



Department of Justice

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JUSTICE DEPARTMENT FILES SUIT CHARGING COMPANY
WITH VIOLATING PREMERGER NOTIFICATION REQUIREMENTS

WASHINGTON, D.C. -- The Department of Justice today filed an antitrust suit seeking a civil penalty from Cox Enterprises Inc. of Atlanta, Georgia, for violating the premerger notification and waiting period requirements of the Hart-Scott-Rodino Act.

The complaint, filed in U.S. District Court in Atlanta, charges that Cox violated the act when it acquired approximately \$101 million worth of the common stock of Knight-Ridder Inc. of Miami, Florida, in 1986.

The complaint charges that Cox was in violation of the act for the 367 days that it held in excess of \$15 million worth of Knight-Ridder common stock as a result of a series of stock purchases that Cox made from January through November in 1986. Cox sold the stock in January 1987.

James F. Rill, Assistant Attorney General in charge of the Antitrust Division, said, "The Hart-Scott-Rodino Act provides a highly important antitrust law enforcement tool by requiring that parties to certain large mergers and acquisitions notify the antitrust law enforcement agencies and observe a waiting period before consummating their transactions.

(MORE)

"To ensure that this enforcement tool continues to command the necessary respect, we will maintain our policy of bringing civil penalty actions when we discover violations of the act."

The Hart-Scott-Rodino Act of 1976, a statute that amends the Clayton Act, imposes notification and waiting period requirements on individuals and companies over a certain size that contemplate mergers or acquisitions of stock or assets over a certain value or ownership percentage.

The act permits a federal court, upon the Justice Department's request, to assess a civil penalty of up to \$10,000 for each day that a party is in violation.

Cox and Knight-Ridder both own newspapers, radio and television stations, and cable television systems in various locations around the country.

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