



# Department of Justice

FOR IMMEDIATE RELEASE  
WEDNESDAY, SEPTEMBER 10, 1980

AT  
202-633-2014

The Department of Justice today filed a civil antitrust suit challenging the proposed acquisition of the Portable Battery Division, of Gould, Inc. by SAFT America, a subsidiary of Societe des Accumulateurs Fixes et de Traction of Paris, France, a subsidiary of Compagnie Generale d'Electricite, also of Paris, France.

Gould is based in Rolling Meadows, Illinois. Its Portable Battery Division is in St. Paul, Minnesota. SAFT America is in Valdosta, Georgia.

Attorney General Benjamin R. Civiletti said the suit was filed in U.S. District Court in St. Paul, Minnesota.

The complaint alleges that the proposed acquisition would violate Section 7 of the Clayton Act because it may substantially lessen competition in two markets, one comprised of sealed nickel-cadmium batteries alone and the other including both sealed nickel-cadmium and Gates cell batteries. It asks that the parties be enjoined from consummating the proposed acquisition pending trial of the case.

Sealed nickel-cadmium batteries, which are sold in the U.S. by both SAFT and Gould, are a type of rechargable battery that possess a number of unique characteristics, including their ability to deliver energy at very rapid rates, to be completely discharged and then recharged, to be stored for years, and to be resistant to shock and vibration. These batteries are manufactured in a variety of sizes and configurations, and are used in a

(MORE)

number of applications, including portable power tools, instruments and meters, memory preservation for semiconductors, toys, and military and aerospace applications.

Gates cell batteries, which are sold by neither SAFT nor Gould, are a type of sealed lead-acid batteries. Unlike other types of rechargeable sealed lead-acid batteries, the Gates cell, though differing in performance characteristics, resembles a nickel-cadmium battery physically.

Sanford M. Litvack, Assistant Attorney General in charge of the Antitrust Division, said that in 1979 total sales of sealed nickel-cadmium batteries in the United States were approximately \$95 million, and that the four largest firms accounted for 91 percent of those sales.

Gould was the second largest seller with 18 percent of total sales and SAFT was fifth with 3 percent of the total sales. In a market consisting of sealed nickel-cadmium batteries and Gates cell batteries, in which the top four firms account for more than 89 percent of the \$109.2 million in total sales, Gould is the second largest competitor with more than 15 percent of total sales and SAFT is the sixth largest with almost three percent of total sales.

# # #