ANALYSIS OF PROPOSED AGREEMENT CONTAINING CONSENT ORDERS TO AID PUBLIC COMMENT

In the Matter of Air Products and Cherais, Inc., File No. 101 0093

I. Introduction

The Federal Trade Commissi

II. The Parties

Air Products is a lobal supplier of industrial, medil; and speialty gases of use in a variety of industries, including ealth cae, technology, and enegy. Air Products is the soud-largest industrial gs supplier in the United States with 32 liquid atmosphenise popularity plants throughout the United States.

Airgas is the fifth-lagest industrial gs supplier in the United States. gais operates 16 liquid atmospheric gas-producing plants in the United States, most of which are concentrated in the Eastern United States. Airgas also is the largest U.S. distributor of packaged industrial, medical, and specialty gases and hardgoods, such as welding equipment and supplies.

III. The Products and Structure of the Markets

Both Air Produts and Airgas own ad operte ASUs in the United States that produc liquid atmospheric gases, including liquid

suppliers to obtain liquid gasto service the new etrant's customers while the ASU was constructed. Given the difficulties of entry it is unlikely that new etry could be acomplished in a timelymanner in the bulk liquid oxen and nitrogn makets to defet a likelyprice increase aused by the proposed aquisition.

VI. The Consent Agreement

The proposed Consent Agreement remedies the acquisition's likely anticompetitive effects in the makets for bulk liquid oxygen and bulk liquid nitrogen. Pursuant to the Consent Agreement, Air Products will divest all of the Aiass business and seats relating the manufactureor sale of bulk liquid oxygen and nitrogen in the identified gographic markets. The Consent Agreement provides that Air Productmust find a busyr for the ASUs, at no minimum price, that is acceptable to the Commission, no later than formanths from the date on which Air Products consummates its acquisition of Airgas. If Air Products is unable to consummate the equisition by February 15, 2011, however the Commission its discretion, may require Air Products to seek for approvator a buyer before Air Products car close any transaction with Airgas. This provision provides the Commission an opportunity of evaluate the continued availability of acceptable purchasers — if, for example, economic conditions were to deteriorate significantly — if the closing of the Air Products-Airgas transaction takes place after February 15, 2011.