



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, APRIL 17, 1972

The Department of Justice filed a civil antitrust suit today to block the acquisition by the G. Heileman Brewing Co., Inc. of La Crosse, Wisconsin, of the three western breweries owned by Associated Brewing Company of Detroit, Michigan.

Acting Attorney General Richard G. Kleindienst said the complaint was filed in the U.S. District Court in Detroit, Michigan.

Associated's western breweries market their products under the labels of the Jacob Schmidt Brewing Co., Drewrys Limited U.S.A., Inc., and Sterling Brewers, Inc. Heileman sells beer under the Blatz, Old Style and Wiedemann labels.

Under the proposed acquisition, Associated would keep its two Piel Bros. Inc. breweries at Brooklyn, New York, and Willimansett, Massachusetts.

The complaint said that the proposed acquisition, scheduled for April 22, 1972:

-- would violate Section 7 of the Clayton Act by eliminating competition between Associated and Heileman in the production and sale of beer in the United States;

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-- and also in the States of Minnesota, Michigan, Indiana, Kentucky, Iowa, Wisconsin, Ohio and Illinois,

-- and by increasing concentration in the production and sale of beer.

For example, in Kentucky the combined beer sales of Heileman and Associated would be approximately 24.7% of the market. In Minnesota the acquisition would produce a combined market share of approximately 24.3%.

Acting Assistant Attorney General Walker B. Comegys, in charge of the Antitrust Division, said that Associated and Heileman are the nation's eleventh and fifteenth largest brewers, respectively.

The suit asked that the proposed acquisition be declared unlawful and that a permanent injunction against its consummation be issued.

The Department of Justice has also asked that a preliminary injunction be issued enjoining Heileman and Associated from taking any further action in connection with the proposed sale pending final adjudication of the case.