



## Department of Justice

FOR IMMEDIATE RELEASE  
MONDAY, JULY 20, 1970

The Department of Justice today filed a civil antitrust suit to require Movielab, Inc., of New York City, to divest itself of the professional film processing business it had acquired from Berkey Photo, Inc., also of New York.

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

The suit charged that Movielab's acquisition of the professional film processing business of Berkey on June 27, 1969, eliminated actual and potential competition between the two companies, resulting in the increased concentration of the processing of professional film, theatrical film, and TV-educational film in the New York metropolitan area in violation of Section 7 of the Clayton Act.

Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said that prior to the acquisition, both Movielab and Berkey were among the leading New York metropolitan area processors of professional films. This included theatrical films produced for commercial exhibition in theatres and TV-educational films produced for television, educational, industrial, governmental, advertising, scientific, and other uses.

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According to the complaint, the companies performed about \$58 million in professional film processing in 1969 in the New York area. About half of this involved the processing of theatrical films, while the other half was generated by the processing of TV-educational films.

The complaint alleged that Movielab had about 17 percent of professional film processing sales in the New York area, nine percent of theatrical film processing sales, and about 26 percent of TV-educational film processing sales. Prior to the acquisition, Berkey had about 22 percent of the sales of professional film processing, 26 percent of theatrical film processing, and 18 percent of TV-educational film processing in the New York area.

The complaint asked that the acquisition be declared unlawful, that Movielab be required to divest itself of all the property acquired from Berkey, and that Movielab be enjoined for a period of five years from acquiring the stock or assets of any professional film processor without the approval of the Department of Justice or the Court.

The complaint also asked that, pending final adjudication of the merits, the Court issue a preliminary injunction enjoining Movielab from further consolidating or intermingling the business operations, assets, or operating personnel of the acquired business with those of Movielab.