



Department of Justice

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NEW HAMPSHIRE ASPHALT CO. ABANDONS PLANS TO BUY PLANTS IN VERMONT AND NEW HAMPSHIRE AFTER JUSTICE DEPARTMENT EXPRESSES CONCERNS

WASHINGTON, D.C. -- Pike Industries, a New Hampshire-based aggregate and asphalt concrete company, abandoned its efforts to acquire a quarry and two asphalt plants from a New Hampshire highway construction company after the Justice Department expressed concerns that the deal would reduce competition and lead to higher prices for aggregate and asphalt concrete in Vermont and New Hampshire.

The Department said today that if the acquisition had gone forward as proposed, Pike Industries would have become the dominant aggregate and asphalt concrete company in East Central Vermont and West Central New Hampshire and would have possessed the power to increase prices.

The Department's Antitrust Division conducted a joint investigation with the Office of the Vermont Attorney General.

Pike Industries, headquartered in Tilton, New Hampshire, had initially proposed to acquire a Brattleboro, Vermont asphalt plant, as well as a quarry and an asphalt plant in Walpole, New Hampshire from Frank W. Whitcomb Construction Company, a Walpole, New Hampshire highway construction firm.

"If Pike Industries had acquired the quarry and asphalt plants owned by Frank W. Whitcomb Construction Company, customers such as the New Hampshire Department of Transportation and the Vermont Agency of Transportation would likely have had to pay higher prices for the aggregate and asphalt used to build roads,"

said Joel I. Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division. "The decision by Pike Industries to abandon this transaction preserves competition for consumers of aggregate and asphalt."

Aggregate is used in the production of both asphalt concrete and ready-mix concrete. Asphalt concrete, also known as blacktop, is used principally for construction and resurfacing roads, driveways and parking lots.

Klein added that this investigation was another good example of the close cooperation between federal and state antitrust enforcement agencies and how those joint enforcement efforts help consumers.

Pike Industries is a subsidiary of Oldcastle Northeast Inc. of Washington, D.C. Oldcastle is a subsidiary of CRH plc of the Republic of Ireland. In 1995, Oldcastle and its other recently acquired subsidiaries had sales of about \$660 million.

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