



## Department of Justice

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FOR IMMEDIATE RELEASE  
WEDNESDAY, NOVEMBER 24, 1971

The Department of Justice filed suit today to block the acquisition of First National Bank of Ferndale, Ferndale, Washington, by Seattle-First National Bank, Seattle, Washington.

Attorney General John N. Mitchell said the civil antitrust action was filed in U.S. District Court in Seattle. Under the Bank Merger Act of 1966, the suit halts the acquisition pending court action.

The suit charged that the proposed acquisition would violate Section 7 of the Clayton Act by eliminating actual and potential competition between the two banks in the Ferndale-Bellingham area of Washington.

It is also charged that the potential entry of new commercial banking competitors into the Ferndale-Bellingham area would be foreclosed as a result of the acquisition.

Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said that Seattle-First, which operates the largest banking office in Bellingham, holds about 20.2 percent of all commercial bank deposits in the Ferndale-Bellingham area, and that FNB Ferndale, which operates its only office in Ferndale, holds about 7.9 percent of the area's total deposits.

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Mr. McLaren also said that concentration in commercial banking in the Ferndale-Bellingham area would be significantly increased as a result of the acquisition. The resulting bank, together with one other bank, would hold about 58.3 percent of all commercial bank deposits in the Ferndale-Bellingham area, and the three largest banks in the area would hold approximately 82.8 percent of all deposits, he said.

As of June 30, 1971, Seattle-First had total assets of about \$2.4 billion and total deposits of about \$1.9 billion. On the same date, FNB Ferndale had total assets of about \$11.1 million and total deposits of about \$10.1 million.

The suit seeks to have the acquisition permanently enjoined.

The proposed acquisition was approved by the Comptroller of the Currency on October 29, 1971.