

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of
GENERAL ELECTRIC COMPANY,
a corporation.
Docket No. C-4103

COMPLAINT

Pursuant to the Federal Trade Commission Act and the Clayton Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission ("Commission"), having reason to believe that Respondent General Electric Company ("GE"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire certain assets of Agfa-Gevaert N.V. ("Agfa"), a corporation subject to the jurisdiction of the Commission, in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act ("FTC Act"), as amended, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its Complaint, stating its charges as follows:

I. RESPONDENT

- 1. Respondent GE is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its offices and principal place of business located at 3135 Easton Turnpike, Fairfield, Connecticut 06431.
2. Respondent GE is engaged in, among other things, the research, development, manufacture, and sale of ultrasonic non-destructive testing equipment, including portable flaw detectors, corrosion thickness gages and precision thickness gages. Non-destructive testing equipment is used in a wide range of industries to inspect the structure and tolerance of materials without damaging the materials or impairing their future usefulness.
3. Respondent GE is, and at all times relevant herein has been, engaged in commerce, as "commerce" is defined in Section 1 of the Clayton Act, as amended, 15 U.S.C. § 12, and is a

corporation whose business is in or affects commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

II. THE ACQUIRED COMPANY

4. Agfa is a corporation organized, existing and doing business under and by virtue of the laws of Belgium, with its offices and principal place of business located at Septestraat 27, B-2640 Mortsel, Belgium. Agfa's principal subsidiary in the United States is located at 100 Challenger Road, Ridgefield Park, New Jersey 07660.

5. Agfa is engaged in, among other things, the research, development, manufacture, and sale of ultrasonic non-destructive testing equipment,

14. New entry into any of the relevant markets sufficient to deter or counteract the anticompetitive effects described in Paragraph 17 is unlikely to occur because the costs of entering each of the relevant markets are high relative to the potential sales opportunities available to an entrant.

15. New entry into any of the relevant markets sufficient to deter or counteract the anticompetitive effects described in Paragraph 17 would not occur in a timely manner because it would take over two years for an entrant to accomplish the steps required for entry and to achieve a significant market impact.

16. Expansion by smaller competitors in any of the relevant markets sufficient to deter or counteract the anticompetitive effects described in Paragraph 17 is unlikely to occur in a timely manner because of, among other things, the time and cost associated with (a) establishing an effective service and support network; and (b) developing the necessary brand reputation and customer acceptance in each of these markets.

VII. EFFECTS OF THE ACQUISITION

17. The effects of the Acquisition, if consummated, may be substantially to lessen competition and to tend to create a monopoly in the relevant markets in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, in the following ways, among others:

and (iii) increasing the likelihood that precision thickness gage customers would be forced to pay higher prices.

VIII. VIOLATIONS CHARGED

18. The Purchase Agreement described in Paragraph 7 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

19. The Acquisition described in Paragraph 7, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this eighteenth day of December, 2003, issues its Complaint against said Respondent.

By the Commission, Chairman Muris not participating and Commissioner Harbour recused.

Donald S. Clark
Secretary

SEAL: