

**UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION**

**In the Matter of**

**THE PROCTER & GAMBLE COMPANY,  
a corporation;**

**and**

**THE GILLETTE COMPANY,  
a corporation.**

**File No. 051 0115**

**AGREEMENT CONTAINING CONSENT ORDERS**

The Federal Trade Commission ("Commission"), having initiated an investigation of the proposed acquisition by The Procter & Gamble Company of The Gillette Company, hereinafter "Proposed Respondents", and it now appearing that Proposed Respondents are willing to enter into this Agreement Containing Consent Orders ("Consent Agreement") to divest certain assets and providing for other relief:

**IT IS HEREBY AGREED** by and between Proposed Respondents, by their duly authorized officers and attorneys, and counsel for the Commission that:

1. The Procter & Gamble Company is a corporation organized, existing and doing business under and by virtue of the laws of the state of Ohio, with its offices and principal place of business located at One Procter & Gamble Plaza, Cincinnati, Ohio 45202.
2. The Gillette Company is a corporation organized, existing and doing business under and by virtue of the laws of the state of Delaware, with its offices and principal place of business located Prudential Tower, Boston, Massachusetts 02199.
3. Proposed Respondents admit all the jurisdictional facts set forth in the draft of Complaint here attached.
4. Proposed Respondents waive:
  - a. any further procedural steps;

- b. the requirement that the Commission's Decision and Order and Order to Maintain Assets, both of which are attached hereto and made a part hereof, contain a statement of findings of fact and conclusions of law;
  - c. all rights to seek judicial review or otherwise challenge or contest the validity of the Decision and Order or the Order to Maintain Assets entered pursuant to this Consent Agreement; and
  - d. any claim under the Equal Access to Justice Act.
5. Because there may be interim competitive harm, the Commission may issue its Complaint and the Order to Maintain Assets in this matter at any time after it accepts the Consent Agreement for public comment.
  6. Not later than thirty (30) days from the date this Consent Agreement is signed by Proposed Respondents, The Proposed Respondents shall submit an initial report, pursuant to Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33. Proposed Respondents shall also submit subsequent reports every thirty (30) days thereafter until the Order to Maintain Assets becomes final, at which time the reporting obligations contained therein (other than the requirement to submit an initial report pursuant to this Consent Agreement) shall control. Such reports shall be signed by the Proposed Respondents and set forth in detail the manner in which the Proposed Respondents have complied and will comply with the Order to Maintain Assets and the Decision and Order. Such reports will not become part of the public record unless and until the Consent Agreement and Decision and Order are accepted by the Commission for public comment.
  7. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Consent Agreement is accepted by the Commission, it, together with the draft of Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify Proposed Respondents, in which event it will take such action as it may consider appropriate, or issue or amend its Complaint (in such form as the circumstances may require) and issue its Decision and Order, in disposition of the proceeding.
  8. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the draft of Complaint here attached, or that the facts as alleged in the draft of Complaint, other than jurisdictional facts, are true.
  9. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (a) issue and serve its Complaint corresponding in form and substance

with the draft of Complaint here attached, (b) issue and serve its Order to Maintain Assets, and (c) make information public with respect thereto. If such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to the Proposed Respondents, issue the attached Decision and Order containing an order to divest and providing for other relief in disposition of the proceeding.

10. When final, the Decision and Order and the Order to Maintain Assets shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order and the Order to Maintain Assets shall become final upon service. Delivery of the Complaint, the Decision and Order, and the Order to Maintain Assets to Proposed Respondents by any means provided in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. Proposed Respondents also waive any right they may otherwise have to service of any Appendices incorporated by reference into the Decision and Order, and agree that they are bound to comply with and will comply with the Decision and Order and the Order to Maintain Assets to the same extent as if they had been served with copies of the Appendices, where Proposed Respondents are already in possession of copies of such Appendices.
11. The Complaint may be used in construing the terms of the Decision and Order and the Order to Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, the Order to Maintain Assets, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Order to Maintain Assets.
12. By signing this Consent Agreement, Proposed Respondents represent and warrant that they can accomplish the full relief contemplated by the attached Decision and Order (including effectuating all required divestitures, assignments, and transfers) and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to this Consent Agreement.
13. By signing this Consent Agreement, Proposed Respondents represent and warrant that the any Remedial Agreement(s) (as defined in Paragraph I.BBB. of the Decision and Order) that has been submitted to the Commission at the time of this Consent Agreement for approval by the Commission in connection with the Commission's determination to make the Decision and Order final comports with the all the relevant requirements of the Decision and Order and requires Proposed Respondents to divest all assets required to be divested pursuant to relevant divestiture requirements of the Decision and Order.
14. Proposed Respondents have read the draft of the Complaint, the Decision and Order, and the Order to Maintain Assets contemplated hereby. Proposed Respondents understand that once the Decision and Order and the Order to Maintain Assets have been issued, they will be



**THE PROCTER AND GAMBLE COMPANY**

**FEDERAL TRADE COMMISSION**

By: \_\_\_\_\_  
James J. Johnson  
Chief Legal Officer  
The Procter and Gamble Company

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Norman Armstrong  
Attorney  
Bureau of Competition

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Joe Sims  
Jones Day  
Counsel for The Procter and Gamble Company

**APPROVED:**

\_\_\_\_\_  
Michael R. Moiseyev  
Assistant Director  
Bureau of Competition

**THE GILLETTE COMPANY**

\_\_\_\_\_  
James M. Kilts  
Chairman, President, and Chief Executive  
Officer  
The Gillette Company

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Jeffrey Schmidt  
Deputy Director  
Bureau of Competition

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