



# Department of Justice

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FOR IMMEDIATE RELEASE  
THURSDAY, NOVEMBER 17, 1988

AT  
202-633-2016  
(TDD) 202-786-5731

The Department of Justice filed today a civil antitrust suit against TRW Inc. of Cleveland, Ohio, challenging TRW's proposed acquisition of Chilton Corporation of Dallas, Texas, from Borg-Warner Corporation of Chicago, Illinois. At the same time, it filed a proposed consent decree to settle the suit.

The suit and consent decree were filed in U.S. District Court in Cleveland, Ohio. The consent decree would terminate the suit if approved by the court.

Both Chilton and TRW sell consumer credit reports and related services to stores, banks and others that extend credit.

The total United States credit reporting revenues of TRW, Chilton, and its principal competitors were approximately \$410 million in 1986.

TRW proposed to acquire all of Chilton Corporation's operations through a stock purchase agreement with Borg-Warner Corporation announced March 20, 1988.

Charles F. Rule, Assistant Attorney General in charge of the Antitrust Division, said the suit alleged that the proposed acquisition would violate Section 7 of the Clayton Act because it would tend substantially to lessen competition in the sale of

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consumer credit reports in all or portions of Arizona, Colorado, Connecticut, Hawaii, Massachusetts, Michigan, New Hampshire, New Mexico, New York, Rhode Island and Texas. Section 7 prohibits anticompetitive mergers.

The proposed consent decree, which must be approved by the court, would terminate the suit, in effect resolving government antitrust objections to the proposed acquisition of Chilton.

The proposed consent decree would require TRW to terminate relationships with a number of independent credit bureaus that now sell credit reports under either TRW or Chilton tradenames.

It also would require TRW to sell a copy of the consumer credit files of either TRW or Chilton in certain areas to a new competitor within four months of the entry of the decree.

If TRW is unable to transfer a copy of its consumer credit files to a person with whom it currently has a contract for sale of a copy of consumer credit files, TRW shall transfer a copy of the consumer credit files for the area to some other person acceptable to the Department of Justice, according to the decree.

Through the re-affiliation of credit bureaus with other companies or the entry of new companies as a result of the acquisition of a copy of consumer credit files in a given area, the same number of competitors will sell credit reports in each of the problem areas after the transaction as sold such reports before the acquisition.

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In accordance with the Antitrust Procedures and Penalties Act of 1974, a competitive impact statement regarding the proposed decree has been filed with the court. Copies of this statement and the proposed decree are available for inspection in the Legal Procedures Unit of the Antitrust Division, Room 3233, Department of Justice, Washington, D.C. 20530. They also are available for inspection at the office of the Clerk of the Court for the United States District Court for the Northern District of Ohio, U.S. Courthouse, 201 Superior Avenue, Room 100, Cleveland, Ohio 44114.

Comments to the Department of Justice and the court regarding this decree are invited from members of the public. Comments should be addressed to: Barry Grossman, Chief, Communications and Finance Section, Antitrust Division, U.S. Department of Justice, Room 8104-JCB, 555 Fourth Street, N.W., Washington, D.C. 2001. Comments must be received within the 60-day statutory period.

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