



# Department of Justice

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The Department of Justice today filed a civil antitrust suit to block the acquisition of Rental Electronics, Inc., the nation's leading renter of electronic test instruments, by Metric Resources Corp., the fourth largest company in the field.

Attorney General Edward H. Levi said the suit, which charges that the acquisition would violate Section 7 of the Clayton Act, was filed in U.S. District Court in Manhattan.

Besides Rental Electronics of Lexington, Massachusetts, and Metric Resources of Burlingame, California, the suit names as a defendant PepsiCo, Inc., the parent corporation of Rental Electronics.

Donald I. Baker, Assistant Attorney General in charge of the Antitrust Division, said that both rental companies are engaged in the rental of electronic test instruments throughout the United States.

In 1975 Metric Resources had revenues of approximately \$3.4 million and Rental Electronics had revenues of about \$5.3 million, according to the complaint.

Electronic test instruments include a wide range of instruments, such as oscilloscopes, digital voltmeters, spectrum analyzers, network analyzers, and frequency counters, which are

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required in the design, production, quality control, installation, and maintenance of products incorporating electronic and electrical technology.

The principal users of such instruments are companies in the aerospace, computer, communications, and electronic equipment industries.

The complaint states that if the acquisition were completed Metric Resources would rank first in the rental of electronic test instruments, with over 34 percent of the nationwide market.

The effect of such acquisition, the complaint alleges, would be to eliminate competition between the two companies, as well as to increase concentration and generally lessen competition in the rental of electronic test instruments.

The suit seeks to have the proposed acquisition declared unlawful and permanently enjoined.

The suit also asks the court to issue a preliminary injunction preventing consummation of the merger pending final resolution of the matter.

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