



# Department of Justice

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**JUSTICE DEPARTMENT INTENDS TO CHALLENGE PROPOSED JOINT VENTURE  
OF INGERSOLL-RAND AND DRESSER INDUSTRIES**

WASHINGTON, D.C. -- The Department of Justice announced today it intends to file a civil antitrust suit challenging a proposed joint venture by Ingersoll-Rand Co. and Dresser Industries Inc. to combine virtually all of the worldwide pump manufacturing and sales operations of the two companies.

"The proposed joint venture would violate Section 1 of the Sherman Act and Section 7 of the Clayton Act and is likely to lessen competition substantially in the United States in the manufacture and sale of various types of highly engineered pumps," said James F. Rill, Assistant Attorney General in charge of the Antitrust Division.

The Antitrust Division said the proposal would adversely affect competition among four types of pumps for the petroleum industry--API 610 single stage overhung, between-bearings, multistage axially split and barrel pumps--and four types of pumps used in electrical generating facilities--boiler feed and condensate pumps for electric utilities and boiler feed and circulating water pumps for cogeneration and independent power producers.

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These pumps are among the most complex and expensive of industrial pumps and are used in critical applications by petroleum refiners and electric utilities and cogeneration facilities, which produce steam driven electric power as a by-product of some other industrial function.

"The United States markets for these pumps are highly concentrated and Ingersoll-Rand and Dresser are two of a small number of firms with the capability to serve them. Entry into these markets would be difficult, costly and time-consuming. The reduction in competition resulting from the proposed joint venture would harm consumers nationwide," said Rill.

Ingersoll-Rand, headquartered in Woodcliff Lake, New Jersey, is the second largest seller of pumps in the United States in dollar volume and Dresser, headquartered in Dallas, Texas, is the third largest.

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