



Department of Justice

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**DEPARTMENT OF JUSTICE WILL NOT CHALLENGE HEALTH CARE
TRANSPORTATION DATA EXCHANGE PROGRAM**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division has approved a proposal by a health care trade association that is expected to help keep down health care costs to consumers by providing a voluntary data exchange program for transporting drugs, toiletries and other products commonly sold in drug stores.

The proposal would allow The Health and Personal Care Distribution Conference Inc. (HPCDC), a national trade association, to undertake a voluntary data exchange program regarding the transportation of its members' health care products.

Assistant Attorney General Anne K. Bingaman, in charge of the Antitrust Division, said, the program will provide HPCDC members with information on other members' experience with transportation services that they can use individually to bargain with transportation companies, which should ultimately benefit consumers through reduced prices for products sold by HPCDC's members.

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The Department's position was stated in a business review letter from Bingaman to counsel for HPCDC, a trade association comprised of companies that distribute health care products using general freight trucking companies.

The proposal would allow HPCDC to undertake a voluntary data exchange program regarding its members' use of motor transportation services. Under the program, HPCDC will contract with a third party to compile and publish periodically aggregated averages of the data, which include public tariffs paid by its members for the transportation.

Bingaman also stated that the data exchange was not likely to be significantly anticompetitive, and is unlikely to enable HPCDC members collectively to exercise market power of transportation services. In addition, it is unlikely to facilitate coordination among HPCDC members in the prices of their competing products.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 3233, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the

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documents supporting the business review will be added to the file.

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