



**I. Introduction**

On February 28, 2005, Cytex and the Commission entered into an Agreement Containing Consent Orders that included the Order and an Order to Hold Separate and Maintain Assets (collectively, the "Consent Agreement"). The Consent Agreement, together with the Commission's Complaint, was placed on the public record

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The reasons outlined below, Citco believes the Proposed Divestiture is one

Article 10(1) of the Ordinance of the Order. Citco also believes that completion of the



based on the information provided, no need for such an agreement, given the limited nature of the activities at the Suzano facility.

There are no provisions in the Agreement that are in any way inconsistent with the terms of the Order or with its remedial purposes. The Mars Business is left free to compete in all phases of the amino resins business. Cytec retains no rights to use in that business any assets that belong to the Mars Business other than the limited rights specified in the Order (relating to the three retained plants at La Llagosta, Spain, Werndorf, Austria and Suzano, Brazil). Equally, Cytec remains free to engage in its own amino resins business, using the assets it had before its acquisition of the Surface Specialties business. Cytec also continues to operate the assets it acquired from UCB in the most effective and competitive way Cytec can manage.

### **III. Competition Analysis**

THEY DO NOT GIVE RISE TO ANY COMPETITIVE CONCLUSION

[REDACTED]

how the Mars Business fits with its own, and there is every reason to believe Ineos will be a knowledgeable, active and successful manager of the Mars Business.

As outlined below, Ineos possesses the financial resources, proven

management skills, technical expertise and the incentive to maintain and develop the

Mars Business as an active competitor in the North American market. The Proposed

- INEOS Chlor: chlorine, caustic soda, chlorinated solvents, chlorinated paraffins
- INEOS Fluor: hydrofluorocarbons, hydrochlorofluorocarbons, hydrogen fluoride, refrigerant blends

- INEOS Oxide: ethylene oxide and derivatives, glycols
- INEOS Paraform: formaldehyde, paraformaldehyde, hexamine, alkalicyanates
- INEOS Phenol: phenol, acetone, alphas-methylstyrene, acetophenone
- INEOS Silicas: zeolithes, silicas, silicates
- EVC: PVC powder, granules, suspensions, emulsions and films

Ineos' recent track record of highly successful acquisitions proves the group's ability to finance, maintain and develop acquired businesses in the chemicals industry and to manage a diverse portfolio of businesses so as to optimize the performance of each business. Since 2000 Ineos has acquired and successfully developed the following businesses:

- November 2000: acquisition of ICI's chlor-chemicals, fluorocarbons, and

- July 2003: acquisition of Methanova GmbH from Degussa – today INEOS Paraform
- April 2005: acquisition of BASF's US and Canadian polystyrene business – will become INEOS Styrenics

Thus Ineos clearly has the financial strength and the potential to maintain

and develop the Mars Business as a viable and effective competitor in the research, development, manufacture and sale of amino resins. As far as incentives are concerned, Cytec has every reason to believe that Ineos will wish to make the Mars Business a success in order to generate an acceptable return on its investment in acquiring and developing the business. We understand that Ineos has provided detailed information about its plans for operating the Mars Business directly to Commission Staff.

**B. Financial Capability**

Ineos has sufficient financial strength to finance the Proposed Transaction.

Ineos has sufficient financial strength to finance the Proposed Transaction. Ineos currently has a total of

**V. Request for Confidential Treatment**

Because this Petition and its attachments contain confidential and competitively sensitive business information, Cytec has redacted such information from the public version of this Petition and its attachments. Cytec is submitting two versions of this Petition: (i) a confidential version that contains confidential and proprietary information and documents necessary for the Commission to assess this Petition; and (ii) a redacted version, for placement on the public record, that excludes confidential information, including the Agreement.

The confidential version of this Petition contains confidential business information concerning Cytec and the Mars Business. For its own part, Cytec is not required to make such information readily available to the public and would not willingly or ordinarily disclose such information because such information, if revealed, would provide competitors with insights into Cytec's operational strengths and weaknesses and could limit Cytec's ability to negotiate favorable terms with potential purchasers of its products. Nor would Cytec, as the current owner of the Mars Business, make public the information about the Mars Business that is reflected in the materials supplied with this Petition. Such disclosure would prejudice Cytec, the Mars Business and Ineos, in its capacity as the new owner of the Mars Business, and would negatively affect Cytec's ability to comply with the Consent Agreement and Ineos' ability to operate the Mars Business following completion of the divestiture.

Pursuant to Sections 2.41(f)(4) and 4.9(c) of the Commission' Rules, 16 C.F.R. §§ 2.41(f)(4), 4.9(c) (2004), Cytec therefore requests, on its own behalf and on

[REDACTED]