



Department of Justice

File

FOR IMMEDIATE RELEASE
TUESDAY, SEPTEMBER 14, 1971

The Department of Justice today challenged for the first time the merger of a savings and loan association and a commercial bank.

Attorney General John N. Mitchell said an antitrust suit seeking to block the acquisition of Mutual Savings and Loan Association of Fort Worth, Texas, by The Fort Worth National Corporation was filed in the U.S. District Court in Fort Worth.

The suit charged that the proposed acquisition would violate Section 7 of the Clayton Act by eliminating competition between The Fort Worth National Bank, a subsidiary of Fort Worth National Corporation, and Mutual Savings and Loan for savings deposits, for specific types of such deposits, for real estate mortgage loans, and for specific types of such loans in Fort Worth, Tarrant County, and in the Fort Worth Standard Metropolitan Statistical Area.

The suit also alleged that, as a result of the proposed acquisition, concentration in the markets for savings deposits and for real estate mortgage loans in the Fort Worth area will be substantially increased and similar acquisitions of leading savings and loan associations by leading commercial banks in the Fort Worth area may be triggered.

OVER

Assistant Attorney General Richard W. McLaren, in charge of the Antitrust Division, said that Fort Worth National Bank, the largest commercial bank in the Fort Worth area, and Mutual Savings and Loan, the area's third largest savings and loan association, accounted for approximately 17 percent and 7 percent, respectively, of all time and savings deposits in offices of commercial banks and savings and loan associations in Fort Worth in mid-1970. Both institutions also make substantial real estate mortgage loans in the Fort Worth area.

On December 31, 1970, Fort Worth National Bank had total assets of \$574 million and Mutual Savings and Loan had total assets of \$68 million.

The Federal Home Loan Bank Board denied approval of the proposed acquisition on August 25, 1971. On the same date, the parties to the proposed acquisition filed suit in the U.S. District Court at Fort Worth seeking to enjoin enforcement of the Board's order.

[The District Court today issued the requested injunction, which would permit the acquisition to be consummated pending review of The Federal Home Loan Bank Board's denial by the Court of Appeals for the Fifth Circuit.]

OVER

The Justice Department suit sought to have the acquisition declared unlawful and an injunction issued permanently prohibiting its consummation.