

ChoicePoint buys VitalChek

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ALPHARETTA, Ga. (CBS.MW) -- ChoicePoint, a risk management and fraud prevention company, said Monday it has acquired VitalChek for \$120 million in cash.

ChoicePoint **CPS, +0.02%** will shell out additional funds if VitalChek exceeds certain financial targets over the next three years.

VitalChek provides technology that helps governments manage vital records and process the ordering of certified birth, death, marriage and divorce documents by phone, fax or via the Internet.

The acquired company, based in Nashville, Tenn., processes more than two million transactions a year.

The acquisition should add 2 cents to 2003 earnings per share, ChoicePoint said. Analysts polled by Thomson First Call on average expect ChoicePoint to earn \$1.57 a share in 2003.

Shares of ChoicePoint, an Equifax spin-off, slid 23 cents to \$37.35 ahead of the news.

"ChoicePoint's core competency is verifying and authenticating individuals and their credentials," chief executive Derek V. Smith said in a statement. "Adding VitalChek's (services) ...are a natural extension of our products and services that help verify a person's identity, a process that often begins with a birth certificate."

Increased emphasis on domestic security has enhanced the market for vital records, Smith said.