



Department of Justice

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The Department of Justice today announced the filing, at the request of the Federal Trade Commission, of a civil suit charging Wickes Companies, Inc., of Santa Monica, California, with violating the premerger notification requirements of the Hart-Scott-Rodino Act.

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

The Act imposes notification and waiting period requirements on individuals and companies over a certain size that are contemplating 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 Wickes with violating the Act in connection with its acquisition in late 1986 of stock in the Owens-Corning Fiberglas Corporation of Toledo, Ohio. Wickes sells lumber and other building materials.

The complaint alleged that Wickes violated the Act from July 18 through September 2, 1986, when it acquired Owens-

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Corning stock without complying with the Act's requirements. Under the terms of the proposed consent decree, Wickes has agreed to pay a civil penalty of \$300,000 to settle the case.

The Department announced on March 22, 1988, that it intended to file the complaint against Wickes, as well as two other cases charging violations of the Act.

In announcing the Department's intention to file the cases, 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 against those who fail to comply with 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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