



Department of Justice

FOR IMMEDIATE RELEASE
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AT
202-633-2016
(TDD) 202-786-5731

The Department of Justice today announced that it has filed, at the request of the Federal Trade Commission, a civil suit charging violation of the premerger notification requirements of the Hart-Scott-Rodino Act by Lonrho, PLC, of London, England; its wholly owned subsidiary, Lonrho, Inc., of Delaware; Diamond A Cattle Company, of Roswell, New Mexico; and Robert O. Anderson, chairman of Diamond A.

The Department also filed a proposed consent decree that, if approved by the court, would terminate the suit. The complaint and proposed consent decree were filed in U.S. District Court in the District of Columbia.

The Hart-Scott-Rodino Act imposes notification and waiting period requirements on individuals and companies over a certain size that contemplate mergers or acquisitions of stock or assets. The Act is intended to improve antitrust enforcement by ensuring that the government receives advance notice of significant mergers and similar transactions.

The one-count complaint charged that the defendants violated the Act in connection with the acquisition by Lonrho, Inc. on October 21, 1986, of more than \$15 million worth of voting

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securities of Diamond A. The complaint alleged that the defendants failed to comply with the reporting and waiting period requirements of the Act from October 21, 1986, through December 27, 1986.

Lonrho, Inc., is a U.S. holding company that is wholly owned by Lonrho, PLC, a British firm that has mining, agricultural and other business interests. Diamond A Cattle is a privately held firm engaged primarily in ranching.

Under the terms of the proposed consent decree, Lonrho, PLC, and Lonrho, Inc., agree to pay a civil penalty of \$122,000, and Diamond A and Robert O. Anderson agree to pay a civil penalty of \$122,000.

In announcing the suit, Charles F. Rule, Assistant Attorney General in charge of the Antitrust Division, said, "The Antitrust Division and the Federal Trade Commission share a strong commitment to ensure that merging companies comply with the Hart-Scott-Rodino notification requirements, and we will continue to bring civil penalty actions for violations of the Act."

Under Section (g)(1) of the Act, any person or company that fails to comply with the Act's requirements is liable for a civil penalty of up to \$10,000 for each day the violation continues.

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