



Department of Justice

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The Department of Justice today announced that it has filed, at the request of the Federal Trade Commission, a civil suit charging Donald J. Trump of New York City 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.

The complaint and proposed consent decree were filed Tuesday 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 two-count complaint charged Trump with violating the Act in connection with his acquisitions in late 1986 of stock of Holiday Corporation of Memphis, Tennessee, and Bally Manufacturing Corporation of Chicago. Donald Trump is a real estate developer who also owns and operates casinos.

The complaint alleged that Trump violated the Act from August 22 through November 9, 1986, when he acquired Holiday stock without complying with the Act's requirements. The

complaint also alleged that he violated the Act from November 13, 1986, through January 22, 1987, when he acquired Bally stock without complying with the Act's requirements.

Under the terms of the proposed consent decree, Trump will agree to pay a civil penalty of \$750,000 to settle the case.

The Department announced on March 22, 1988, that it intended to file the complaint against Trump, 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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