

MAINE STATE LEGISLATURE

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State of Maine

Department of Attorney General

PETROLEUM MARKET SHARE ACT

**REPORT OF THE ATTORNEY GENERAL
TO THE MAINE LEGISLATURE
PURSUANT TO 10 M.R.S.A § 1677**

**FOR THE REPORTING PERIOD
1996-1997**

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March 27, 1998

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State of Maine
Department of the Attorney General

ANNUAL REPORT OF THE ATTORNEY GENERAL
TO THE MAINE LEGISLATURE
PURSUANT TO 10 M.R.S.A. 1677

March 27, 1998

I. EXECUTIVE SUMMARY

This Report is provided by the Attorney General to the Legislature pursuant to Maine's Petroleum Market Share Act ("PMSA"), 10 M.R.S.A. 1671 -1682. The Report represents a view of competition in retail petroleum markets in Maine at the midpoint of calendar year 1997. It is based on data reported to the Attorney General by petroleum wholesalers in accordance with the requirements of the statute. Retail petroleum markets, whether for home heating oil ("HHO") or gasoline ("MFO"), are local markets. The data reported enable the Attorney General to determine how many competitors are active in each of these markets, and what market share each competitor has.

The PMSA has become a linchpin of the Attorney General's antitrust enforcement effort in petroleum markets. Simply put, the ready availability of accurate data means that the Attorney General can determine, rapidly and efficiently, whether a proposed petroleum merger or acquisition will violate antitrust law. Similarly, the data enables the Attorney General to reliably inform the Legislature concerning competitive trends, *i.e.*, whether the level of competition in a given market is increasing or decreasing.

This Report shows that, in mid-1997, Maine's retail HHO markets were in general relatively concentrated. This means that levels of competition within these markets were

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generally low. The most concentrated, least competitive, markets were those along Maine's southern and western borders, those in pockets along the coast (Midcoast, Ellsworth, Mt. Desert) and those located in the remote interior (e.g. Jackman/Greenville, Dover-Foxcroft, Lincoln). A single refiner held significant market share in ten of thirty-three markets.

It is difficult to draw conclusions regarding trends in HHO markets. Viewed from a statewide perspective, the impression would be one of stability in overall levels of competition. Median and average levels of concentration have been stable across five reporting periods, 1992-1997. Of the thirty-three markets, twenty-four have exhibited varying degrees of stability; only one (Lincoln) has moved consistently toward greater concentration; only three (Cherryfield/Machias, Woodland/Calais, Jackman/Greenville) have shown a consistent trend toward deconcentration. In two markets (Midcoast, Bath/Brunswick) a marked trend toward concentration was dramatically reversed in the two most recent reporting periods; in three others (Waterville, Rumford/Rangeley, York), instability tending toward increasing concentration was noted.

With respect to MFO, the Report portrays relative overall stability. Of sixteen county markets, fourteen remained relatively stable, one (Sagadahoc) exhibited a recent trend toward concentration, and one (Oxford) showed consistent movement toward deconcentration. The highest concentrations were registered along western and northern borders, downeast, and in the remote interior, as well as in one anomalous coastal pocket (Sagadahoc). A single refiner was dominant in eleven of Maine's sixteen counties.

The relatively high levels of concentration (and low levels of competition) in some markets do not necessarily mean that Maine consumers are currently being forced to pay higher prices for product than their counterparts in other states. However, increasing concentration in a

given market will be a legitimate concern even when it is not immediately accompanied by higher prices. This is because a trend toward concentration is likely to produce higher prices in the long term, while in the near term it may be accompanied by anticompetitive practices, such as predatory pricing.

The PMSA is scheduled for sunset on September 1, 2000. The statute represents an essential early warning system, capable of alerting the Attorney General and the Legislature to the need for enforcement action, or for legislation to address the unique problems which could arise in Maine's petroleum markets in the years ahead.

II. INTRODUCTION

The central purpose of Maine's Petroleum Market Share Act ("PMSA"), 10 M.R.S.A. 1671 -1682, is to provide the Attorney General with the ability to monitor levels of concentration in Maine's retail petroleum markets on a current basis. The perception that this monitoring function was both advisable and necessary arose out of a concern that a refiner or refiners could use the advantage conferred by vertical integration¹ to stake out a dominant position in Maine's retail petroleum markets, whether by a program of acquisitions, or otherwise. Indeed, the PMSA was adopted as a moderate alternative to so-called "divorcement" legislation, which would have barred refiners from Maine's retail petroleum markets altogether.

Levels of concentration are also a matter of general concern for reasons of antitrust policy. As levels of concentration in a given market rise, it becomes more likely that a single firm, or group of firms, could successfully exercise market power to levy monopoly profits by charging higher prices. In a rapidly evolving market environment, access to current data regarding levels of concentration is critical to effective antitrust enforcement. It is equally

¹ A vertically integrated refiner enjoys two principal advantages over nonintegrated competitors in retail petroleum markets. First, the refiner is independent of the vagaries of wholesale markets; second, the refiner can pass along to its retail arm any economies realized in upstream phases of its integrated operation.

critical to a review of legislative options, and to a determination as to whether more drastic legislative remedies, such as divorcement, merit consideration or adoption. See 10 M.R.S.A. 1677.

Under the PMSA, the Attorney General reports to the Legislature annually. The required report comprises two elements: first, a recommendation concerning the need for further legislation; and second, an assessment of "the concentration of retail outlets in the State or in sections of the State." The required report may not disclose the identity of any particular retailer or retail outlet. Id.

The report which follows is divided into two sections. In the first, following an explanation of the antitrust methodology used, we evaluate levels of concentration and review trends. In the final section, we conclude that further legislation is not currently needed.

III. LEVELS OF CONCENTRATION IN MAINE'S RETAIL PETROLEUM MARKETS

A. Methodology

The methodology employed by the Attorney General to assess levels of concentration in Maine's retail petroleum markets, as reflected in this report, is essentially the same methodology used by the U.S. Department of Justice, the Federal Trade Commission and the Attorneys General of the several states in evaluating the legality of any given merger or acquisition under applicable antitrust law. Since the Attorney General has been notably active in enforcing Maine's merger law, 10 M.R.S.A. 1102-A, in recent years, this office has developed a familiarity with, and expertise in the required analysis.

1. Market Definition. The first step in this analysis is to define the relevant product and geographical markets. The product markets on which this report will focus are the retail markets

for HHO and MFO as defined in the PMSA. HHO is defined as "#2 fuel oil sold for heating residential, industrial or commercial space or water". MFO "means internal combustion fuel sold for use in motor vehicles" as more fully defined in 29 M.R.S.A. §1(7). See 10 M.R.S.A. §1672(3) and (4).²

The relevant geographic markets are more problematic. In layman's terms, the task of defining the relevant geographic market is essentially one of determining who competes against who in a given locality or region. Market definition is not an exact science. Few markets can be geographically delineated with absolute certainty that the chosen contours accurately reflect human economic behavior. For better or for worse, the task of defining a geographic market will always be one of approximation.

The Attorney General has taken quite different approaches to defining geographic markets within the State for HHO on the one hand, and MFO on the other. In the case of HHO, we have conducted a series of interviews with a number of persons knowledgeable in and about the petroleum industry in this State.³ On this basis, we have divided the State into thirty-three separate geographic markets which, we believe, represent a fair approximation of economic and competitive realities. A map depicting these markets is attached hereto as Appendix A. While we have no doubt that it will prove necessary to refine our conception of the boundaries of these markets over time, and would welcome comment from any reader of this report, we remain confident that the HHO geographic markets analysed here would (minor modifications aside) stand up to antitrust scrutiny in any forum.

² In general, HHO and MFO, as defined in the statute, are properly susceptible of antitrust analysis as distinct product markets.

³ The assistance of Eugene Guilford, President of the Maine Oil Dealers Association, is particularly acknowledged.

Markets for MFO within the State, however, operate differently from those for HHO. While HHO markets typically encompass a geographic region, however limited -- for example, the St. John Valley, or Mount Desert Island -- MFO markets may be more localised. The task before us here, however, is not the analysis of a merger in a local market. We have determined that for purposes of monitoring broad trends toward concentration across the State, to focus on such narrow geographic markets would be counterproductive. Instead, we employ Maine's sixteen counties as hypothetical MFO geographic markets.⁴ Wherever a trend toward concentration is observed within these hypothetical markets, a fuller and more accurate analysis can be brought to bear, in order to pinpoint the geographic sources of the trend.

2. Herfindahl-Hirschman Index. No market is perfectly competitive, and there are varying degrees of competition. The most important factor affecting competition in a given market is the level of concentration.⁵ Federal and state antitrust agencies (including the Department) employ the Herfindahl-Hirschman Index (HHI) to measure market concentration.⁶ The HHI is arrived at by squaring the market shares of all the competitors in a given market. This simple mathematical device expresses the insight that market power increases exponentially in proportion to market share. Federal antitrust guidelines used by the Department in merger enforcement indicate that a market with an HHI of 1000 or less should be viewed as unconcentrated (and therefore likely to function competitively).⁷ A market with an HHI between

⁴ Use of county markets also permits a meaningful integration of MFO bulk sales to end users into the calculation of market share.

⁵ That competition in turn represents the best guarantee to consumers of high quality and low price needs no emphasis here.

⁶ DOJ/FTC Horizontal Merger Guidelines, 57 Fed. Reg. 41552 (1992).

⁷ For example, ten firms with market shares of 10% each would yield an HHI of 1000 (10 squared x 10).

1000 and 1800 is described as moderately concentrated; while any HHI over 1800 is termed highly concentrated.⁸ A market in the highly concentrated category is subject to a high degree of market power.

We have used the HHI in this report to quantify, compare and evaluate levels of concentration in Maine's retail petroleum markets. Our analysis of levels of concentration in HHO markets tracks the categories reflected in federal guidelines. Thus, an HHO market with an HHI under 1000 is referred to as "unconcentrated"; an HHI in the 1000 -1800 range is described as "moderately concentrated"; and an HHI in the 1800 - 2500 range is termed "highly concentrated". We add a new appellation for markets above 2500 points, which are referred to as "extremely concentrated."

For MFO markets we have employed different categories in order to reflect the fact that the county geographic markets arbitrarily used to facilitate the analysis inevitably understate levels of concentration. Thus, for MFO, an HHI below 500 is "unconcentrated"; 500 -1000 is "moderately", and 1000 -1800 is "highly concentrated". The "extremely concentrated" designation is reserved for MFO markets above 1800.

B. Levels Of Concentration

Data assembled from reports submitted by wholesalers and refiners pursuant to the PMSA have permitted us to calculate the annual gallonage supplied to each HHO and MFO retailer and retail outlet located in the State. These annual gallonage figures, in turn, provide the basis for arriving at the percentage market shares held by each retailer in every geographic market in the State. We have calculated HHIs by squaring the percentage market shares arrived

⁸ For example, a market comprising five firms with market shares of 20% each would yield an HHI of 2000 (20 squared x 5).

at for each competitor, and deriving a total figure for each market. These HHI figures are set forth in Appendix B below.

1. Overview: Retail Home Heating Oil Markets. Levels of concentration in Maine's retail HHO markets remain high, despite an apparent trend toward gradual improvement overall. Only two of thirty-three markets (Augusta and Portland) could be characterised as unconcentrated, with an HHI below 1000. At the other end of the spectrum, eleven markets showed extremely high levels of concentration, racking up HHI totals over 2500 points each. These were Bethel, Jay, Limerick, Lincoln, Mount Desert, Rumford/Rangeley, St. John Valley, Sanford, South Paris and York.⁹ Marked deterioration in York (up 700 points) and Limerick (up 500 points) was especially noteworthy. On the other hand, marked improvement in Bath-Brunswick (down 1200 points) and Midcoast (down 1600) lent a rosier tone to the overall picture.

Of the remaining twenty markets, nine fell into the 1800 - 2500 point range, and would therefore qualify as highly concentrated under the standards set by federal guidelines; eleven were moderately concentrated, *i.e.*, in the 1000-1800 range. It is noteworthy that most of Maine's urban centers, including Augusta, Bangor, Bath-Brunswick, Biddeford/Saco, Lewiston/Auburn, and Portland fell into the unconcentrated or moderately concentrated categories. There were, however, notable exceptions (*e.g.* Waterville, Ashland/Presque Isle).

In regional terms, several generalizations can be made. First, all markets along Maine's western and southern borders remained highly to extremely concentrated. The remote interior (Farmington, Jackman/Greenville, Dover/Foxcroft, Lincoln) was highly to extremely concentrated. Downeast markets were mixed. Ellsworth and Mount Desert remained highly to

⁹ Bethel, while showing some limited improvement, remained above 4000 points. As a reminder, a typical example of a market over 4000 points might consist of three competitors, with 55%, 25% and 20% market shares, respectively.

extremely concentrated; Woodland/Calais and Cherryfield/Machias fell into the moderately concentrated category. Aroostook County markets (Houlton, Ashland/Presque Isle, St. John Valley) remained highly to extremely concentrated. On the other hand, markets along the Interstate 95 corridor from Biddeford to Augusta were either moderately concentrated or unconcentrated. High concentrations in Waterville and Pittsfield/Newport contrasted with moderate levels in Bangor and Old Town. The coast from Brunswick to Bucksport shows signs of improving competitive health, with three markets (Bath-Brunswick, Belfast, Rockland) in the moderate category, and the sole highly concentrated market (Midcoast) registering marked improvement.

Of the ten most concentrated markets in the State, a refiner commanded significant market share in only two. In the other eight extremely concentrated markets, refiners had either no presence or only a modest presence. More broadly, a refiner led the field in seven markets statewide (holding steady from last year; up from five in 1993-1994, down from nine in 1994-1995), and held second place in three others (down from four last year; down from five in 1993-1994). Heightened concern is warranted with respect to those markets combining high concentration with a high level of refiner participation.

Overall, the available data suggests a picture of relative stability, with the average HHI remaining within a range of 335 points over a five year period (a low of 2155 last year, a high of 2490 in 1992-1993) and the median HHI remaining within a range of less than a hundred points.

This overall picture becomes more complicated, however, when one considers market-specific data. Significant movement toward greater concentration was registered in Waterville, Limerick, York and Jay. These markets will bear close observation. Midcoast and Bridgton, while remaining highly concentrated, showed encouraging movement toward

deconcentration, as did Bath-Brunswick (moderately concentrated). Some limited improvement was also discernible in three of the most concentrated markets in the State, Mt. Desert, Sanford and Bethel.

In sum, a comparison of 1996-1997 data for retail HHO markets against those for the preceding four years permits the following comments. First, while overall levels of competition and concentration have remained relatively stable, there are grounds for concern in specific markets which remain extremely concentrated or exhibit a trend toward increasing concentration. Second, it is noteworthy that of the dozen markets where a refiner was a significant participant, refiner market share increased in five, and declined in seven. Of the five markets showing increases in refiner market share, two registered a decline in the Herfindahl index (one showing a very significant decline), while three registered increases in concentration. Of the three markets where increasing concentration was linked to increasing refiner market share, only one exhibited a consistent trend over time toward increasing concentration.

The Attorney General remains concerned by the generally high levels of concentration in this industry.¹⁰ Our concern would increase in the event a consistent trend toward further concentration were to emerge.¹¹ There appear to be localised trends toward further concentration. At this juncture, however, with the exception of a single market, these trends cannot be attributed to increasing refiner participation. Indeed, in many cases, increasing refiner participation appears to be having a beneficial short-term effect on levels of concentration. Of course, it is still too

¹⁰It is important to note that high levels of concentration do not necessarily translate immediately into high retail prices for HHO. However, a trend toward higher levels of concentration could portend higher retail prices in the future. For this reason, the Attorney General will pay close attention to any such trend, and, with an eye to the motivating purpose of the PMSA program, will also pay close attention to the part played by refiners in bringing about any such trend.

¹¹Indeed, a single proposed acquisition in a concentrated market can give cause for concern great enough to warrant an action to bar the transaction under the state merger statute, 10 M.R.S.A. § 1102-A.

early to speak in terms of long-term trends. Accordingly, vigilance and careful monitoring remain the order of the day.

2. Overview: Retail Motor Fuel Oil Markets. Four of the county MFO markets listed in Appendix B fall into the unconcentrated category (Cumberland, York, Knox and Androscoggin); six others are only moderately concentrated (Hancock, Kennebec, Penobscot, Franklin, Lincoln and Waldo). The remainder (Aroostook, Oxford, Piscataquis, Sagadahoc, Somerset and Washington) are highly concentrated; none merits the "extremely concentrated" designation. In all counties, levels of concentration have remained relatively stable over five reporting periods. Two counties (Penobscot and Sagadahoc) showed a consistent, though modest trend toward increasing concentration; one county (Oxford) moved consistently but modestly toward competition.

It remains that the HHI levels shown in Appendix B significantly understate the actual levels of concentration which would be found in the narrower geographic markets suitable for purposes of merger analysis. These HHI figures should not, therefore, be read as a guide to how this office would approach antitrust review of any given transaction.

In nine of Maine's sixteen county MFO markets, at least one competitor enjoyed a market share in excess of 20%; in three of these (up from two), market shares above 30% were registered. Today, a refiner holds first or second place in terms of market share in thirteen of Maine's sixteen counties (up from ten, three years ago), with a leading position in ten of these. In six counties (no change from last year), a refiner held a market share in excess of 20%; a refiner's market share exceeded 30% in two of these counties (up from one). Refiner dominance in so many of Maine's county markets remains a matter for concern.

In MFO markets, a stronger tendency toward concentration is noticeable in western, northern, interior and downeast sections. A tendency toward concentration also obtains in the southern midcoast area (Sagadahoc and Lincoln) -- an apparent anomaly, since other coastal counties (except Washington) were less prone to concentration. The median and average HHIs for the State are indicative of moderate, rather than extreme levels of concentration; these have remained relatively stable (within a range of 300 points) over five reporting periods.

While the relative overall stability of these markets suggests that there is no immediate reason for alarm, the Attorney General is concerned about continued high levels of concentration in six of Maine's sixteen counties. In all but one of these counties, a refiner held significant market share; in two, a refiner registered increases in market share. It is likely that a further increase in refiner market share in these counties would result in greater concentration, and decreasing competition. Continued vigilance, and continued careful monitoring, are therefore warranted.

IV. LEGISLATIVE RECOMMENDATION

The reporting and fee sections of the statute, 10 M.R.S.A. 1673, 1681, contain sunset provisions which automatically repeal those sections as of September 1, 2000. The concept of the PMSA program has been tested in action; initial glitches have been corrected and the program is in operation and working well. The Attorney General is now in a position to follow trends in Maine's petroleum markets on a current basis, and to react swiftly by seeking remedies in court, or in the Legislature should the need arise.

The PMSA program was adopted in the first place because it was felt that in a rapidly evolving market environment, there was a serious risk that routine enforcement would be

ineffective -- that it would accomplish too little, too late. Nothing has intervened to alter that equation, and the risk remains.

Further, the PMSA program was conceived, not as a means of affording the Attorney General a one-time look at levels of concentration in Maine's petroleum markets, but as a means to follow and evaluate trends. It would accordingly be inadvisable to eliminate the program. The problem which the PMSA was designed to address is not likely to go away in the near term; nor should the program itself.

It is the Attorney General's considered view that the PMSA program is working well and remains an essential component of an effective competition strategy for Maine's petroleum markets. Accordingly, no legislative action is recommended at this time.

Respectfully submitted,

Dated: March 27, 1998

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Attorney General



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Assistant Attorney General



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APPENDIX B

This appendix sets forth HHI figures for Maine's retail petroleum markets. As we note in the text above, these are derived from data reported to us by wholesalers and refiners pursuant to the PMSA.

It should be noted that in the case of HHO markets located along the Maine-New Hampshire border, available data do not indicate market shares held by cross-border competitors. Accordingly, HHIs for these markets are based to some extent on estimates. We indicate below wherever an estimate is used.

The Attorney General is forbidden by statute to disclose the identity of any retailer or retail outlet in making his report. The market summaries offered below therefore set forth only (1) geographic location (for HHO markets, reference should be made to the map attached hereto as Appendix A); (2) number of competitors; (3) HHI; and (4) a characterisation of the level of concentration. We have used four characterisations, loosely derived from federal and NAAG guidelines, as follows. For HHO markets, an HHI in the 0 - 1000 range is viewed as "unconcentrated"; in the 1000 - 1800 range, the characterisation is "moderately concentrated"; in the 1800 - 2500 range, an HHI is rated "highly concentrated"; while in the 2500 plus range, the phrase "extremely concentrated " is used. For MFO markets, the use of broad county geographic markets results in understated HHI figures. Accordingly, an index in the 1 - 500 range is seen as unconcentrated; 500 - 1000 as moderately concentrated; 1000 - 1800 as highly, and above 1800 as extremely concentrated.

HHO LEAGUE TABLE				
June 1, '92-May 31, '93	June 1, '93-May 31, '94	June 1, '94-May 31, '95	June 1, '95-May 31, '96	June 1, '96-May 31, '97
Augusta 922	Augusta 714 (-208)	Augusta 696 (-18)	Augusta 775 (+79)	Augusta 777 (+2)
Belfast 984	Belfast 899 (-85)	Portland 1020 (-148)	Portland 776 (-244)	Portland 972 (+196)
Portland 1097	Rockland 1069 (-252)	Rockland 1061 (-8)	Biddeford/Saco 1025 (-532)	Belfast 1052 (-132)
Gray 1281	Portland 1168 (+71)	Gray 1108 (-464)	Rockland 1125 (+64)	Bangor 1104 (-456)
Lincoln 1316	Skowhegan 1317 (-301)	Belfast 1126 (+227)	Gray 1172 (+64)	Rockland 1111 (-24)
Rockland 1321	Biddeford/Saco 1323 (-201)	Skowhegan 1187 (-130)	Belfast 1184 (+58)	Skowhegan 1226 (-18)
Biddeford/Saco 1524	Bangor 1342 (-291)	Lewiston/Auburn 1448 (-69)	Skowhegan 1244 (+57)	Gray 1398 (+226)
Waterville 1548	Waterville 1370 (-178)	Ashland/Presque Isle 1531 (-26)	Waterville 1539 (-71)	Biddeford/Saco 1418 (+393)
Lewiston/Auburn 1613	Lewiston/Auburn 1517 (-96)	Bangor 1550 (+208)	Bangor 1560 (+10)	Lewiston/Auburn 1566 (-223)
Skowhegan 1618	Ashland Presque Isle 1557 (-366)	Biddeford/Saco 1557 (+234)	Woodland/Calais 1631 (-701)	Old Town 1605 (-82)
Bangor 1633	Gray 1572 (+291)	Waterville 1610 (+240)	Old Town 1687 (+56)	Woodland/Calais 1646 (+15)
Old Town 1709	Pittsfield/Newport 1693 (-403)	Old Town 1631 (-366)	Farmington 1772 (-240)	Bath/Brunswick 1669 (-1177)
Bath/Brunswick 1921	Lincoln 1940 (+624)	Houlton 1969 (-113)	Lewiston/Auburn 1789 (+341)	Cherryfield/Machias 1692 (-283)
Ashland/Presque Isle 1925	Rumford/Rangeley 1989 (+63)	Pittsfield/Newport 1971 (+278)	Pittsfield/Newport 1822 (-149)	Ellsworth 1870 (-103)
Rumford/Rangeley 1926	Old Town 1997 (+288)	Ellsworth 2001 (-58)	Dover-Foxcroft 1886 (-666)	Farmington 1877 (+105)
Houlton 1973	Ellsworth 2059 (-108)	Farmington 2012 (-346)	Ashland/Presque Isle 1962 (+431)	Waterville 1976 (+437)
Dover-Foxcroft 2096	Houlton 2082 (+109)	Rumford/Rangeley 2047 (+58)	Ellsworth 1973 (-28)	Houlton 2008 (-43)
Pittsfield/Newport 2096	Bath/Brunswick 2169 (+248)	Cherryfield/Machias 2066 (-486)	Cherryfield/Machias 1975 (-91)	Jackman/Greenville 2058 (-76)
Ellsworth 2167	Dover-Foxcroft 2191 (+95)	Bath/Brunswick 2081 (-88)	Houlton 2051 (+82)	Pittsfield/Newport 2071 (+249)
Cherryfield/Machias 2228	Woodland/Calais 2237 (-1129)	Woodland/Calais 2332 (+95)	Jackman/Greenville 2134 (-1139)	Midcoast 2090 (-1537)
Farmington 2257	Farmington 2358 (+101)	St. John Valley 2400 (-139)	York 2146 (estimate) (-4234)	Ashland/Presque Isle 2128 (+166)
Bridgton 2400 (estimate)	St. John Valley 2539 (+1)	Bridgton 2443 (estimate) (-246)	Limerick 2273 (-674)	Dover-Foxcroft 2187 (+301)
St. John Valley 2538	Cherryfield/Machias 2552(+324)	Lincoln 2469 (+529)	St. John Valley 2513 (+113)	Bridgton 2554 (estimate) (-2681)
Mt. Desert 2762	Bridgton 2689 (estimate) (+289)	Dover-Foxcroft 2552 (+361)	Jay 2789 (-673)	Rumford/Rangeley 2690 (-199)
Limerick 2992	Limerick 3085 (+93)	Limerick 2947 (-138)	Bath/Brunswick 2846 (+765)	Mt. Desert 2768 (-584)
Jay 3211	Jay 3368 (+157)	Jackman/Greenville 3273 (-261)	Rumford/Rangeley 2889 (+842)	Limerick 2776 (+503)
Woodland/Calais 3366	Jackman/Greenville 3534 (-1997)	South Paris 3361 (-797)	Mt. Desert 3352 (-742)	York 2842 (estimate) (+696)
Midcoast 3680	Mt. Desert 4084 (+1322)	Jay 3462 (+94)	Lincoln 3394 (+925)	St. John Valley 2891 (+378)
South Paris 3706	South Paris 4158 (+452)	Mt. Desert 4094 (+10)	Midcoast 3627 (-1921)	Jay 3551 (+762)
Sanford 4000 (estimate)	Midcoast 4190 (+510)	Sanford 4576 (estimate) (+184)	South Paris 3903 (+542)	Lincoln 3673 (+279)
Jackman/Greenville 5531	Sanford 4392 (estimate) (+392)	Bethel 5000 (+59)	Sanford 4313 (estimate) (-263)	Sanford 3829 (estimate) (-484)
Bethel 5634	Bethel 4941 (-693)	Midcoast 5548 (+1358)	Bethel (no change)	South Paris 3989 (+86)
York 8000 (estimate)	York 6855 (estimate) (-1145)	York 6380 (estimate) (-475)	Bridgton (estimate) (+2792)	Bethel 4038 (-962)
AVERAGE 2490	AVERAGE 2387	AVERAGE 2417	AVERAGE 2284	AVERAGE 2155
MEDIAN 1973	MEDIAN 2059	MEDIAN 2047	MEDIAN 1973	MEDIAN 2008

HHO Market Area		6/1/92-5/31/93	6/1/93-5/31/94	6/1/94-5/31/95	6/1/95-5/31/96	6/1/96-5/31/97
01. St. John Valley	Competitors HHI Character	6 2538 Extremely Concentrated	7 (+1) 2539 (+1) Extremely Concentrated	7 (no change) 2400 (-139) Highly Concentrated	6 (-1) 2513 (+113) Extremely Concentrated	9 (+3) 2891 (+378) Extremely Concentrated
02. Ashland/Presque	Competitors HHI Character	19 1925 Highly Concentrated	21 (+2) 1557 (-368) Moderately Concentrated	22 (+1) 1531 (-26) Moderately Concentrated	18 (-4) 1962 (+431) Highly Concentrated	15 (-3) 2128 (+166) Highly Concentrated
03. Houlton	Competitors HHI Character	10 1973 Highly Concentrated	8 (-2) 2082 (+109) Highly Concentrated	8 (no change) 1969 (-113) Highly Concentrated	9 (+1) 2051 (+82) Highly Concentrated	9 (no change) 2008 (-43) Highly Concentrated
04. Lincoln	Competitors HHI Character	10 1316 Moderately Concentrated	13 (+3) 1940 (+624) Highly Concentrated	11 (-2) 2469 (+529) Highly Concentrated	12 (+1) 3394 (+925) Extremely Concentrated	9 (-3) 3673 (+279) Extremely Concentrated
05. Woodland/Calais	Competitors HHI Character	9 3366 Extremely Concentrated	15 (+6) 2237 (-1129) Highly Concentrated	9 (-6) 2332 (+95) Highly Concentrated	15 (+6) 1631 (-701) Moderately Concentrated	15 (no change) 1646 (+15) Moderately Concentrated
06. Cherryfield/Machias	Competitors HHI Character	10 2228 Highly Concentrated	14 (+4) 2552 (+324) Extremely Concentrated	7 (-7) 2066 (-486) Highly Concentrated	13 (+6) 1975 (-91) Highly Concentrated	17 (+4) 1692 (-283) Moderately Concentrated
07. Old Town	Competitors HHI Character	10 1709 Moderately Concentrated	10 (no change) 1997 (+288) Highly Concentrated	11 (+1) 1631 (-366) Moderately Concentrated	10 (-1) 1687 (+56) Moderately Concentrated	10 (no change) 1605 (-82) Moderately Concentrated
08. Ellsworth	Competitors HHI Character	22 2167 Highly Concentrated	20 (-2) 2059 (-108) Highly Concentrated	17 (-3) 2001 (-58) Highly Concentrated	20 (+3) 1973 (-28) Highly Concentrated	18 (-2) 1870 (-103) Highly Concentrated
09. Bangor	Competitors HHI Character	36 1633 Moderately Concentrated	35 (-1) 1342 (-291) Moderately Concentrated	32 (-3) 1550 (+208) Moderately Concentrated	37 (+5) 1560 (+10) Moderately Concentrated	40 (+3) 1104 (-456) Moderately Concentrated
10. Dover-Foxcroft	Competitors HHI Character	9 2096 Highly Concentrated	9 (no change) 2191 (+95) Highly Concentrated	9 (no change) 2552 (+361) Extremely Concentrated	12 (+3) 1886 (-666) Highly Concentrated	10 (-2) 2187 (+301) Highly Concentrated
11. Pittsfield/Newport	Competitors HHI Character	15 2096 Highly Concentrated	13 (-2) 1693 (-403) Moderately Concentrated	10 (-3) 1971 (+278) Highly Concentrated	13 (+3) 1822 (-149) Highly Concentrated	9 (-4) 2071 (+249) Highly Concentrated

HHO Market Area		6/1/92-5/31/93	6/1/93-5/31/94	6/1/94-5/31/95	6/1/95-5/31/96	6/1/96-5/31/97
12. Belfast	Competitors HHI Character	17 984 Unconcentrated	21 (+4) 899 (-85) Unconcentrated	19 (-2) 1126 (+227) Moderately Concentrated	17 (-2) 1184 (+58) Moderately Concentrated	17 (no change) 1052 (-132) Moderately Concentrated
13. Rockland	Competitors HHI Character	23 1321 Moderately Concentrated	31 (+8) 1069 (-252) Moderately Concentrated	25 (-6) 1061 (-8) Moderately Concentrated	29 (+4) 1125 (+64) Moderately Concentrated	29 (no change) 1111 (-24) Moderately Concentrated
14. Midcoast	Competitors HHI Character	9 3680 Extremely Concentrated	8 (-1) 4190 (+510) Extremely Concentrated	6 (-2) 5548 (+1358) Extremely Concentrated	9 (+3) 3627 (-1921) Extremely Concentrated	11 (+2) 2090 (-1537) Highly Concentrated
15. Augusta	Competitors HHI Character	25 922 Unconcentrated	30 (+5) 714 (-208) Unconcentrated	30 (no change) 696 (-18) Unconcentrated	32 (+2) 775 (+79) Unconcentrated	30 (-2) 777 (+2) Unconcentrated
16. Waterville	Competitors HHI Character	14 1548 Moderately Concentrated	14 (no change) 1370 (-178) Moderately Concentrated	15 (+1) 1610 (+240) Moderately Concentrated	11 (-4) 1539 (-71) Moderately Concentrated	11 (no change) 1976 (+437) Highly Concentrated
17. Skowhegan	Competitors HHI Character	11 1618 Moderately Concentrated	12 (+1) 1317 (-301) Moderately Concentrated	12 (no change) 1187 (-130) Moderately Concentrated	11 (-1) 1244 (+57) Moderately Concentrated	15 (+4) 1226 (-18) Moderately Concentrated
18. Jackman/Greenville	Competitors HHI Character	3 5531 Extremely Concentrated	5 (+2) 3534 (-1997) Extremely Concentrated	4 (-1) 3273 (-261) Extremely Concentrated	7 (+3) 2134 (-1139) Highly Concentrated	7 (no change) 2058 (-76) Highly Concentrated
19. Farmington	Competitors HHI Character	12 2257 Highly Concentrated	11 (-1) 2358 (+101) Highly Concentrated	10 (-1) 2012 (-346) Highly Concentrated	12 (+2) 1772 (-240) Moderately Concentrated	13 (+1) 1877 (+105) Highly Concentrated
20. Jay	Competitors HHI Character	5 3211 Extremely Concentrated	4 (-1) 3368 (+157) Extremely Concentrated	3 (-1) 3462 (+94) Extremely Concentrated	6 (+3) 2789 (-673) Extremely Concentrated	7 (+1) 3551 (+762) Extremely Concentrated
21. Lewiston/Auburn	Competitors HHI Character	14 1613 Moderately Concentrated	18 (+4) 1517 (-96) Moderately Concentrated	18 (no change) 1448 (-69) Moderately Concentrated	17 (-1) 1789 (+341) Moderately Concentrated	20 (+3) 1566 (-223) Moderately Concentrated
22. Bath/Brunswick	Competitors HHI Character	11 1921 Highly Concentrated	10 (-1) 2169 (+248) Highly Concentrated	9 (-1) 2081 (-88) Highly Concentrated	8 (-1) 2846 (+765) Extremely Concentrated	10 (+2) 1669 (-1177) Moderately Concentrated

HHO Market Area		6/1/92-5/31/93	6/1/93-5/31/94	6/1/94-5/31/95	6/1/95-5/31/96	6/1/96-5/31/97
23. Portland	Competitors HHI Character	32 1097 Moderately Concentrated	38 (+6) 1168 (+71) Moderately Concentrated	35 (-3) 1020 (-148) Moderately Concentrated	62 (+27) 776 (-244) Unconcentrated	51 (-11) 972 (+196) Unconcentrated
24. Gray	Competitors HHI Character	19 1281 Moderately Concentrated	15 (-4) 1572 (+291) Moderately Concentrated	17 (+2) 1108 (-464) Moderately Concentrated	14 (-3) 1172 (+64) Moderately Concentrated	12 (-2) 1398 (+226) Moderately Concentrated
25. South Paris	Competitors HHI Character	7 3706 Extremely Concentrated	7 (no change) 4158 (+452) Extremely Concentrated	8 (+1) 3361 (-797) Extremely Concentrated	6 (-2) 3903 (+542) Extremely Concentrated	7 (+1) 3989 (+86) Extremely Concentrated
26. Rumford/Rangeley	Competitors HHI Character	7 1926 Highly Concentrated	8 (+1) 1989 (+63) Highly Concentrated	8 (no change) 2047 (+58) Highly Concentrated	6 (-2) 2889 (+842) Extremely Concentrated	6 (no change) 2690 (-199) Extremely Concentrated
27. Bethel	Competitors HHI Character	3 5634 Extremely Concentrated	5 (+2) 4941 (-693) Extremely Concentrated	4 (-1) 5000 (+59) Extremely Concentrated	3 (-1) 5000 (no change) Extremely Concentrated	5 (+2) 4038 (-962) Extremely Concentrated
28. Bridgton	Competitors HHI Character	7 2400 (estimate) Highly Concentrated	7 (no change) 2689 (estimate) (+289) Extremely Concentrated	8 (+1) 2443 (estimate) (-246) Highly Concentrated	7 (-1) 5235 (estimate) (+2792) Extremely Concentrated	8 (+1) 2554 (estimate) (-2681) Extremely Concentrated
29. Limerick	Competitors HHI Character	7 2992 Extremely Concentrated	7 (no change) 3085 (+93) Extremely Concentrated	7 (no change) 2947 (-138) Extremely Concentrated	7 (no change) 2273 (-674) Highly Concentrated	6 (-1) 2776 (+503) Extremely Concentrated
30. Sanford	Competitors HHI Character	5 4000 (estimate) Extremely Concentrated	6 (+1) 4392 (estimate) (+392) Extremely Concentrated	5 (-1) 4576 (estimate) (+184) Extremely Concentrated	4 (-1) 4313 (estimate) (-263) Extremely Concentrated	5 (+1) 3829 (estimate) (-484) Extremely Concentrated
31. Biddeford/Saco	Competitors HHI Character	17 1524 Moderately Concentrated	21 (+4) 1323 (-201) Moderately Concentrated	21 (no change) 1557 (+234) Moderately Concentrated	20 (-1) 1025 (-532) Moderately Concentrated	21 (+1) 1418 (+393) Moderately Concentrated
32. York	Competitors HHI Character	3 8000 (estimate) Extremely Concentrated	6 (+3) 6855 (estimate) (-1145) Extremely Concentrated	6 (no change) 6380 (estimate) (-475) Extremely Concentrated	9 (+3) 2146 (estimate) (-4234) Highly Concentrated	9 (no change) 2842 (estimate) (+696) Extremely Concentrated
33. Mt. Desert**	Competitors HHI Character	9 2762 Highly Concentrated	8 (-1) 4084 (+1322) Highly Concentrated	10 (+2) 4094 (+10) Extremely Concentrated	12 (+2) 3352 (-742) Extremely Concentrated	10 (-2) 2768 (-584) Extremely Concentrated

	MFO LEAGUE TABLE			
June 1, '92-May 31, '93	June 1, '93-May 31, '94	June 1, '94-May 31, '95	June 1, '95-May 31, '96	June 1, '96-May 31, '97
Cumberland 415	Cumberland 416 (+1)	York 341 (-104)	Cumberland 394 (-81)	Cumberland 356 (-38)
York 452	York 445 (-7)	Cumberland 475 (+59)	York 396 (+55)	York 394 (-2)
Androscoggin 482	Knox 503 (-7)	Knox 528 (+25)	Androscoggin 530 (-17)	Knox 430 (-100)
Knox 510	Androscoggin 511 (+29)	Androscoggin 547 (+36)	Knox 530 (+2)	Androscoggin 482 (-48)
Lincoln 714	Hancock 580 (-392)	Waldo 735 (+60)	Waldo 637 (-98)	Hancock 500 (-203)
Penobscot 971	Franklin 673 (-333)	Hancock 791 (+211)	Hancock 703 (-88)	Waldo 536 (-101)
Hancock 972	Waldo 675 (-638)	Lincoln 837 (+116)	Penobscot 870 (+8)	Kennebec 802 (-70)
Kennebec 974	Lincoln 721 (+7)	Penobscot 862 (+63)	Kennebec 872 (-192)	Franklin 895 (-252)
Franklin 1006	Kennebec 785 (-189)	Sagadahoc 935 (+33)	Lincoln 1054 (+217)	Lincoln 900 (-154)
Washington 1124	Penobscot 799 (-172)	Kennebec 1064 (+279)	Washington 1081 (-247)	Penobscot 903 (+33)
Waldo 1313	Sagadahoc 902 (-600)	Franklin 1203 (+530)	Franklin 1147 (-56)	Oxford 1079 (-107)
Aroostook 1343	Aroostook 1073 (-270)	Oxford 1223 (-108)	Sagadahoc 1166 (+231)	Somerset 1167 (-454)
Sagadahoc 1502	Washington 1140 (+16)	Aroostook 1323 (+250)	Aroostook 1176 (-147)	Aroostook 1216 (+40)
Oxford 1594	Somerset 1140 (-978)	Washington 1328 (+188)	Oxford 1186 (-37)	Sagadahoc 1297 (+131)
Piscataquis 1878	Oxford 1331 (-263)	Somerset 1722 (+582)	Somerset 1621 (-101)	Washington 1314 (+233)
Somerset 2096	Piscataquis 1662 (-216)	Piscataquis 1891 (+229)	Piscataquis 1652 (-239)	Piscataquis 1755 (+103)
AVERAGE 1084	AVERAGE 835	AVERAGE 988	AVERAGE 938	AVERAGE 876
MEDIAN 990	MEDIAN 753	MEDIAN 899	MEDIAN 963	MEDIAN 897

MFO Market Area		6/1/92-5/31/93	6/1/93-5/31/94	6/1/94-5/31/95	6/1/95-5/31/96	6/1/96-5/31/97
Androscoggin	Competitors HHI Character	52 482 Unconcentrated	64 (+12) 511 (+29) Moderately Concentrated	65 (+1) 547 (+36) Moderately Concentrated	65 (no change) 530 (-17) Moderately Concentrated	70 (+5) 482 (-48) Unconcentrated
Aroostook	Competitors HHI Character	90 1343 Highly Concentrated	90 (no change) 1073 (-270) Highly Concentrated	87 (-3) 1323 (+250) Highly Concentrated	104 (+17) 1176 (-147) Highly Concentrated	108 (+4) 1216 (+40) Highly Concentrated
Cumberland	Competitors HHI Character	128 415 Unconcentrated	156 (+28) 416 (+1) Unconcentrated	147 (-9) 475 (+59) Unconcentrated	202 (+55) 394 (-81) Unconcentrated	193 (-9) 356 (-38) Unconcentrated
Franklin	Competitors HHI Character	35 1006 Highly Concentrated	40 (+5) 673 (-333) Moderately Concentrated	38 (-2) 1203 (+530) Highly Concentrated	42 (+4) 1147 (-56) Highly Concentrated	46 (+4) 895 (-252) Moderately
Hancock	Competitors HHI Character	53 972 Moderately Concentrated	72 (+19) 580 (-392) Moderately Concentrated	65 (-7) 791 (+211) Moderately Concentrated	73 (+8) 703 (-88) Moderately Concentrated	74 (-1) 500 (-203) Unconcentrated
Kennebec	Competitors HHI Character	70 974 Moderately Concentrated	81 (+11) 785 (-189) Moderately Concentrated	92 (+11) 1064 (+279) Highly Concentrated	93 (+1) 872 (-192) Moderately Concentrated	91 (-2) 802 (-70) Moderately Concentrated
Knox	Competitors HHI Character	59 510 Moderately Concentrated	63 (+4) 503 (-7) Moderately Concentrated	71 (+8) 528 (+25) Moderately Concentrated	85 (+14) 530 (+2) Moderately Concentrated	86 (+1) 430 (-100) Unconcentrated
Lincoln	Competitors HHI Character	25 714 Moderately Concentrated	35 (+10) 721 (+7) Moderately Concentrated	34 (-1) 837 (+116) Moderately Concentrated	37 (+3) 1054 (+217) Highly Concentrated	38 (+1) 900 (-154) Moderately Concentrated
Oxford	Competitors HHI Character	31 1594 Highly Concentrated	44 (+13) 1331 (-263) Highly Concentrated	43 (-1) 1223 (-108) Highly Concentrated	49 (+6) 1186 (-37) Highly Concentrated	52 (+3) 1079 (-107) Highly Concentrated
Penobscot	Competitors HHI Character	137 971 Moderately Concentrated	148 (+11) 799 (-172) Moderately Concentrated	143 (-5) 862 (+63) Moderately Concentrated	156 (+13) 870 (+8) Moderately Concentrated	156 (no change) 903 (+33) Moderately Concentrated
Piscataquis	Competitors HHI Character	25 1878 Extremely Concentrated	38 (+13) 1662 (-216) Highly Concentrated	36 (-2) 1891 (+229) Extremely Concentrated	32 (-4) 1652 (-239) Highly Concentrated	25 (-7) 1755 (+103) Highly Concentrated

MFO Market Area		6/1/92-5/31/93	6/1/93-5/31/94	6/1/94-5/31/95	6/1/95-5/31/96	6/1/96-5/31/97
Sagadahoc	Competitors HHI Character	22 1502 Highly Concentrated	33 (+11) 902 (-600) Moderately Concentrated	28 (-5) 935 (+33) Moderately Concentrated	31 (+3) 1166 (+231) Highly Concentrated	36 (+5) 1297 (+131) Highly Concentrated
Somerset	Competitors HHI Character	58 2118 Extremely Concentrated	68 (+10) 1140 (-978) Highly Concentrated	68 (no change) 1722 (+582) Highly Concentrated	69 (+1) 1621 (-101) Highly Concentrated	62 (-7) 1167 (-454) Highly Concentrated
Waldo	Competitors HHI Character	34 1313 Highly Concentrated	48 (+14) 675 (-638) Moderately Concentrated	52 (+4) 735 (+60) Moderately Concentrated	52 (no change) 637 (-98) Moderately Concentrated	57 (+5) 536 (-101) Moderately Concentrated
Washington	Competitors HHI Character	48 1124 Highly Concentrated	58 (+10) 1140 (+16) Highly Concentrated	53 (-5) 1328 (+188) Highly Concentrated	65 (+12) 1081 (-247) Highly Concentrated	54 (-11) 1314 (+233) Highly Concentrated
York	Competitors HHI Character	92 452 Unconcentrated	105 (+13) 445 (-7) Unconcentrated	134 (+29) 341 (-104) Unconcentrated	126 (-8) 396 (+55) Unconcentrated	137 (+11) 394 (-2) Unconcentrated