

FOR IMMEDIATE RELEASE

EEC COMMISSION GRANTS ANTITRUST 'NEGATIVE CLEARANCE'
TO UNITED STATES BUSINESS FIRM

WASHINGTON, D.C., June 3 -- The EEC Commission granted yesterday in Brussels the first "negative clearance" (from antitrust action) involving an United States firm (the Bendix Corporation).

The clearance was given to a business agreement between Bendix and the Mertens and Straet firm in Brussels on grounds that the arrangement does not restrict competition in the Common Market.

Under EEC anti-cartel regulation No. 17, firms doing business in the Common Market request from the EEC Commission a negative clearance for new and existing business agreements.

Under its agreement, Mertens and Straet will sell brakes, servo-brakes and accessories manufactured by Bendix. The agreement does not provide for either limitation of the marketing area or an exclusive dealership obligation. Consequently, the Commission ruled that the agreement does not enter under jurisdiction of Article 85 of the Rome Treaty (rules governing competition applied to enterprises).

The agreement also gives Bendix the right to designate additional distributors of its products in Belgium and sell directly to customers. Mertens and Straet, independent dealers, will maintain adequate stocks and offer satisfactory guarantees and service for the Bendix products. The firm may also deal with Bendix's competitors.

The Bendix-Mertens and Straet agreement is the second negative clearance granted by the EEC Commission. In its first decision March 23, the Commission established a precedent for exclusive dealership agreements between Community firms and companies in non-member countries by granting a negative clearance to the French firm, Grosfillex, for an exclusive dealership arrangement with the Swiss firm, Fillistorf. Approximately 36,000 agreements are presently registered under the Community's antitrust regulations.