Commission Opinion, In the Matter of Certain Devices for Connecting Computers via Telephone Lines, Inv. No. 337–TA–360.

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the President has 60 days to approve or disapprove the Commission's action. During this period, the subject articles would be entitled to enter the United States under a bond, in an amount to be determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed.

Written Submissions

The parties to the investigation are requested to file written submissions on the issues under review. The submission should be concise and thoroughly referenced to the record in this investigation, including references to exhibits and testimony. Additionally, the parties to the investigation, interested government agencies, and any other interested persons are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the ALJ's December 13, 1999, recommended determination on remedy and bonding. Complainant and the Commission investigative attorney are also requested to submit proposed remedial orders for the Commission's consideration. The written submissions and proposed remedial orders must be filed no later than the close of business on February 15, 2000. Reply submissions must be filed no later than the close of business on February 22, 2000. No further submissions will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file with the Office of the Secretary the original and 14 true copies thereof on or before the deadlines stated above. Any person desiring to submit a document (or portion thereof) to the Commission in confidence must request confidential treatment unless the information has already been granted such treatment during the proceedings. All such requests should be directed to the Secretary of the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment is granted by the Commission will be treated accordingly. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in sections 210.42–.45 of the Commission's Rules of Practice and Procedure (19 CFR 210.42–.45).

Copies of the public version of the ALJ's ID and all other nonconfidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW, Washington, DC 20436, telephone 202–205–2000.

Issued: February 1, 2000.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 00–2696 Filed 2–4–00; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Notice of Extension of Time To Submit Comments on Consent Decree Lodged Pursuant to Sections 104 and 107 of CERCLA

On December 1, 1999, the United States lodged a proposed Consent Decree with the United States District Court for the Southern District of Texas, No. G–99–731, in *United States of America* v. *GAF Corp., et al.,* pursuant to Sections 104 and 107 of CERCLA, 42 U.S.C. 9604 and 9607. The proposed Consent Decree resolves civil claims of the United States against thirty-five *de minimis* generator Defendants for the Tex Tin Superfund Site located in Texas City and La Marque, Texas. The Defendants will pay a total of approximately $1.5 million in reimbursement of response costs at the Site.

On December 16, 1999 a Notice was published which advised that the Department of Justice would receive comments relating to the proposed Consent Decree for 30 days following publication of the Notice. Notice is hereby given that the period during which the Department of Justice will receive comments relating to the proposed Consent Decree has been extended at the request of a member of the public. The Department of Justice will continue to accept comments through the 30th day following publication of this Notice. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, United States Department of Justice, P.O. Box 7611, Ben Franklin Station, Washington, DC 20044–7611, and should refer to *United States of America* v. *GAF Corp., et al.,* DJ No. 90–11–3–1669/1. The proposed Consent Decree may be examined at the Office of the United States Attorney for the Southern District of Texas, Houston, Texas, and the Region VI Office of the United States Environmental Protection Agency, 1445 Ross Avenue, Dallas, Texas 75202. A copy of the proposed Consent Decree may be obtained by mail from the Department of Justice Consent Decree Library, P.O. Box 7611, Washington, DC 20044. In requesting a copy, please enclose a check for reproduction costs (at 25 cents per page) in the amount of $14.75 for the Decree, payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 00–2702 Filed 2–4–00; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Antitrust Division

United States v. Imetal, DBK Minerals, Inc., English China Clays, PLC, and English China Clays, Inc.; Civil Action No. 99–1018 (GK)(D.D.C.); Response to Public Comments

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)–(h), that a Public Comment and the Response of the United States have been filed with the United States District Court for the District of Columbia in United States v. Imetal, DBK Minerals, Inc., English China Clays, PLC, and English China Clays, Inc., Civil Action No. 99–1018 (GK)(D.D.C., filed April 26, 1999). On April 26, 1999, the United States filed a Compliant alleging that the proposed acquisition of English China Clays by Imetal would violate Section 7 of the Clayton Act, 15 U.S.C. 18. The proposed Final Judgment, filed at the same time

as the Complaint, permits Imetal to acquire English China Clays, but requires that Imetal divest specified assets used in the manufacture and sale of kaolin, calcined kaolin, paper-grade ground calcium carbonate, and fused silica.

Public comment was invited within the statutory 60-day comment period. The one Comment received, and the Response thereto, have been filed with the Court and are hereby published in the **Federal Register**. Copies of the Complaint, Hold Separate Stipulation and Order, proposed Final Judgment, Competitive Impact Statement, Public Comment and the Response of the United States are available for inspection in Room 215 of the Antitrust Division, Department of Justice, 325 7th Street, N.W., Washington, D.C. 20530 (telephone: 202–514–2481) and at the Office of the Clerk of the United States District Court for the District of Columbia, 333 Constitution Avenue, N.W., Washington, D.C.

Copies of any of these materials may be obtained upon request and payment of a copying fee.

Constance K. Robinson,

Director of Operations & Merger Enforcement, Antitrust Division.

United States' Response to Comment Filed by Paper, Allied-Industrial, Chemical and Energy Workers International Union (''PACE'')

The United States of America hereby files with the Court the single written comment that it received in this case, and its response thereto, and states:

1. The Complaint in this case, the proposed Final Judgment, and the Hold Separate Stipulation and Order (''Stipulation'') were filed on April 26, 1999. The United States' Competitive Impact Statement was filed on May 24, 1999.

2. Pursuant to 15 U.S.C. 16(b), the proposed Final Judgment, Stipulation, and Competitive Impact Statement were published in the **Federal Register** on June 11, 1999 (64 FR 31624–38).

3. Pursuant to 15 U.S.C. 16(c), a summary of the terms of the proposed Final Judgment and the Competitive Impact Statement were published in The Washington Post, a newspaper of general circulation in the District of Columbia, during the period May 27, 1999 through June 2, 1999.

4. The 60-day comment period specified in 15 U.S.C. 16(b) ended on August 10, 1999. The United States received a single written comment on the proposed settlement, from the Paper, Allied-Industrial, Chemical and Energy Workers International Union (''PACE''), on August 10, 1999. A copy of that comment is attached as Exhibit 1.

5. Pursuant to 15 U.S.C. 16(d), the United States has considered and responded to that comment. A copy of the United States' response is attached as Exhibit 2.

6. The United States is making arrangements to have PACE's comment and the United States' response thereto published in the **Federal Register**, pursuant to 15 U.S.C. 16(d). As soon as that publication has been effected, the United States will notify the Court that it has complied with the requirements of the Antitrust Procedures and Penalties Act (''APPA''), 15 U.S.C. 16(b)–(d), and that the Court may then enter the proposed Final Judgment after it determines that the Judgment serves the public interest.

Dated: January 14, 2000.

Respectfully submitted,

Patricia G. Chick, D.C. Bar #266403, U.S. Department of Justice, Antitrust Division, 1401 H Street, N.W. Suite 3000, Washington, D.C. 20530, Telephone: (202) 307–0946, Facsimile: (202) 514–9033, Attorney for Plaintiff the United States.

The Cuneo Law Group, P.C.

August 10, 1999.

Mr. J. Robert Kramer, II
Chief, Litigation II Section Antitrust Division United States Department of Justice

Re: *United States* v. *Imetal, DBK Minerals, Inc., English China Clays, PLC, and English China Clays, Inc., Civil No. 99–1018 (D.D.C.)*

Dear Mr. Kramer:

Pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b)–(h), the Paper, Allied—Industrial, Chemical and Energy Workers International Union (''PACE'') urges the Antitrust Division of the Department of Justice to give ''due consideration'' to these comments and to ''withdraw its consent to the proposed Final Judgment'' in this case. Competitive Impact Statement (''CIS'') at 11.

Summary

Without remedial action, the Imetal/English China Clays (''ECC'') merger will produce a combination of the only two producers in the Southeastern United States of ground calcium carbonate (''GCC'') in slurry form for the paper industry, a key ingredient in paper-making. The Antitrust Division has already found that this combination will raise prices and reduce output. According to the Antitrust Division's Complaint in this case: ''If the acquisition were permitted, Imetal would * * * have an interest in *all* of the paper grade GCC production capacity in the Southeastern United States'' Complaint at 2 (emphasis added) The Complaint goes on to state; ''[D]ue to the dominant position Imetal would have with respect to paper-grade GCC sold in the Southeastern United States * * * the threat of unilateral price increases * * * as a result of this acquisition is particularly high.'' *Id*. Left unchecked, the merger could well combine duopolists into monopolist.

Under the proposed consent decree, Imetal/ECC must spin off certain assets in the hope that another firm will have sufficient economic incentives to enter the market. Such speculative hopes will not substitute for adequate law enforcement. The Antitrust Division's proposed consent decree would allow the replacement of two existing competitors with a single more powerful competitor—and a competitor to be created, maybe. The replacement of two existing competitors with a monopolist and a potential competitor clearly violates Section 7 of the Clayton Act. Moreover, the CIS does not come close to providing enough information to evaluate whether it is in any sense realistic to expect that an effective second competitor will emerge.

Analysis

PACE came into being in January 1999 through the merger of the Oil, Chemical and Atomic Workers International Union and the United Paperworkers International Union. The antitrust interests of PACE in this transition are twofold. First, as a union of 330,00 members, PACE has a direct and substantial interest in the preservation of competitive market conditions. Because a monopolistic output restriction will constrict supply as well as raise prices, unions such as PACE, who are concerned about full employment, have a direct interest in preservation of competitive conditions in the paper industry. PACE represents approximately 125,000 workers in the forest products and paper industry who could be adversely affected by any monopoly constriction of supply. Part, but by no means all, of this concern stems from the fact that PACE Local 3–0516 represents approximately 140 employees at the Imetal-controlled Georgia Marble dry processing facility in Sylacauga, Alabama. Second, PACE and its members are purchasers of paper and paper supplies throughout the United States, including the Southeast, and therefore have a consumer interest in the preservation of a free and open market of all of the ingredients in the paper-making process.

As relevant here, the essential facts are as follows: GCC begins as calcium carbonate, which is found in marble or limestone deposits. Paper-making requires the brightest white GCC. High bright deposits are scarce, and some of the best are located in the Sylacauga area.

Once quarried, GCC is dry-processed through a series of screening and grinding steps into particles. Dry-processed GCC is then wet-processed and sold in slurry form to the paper-making industry. *See generally* CIS at 6. There are no ready substitutes. According to the CIS: ''A small but significant increase in the price of GCC would not cause a significant number of paper customers currently purchasing GCC for coating applications to substitute other products.'' *Id*.; Complaint at 6.

Earlier this year, Imetal, SA, a large French company, made a cash tender offer of U.S. $1.24 billion to acquire English China Clays, PLC. Both companies have U.S. revenues in the hundreds of millions of dollars.

Imetal owns an American company, DBK Minerals, Inc., which owns Georgia Marble. Georgia Marble owns vast GCC reserves in Sylacauga, and owns and operates a facility to dry process GCC there. Georgia Marble is also a 50% partner in Alabama Carbonates, L.P., which wet processes GCC at a facility located next door to Georgia Marble's dry processing facility.

The acquired company, English China Clays, PLC, is a British firm that owns an American subsidiary, English China Clays, Inc. (referred to collectively as ''ECC''). ECC owns and operates a fully integrated GCC mining and processing facility across the street from the Georgia Marble/Alabama Carbonates facilities in Sylacauga.

According to the Justice Department, Imetal and ECC are the *only* two suppliers of GCC to paper mills in the Southeastern United States. It bears repeating that the CIS makes clear that GCC is a product market unto itself: ''A small but significant increase in the price of GCC would not cause a significant number of paper customers currently purchasing GCC for coating applications to substitute other products.'' CIS at 6.

The CIS also makes clear that GCC in the Southeastern United States is a geographic market: ''Because of high transportation costs, sales of GCC tend to be regional rather than nationwide.'' *Id.* at 7. The Antitrust Division's Complaint charges that the ''development, production, and sale of GCC for paper coating applications is a line of commerce and a relevant product market'' and the thirteen Southeastern states comprise ''a relevant geographic market'' within the meaning of Section 7 of the Clayton Act. Complaint, paras. 22, 28–30.

If the merger were left unchallenged, it would reduce a duopoly to a significantly enhanced competitor and a joint venture—Alabama Carbonates—at the mercy of the significantly enhanced competitor. Reserves of sufficient quality are ''scarce'' and ''may be unavailable in the Southeast.'' For this and other reasons, ''new entry is unlikely to occur.'' Complaint para. 42.

It is axiomatic that reduction from two viable, active competitors to a monopoly in a particular geographic and regional market clearly violates Section 7 of the Clayton Act, 15 U.S.C. § 18, because the merger's impact ''may be substantially to lessen competition or to create a monopoly.'' Under the Herfindahl-Hirschmann Index (''HHI''), the minimum pre-merger HHI of a two-firm market is 5,000, over two and a half times 1800, the HHI index the Merger Guidelines call ''highly concentrated.'' After any merger, the HHI could be as high as 10,000, the maximum HHI possible. U.S. Department of Justice and Federal Trade Commission. *Horizontal Merger Guidelines* § 1.51 (1997).

How does the Antitrust Division propose to remedy this clear competitive problem? By replacing a duopoly with a monopoly and a potential competitor that the Antitrust Division apparently hopes will enter. The proposed Final Judgment requires a number of steps that the Antitrust Division apparently hopes will become the predicate for further entry by another competitor.

The proposed Final Judgment requires: (1) that Georgia Marble dives its interest in the Alabama Carbonates wet-processing facility; and (2) that Imetal/Georgia Marble and/or ECC divest sufficient GCC reserves for Alabama Carbonates to operate at its maximum stated contractual capacity for 30 years. The divestiture of reserves is designed to reduce Alabama Carbonates' dependence on Georgia Marble's reserves and dry processing facilities.

The theory of the proposed Final Judgment is, apparently, that access to these divested reserves is the *''minimum''* that will be sufficient for Alabama Carbonates ''*to consider* making the required investments in processing facilities.'' CICS at 15 (emphasis supplied). In order to effectuate the hoped-for transition, the proposed Final Judgment requires defendants to provide Alabama Carbonates with feedstock for a period of up to three years.

The proposed relief is plainly insufficient under the Clayton Act, the merger Guidelines, and the rule of common sense. Competition in this market is already fragile. There are two competitors only. Under the proposed decree, there is no guarantee that there will even be two competitors in the future, much less two effective competitors. The CIS has no finding, much less a requirement, that Alabama Carbonates will actually enter the market. There is only a hope that if it can gain access to a ''minimum'' of reserves, Alabama Carbonates will ''consider'' making the necessary investment to enter the market.

In contrast to the approach in this case, the Horizontal Merger Guidelines require that entry be ''timely, likely, and sufficient in its magnitude, character and scope to deter or counteract the competitive effects of concern.'' *Horizontal Merger Guidelines,* § 3.0. In this instance, there is no finding of timeliness, likelihood or sufficiency in the CIS. We should not give up current competition in a highly concentrated market in exchange for a hope of future competition.

Likelihood of competition is clearly an issue. So is sufficiency. The CIS makes clear that access to high quality reserves is what drives the ability to compete. Yet, under the best circumstances, Alabama Carbonates is limited to 30 years' worth of supply at its *current* contractual capacity. This artificial limitation, to be sure, raises the question even if Alabama Carbonates enters the market, whether it will have enough reserves to sufficiently compete in the future if demand increases. Access to reserves should be keyed to marketplace demand, not current production capacity.

The Final Judgment should not permit *any* possibility of a decrease in competition in such a highly concentrated market. There can be no question that the proposed merger ''may lessen competition'' and/or ''create a monopoly'' in violation of Section 7 of the Clayton Act. According to the CIS, ''[t]he proposed transaction would likely result in unilateral price increases to customers in the Southeastern United States. Entry is unlikely to occur, and would *not* be *timely* or *sufficient* to defeat a post-acquisition increase in the price of paper grade GCC.'' CIS at 10 (emphasis supplied); *see* Horizontal Merger Guidelines § 3.0. The CIS goes on to say:

''A *de novo''* entrant would have to acquire substantial high bright reserves in the Southeast, establish a quarry and build a processing plant. While the quarry and plant would require considerable expenditures of money and take substantial time, the most significant barrier is obtaining appropriate reserves. Paper-grade GCC requires high bright reserves, which are scarce resources and are generally believed to be largely unavailable in the Southeast because they were owned primarily by Georgia Marble and ECC. CIS at 10.''

There is no promise—much less a guarantee—that the decree will preserve any competition, much less effective competition. The Antitrust Division should require that the Imetal/ECC combination leave existing competition intact and that there be market conditions that maximize future competition. Access to reserves in the future should be pegged to future market demands, not current plant capacity. Nothing less will protect consumers.

PACE is also concerned that the transition provisions of the proposed Final Judgment do not fully protect any fledgling competition. Obviously, a situation in which a firm must rely upon its competitor for supply is inherently subject to competitive abuse. Under the transition provisions of the proposed decree, Imetal/ECC must supply Alabama Carbonates with feedstock for a period of up to three years.

According to the CIS: ''This provision is designed to provide Alabama Carbonates with a reasonable transition period to make the investment required for it to be self-sufficient in the long term.'' *Id.* at 16. This bald statement does not answer any of the questions that naturally arise in a transition. Just a few of the questions might be:

- What proof exists that three years is enough time for a potential competitor to secure financing, gain any necessary permits (*e.g.,* zoning or environmental permits), and actually construct a facility?
- What protections exist against the Imetal/ECC combination's adulterating the product that it furnishes Alabama Carbonates? How will quality of the Imetal/ECC input be monitored and maintained? What protections exist against furnishing the product at grossly excessive prices?
- What protections exist against Imetal/ECC delaying delivery of the necessary inputs?
- What protections exist against the Imetal/ECC combination's low-balling the price of GCC slurry so that it becomes infeasible for Alabama Carbonates to enter?
- What protections exist against the Imetal/ECC combination's engaging in so-called ''limit pricing''—pricing above the competitive level but not so high as to induce entry?
- In the event of a recession and a slackening of demand, will there be sufficient incentive for Alabama Carbonates to enter?

In sum, the proposed remedy and explanation are completely insufficient to provide any reassurance that any competition—much less effective competition—will continue to exist. In essence, the Antitrust Division proposes, as a result of this merger, to replace two existing competitors with one competitor and a potential competitor. And there is no reason

to believe that the transition provisions will be sufficient to protect any new competitor that does emerge.

Far from being a reassurance, the CIS is a warning. The Antitrust Division should oppose the merger or force a broader divestiture, and preserve competition.

Thank you very much for your consideration of our views.

Sincerely,

Jonathan W. Cuneo, The Cuneo Law Group, P.C., 317 Massachusetts Avenue, N.E., Suite 300, Washington, DC 20002

Attorneys for The Paper, Allied-Industrial Chemical and Energy Workers International Union

cc: George M. Chester, Esquire, Covington & Burling, 1201 Pennsylvania Avenue, Washington, DC 20004

William R. Norfolk, Esquire, Sullivan & Cromwell, 125 Broad Street, New York, NY 10004.

U.S. Department of Justice, Antitrust Division

January 14, 2000.

Jonathan W. Cuneo, Esquire
The Cuneo Law Group, P.C.

Re: Comment on proposed Final Judgment in *United States* v. *Imetal, et al., Civil No. 99 1018 (D.D.C., filed April 26, 1999)*

Dear Mr. Cuneo:

This letter responds to your August 10, 1999 letter commenting on the proposed Final Judgment in *U.S.* v. *Imetal, et al.,* Civil No. 99–1018 (D.D.C., filed April 26, 1999), which is currently pending in federal district court in the District of Columbia. The Complaint in the case charged that Imetal's acquisition of English China Clays (''ECC'') would substantially lessen competition in a number of relevant markets, including in the manufacture and sale of paper-grade ground calcium carbonate (''GCC'') in the southeastern United States. The proposed Final Judgment would settle the case by requiring divestitures in all the relevant markets alleged. With respect to paper-grade GCC, the proposed Final Judgment requires that Imetal divest its interest in the limited partnership through which it participates in that market, and also divest substantial reserves for the use of that entity.

In your letter, you expressed concern that the proposed Final Judgment did not go far enough to eliminate the effects of Imetal's acquisition of ECC in the market for paper-grade GCC in the southeastern United States. Specifically, you characterize the mandated divestiture as requiring Imetal to ''spin off certain assets in the hope that another firm will have sufficient economic incentives to enter the market,'' and resulting in ''the replacement of two existing competitors with a single more powerful competitor—and a competitor to be created.''

I disagree with your characterization of the market structure that would result from the proposed Final Judgment, and thus with the fundamental premise of your comments. Before Imetal announced its plans to acquire ECC, there were two competitors in the manufacture and sale of paper-grade GCC in the southeastern United States: ECC and Alabama Carbonates. After Imetal's acquisition of ECC, there are still the same two viable competitors in this market. The competitive issue arose because Imetal had a 50% interest in ECC's only competitor, Alabama Carbonates. The proposed Final Judgment, by requiring Imetal to divest its interest in Alabama Carbonates, ensure that the two competitors that existed before the acquisition will continue to exist as competitors after the acquisition. Alabama Carbonates does not need to ''enter the market'', it is already in the market. The remedy provided for in the proposed Final Judgment means that Imetal's acquisition of ECC results in no change in the number of firms selling paper-grade GCC in the southeastern United States, no change in concentration, and no change in the HHI for that market.

As you are aware, Alabama Carbonates has historically competed in this market by contracting for its raw materials. Since its inception, it has purchased the feedstock for its wet-processing operations from its joint venturer, Georgia Marble (Imetal). With Imetal's acquisition of ECC, however, if Alabama Carbonates were to continue this arrangement, it would be dependent on its only competitor for its source of supply. The proposed Final Judgment requires Imetal to continue to provide feedstock for the Alabama Carbonates operation, if requested, for up to three years, to permit Alabama Carbonates a reasonable amount of time in which to become independent of Imetal. In addition, recognizing that the company might well decide that the optimum way to achieve that independence is through vertical integration, and that a lack of adequate reserves would be a substantial barrier to such integration, the proposed Final Judgment also requires that Imetal divest substantial reserves of GCC for use by Alabama Carbonates.

Specifically, the proposed Final Judgment requires that Imetal divest sufficient reserves so that Alabama Carbonates will have enough feedstock to make 500,000 tons a year of GCC for thirty years. The United States specified this quantity of reserves in the proposed Final Judgment because we concluded, based on our investigation, that 500,000 tons was an efficient scale for a dry processing plant, and that a business would need to be assured a 30-year supply of reserves in order to justify the investment required to build a dry processing plant. This provision is not intended to limit Alabama Carbonates to competing at its current capacity—rather, it provides the reserves for the company to operate efficiently far into the future. Moreover, there is nothing in the decree that limits in any way the company's ability to expand its operations, including seeking additional reserves.

The United States strongly believes that the divestitures in the proposed Final Judgment relating to paper-grade GCC and other injunctive relief will alleviate the competitive concerns alleged in the Complaint. The divestiture of Imetal's interest in the Alabama Carbonates joint venture and the reserves needed to build a viable dry processing plant ensures that there will be no reduction in the pre-acquisition competition. The two competitors that existed before the acquisition will continue to exist. The requirement that Imetal divest reserves eliminates what could have been a substantial barrier to Alabama Carbonates' continuing to compete without being dependent on Imetal for feedstock for its operations. And finally, the transition agreement assures that Alabama Carbonates will be able to continue as a competitor in the short term while it takes the steps necessary to eliminate its historical dependence on Imetal. The term of that transition agreement was set based on the United States' conclusion, from its investigation, that three years would be sufficient for the joint venture to make the transition to independence. The proposed Final Judgment does provide a mechanism for extending that term, however, if this assumption proves incorrect. In addition, the requirement that the terms of the transition agreement be substantially similar to the supply agreement that existed before the acquisition, and subject to approval by the United States, should provide sufficient protection against the kinds of conduct that you have expressed concern about.

Thank you for bringing your concerns to our attention. I trust you appreciate that we have given them due consideration, and hope this response will help alleviate them. Pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(d), a copy of your comment and this response will be published in the **Federal Register** and filed with the Court.

Sincerely yours,

J. Robert Kramer II, Chief, Litigation II Section

Certificate of Service

I hereby certify that I caused a copy of the foregoing United States' Response to Comment Filed by the Paper, Allied-Industrial, Chemical and Energy Workers International Union (''PACE'') to be served by first class mail, postage prepaid, this 14th day of January, 2000, on:

George M. Chester, Jr., Esquire, Covington & Burling, 1201 Pennsylvania Avenue, N.W., Washington, D.C. 20004–7566, Counsel for All Defendants

Jonathan W. Cuneo, Esquire, The Cuneo Law Group, P.C., 317 Massachusetts Avenue, N.E., Suite 300, Washington, D.C. 20002, Counsel for PACE

Patricia G. Chick, D.C. Bar #266403, Trial Attorney, U.S. Department of Justice, Antitrust Division, 1401 H Street, N.W., Suite 3000, Washington, D.C. 20530, (202) 307–0946.

[FR Doc. 00–2703 Filed 2–4–00; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF LABOR

Office of the Secretary

Submission for OMB Review; Comment Request

January 28, 2000.

The Department of Labor (DOL) has submitted the following public