

SECURITIES AND EXCHANGE COMMISSION

FORM SC 14D1/A

Tender offer statement. [amend]

Filing Date: **1996-01-11**
SEC Accession No. **0000891836-96-000004**

([HTML Version](#) on [secdatabase.com](#))

SUBJECT COMPANY

CBI INDUSTRIES INC /DE/

CIK: **310431** | IRS No.: **363009343** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **SC 14D1/A** | Act: **34** | File No.: **005-30135** | Film No.: **96502905**
SIC: **2810** Industrial inorganic chemicals

Business Address
800 JORIE BLVD
OAK BROOK IL 60522
7085727000

FILED BY

PX ACQUISITION CORP

CIK: **1003013**
Type: **SC 14D1/A**

Mailing Address
39 OLD RIDGEBURY ROAD
DANBURY CT 06810-5113

Business Address
39 OLD RIDGEBURY ROAD
DANBURY CT 06810-5113
203837200

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1

(Amendment No. 18)

Tender Offer Statement
(Pursuant to Section 14(d)(1) of the Securities Exchange Act of 1934)

CBI Industries, Inc.
(Name of Subject Company)

Praxair, Inc.
PX Acquisition Corp.
(Bidders)

Common Stock, \$2.50 par value per share (and the associated Rights)
(Title of Class of Securities)

124800-10-3
(CUSIP Number of Class of Securities)

David H. Chaifetz
Vice President, General Counsel
and Secretary
Praxair, Inc.
39 Old Ridgebury Road
Danbury, Connecticut 06810-5113
(203) 837-2000

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications on Behalf of Bidder)

Copies to:
Neil T. Anderson, Esq.
Sullivan & Cromwell
125 Broad Street

2

This Amendment No. 18 amends and supplements the Tender Offer Statement on Schedule 14D-1, as amended (the "Schedule 14D-1"), originally filed by Praxair, Inc., a Delaware corporation ("Praxair"), and PX Acquisition Corp., a Delaware corporation (the "Purchaser"), on November 3, 1995 relating to the tender offer disclosed therein to purchase all of the outstanding Shares (including any associated Rights) upon the terms and subject to the conditions set forth in the Offer to Purchase, dated November 3, 1995, and the related Letter of Transmittal. Capitalized terms used and not defined herein shall have the meanings set forth in the Schedule 14D-1.

Item 10. Additional Information.

Item 10 is hereby amended and supplemented by adding thereto the following:

(c) The Commissioners of the FTC have voted to accept the consent agreement between Praxair and the FTC. Details are contained in the FTC press release attached hereto as Exhibit (a) (36) and Praxair's press release attached hereto as Exhibit (a) (37).

Item 11. Material to be Filed as Exhibits.

Item 11 is hereby amended and supplemented by adding thereto the following:

(a) (36) Text of FTC press release dated January 11, 1996.

(a) (37) Text of Praxair press release dated January 11, 1996.

3

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 11, 1996

PRAXAIR, INC.

By: /s/ David H. Chaifetz
Name: David H. Chaifetz
Title: Vice President,

PX ACQUISITION CORP.

By: /s/ David H. Chaifetz
Name: David H. Chaifetz
Title: President-Secretary

1

INDEX TO EXHIBITS

Exhibit No.	Description	Sequentially Numbered Pages
(a) (36)	Text of Federal Trade Commission press release dated January 11, 1996.	
(a) (37)	Text of Praxair press release dated January 11, 1996.	

FTC news

Federal Trade Commission Washington, D.C. 20580 (202) 326-2180

FOR RELEASE: JANUARY 11, 1996

PRAXAIR TO SETTLE FTC CHARGES OVER CBI ACQUISITION;
WILL DIVEST FOUR CBI PLANTS TO RESTORE COMPETITION

Praxair, Inc. has agreed to divest four atmospheric gases production plants to settle Federal Trade Commission charges that its \$2 billion acquisition of CBI Industries, Inc. would violate federal antitrust laws, reduce competition and raise prices in the market for atmospheric gases produced off-site for industrial customers in several areas of the country.

Praxair, based in Danbury, Connecticut, is the largest supplier of industrial gases, including atmospheric gases, in America, and the third largest supplier worldwide. CBI, which competes with Praxair, is headquartered in Oak Brook, Illinois.

The products at issue in the case are "merchant" atmospheric gases -- nitrogen, oxygen and argon -- supplied to customers via tanker truck or in cylinders (as opposed to atmospheric gases produced for customers on-site or near their production facilities.) Merchant nitrogen is used in industrial applications such as heat treating, chemical blanketing and freezing. Merchant oxygen is used in foundries, steel and glass production and for medical purposes. Merchant argon is primarily used for welding. There are no adequate substitutes for any of the three gases, the FTC alleged.

According to the FTC complaint detailing the charges, the acquisition would reduce competition in the merchant oxygen and nitrogen markets in both northern and southern California, and also would reduce competition for merchant nitrogen, oxygen and argon in eastern Connecticut and western Wisconsin/southeastern Minnesota. Entry by a new firm in those markets would be time consuming, costly and unlikely, the complaint say. Thus, the proposed acquisition would violate federal antitrust laws in those areas by:

-- eliminating direct competition between Praxair and CBI;

-- enhancing the likelihood of collusion or other anticompetitive practices among the remaining competitors in California;

-more-

2

(Praxair--1/11/96)

-- eliminating competition between the two closest competitors in eastern Connecticut and the two closest competitors in western Wisconsin and southeastern Minnesota;

-- increasing the likelihood that Praxair would unilaterally exercise market power in eastern Connecticut, western Wisconsin and southeastern Minnesota; and

-- increasing the likelihood that prices for the gases would increase in those geographic areas.

The proposed consent agreement to settle the charges and restore competition would require Praxair to divest, individually or in some combination, CBI's atmospheric gas production facilities in Vacaville and Irwindale, California; Bozrah, Connecticut; and Madison, Wisconsin. The proposed divestitures would have to be completed within 12 months from the date the order becomes final. If Praxair were to fail to divest the assets within the specified time frame, the Commission could appoint a trustee to divest the four plants.

To remedy any anticompetitive effects of the acquisition pending divestiture, Praxair must maintain the four CBI production facilities as viable, independent competitors of Praxair's nearby plants. Accordingly, Praxair has agreed to hold the plants separate from its other businesses and take steps to assure that no confidential information is exchanged between the plants and those other businesses.

The Commission vote to accept the proposed consent agreement for public comment was 5-0. The proposed consent agreement will be published in the Federal Register shortly and will be subject to public comment for 60 days, after which the Commission will decide whether to make it final. Comments should be addressed to the FTC, Office of the Secretary, 6th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580.

NOTE: A consent agreement is for settlement purposes only and does not constitute an admission of a law violation. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of \$10,000.

Copies of the complaint, the proposed consent agreement and an analysis of the agreement to aid the public in commenting, are available from the FTC's Public Reference Branch, Room 130, at the address listed above; 202-326-2222; TTY for the hearing impaired 202-326-2502. To find out the latest news as it is announced, call the FTC NewsPhone recording at 202-326-2710. FTC news releases and other materials also are available on the Internet at the FTC's World Wide Web site at: <http://www.ftc.gov>

#

MEDIA CONTACT: Claudia Bourne Farrell, Office of Public Affairs
202-326-2181

STAFF CONTACT: James H. Holden, Jr., or Christina Perez, Bureau of
Competition
202-326-2682

(FTC File No. 961 0017)

(Praxair)

CONTACTS:

Thomas M. Daly, Jr.	Nigel D. Muir	Investor Relations
Roy Winnick	Praxair, Inc.	Scott S. Cunningham
Kekst and Company	203-837-2240	Praxair, Inc.
212-593-2655		203-837-2073

PRAXAIR CONFIRMS ACCORD WITH FTC ON CBI ACQUISITION

DANBURY, Conn., January 11, 1996 -- Praxair, Inc. (NYSE: PX) today confirmed it has reached agreement with the U.S. Federal Trade Commission concerning its acquisition of the outstanding common shares of CBI Industries, Inc., and announced that it expects the tender offer of \$33 per share to proceed as scheduled and expire at midnight Eastern time, Thursday, January 11.

Under the terms of the FTC agreement, Praxair has signed a consent order to divest within twelve months the merchant industrial gases assets and businesses of CBI liquid oxygen, nitrogen and argon production facilities located in Vacaville, Calif; Irwindale, Calif; Bozrah, Conn.; and Madison, Wisc.

To manage the assets during the divestiture process, Praxair is creating a separate corporation that will be operated independently of Praxair, except for FTC compliance issues.

In a separate development, Praxair said it was pleased that, following a thorough review of the CBI acquisition, both Moody's Investor Service Inc. and Standard & Poor's have reaffirmed their credit ratings on Praxair's long term and short term debt obligations. Moody's ratings remain A3 for senior unsecured debt and Prime-2 for commercial paper. Standard & Poor's reported affirmation of its Triple-B-Plus for Praxair's senior unsecured debt, its preliminary Triple-B-Plus on the company's Rule 415 shelf debt, and its A-2 commercial paper rating.

Praxair is the largest industrial gases company in North and South America, and one of the largest worldwide, with 1994 sales of \$2.7 billion. The company produces, sells and distributes atmospheric, process and specialty gases, and high-performance surface coatings. Praxair is a leader in the

commercialization of new technologies that bring productivity and environmental benefits to a diverse group of industries.

###