



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, JANUARY 12, 1973

AT

The Department of Justice filed suit today challenging the proposed merger of two commercial banks in Platteville, Wisconsin, The First National Bank of Platteville, and the Mound City Bank.

Attorney General Richard G. Kleindienst said the civil antitrust action was filed in the U.S. District Court in Madison, Wisconsin.

Under the Bank Merger Act of 1966, the suit automatically prevents the proposed consolidation pending final court action.

The complaint alleged that the merger would violate Section 7 of the Clayton Act by eliminating existing competition between the two banks in Platteville and the surrounding area.

Assistant Attorney General Thomas E. Kauper, head of the Antitrust Division, said The First National Bank of Platteville holds approximately 29 percent of the total deposits in commercial bank offices in Platteville, and Mound City Bank holds approximately 33 percent of such deposits. If the merger were consummated the resulting bank would hold about 62 percent of the total deposits held in Platteville commercial banks.

OVER

In the Platteville area, Mound City Bank holds the largest share of total deposits in commercial banks with approximately 17 percent of the market. The First National Bank of Platteville is fifth largest in the area, holding approximately 12 percent of such deposits. If the merger were consummated the resulting bank would hold about 29 percent of the total deposits held in Platteville area commercial banks.

As of December 31, 1971, Mound City Bank had total deposits of \$15.7 million and The First National Bank of Platteville had total deposits of \$11.3 million.

The suit also charged that the merger would increase concentration in commercial banking in Platteville and the Platteville area.

The suit asked that the proposed merger be declared unlawful, and that the defendant banks be enjoined from carrying out any such merger or consolidation.