of 1969.

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Healthcare entered the Metropolitan New York market as a dental dealer in April, 1969, by acquiring three dental product outlets located in New York from the S.S. White Co. In 1968, these outlets had sales of about \$1.9 million representing approximately 5.5% of the market.

Prior to its acquisition in May 1969, General Dental was the largest dental dealer in Metropolitan New York, with 1968 sales of about \$2.7 million representing about 7.7% of this market. M.A. Sechter was acquired in June, 1969; Hebard-Metro and Hebard Dental were acquired in November, 1969. In 1968, M.A. Sechter had sales of about \$1.7 million, representing approximately 5% of the market; Hebard-Metro had sales of about \$2.0 million, representing about 5.8% of the market; Hebard Dental had sales of about \$1.5 million, representing approximately 4.4% of the market.

As a result of the above acquisitions, Healthcare acquired the largest share or about 28% of dental supply sales in Metropolitan New York.