



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice filed late Friday a civil antitrust suit against BNS Inc. of Dallas, Texas and one of its affiliates, Gifford-Hill & Company, Inc., also of Dallas, Texas, challenging the proposed acquisition by BNS of Koppers Company, Inc. of Pittsburgh, Pennsylvania. A proposed consent decree which would settle the suit was filed at the same time. Both Koppers and Gifford-Hill are engaged in the sand and gravel business.

The suit and consent decree were filed in U.S. District Court in Los Angeles.

Charles F. Rule, Assistant Attorney General in charge of the Antitrust Division, said the suit alleged that the proposed acquisition would violate Section 7 of the Clayton Act because it would tend substantially to lessen competition in the market for the extraction, processing, and sale of aggregate -- rock, sand and gravel used mainly in making concrete and as a road base in highway construction -- in portions of Los Angeles and Orange Counties in California. Section 7 of the Clayton Act prohibits anticompetitive mergers.

Gifford-Hill & Company, an affiliate of BNS, and Koppers Company are competitors in the extraction, processing and sale of aggregate in Los Angeles and Orange Counties.

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Total annual sales of aggregate in the Los Angeles and Orange Counties area in 1987 were approximately \$100 million.

Gifford-Hill, through a wholly-owned subsidiary, Livingston-Graham, Inc. of Irwindale, California, and Koppers, through a wholly-owned subsidiary, Blue Diamond Materials of Irwindale, California, both operate aggregate extraction and processing facilities in Irwindale, California.

Livingston-Graham and Blue Diamond are two of the four largest producers of aggregate in this area.

On March 3, 1988, BNS announced a tender offer to acquire all of the stock of Koppers, including its Blue Diamond Materials subsidiary. BNS is controlled by Bright Aggregates, Inc., an indirect, wholly-owned subsidiary of Beazer PLC, a British corporation. Beazer PLC is also the ultimate parent entity of Gifford-Hill.

The consent decree would, when approved by the Court, terminate the suit, in effect resolving government antitrust objections to the proposed acquisition of Koppers.

The consent decree would require BNS and Gifford-Hill to sell the Blue Diamond aggregate operations by January 1, 1989. If these operations are not sold by that time, the decree provides that a trustee will be appointed to sell them.

Under the decree, the Department must be satisfied that the

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purchaser of the facility will be able to compete effectively in the relevant market -- the Los Angeles and Orange Counties area.

"Aggregate is an essential material for a variety of building and construction projects." Rule said, adding: "The proposed decree will ensure that competition in the production and sale of aggregate in the relevant portions of Los Angeles and Orange Counties will be preserved."

In accordance with the Antitrust Procedures and Penalties Act of 1974, a competitive impact statement regarding the proposed decree has been filed with the Court. Copies of this statement and the proposed decree are available for inspection in the Legal Procedure Unit of the Antitrust Division, Room 3233, Department of Justice, Washington, D.C. 20530. They are also filed with and are available for inspection at the office of the Clerk of the Court for the United States District Court for the Central District of California, U.S. Courthouse, 312 North Spring Street, Room G8, Los Angeles, California 90012.

Comments to the Department of Justice and the Court regarding the decree are invited from members of the public. Comments should be addressed to: Gary R. Spratling, Chief, San Francisco Office, Antitrust Division, U.S. Department of Justice, 450 Golden Gate Avenue, Box 36046, San Francisco, California 94102. Comments must be received within the 60-day statutory period.

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