



Department of Justice

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U.S. DEPARTMENT OF JUSTICE REQUIRES RESTRUCTURING OF AGGREGATE DEAL IN SOUTHWEST FLORIDA

WASHINGTON, D.C. – The Department of Justice today reached a settlement with Florida Rock Industries Inc. that will allow the company to go forward with its \$87.5 million merger with Harper Bros. Inc. and Commercial Testing Inc. The settlement was reached after the companies restructured their original proposal by agreeing to sell a quarry and sand mine in Southwest Florida. Without the divestitures, Florida Rock would have become the dominant aggregate and silica sand supplier in Southwest Florida, creating higher prices for consumers.

The Department's Antitrust Division filed a lawsuit today in U.S. District Court in Jacksonville, Florida to block Florida Rock's original deal to purchase Harper Bros. and Commercial Testing. At the same time, a proposed settlement was filed that, if approved by the Court, would settle the lawsuit.

Under the terms of the settlement, Florida Rock is required to divest the Alico Road Quarry in Fort Myers, Florida, and the Palmdale Sand Mine in Palmdale, Florida.

"This settlement preserves competition and protects customers from higher prices in the aggregate and silica sand industries, said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division."

Aggregate is used to manufacture asphalt concrete and ready mix concrete. Silica sand is used to manufacture specific types of ready mix concrete. Southwest Florida is one of the fastest

growing areas in the country and uses considerable amounts of asphalt concrete and ready mix concrete.

Florida Rock is located in Jacksonville, Florida, and had sales totaling \$456 million in 1997. Harper Bros. and Commercial Testing are located in Fort Myers, Florida, and had sales of approximately \$44 million in 1997. Daniel R. Harper is the majority stockholder of Harper Bros. and Commercial Testing.

As required by the Tunney Act, the proposed consent decree will be published in the Federal Register, along with the Department's competitive impact statement. Any person may submit written comments concerning the proposed decree during a 60-day comment period to J. Robert Kramer, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H St., N.W., Suite 3000, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the federal district court in the Middle District of Florida, may enter the consent decree upon its finding that it serves the public interest.

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