Continental Gypsum Company, that now appears to be the case

In the past 45 days we have had extreme pressure to lower pricing levels to distributors in our prime market area. While the pricing at our outer sales regions i.e., Maryland, Virginia, Delaware, western Pennsylvania, have been relatively strong, the New Jersey and Metropolitan New York are off significantly. In each and every case, we find we must meet a Georgia Pacific price to maintain a reasonable level of business. Continental Gypsum is clearly being targeted by Georgia Pacific. Further, it is our opinion that Georgia Pacific has been caused to such action by reason of the Final Judgment mandate that they maintain a level of business that totally ignores consideration that a new competitor (Continental Gypsum) is now in the market.

The allegations that are made here can be documented and will be documented at your request.

Again, I would request that you give consideration to our recommendation to amend the Final Judgment as proposed in our April 30, letter. For Continental Gypsum to remain viable we must have some relief from this matter.

Respectfully,

Morgan A. Chivers,

Chairman of the Board & C.O.O.

Rhyne Simpson, Jr.,

President.

April 30, 1996.

Mr. J. Robert Kramer,

Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H St., N.W., Suite 3000, Washington, D.C. 20530.

Re: U.S.A. v. Georgia Pacific Corporation Civil Action No.: 96–164.

Dear Mr. Kramer: The following are the comments of Continental Gypsum Company relating to the above referenced case:

Background

Continental Gypsum Company is the only small independent manufacturer of gypsum wallboard in the United States. The Company was formed January 26, 1995 to lease the former Atlantic Gypsum Company facility located at Port Newark, New Jersey. The plant had been idled for approximately six years as a result of bankruptcy and foreclosure proceedings. The founders of Continental Gypsum are Morgan A. Chivers and Rhyne Simpson, Jr. both of whom are its major stockholders. About thirty (30) percent of the outstanding stock is owned by wallboard distributors and applicators from the region. After a rather lengthy negotiation with the Port Authority of NY&NJ, Continental Gypsum gained occupancy of the facility on June 1, 1995. Production commenced on August 23, 1995 and the gypsum wallboard is marketed in the region under the trade name MoreRock. Because of numerous engineering deficiencies with the plant equipment and the unusually harsh winter, the plant did not obtain expected levels of production and sales until late April 1996. (see attached shipping report)

Comments

Continental Gypsum finds two major mandates in the Final Judgment that are onerous and do in fact threaten the viability of this new company. They are as follows:

IX. PRESERVATION OF ASSETS—page 14 paragraph B ''Defendant shall use all reasonable efforts to maintain and increase sales of gypsum board produced at its Buchanan and Wilmington plants, and defendant shall maintain at 1995 or previously approved levels, whichever are higher,'' * * * This mandate obviously ignores the additional capacity that Continental Gypsum has brought to the region. It is not possible that Continental could bring at least 270,000 MSF of supply into the market without competitors giving up a portion of their market share. The Buchanan and Wilmington plants are in fact situated in the heart of Continentals prime market. The mandate that they maintain sales at 1995 levels, or higher, basically implies that there is no room in the market for Continental.

IV. DIVESTITURES—page 5, paragraph A. sub. (iii) ''at the option of the purchaser or purchasers, enter into a supply contract for gypsum rock (which may or may not include transportation) and/or gypsum linerboard paper sufficient to meet all or part of the capacity requirements of the Buchanan and Wilmington plants over a period up to (10) years; '* * * Continental currently purchases some of its linerboard paper from Georgia Pacific's Delair, N.J. papermill. Additionally, Georgia Pacific is considered to be a primary source of gypsum ore and in fact did quote on our ore requirements for the 1996 calendar year. The mandate that Georgia Pacific provide the purchaser(s) with supply contracts for the gypsum rock and gypsum linerpaper will seriously restrict Continentals ability to source these vital raw materials both in in the present and in the future.

Summation

The overall thrust of the Final Judgment appears to be concerning the concentration of supply with only a few manufactures within the region. While the concentration of supply should be of concern, the far more important factor influencing competitive pricing is the fundamental law of supply relative to demand. This is clearly evidenced by the fact that prices eroded up to $15.00/MSF within the first three months of Continental's entry into the market. In fact, Continental Gypsum is the only player that brings new supply into the region. The divestiture of Buchanan and Wilmington does nothing towards creating more supply. A more compelling case can be made that if Continental Gypsum is forced into closure that the consumer would be damaged far more than the creation of change of ownership of two plants.

It is further our concern that the Final Judgment gives Georgia Pacific license to become predatory against Continental and if Continental is forced to closure, then the Buchanan and Wilmington plants will have more value as a result of the divestiture mandate.

In conclusion, for the aforementioned reasons, we believe that the Final Judgment be amended by:

(1) Rescinding the mandate that Georgia Pacific maintain 1995 levels of sales (or higher) during the 150 day divestiture period. The only mandate should be that Georgia Pacific should not be allowed to transfer any sales from Buchanan and Wilmington to their other plants, namely Camden, N.J. and the Newington, N.H.

(2) Continental Gypsum should be afforded the same opportunity to negotiate supply agreements with Georgia Pacific for the purchase of gypsum ore and gypsum linerpaper on an equal basis of the purchaser(s) of the Buchanan and Wilmington plants.

Thank you very much for your consideration in this matter.

Respectfully,

Morgan A. Chivers,

Chairman of the Board & C.O.O.

Rhyne Simpson, Jr.,

President.

Justin M. Dempsey.

The attached document was not able to be published in the Federal Register. A copy can be obtained from the U.S. Department of Justice, Legal Procedures Office at 325 7th Street, N.W., Room 215, Washington, D.C. 20530 (telephone: 202–514–2481).

[FR Doc. 96–16445 Filed 6–26–96; 8:45 am]

BILLING CODE 4410–01–M

DEPARTMENT OF LABOR

Office of the Secretary

Submission for OMB Review; Comment Request

June 21, 1996.

The Department of Labor (DOL) has submitted the following public information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (Pub.L. 104–13; 44 U.S.C. Chapter 35). A copy of this individual ICR, with applicable supporting documentation, may be obtained by calling the Department of Labor Acting Departmental Clearance Officer, Theresa M. O'Malley ([202] 219–5095). Individuals who use a telecommunications device for the deaf (TTY/TDD) may call [202] 219–4720 between 1:00 p.m. and 4:00 p.m. Eastern time, Monday through Friday.

Comments should be sent to Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for Departmental Management, Office of Management and Budget, Room 10235, Washington, DC 20503 ([202] 395–7316), within 30 days from the date of this publication in the Federal Register.

The OMB is particularly interested in comments which:

• Evaluate whether the proposed collection of information is necessary

for the proper performance of the functions of the agency, including whether the information will have practical utility;

• Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

• Enhance the quality, utility, and clarity of the information to be collected; and

• Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Agency: Departmental Management—Chief Financial Officer.

Title: Disclosure of Information to Credit Reporting Agencies; Administrative Offset, Interest, Penalties and Administrative Costs.

OMB Number: 1225–0030.

Affected Public: Individuals or households; Business or other for-profit; Not-for-profit institutions; Farms; Federal Government.

Cite/reference	Total respondents	Frequency	*Total responses	Average time per response	Burden
29 CFR 20.7	2,000	On occasion	2,000 (×2)	1.75 hours	7,000 hours.
29 CFR 20.25	500	On occasion	500 (×2)	1.75 hours	1,750 hours.
29 CFR 20.61	1,000	On occasion	1,000 (×2)	1.75 hours	3,500 hours.
Totals	3,500		3,500 (×2)		12,250 hours.

Total Annualized capital/startup costs: 0.

Total annual costs (operating/maintaining systems or purchasing services): 0.

Description: This information is collected from debtors to assist in determining whether an individual or organization is actually indebted to the Department of Labor, and if so indebted, to evaluate the individual's or organization's ability to repay the debt.

Theresa M. O'Malley,

Acting Departmental Clearance Officer.

[FR Doc. 96–16456 Filed 6–26–96; 8:45 am]

BILLING CODE 4510–23–M

Employment and Training Administration

Labor Surplus Area Classification Under Executive Orders 12073 and 10582; Notice to Addition to the Annual List of Labor Surplus Areas

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice.

DATES: This addition to the annual list of labor surplus area is effective June 1, 1996.

SUMMARY: The purpose of this notice is to announce an addition to the annual list of surplus areas.

FOR FURTHER INFORMATION CONTACT: William J. McGarrity, Labor Economist, USES, Employment and Training Administration 200 Constitution Avenue, NW., Room N–4470, Attention: TEESS, Washington, DC 20210. Telephone: 202–219–5185, ext. 129.

SUPPLEMENTARY INFORMATION: Executive Order 12073 requires executive agencies to emphasize procurement set-asides in labor surplus areas. The Secretary of Labor is responsible under that Order for classifying and designating areas as labor surplus areas. Executive agencies should refer to Federal Acquisition Regulation Part 20 (48 CFR Part 20) in order to assess the impact of the labor surplus area program on particular procurements.

Under Executive Order 10582 executive agencies may reject bids or offers of foreign materials in favor of the lowest offer by a domestic supplier, provided that the domestic supplier undertakes to produce substantially all of the materials in areas of substantial unemployment as defined by the Secretary of Labor. The preference given to domestic suppliers under Executive Order 10582 has been modified by Executive Order 12260. Federal Acquisition Regulation Part 25 (48 Part 25) implements Executive Order 12260. Executive agencies should refer to Federal Acquisition Regulation Part 25 in procurements involving foreign businesses or products in order to assess its impact on the particular procurements.

The Department of Labor regulations implementing Executive Orders 12073 and 10582 are set forth at 20 CFR Part 654, Subparts A and B. Subpart A requires the Assistant Secretary of Labor to classify jurisdictions as labor surplus areas pursuant to the criteria specified in the regulations and to publish annually a list of labor surplus areas. Pursuant to those regulations the Assistant Secretary of Labor published the annual list of labor surplus areas on October 12, 1995, (60 FR 53208).

Subpart B of Part 654 states that an area of substantial unemployment for purposes of Executive Order 10582 is any area classified as a labor surplus area under Subpart A. Thus, labor surplus areas under Executive Order 12073 are also areas of substantial unemployment under Executive Order 10582.

The area described below has been classified by the Assistant Secretary as a labor surplus area pursuant to 20 CFR 654.5(b) (48 FR 165615 April 12, 1983) and is effective June 1, 1996.

The list of labor surplus areas is published for the use of all Federal agencies in directing procurement activities and locating new plants or facilities.

ADDITION TO THE ANNUAL LIST OF LABOR SURPLUS AREAS

[June 1, 1996]

Labor surplus areas	Civil jurisdictions included
Washington:	
Richland-Kennewick-Pasco Metropolitan Statistical Area (MSA).	Benton County. Franklin County.

Signed at Washington, DC on June 20, 1996.

Timothy M. Barnicle,

Assistant Secretary.

[FR Doc. 96–16457 Filed 6–26–96; 8:45 am]

BILLING CODE 4510–30–M

Employment Standards Administration

Proposed Collection; Comment Request

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden,