



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice filed an antitrust suit today to block the acquisition of The Peoples National Bank of Manassas, Manassas, Virginia, by United Virginia Bankshares Incorporated, a bank-holding company in Richmond, Virginia.

Attorney General John N. Mitchell said the complaint was filed in the United States District Court in Alexandria, Virginia.

Under the terms of the proposed transaction, Peoples National would become a subsidiary of the largest banking organization in Virginia by the merger of Peoples National into Manassas Bank, N.A., a newly chartered bank that United Virginia organized.

The suit said that the effect of the proposed merger may be substantially to lessen competition or tend to create a monopoly, in violation of section 7 of the Clayton Act.

In addition, the suit said, potential competition in commercial banking between United Virginia and Peoples National in the Manassas area and Prince William County will be eliminated by the merger.

The Board of Governors of the Federal Reserve System approved the proposed acquisition on January 30, 1970. Under the Bank Merger Act of 1966, the suit halts the merger pending court action.

United Virginia controls 10 banks with 88 offices in Virginia. At the end of 1968, these banks had aggregate deposits

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of \$977.5 million, representing about 14 percent of commercial bank deposits in Virginia. They had combined total assets of \$1.1 billion and total loans of more than \$600 million. United Virginia was organized in 1963 when it acquired six banks. Since then, it has acquired four additional banks.

Peoples Bank operates its main office and four branch offices in Manassas. The largest bank in the Manassas area, it had total assets of \$19.6 million, total deposits of \$17.7 million, and total loans of \$8.4 million at the end of 1968. The deposits of its five offices represent about 50 percent of the total deposits of three commercial banks operating offices in the Manassas area, and about 25 percent of the total deposits of four commercial banks operating offices in Prince William County.