



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, AUGUST 3, 1995

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**NEW ANTITRUST COOPERATION AGREEMENT SIGNED
BETWEEN UNITED STATES AND CANADA**

WASHINGTON, D.C. -- Attorney General Janet Reno has signed a new antitrust cooperation agreement between the United States and Canada which will allow the two countries to significantly enhance the coordination of antitrust law enforcement investigations. The agreement, which replaces a non-binding agreement made in 1984, was also signed by Federal Trade Commission Chairman Robert Pitofsky and Canadian Minister of Industry John Manley. The agreement becomes effective immediately.

The Department of Justice said the new agreement builds on the successes that the Department's Antitrust Division and the Canadian antitrust authorities have had in joint criminal price-fixing investigations, including the plastic dinnerware and fax paper cases. These cases have resulted in numerous convictions of firms and individuals, jail terms for key offenders, and many millions of dollars in criminal fines--on both sides of the border, the Department said.

Attorney General Reno stated that, "This new agreement is a significant step in further developing the close relationship between the antitrust agencies of the United States and Canada.

It is an important tool that can be used to protect consumers on both sides of the world's longest border."

The new agreement contains provisions for notification about enforcement activities, enforcement cooperation and coordination, conflict avoidance and consultations, application to certain consumer protection laws, and confidentiality and use limitations. The Department said that these provisions, taken together, provide a sound basis for enhanced cooperation, while minimizing possible conflicts between the two nations' enforcement activities.

Highlights of the new agreement include:

- The parties acknowledge that it is in their mutual interest to cooperate in antitrust enforcement generally. In the context of cooperation, the parties agree to exchange antitrust-related information, consistent with existing confidentiality constraints.

- In a "positive comity" provision, modelled on the 1991 U.S.-EU antitrust cooperation agreement, each party agrees to give serious consideration to a request by the other party to take antitrust enforcement action against illegal conduct within its jurisdiction that injures the requesting party's important interests.

- Each party will notify the other of antitrust actions that might affect the important interests of the other. In order to minimize possible conflicts arising out of antitrust enforcement actions, the parties agree to give careful consideration to one another's important interests in conducting enforcement activities. The parties will also consult each other upon request.

- Each party agrees to maintain the confidentiality of sensitive information provided by the other party.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "With this new agreement's emphasis on law enforcement cooperation, the time has come when persons who prey upon American and Canadian consumers must know that

their anticompetitive activities cannot prosper simply because U.S. and Canadian authorities are unable to cooperate in investigating and prosecuting illegal antitrust conduct" occurring in the two countries.

The agreement does not change existing law, and is not a comprehensive antitrust mutual legal assistance agreement of the sort permitted by the International Antitrust Assistance Act of 1994, approved overwhelmingly by Congress and signed by President Clinton last November.

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