

*The two companies must sell 2,431 gas stations, along with a refinery and some other assets, in creating a new company that will produce 3.8 percent of the world's oil.*



# Exxon, Mobil move to meet conditions as merger OK'd

By H. JOSEF HEBERT  
Associated Press

WASHINGTON — Exxon and Mobil moved swiftly yesterday to conclude their \$81 billion merger after federal regulators cleared the way — with conditions.

The merger, which creates the world's largest privately held oil company, reunites two of the biggest remnants of the 1911 government breakup of John D. Rockefeller's Standard Oil empire.

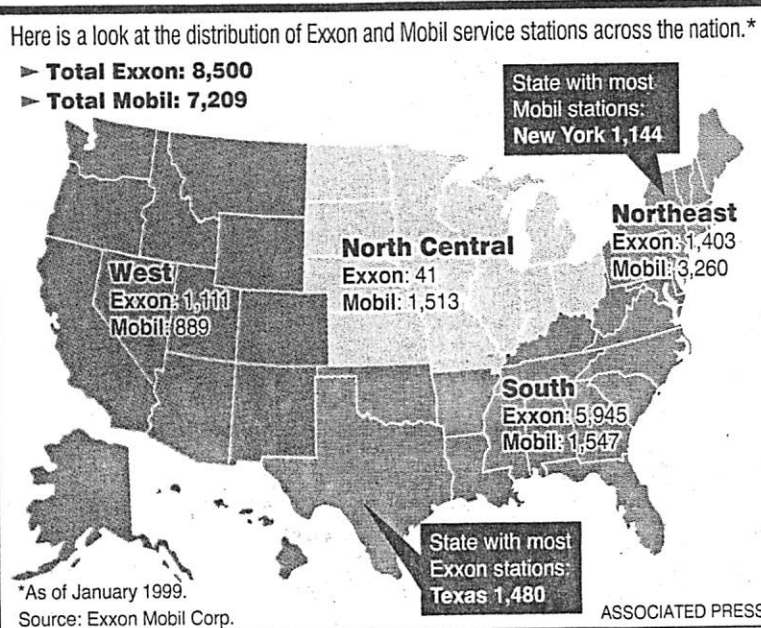
Company executives said they would comply with government requirements that the new oil giant sell 2,431 of its nearly 16,000 gas stations, specifically those in the Northeast, Texas and California. It must also sell a refinery and other assets.

"This settlement should preserve competition and protect consumers from inappropriate and anti-competitive price increases," said Federal Trade Commission Chairman Robert Pitofsky.

Within minutes of the FTC action, executives of the two companies filed papers in New Jersey and Delaware, where Exxon and Mobil had been registered, to create the new Exxon-Mobil, a company producing 3.8 percent of the world's oil with 120,000 employees and \$138 billion in assets.

The New York Stock Exchange announced that beginning today the Exxon and Mobil symbols would be scrapped. The new company will trade under a new Exxon-Mobil symbol, XOM.

Without conditions, the FTC said, the new company would violate antitrust laws and "significantly in-



jure competition" in some parts of the country.

The FTC required under a settlement agreement, also endorsed by 13 states, that:

- Exxon-Mobil within nine months must sell 1,740 service stations from Virginia to Maine. Exxon must jettison all its stations in the six New England states and New York, while Mobil must sell its stations in New Jersey, Pennsylvania, Delaware, Maryland, Virginia and Washington, D.C.

- Exxon must sell all 360 of its gas stations in California as well as a refinery at Benicia, Calif.

- Mobil must sell 319 stations in Texas including those in Dallas,

Houston, Austin, San Antonio and College Station.

- Mobil must sell oil terminals in Boston and Washington, D.C.

The new company also must sell some pipeline and other assets.

Public Citizen, a consumer and environmental advocacy group, said the merger will create a market dominance that "is likely to lead to higher prices at the gas pumps."

Company executives have defended the merger as a way to reduce costs and allow them to compete worldwide against government-owned oil companies in Saudi Arabia, Mexico and Venezuela that are even larger than the combined Exxon-Mobil.

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