



Department of Justice

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**JUSTICE DEPARTMENT REQUIRES DIVESTITURES IN VULCAN'S ACQUISITION
OF FLORIDA ROCK**

***Divestitures of Nine Aggregate Facilities in Georgia, Tennessee and Virginia Will Preserve
Competition***

WASHINGTON — The Department of Justice announced today that it has reached a settlement that will require Vulcan Materials Company and Florida Rock Industries Inc. to divest eight quarries that produce coarse aggregate in Georgia, Tennessee and Virginia and one distribution yard in Virginia in order to proceed with their proposed \$4.6 billion merger. The Department said that, without the divestitures, the proposed acquisition likely would result in higher prices for purchasers of coarse aggregate in certain areas served by the quarries to be divested.

The Department's Antitrust Division filed a civil antitrust lawsuit today in U.S. District Court in Washington, D.C. to block the proposed transaction. At the same time, the Department filed a proposed consent decree that, if approved by the court, would resolve the lawsuit and the Department's competitive concerns.

"Without the divestitures obtained by the Department, purchasers of coarse aggregate in parts of the Atlanta metropolitan area, in Columbus, Ga., in Chattanooga, Tenn., and in South Hampton Roads, Va., likely would have faced higher prices as a result of this transaction," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "The divestitures will ensure that these customers will continue to receive the benefits of competition."

Coarse aggregate, a type of construction aggregates, is crushed stone produced at quarries or mines. It is used in a variety of applications, such as road construction, and for the production of ready mix concrete and asphalt.

The Department concluded that the proposed merger would have resulted in increased prices for coarse aggregate in several areas. In southeast Atlanta and the South Hampton Roads area of Virginia, Vulcan and Florida Rock are the only two firms competing to supply coarse aggregate. The parties are two of only three or four firms contracting to supply coarse aggregate in Columbus, Ga.; Chattanooga, Tenn.; and other parts of the greater Atlanta metropolitan area.

Under the terms of the proposed consent decree, Vulcan and Florida Rock must divest four operating aggregate quarries and one quarry under development in the metropolitan Atlanta area; one quarry in Columbus, Ga.; one quarry in Chattanooga, Tenn.; and one quarry in

Richmond, Va., along with a related distribution yard in Chesapeake, Va. used by the Richmond quarry to serve the South Hampton Roads area. A list of the assets to be divested is attached as an appendix. Under the proposed consent decree, the Department's Antitrust Division must approve the buyer of each of the divested assets.

Vulcan, headquartered in Birmingham, Ala., is the largest producer of construction aggregates in the United States. It produces, distributes and sells, among other products, construction aggregates, ready mix concrete, hot mix asphalt, and asphalt coating to customers in 21 states, the District of Columbia, and Mexico. In 2006, Vulcan reported total sales of approximately \$3 billion.

Florida Rock, headquartered in Jacksonville, Fla., produces, distributes and sells, among other products, construction aggregates, ready mix concrete, prestressed concrete, and cement in the Southeastern and Mid-Atlantic states. Florida Rock is one of the United States' largest suppliers of construction aggregates. In 2006, Florida Rock reported total sales of approximately \$1.4 billion.

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

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ATTACHMENT A

Quarry or Yard Name	Address	Current Owner
Greater Metropolitan Atlanta, Georgia Area		
Six Mile (quarry)	3785 Cave Springs Road, Cedarton, Georgia	Florida Rock
Paulding (quarry)	112 Quarry Road, Yorkville, Georgia	Florida Rock
Tyrone (quarry)	240 Rockwood Road, Tyrone, Georgia	Florida Rock
Red Oak (quarry)	5414 Buffington Road, Red Oak, Georgia	Vulcan
Butts County (quarry under development)	Greer Dairy Road, Jackson, Georgia	Vulcan
Columbus, Georgia Area		
Columbus (quarry)	3001 Smith Road, Columbus, Georgia	Florida Rock
Chattanooga, Tennessee Area		
Jersey Pike (quarry)	2 Pelican Drive, Chattanooga, Tennessee	Florida Rock
South Hampton Roads, Virginia Area		
Richmond (quarry)	2100 Deepwater Terminal Road, Richmond, Virginia*	Florida Rock
Gilmerton (yard)	4606 Bainbridge Boulevard, Chesapeake, Virginia*	Florida Rock

* Florida Rock's ready mix plants and related assets at the Richmond quarry and Gilmerton yard will not be divested.