



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, AUGUST 16, 1972

The Department of Justice filed a civil antitrust suit today to block the acquisition by American Ship Building Company of Cleveland, Ohio, of all of the Great Lakes bulk carrier vessels of Litton Systems, Inc., a wholly owned subsidiary of Litton Industries, Inc. of Beverly Hills, California.

Attorney General Richard G. Kleindienst said that the complaint was filed in the U.S. District Court in Cleveland, Ohio.

The complaint alleges that the acquisition of these ships, presently operated by Wilson Marine Transit Company, a Cleveland-based division of Litton Systems, would be in violation of Section 7 of the Clayton Act.

Both American Ship Building and Litton operate bulk carrier vessels in the Great Lakes transporting among other commodities, iron ore, coal, grain, and stone.

American Ship Building operates twenty such ships and Litton presently operates nine vessels.

The combined fleet would operate about 28 percent of the so-called non-captive United States ships on the Great Lakes. Non-captive ships are those not operated or owned by the owners of the transported commodity.

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Acting Assistant Attorney General Bruce B. Wilson, in charge of the Antitrust Division, said that transportation by non-captive bulk carrier vessels is a concentrated market.

Wilson also said that the Department would seek a temporary restraining order to halt the transaction.

The complaint alleges that the acquisition will eliminate actual and potential competition in the interstate transportation of bulk commodities by non-captive bulk carriers.

The suit asks that the acquisition be declared in violation of Section 7 of the Clayton Act, and that the parties be enjoined from taking further action to effectuate the acquisition agreement signed on August 15, 1972.

The complaint also seeks rescission of the acquisition agreement.