



Missouri Attorney General

Attorney General's News Release

November 30, 2009

Attorney General Koster reaches anti-trust settlement with medical waste companies

--preserves competition in region--

Jefferson City, Mo. – Attorney General Chris Koster said today he has reached an anti-trust agreement with two major waste treatment companies who had proposed a merger that would have resulted in a monopoly in a large portion of the state of Missouri.

Koster said that he and Nebraska Attorney General Jon Bruning joined the United States Department of Justice in filing a lawsuit to block Stericycle, Inc.'s proposed acquisition of MedServe, Inc. He said Stericycle is the largest provider of infectious waste collection and treatment services in the United States, and MedServe is the nation's second largest such company. Koster said these are the only two companies that offer collection and treatment of infectious waste for most of Missouri. If the companies merged, he said, it would create a monopoly that would result in higher prices and poorer service for consumers.

Under the settlement, Stericycle and MedServe are required to divest certain assets in Missouri, Nebraska, Kansas and Oklahoma in order to proceed with the acquisition. MedServe's assets will be sold to a third party, which would enter the region and maintain the level of competition that now exists. Sale of the assets will be subject to the approval of the Department of Justice, which will consult with the Attorneys General. Additionally, Stericycle will have to notify the Department of Justice and the Attorneys General before acquiring any other assets in the region and is prohibited from reacquiring the divested assets for 10 years.

"My office, along with General Bruning's office, examined this transaction and concluded that without these divestitures, customers in this region would have been harmed by a reduction in competition for medical waste collection and treatment," Koster said. "This remedy ensures that the benefits of competition – namely lower prices and better service – will be preserved in Missouri."

Koster said the proposed settlement, along with a competitive impact statement, will be published in the Federal Register and subject to final approval by the United States District Court for the District of Columbia following a 60-day comment period.