



Department of Justice

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**JUSTICE DEPARTMENT WILL NOT CHALLENGE INGERSOLL-RAND/DRESSER
PROPOSED MERGER UPON COMPLETION OF CERTAIN DIVESTITURES**

WASHINGTON, D.C. -- The Department of Justice announced today that it will not oppose the proposed merger of the pump operations of Ingersoll-Rand Co. and Dresser Industries Inc. in light of the parties' agreement to resolve the Department's competitive concerns.

Ingersoll-Rand and Dresser, will sell certain pump lines and assets to Goulds Pumps, a major manufacturer of pumps for the chemical, pulp and paper industries.

In February 1992, the Department had announced that it intended to file a civil antitrust suit to enjoin the proposed venture because it was likely to lessen competition substantially in the manufacture and sale of various types of highly engineered pumps in the United States. The Department had concluded that the markets for these pumps was highly concentrated and entry into them was difficult and costly.

John W. Clark, Acting Assistant Attorney General in charge of the Antitrust Division, said, "This divestiture will ensure that competition for the manufacture of engineered pumps used in petroleum processing and electric power generation in the United States continues unabated. By expanding its product lines

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through these divested pumps, Goulds should become a significant competitive factor in those markets."

The assets to be divested include four lines of Dresser pumps and one line of Ingersoll-Rand pumps. Goulds will acquire the exclusive right to market these lines in the United States and the right to sell on a non-exclusive basis in other parts of the world. It also will have the right to sell parts for the pumps. In addition to pump drawings, patterns and equipment, Goulds will acquire technical assistance from Dresser and Ingersoll-Rand.

Dresser, headquartered in Dallas, Texas, manufactures a variety of pumps through its pump division, headquartered in Liberty Corner, New Jersey. Dresser is the second largest U.S. pump producer and is one of the world's three largest pump producers with 1991 worldwide sales of approximately \$700 million.

Ingersoll-Rand, headquartered in Woodcliff Lake, New Jersey, is the third largest seller of pumps in the United States with annual pump sales over \$350 million worldwide.

Goulds Pumps, headquartered in Seneca Falls, New York, is the largest seller of pumps in the United States with over \$550 million in pump sales worldwide during 1990.

Historically, Goulds has not been a major factor in the sale of large, highly-engineered pumps for the petroleum business

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(API pumps) and for electric power generation--markets where Dresser and Ingersoll-Rand are major factors.

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