



# Department of Justice

FOR IMMEDIATE RELEASE  
TUESDAY, APRIL 27, 1971

The Department of Justice filed a civil antitrust suit today challenging the acquisition of Schulz Tool and Manufacturing Company of San Gabriel, California, by Parker-Hannifin Corporation of Cleveland, Ohio.

Prior to the acquisition, Parker-Hannifin and Schulz were the nation's two leading manufacturers of functional fuel system components for use in military aircraft. They accounted for most of the United States production of in-flight refueling system components at the time of the acquisition.

Attorney General John N. Mitchell said the suit was filed in the U.S. District Court in Los Angeles.

The suit charged that the acquisition on February 1, 1971, violated Section 7 of the Clayton Act by eliminating actual and potential competition between Parker-Hannifin and Schulz in the design, manufacture and sale of functional fuel system components and in-flight refueling system components for military aircraft. Schulz is a wholly-owned subsidiary of Purolator, Inc.

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The complaint also charged that Parker-Hannifin's relative size and production capability in the design and manufacture of such components has been increased as a result of the acquisition to such a point that its advantage over competitors is decisive.

Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said the suit asked that the acquisition be declared unlawful and that Parker-Hannifin be ordered to divest itself of all ownership interest in Schulz.

The suit also asked that the acquisition be declared unlawful and that Parker-Hannifin be enjoined from voting its stock in Schulz or taking any other action which would alter the present business operations of Schulz, pending an adjudication of the merits of the complaint.

Functional fuel system components consist primarily of various types of valves which regulate the flow of fuel in an airplane's fuel system. In-flight refueling system components include such items as aerial refueling receptacles, couplings and nozzles. Total United States sales of these components in 1970 were about \$17 million.