



Department of Justice

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JUSTICE DEPARTMENT APPROVES CENTRAL PARKING/ALLRIGHT MERGER AFTER PARTIES AGREE TO DIVESTITURES IN TEN STATES

WASHINGTON, D.C. -- The Department of Justice today approved a \$585 million merger between Central Parking Corporation and Allright Holdings Inc., after the companies agreed to sell or terminate their interests in certain off-street parking facilities in 18 cities in 10 states. Without these divestitures, Central would have been given a dominant market share of off-street parking facilities in certain areas of each of the cities, and would have had the ability to control the prices and the type of services offered to motorists.

The proposed settlement was filed today in U.S. District Court in Washington, D.C. , along with a civil lawsuit that would have blocked the merger. If approved by the court, the proposed settlement would remedy the Division's competitive concerns.

"Central was aware that its acquisition raised competitive concerns and agreed to fix the problem," said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division. "The agreed-upon divestitures will ensure that consumers who drive into central business districts will not suffer as a result of this merger."

According to the proposed settlement, the companies are required to divest or terminate their interest in certain off-street parking facilities located in Cincinnati and Columbus, Ohio; Nashville, Knoxville, and Memphis, Tennessee; Dallas, Houston, El Paso, and San Antonio, Texas; Baltimore,

Maryland; Denver, Colorado; Jacksonville, Tampa, and Miami, Florida; San Francisco, California; Kansas City, Missouri; New York, New York; and Philadelphia, Pennsylvania.

Central and Allright are the two largest parking management companies in the United States in terms of the number of parking facilities, parking spaces, and revenue generated from parking operations.

Central, headquartered in Nashville, Tennessee, currently operates more than 2,400 parking facilities containing more than a million parking spaces. In fiscal year 1997, Central had revenues of \$222.9 million. Allright, headquartered in Houston, Texas, operates more than 2,300 parking facilities containing approximately 600,000 spaces. In fiscal year 1997, Allright had revenues of \$178.6 million.

The investigation of the proposed merger was conducted by the Department of Justice's Antitrust Division, along with assistance from the State Attorney General Offices of Maryland, Ohio, Illinois, Texas, Tennessee, and Minnesota.

As required by the Tunney Act, the proposed consent decree, along with the Department's Competitive Impact Statement, will be published in the Federal Register. Any person may submit written comments concerning the proposed decree during a 60-day comment period to Craig Conrath, Chief; Merger Task Force; Antitrust Division; U.S. Department of Justice; 1401 H Street, NW, Suite 4000; Washington, D.C. 20530. At the conclusion of the comment period, the Court may enter the consent decree upon a finding that it serves the public interest.

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