

**Figure 8**  
**Merger Settlements**

| <b>Case</b>                       | <b>Product</b>                           | <b>Number of Firms</b>                                                     | <b>HHI/Delta</b>                | <b>Plus Factors</b>                                                                                                                                                           |
|-----------------------------------|------------------------------------------|----------------------------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Georgia-Pacific/<br>Domtar (1996) | Gypsum board                             | Merger of 3 <sup>rd</sup><br>and 4 <sup>th</sup> firms in<br>4-to-3 market | 2700/400                        | Homogeneous products<br>Inelastic demand<br>History of coordination<br>Price signaling<br>Information exchange                                                                |
| New Holland/<br>Case (1999)       | Tractors, balers,<br>and windrowers      | Multiple 5-to-4<br>and 4-to-3<br>markets                                   | 2885- 4460/<br>510-995          | Facilitating practices<br>History of tacit coordination<br>Information exchange<br>Eliminate maverick                                                                         |
| Earthgrains/Metz<br>(2000)        | White pan bread                          | Two 3-to-2<br>and one 4-to-3<br>market                                     | 3400-3800/<br>875-1530          | Homogeneous products<br>Inelastic demand<br>Stable demand and regular<br>purchases<br>Eliminate maverick<br>History of coordination                                           |
| Alcoa/Reynolds (2000)             | Smelter and<br>chemical grade<br>alumina | SGA: 6-to-5<br>CGA: 5-to-4                                                 | SGA: 1800/531<br>CGA: 4222/1460 | Homogeneous product<br>Inelastic demand<br>History of signaling<br>History of coordination<br>Transparent information<br>Reynolds potential maverick<br>Alcoa excess capacity |
| Premdor/Masonite<br>(2001)        | Residential doors                        | 3-to-2<br>upstream<br>market                                               | N/A                             | Increased firm homogeneity<br>Eliminate maverick<br>History of coordination                                                                                                   |
| Suiza/Broughton (1999)            | School milk                              | Multiple 3-to-2<br>markets defined<br>as single school<br>districts        | 5,000/<br>1,667                 | Inelastic demand<br>History of coordination<br>Public bid markets<br>Multimarket contacts                                                                                     |