



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, MAY 26, 1982

AT
202-633-2016

The Department of Justice today filed a civil antitrust suit against the Tribune Company of Chicago, Illinois, and its subsidiary, the Sentinel Star Company, of Orlando, Florida, publisher of the Orlando Sentinel -- until very recently the Sentinel Star -- seeking divestiture of five weekly newspapers and shoppers acquired by the Sentinel Star Company in 1980.

Attorney General William French Smith said the suit, which alleged a violation of Section 7 of the Clayton Act, was filed in U.S. District Court in Orlando. Section 7 of the Clayton Act prohibits anticompetitive mergers.

The five publications which are the subject of the suit are the Kissimmee Gazette, St. Cloud News, This Week in Osceola County, Osceola Shopper, and St. Cloud Shopper.

The Sentinel Star Company acquired the publications from Mr. and Mrs. Richard L. Luzadder for slightly more than \$4 million in October 1980. All are published and distributed in Osceola County, Florida.

According to William F. Baxter, Assistant Attorney General in charge of the Antitrust Division, the complaint alleges that the effect of the acquisition may be substantially to lessen

(MORE)

competition in the markets for local advertising and local print advertising directed at residents of Osceola County.

According to the complaint, local advertising directed at Osceola County appears in a variety of media, including newspapers, shoppers, magazines, direct mail, radio, television, and billboards.

Prior to the acquisition the Luzadder publications competed with the Sentinel Star -- including its zoned insert, the Osceola "little sentinel," which contains local news and advertising for Osceola residents -- in the sale of local advertising directed at Osceola County.

The complaint said that in 1979 the Sentinel Star accounted for approximately 40 percent and the Luzadder publications' approximately 20 percent of all such advertising.

Also, according to the complaint, the Orlando Sentinel and the Luzadder publications are the only significant print media carrying local advertising directed at residents of Osceola County.

In 1979, the Sentinel Star accounted for approximately 64 percent and the Luzadder publications approximately 36 percent of all such advertising.

#