Investment Trust to Pay $480,000 to Settle FTC Charges It Violated U.S. Premerger Notification Requirements

FOR RELEASE

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Investment trust Caledonia Investments plc has agreed to pay $480,000 in civil penalties to resolve Federal Trade Commission allegations that it violated federal premerger reporting laws by failing to report its purchase in 2014 of voting shares in the helicopter services company Bristow Group, Inc.

According to the complaint, in June 2008, Caledonia first acquired voting shares in Bristow and reported its purchase to U.S. antitrust authorities, as required under the Hart-Scott-Rodino Act. Subsequently, Caledonia made additional purchases that were exempt from reporting under HSR rules.

During that same timeframe, however, two Caledonia employees were designated to serve on Bristow's board. Bristow awards restricted-stock voting securities to its board members, and by agreement, it set aside the securities for the two Caledonia board members for purchase by Caledonia. In February 2014, these voting shares vested, and Caledonia acquired them, according to the complaint. The Commission charged that Caledonia was required under the HSR Act to report this purchase but failed to do so.

The HSR Act allows a company that has reported an initial purchase of voting shares to purchase additional voting shares from the same issuer – as long as those purchases do not cause the company's total holdings to cross a higher reporting threshold over a five-year period following the initial purchase. The complaint charges that Caledonia's 2014 purchase of voting shares in Bristow fell outside the five-year period following its initial purchase.

Even though Caledonia claimed this violation was inadvertent, and made a corrective filing in February 2015, the Commission sought civil penalties because, as noted in the complaint, Caledonia had previously violated the HSR Act in 1996, causing it to make a corrective filing in 1997.

The Commission vote to refer the complaint and proposed stipulated court order to the Department of Justice for filing in federal court was 4-0. The Department of Justice filed the complaint and proposed order in the U.S. District Court for the District of Columbia on Aug. 10, 2016.

Consistent with the requirements of the Tunney Act, the proposed settlement, along with the competitive impact statement, will be published in the *Federal Register*. Any person may submit written comments concerning the proposed settlement during a 60-day comment period to Daniel P. Ducore, Assistant Director for Compliance, Bureau of Competition, c/o Federal Trade Commission, 600 Pennsylvania Avenue, NW, CC-8416, Washington, D.C. 20580. E-mailed comments should be sent to: dducore@ftc.gov. At the conclusion of the 60-day comment period, the U.S. District Court for the District of Columbia may approve the proposed settlement upon finding that it is in the public interest.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about how competition benefits consumers or file an antitrust complaint. Like the FTC on Facebook, follow us on Twitter, read our blogs and subscribe to press releases for the latest FTC news and resources.

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