

# Cooper Tire Calls Off Apollo Tyres Deal

Associated Press

FINDLAY, Ohio (AP) — Cooper Tire & Rubber Co. is calling off its proposed \$2.2 billion sale to India's Apollo Tyres, a deal that would have created the world's seventh largest tire company.

The U.S.-based company said Monday that financing is no longer available, and it continues to claim, as it has for months, that Apollo breached the terms of the agreement.

The boards of both companies and Cooper shareholders had approved the buyout, but negotiations with the union representing Cooper employees became a challenge.

After Apollo sought a better price because of the labor issues, Cooper accused the company of stalling negotiations with the unions.

Cooper took its claim to a Delaware court, but the court ruled last month that Apollo did not breach its obligation to quickly reach a pact with the United Steelworkers union.

Cooper did not further elaborate Monday on how it believes on how Apollo ignored terms of the deal and did not immediately respond to a request seeking comment.

The company did say that it's become clear that the deal signed in June will not close.

"The right thing for Cooper now is to focus on continuing to build our business," Chairman and CEO Roy Armes said in a statement.

Shares of Cooper fell 6.6 percent, or \$1.51, to \$21.45 before markets opened.

Company shares soared to nearly \$35 in June after it announced the buyout, but they have fallen steadily since then. Monday's pre-market drop put the stock down about 15 percent so far this year.

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