



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, MAY 21, 1971

The Department of Justice filed a civil antitrust suit today charging that an agreement between the New York Times and the Chicago Daily News/Sun-Times to share a single wire and a single sales force in the operation of their news services violated the Sherman Act.

Attorney General John N. Mitchell said the complaint was filed in the U.S. District Court in Brooklyn. Named as defendants were the New York Times Company, its subsidiary, New York Times Sales, Inc., producers and distributors of the New York Times News Service, and Field Enterprises, Inc., which produces and distributes the Chicago Daily News/Sun-Times Service.

According to the complaint, the two news services have been substantial competitors, but have entered into an agreement to share a single wire to send material to subscribing newspapers and, as a result, to restrict the hours during which each service may use the wire.

The agreement is also said to provide that both news services will be promoted and sold through New York Times Sales, Inc. Before February 1, 1971, when the agreement went into effect, each of the services leased its own wire and maintained its own separate sales force.

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The suit charges that operation under the agreement will substantially lessen competition between the two news services, and among supplemental news services generally, in violation of Section 1 of the Sherman Act.

Acting Assistant Attorney General Walker B. Comegys, Antitrust Division, said that the suit seeks to have the agreement terminated and to enjoin the defendants from entering into any similar agreement in the future.

Supplemental news services provide background, comment and analytical news coverage to daily newspapers throughout the country to supplement news coverage provided by the Associated Press and United Press International.

The New York Times News Service is one of the largest such services in the United States, with about 175 domestic newspaper subscribers. The Chicago Daily News/Sun-Times News Service has about 94 domestic subscribers.