

Ref: GB/ta

3rd October 2011

Mr. J. Doyle
Competition Commission
Victoria House
Southampton Row
London
WC1B 4AD

Dear Mr Doyle,

ANGLO AMERICAN (TARMAC)/LAFARGE MERGER INQUIRY

Many thanks for the opportunity to comment and put forward the views of Frimstone Limited on the proposed joint venture.

Frimstone are an independently owned aggregates and recycling business operating a number of small sites throughout East Anglia. The business supplies a full range of Quality Assured primary and secondary aggregates but does not produce ready mixed concrete, concrete products or tarmacadam products. Frimstone has no formal relationships with either Tarmac or Lafarge although we have purchased both ready mixed concrete and some drystone aggregates from both businesses.

Frimstone regularly purchase ready mixed concrete in the Norfolk and Cambridgeshire markets and we have serious concerns over the continued competitiveness following the proposed merger. Tarmac have a 50% shareholding in C&H Quickmix Limited who are a major supplier in Norfolk and I believe a 'stand off agreement' is in place restricting Tarmac's ability to put one of their own plants in this market and more worryingly preventing C&H from pricing outside of a defined area. Lafarge have a number of plants throughout the region one of which is adjacent to a C&H Quickmix plant. We think the whole situation in East Anglia requires a comprehensive review.

The drystone situation is also of some concern, in Norfolk Lafarge have two sand and gravel pits within a 5 mile radius of Norwich City Centre, Mangreen and Easton as well as a rail head in the middle of the city. Tarmac have two operational sites at Trafford and Bittering serving the same market and are currently in the process of opening up a new site at Spixworth again within 5 miles of Norwich City Centre. This we feel will put the Joint Venture Company in a very dominant position.

To summarise, Frimstone believe that the proposed merger would seriously compromise the competitiveness in the East Anglian drystone and ready mixed concrete markets. If the merger were to go ahead then some serious thought needs to be given to the JV Company disposing of some of its assets in both ready mixed concrete and drystone.

I look forward to your comments.

Yours sincerely

G. Bell
Managing Director