

UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Deborah Platt Majoras, Chairman  
Pamela Jones Harbour  
Jon Leibowitz  
William E. Kovacic  
J. Thomas Rosch

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In the Matter of	)	
	)	
JARDEN CORPORATION,	)	
a corporation, and	)	
	)	Docket No.
K2 Inc.,	)	
a corporation.	)	
	)	
	)	

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**DECISION AND ORDER**

The Federal Trade Commission ("Commission"), having initiated an investigation of the proposed acquisition by Respondent Jarden Corporation ("Jarden") of Respondent K2 Inc. ("K2"), hereinafter referred to as "Respondents," and Respondents having been furnished thereafter with a copy of a draft Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and that, if issued by the Commission, would charge

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had reason to believe that Respondents have violated the said Acts, and that a Complaint should issue stating its charges in that respect, and having thereupon issued its Complaint and an Order to Maintain Assets (attached to this Order as Appendix II.), and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent Jarden 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 at 555 Theodore Fremd Avenue, Suite B-302, Rye, NY 10580.
2. Respondent K2 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 at 5818 El Camino Real, Carlsbad, CA 92008.
3. The Commission has jurisdiction of the subject matter of this proceeding and of Respondents, and the proceeding is in the public interest.

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**I.**

- A. "Jarden" means Jarden Corporation, its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; and its joint ventures, subsidiaries, divisions, groups and affiliates in each case controlled by Jarden, and the respective directors, officers, employees, agents, representatives, predecessors, successors, and assigns of each. After the Acquisition, Jarden shall include K2.
- B. "K2" means K2 Inc., its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; and its joint ventures, subsidiaries, divisions, groups and affiliates in each case controlled by K2, including, without limitation, Shakespeare Company, LLC, and the respective directors, officers, employees, agents, representatives, predecessors, successors, and assigns of each.
- C. C. predecessors, successo

- F. "Acquisition" means the acquisition contemplated by the Merger Agreement and Plan of Merger by and among Jarden and K2, dated as of April 24, 2007.
- G. "Acquisition Date" means the date the Respondents close on the Acquisition pursuant to the Acquisition Agreement.
- H. "Acquirer Run-off License" means a transitional, non-exclusive, non-transferable, fully-paid, royalty-free limited license entered into by and among Respondents and the Commission-approved Acquirer to allow the Commission-approved Acquirer to use the Shakespeare Name and Marks for a period not to exceed eighteen (18) months after the Divestiture Date in connection with the sale of inventory of Divested Fishing Line Products that are labeled with the Shakespeare Name and Marks and that are acquired as part of the Divestiture Assets.
- I. "Acquired Assets Finished Inventory" means the finished inventory consisting of products incorporating Divested Fishing Line Products on which the Divested Fishing Line Products Names and Marks appear (including on packaging) that will be acquired by Respondent Jarden in connection with the Acquisition, including such finished inventory that exists within one hundred five days (105) after the Divestiture Date.
- J. "Asset Purchase Agreement" means the July 31, 2007, Asset Purchase Agreement by and between Zebco and Shakespeare Company, LLC, a subsidiary of K2.
- K. "Commission-approved Acquirer" means the following: (1) Zebco; or (2) an entity approved by the Commission to acquire the Divestiture Assets that the Respondents are required divest pursuant to this Order.
- L. "Confidential Business Information" means all information owned by, or in the possession or control of, Respondents that is not in the public domain and that is related

3. information that is required by law to be publicly disclosed; or
  4. information that does not relate to the Divested Fishing Line Products or Divestiture Assets.
- M. “Divested Fishing Line Products” means any and all Fishing Line sold under or incorporating the commercial, trade or brand names “Cajun” (including, without limitation, “Cajun Line,” “Cajun Red,” and “Cajun Braid”), “Omniflex,” “Outcast,” and “Supreme.”
- N. “Divested Fishing Line Products Names and Marks” means the commercial, trade or brand names “Cajun” (including, without limitation, “Cajun Line,” “Cajun Red,” and “Cajun Braid”), “Omniflex,” “Outcast,” and “Supreme,” and any similar name(s) or derivatives or variations thereof, in every jurisdiction throughout the world, and all associated trademarks and trade dress.
- O. “Divestiture Assets” means all of the Respondents’ rights, title and interest in and to all assets related to the Respondents’ business of designing, manufacturing, marketing, selling, sourcing and distributing Fishing Line under the brand names Cajun (including, without limitation, Cajun Line, Cajun Red, and Cajun Braid), Omniflex; Outcast, and Supreme, including, without limitation (except for the Excluded Assets) the following:
1. all finished inventory, on hand or in transit, relating to the Divestiture Assets except as listed in the Excluded Assets;
  2. to the extent they relate to the Divestiture Assets, (i) all purchase or customer orders (to the extent not already filled by the Respondents in the ordinary course of business), (ii) the contracts, agreements and leases and all outstanding offers or solicitations made by or to the Respondents to enter into any contract set forth in Schedule 1.1(b) of the Asset Purchase Agreement, and (iii) all of the Respondents’ transferable licenses, quotas, consents, permits and approvals as set forth in Schedule 1.1(b) of the Asset Purchase Agreement;
  3. Divestiture Assets Intellectual Property;
  4. all of the Respondents’ books, records, books of account, sales and purchase records, lists of customers and prospects, lists of suppliers, marketing and promotional materials and other product information, UPC codes, pricing information, operations information, sales programs and any deviations and all other documents, files, records and other data and information of the Respondents (whether stored on hard or floppy disks or other media), relating to the operation of the Divestiture Assets; *provided, however,* that in cases in which documents or other materials included in the Divestiture Assets contain information: (1) that relates both to the Divested Fishing

Line Products and to other products or businesses of Respondent K2 and cannot be segregated in a manner that preserves the usefulness of the information as it relates to the Divested Fishing Line Products; or (2) for which Respondent K2 has a legal obligation to retain the original copies, Respondent K2 shall be required to provide only copies or relevant excerpts of the documents and materials containing this information. In instances where such copies are provided to the Commission-approved Acquirer, Respondent K2 shall provide the Commission-approved Acquirer access to original documents under circumstances where copies of documents are insufficient for evidentiary or regulatory purposes. The purpose of this proviso is to ensure that Respondent K2 provides the Commission-approved Acquirer with the above-described information without requiring Respondent K2 completely to divest itself of information that, in content, also relates to products and businesses other than the Divested Fishing Line Products;

5. all goodwill that relates to, or otherwise arises out of the Divestiture Assets business, including, without limitation, all goodwill associated with trademarks, service marks, and other Divestiture Assets Intellectual Property, together with the right to represent to third parties that the Commission-approved Acquirer is the successor to the Respondents' Divestiture Assets business; and
6. any and all other assets of Respondent K2 relating to or otherwise used or held for use in the Divestiture Assets business, tangible or intangible, wherever located, belonging to or licensed to Respondent K2 as of the Divestiture Date, including any trade show materials used only for Respondent K2's fishing line business, but excluding the Excluded Assets.

P. "Divestiture Assets Intellectual Property" means: all patents and applications therefor, trademarks and service marks (registered or unregistered) and applications therefor, commercial, trade or brand names, business and product names, logos, internet web sites, internet domain names, trade dress, copyrights, copyright registrations and applications therefor, owned, possessed, used or held by or licensed to the Respondents related to the operation of the Divestiture Assets and as set forth in Schedule 1.1(c) of the Asset Purchase Agreement, together with, to the extent applicable, intellectual designs, formulas, know-how, trade secrets, technical and manufacturing processes and information, testing and operating techniques and procedures, engineering data and plans including mold and manufacturing drawings, assembly and installation drawings, blueprints, procurement specifications and engineering and performance specifications, scientific experiments demonstrating that the color red is the first to be filtered out underwater and any other research data relating to the red Fishing Line product, as well as any marketing materials and information including marketing plans, surveys and strategies, promotional concepts, artwork, photographs, brochures, catalogs, print, television, radio and internet advertising, product packaging and packaging design and other proprietary information or materials owned or used by the Respondents in relation

to the operation of the Divestiture Assets.

- Q. “Divestiture Assets Core Employees” means “Divestiture Assets Key Employee(s),” “Divestiture Assets Marketing Employee(s),” and “Divestiture Assets Research and Development Employee(s).”
- R. “Divestiture Assets Key Employee(s)” means those employees of Respondents that, within two years prior to the Divestiture Date, have dedicated at least ten (10) percent of working time to the Divestiture Assets, including, without limitation, those employees specifically identified in Appendix III. of this Order.
- S. “Divestiture Assets Marketing Employee(s)” means all salaried management level employees of Respondent K2 who directly have participated (irrespective of portion of working time involved, unless such participation was a part of a broad executive management portfolio, or of oversight of legal, accounting, tax or financial compliance) in the formulation of brand marketing or sales strategies, including pricing, discount, allowance, promotion, and advertising strategies relating to the Divested Fishing Line Products or Divestiture Assets in the United States within the eighteen (18) month period immediately prior to the Divestiture Date. These employees include, without limitation, employees involved in brand management, sales training, and market research, and the Divestiture Assets Key Employees.
- T. “Divestiture Assets Research and Development Employee(s)” means all salaried employees of Respondent K2 who directly have participated (irrespective of the portion of working time involved, unless such participation was a part of a broad executive management portfolio, or of oversight of legal, accounting, tax or financial compliance) in the research, development, or quality control approval process for the Divested Fishing Line Products or Divestiture Assets within the eighteen (18) month period immediately prior to the Divestiture Date.
- U. “Divestiture Assets Supply Agreement” means the July 31, 2007 Non-Exclusive Supply Agreement entered into by and between Zebco and Shakespeare Company, LLC, a subsidiary of K2, appended to the Asset Purchase Agreement as Exhibit A, and all amendments, exhibits, attachments, and schedules thereto, or, if Zebco is not the Commission-approved Acquirer, any other supply agreement entered into by and among Respondents and a Commission-approved Acquirer, provided such agreement will not be entered into without the consent of the Commission.
- V. “Divestiture Date” means the date on which Respondents (or a Divestiture Trustee) divests to a Commission-approved Acquirer the Divestiture Assets completely as required by Paragraph II. (or Paragraph III.) of this Order.
- W. “Divestiture Trustee” means the trustee appointed by the Commission pursuant to

Paragraph III. of this Order.

X. "Excluded Assets" means:

1. all cash, cash equivalents, and short term investments of Respondents;
2. all real property of Respondents;
3. all accounts receivable of Respondents, including all accounts owned or acquired by Respondents including, without limitation, accounts receivable, notes and notes receivable, other receivables, book debts, and other forms of obligations to Respondents that relate to, or otherwise arise out of, the Divestiture Assets prior to the Divestiture Date;
4. all minute books, charter documents, stock records, tax returns, books of account, and other constituent records relating to the company organization of Respondents;
5. all rights of Respondents relating to deposits and prepaid expenses and claims for refunds and rights of offset, except as expressly pursuant to the contracts and other agreements listed in Schedule 1.1(b) of the Asset Purchase Agreement;
6. all rights of Respondents relating to claims for refunds of taxes or other governmental charges of any nature;
7. all leases, licenses, contracts, agreements, consensual obligations, promises, consents, permits, approvals or undertakings or legally binding arrangements or commitments to which Respondents are a party or are legally bound by, or the rights thereunder, except as included in the contracts and agreements listed in Schedule 1.1(b) of the Asset Purchase Agreement;
8. all fixed assets of Respondents, wherever located, consisting of machinery and equipment, wherever located, including processing equipment, conveyors, machine tools, tools, tooling, data processing and computer equipment and systems, including all software, embedded or otherwise, and peripheral equipment and all engineering, processing and manufacturing equipment, office machinery, furniture, materials handling equipment, attachments, accessories, automotive equipment, trailers, trucks, forklifts, molds, dies, stamps, motor vehicles, rolling stock and other equipment of every kind and nature, trade fixtures and fixtures not forming a part of real property, together with all additions and accessions thereto, replacements therefor, all parts therefor or thereof, all substitutes for any of the foregoing, fuel therefor, and all manuals, drawings, instructions, warranties and rights with respect thereto, and all products and proceeds thereof and condemnation awards with respect thereto;

9. all insurance policies of Respondents and all rights, benefits and proceeds thereunder;
10. all subsidi



Agreement;

20. all assets and rights of Respondents not used in relation to the Divestiture Assets;
21. all trade show materials which are used by Respondents for any business other than their Fishing Line businesses;
22. all right, title and interest in any and all patents and applications therefor and invention disclosures for or in relation to fishing reels, fishing rods, fishing tackle (other than Fishing Line), fishing tools, fishing kits and combos and fishing accessories;
23. all right, title and interest in any and all patents and applications therefor and invention disclosures for or in relation to Respondent K2's monofilament business for any function or application other than fishing line, including, without limitation, any industrial applications, weed trimmer line, cutting line, woven mats, carpeting, fabrics, paper production and any monofilament of a tensile strength and softness not used or usable for fishing line;
24. all right, title and interest in and to the Penn, Ugly Stik, Pflueger, Xtools, JRC and All-Star trademarks, the worldwide applications and registrations for the Penn, Ugly Stik, Pflueger, Xtools, JRC and All-Star trademarks provided in, and the common law rights to the Penn, Ugly Stik, Pflueger, Xtools, JRC and All-Star trademarks, and in each case, any similar name(s) or derivations thereof;
25. all right, title and interest in and to the patents and applications therefor and invention disclosures and all trademarks and applications therefor identified in Appendix IV. of this Order, the worldwide applications and registrations for such trademarks, and the common law rights to such trademarks, and in each case, any similar name(s) or derivations thereof;
26. any asset or right used exclusively in relation to the Penn Fishing Tackle Mfg. Co. business of designing, manufacturing, selling, sourcing and distributing of fishing line;
27. any asset or right used exclusively in relation to the business of designing, manufacturing, selling, sourcing and distributing of fishing line under the "Ugly Braid" brand name;
28. all fishing kits and combos inventory to be sold off by Respondents pursuant to the Respondent Run-off License; and
29. any and all rights and obligations of Respondents under or in connection with

customer purchase orders to the extent such orders correspond to any products other than the Divested Fishing Line Products.

Y. “Fishing Line” means any type, grade, or quality of monofilament, braided or super line, or fluorocarbon fishing line.

Z. “Fishing Tackle Products” means any Fishing Line, fishing rods, fishing reels, or combination fishing rod and reel combination (or kits).

AA. “Person” means any individual, partnership, joint venture, firm, corporation, association, trust, unincorporated organization, joint venture, or other business or governmental entity, and any subsidiaries, divisions, groups or affiliates thereof.

BB. “Order to Maintain Assets” means the Order to Maintain Assets incorporated into and made a part of the Agreement Containing Consent Orders. The Order to Maintain Assets is attached to t

be construed to vary or contradict, the terms of this Order. Nothing in this Order shall reduce, or be construed to reduce, any rights or benefits of Zebco, or any obligations of Respondents, under the Asset Purchase Agreement. If any term of the Asset Purchase Agreement varies from the terms of this Order (“Order Term”), then to the extent that Respondents cannot fully comply with both terms, the Order Term shall determine Respondents’ obligations under this Order. Notwithstanding any paragraph, section, or other provision of the Asset Purchase Agreement, any failure to meet any condition precedent to closing (whether waived or not) or any modification of the Asset Purchase Agreement, without the prior approval of the Commission, shall constitute a failure to comply with this Order.

*Provided, however,* that if Respondents have divested the Divestiture Assets to Zebco prior to the date this Order bec

3. not use, directly or indirectly, any Confidential Business Information related to the research, development, manufacturing, marketing, or sale of the Divestiture Assets other than as necessary to comply with the requirements of this Order;
4. not disclose or convey any Confidential Business Information, directly or indirectly, to any person except the Commission-approved Acquirer; and
5. not provide, disclose or otherwise make available, directly or indirectly, any Confidential Business Information related to the research, development, manufacturing, marketing or sale of the Divestiture Assets.

C. Not later than five (5) days after the Acquisition Date, or the date on which the Order to Maintain Assets becomes final, whichever is earlier, Respondents shall provide written or electronic notification to the Commission of all Confidential Business Information by Respondents' personnel to all of Respondents' employees who:

1. are, or were, directly involved in the research, development, manufacturing, distribution, sale or marketing of the Divestiture Assets;
2. are directly involved in the research, development, manufacturing, distribution, sale or marketing of Respondents' Fishing Line products; and
3. may have Confidential Business Information.

Respondents shall provide such notification (in a form similar to that attached as Appendix B. to the Order to Maintain Assets) by e-mail with return receipt requested or by whatever manner or form of transmission as will assure receipt and acknowledgment by Respondents' employees, and keep a file of such receipts for one (1) year after the relevant Divestiture Date. Respondents shall maintain complete records of all such agreements at Respondents' corporate headquarters, and provide an officer's certification to the Commission stating that such acknowledgment program has been implemented and is being complied with. Respondents shall provide the Commission-approved Acquirer with copies of all certifications, notifications and reminders sent to Respondents' personnel relating to the Divestiture Assets.

D.

post-divestiture of the Divestiture Assets, that each Divestiture Assets Marketing Employee or Divestiture Assets Research and Development Employee retained by Respondents, and the direct supervisor(s) of any such employee, sign a confidentiality agreement pursuant to which such employee shall be required to maintain all Confidential Business Information related to the Divestiture Assets strictly confidential, including the nondisclosure of such information to all other employees, executives, or other personnel of Respondents (other than as necessary to comply with the requirements of this Order).

F. Respondents shall:

1. for a period of up to one (1) year from the Divestiture Date, provide the Commission-approved Acquirer with the opportunity to enter into employment contracts with the Divestiture Assets Employees. This period is hereinafter referred to as the “Employee Access Period”; and
2. not later than ten (10) days after the Divestiture Date, Respondents shall, subject to compliance with all laws: (1) provide the Commission-approved Acquirer with a list of all the Divestiture Assets Key Employees; (2) allow the Commission-approved Acquirer to interview any of the Divestiture Assets Key Employees; and (3) allow the Commission-approved Acquirer access to the personnel files and other documentation (“Employee Information”) relating to such Divestiture Assets Key Employees. Failure by Respondents to provide the Employee Information for any relevant employee within the time provided herein shall extend the Employee Access Period with respect to that employee in an amount equal to the delay.
3. provide an opportunity for the Commission-approved Acquirer to: (1) meet personally, and outside of the presence or hearing of any employee or agent of Respondents, with any one or more of the Divestiture Assets Key Employees; and (2) make offers of employment to any one or more of the Divestiture Assets Key Employees.

G. Respondents shall:

1. during the Employee Access Period, not interfere with the hiring or employing by the Commission-approved Acquirer of Divestiture Assets Key Employees, and remove any impediments within the control of Respondents that may deter these employees from accepting employment with the Commission-approved Acquirer, including, but not limited to, any noncompete or nondisclosure provisions of employment or other contracts with Respondents that would affect the ability or incentive of those individuals to be employed by the Commission-approved Acquirer. In addition, Respondents shall not make any counteroffer to a Divestiture Assets Key Employee who receives a written offer of employment from the Commission-approved Acquirer;

*provided, however,* that this Paragraph II.G.1 shall not prohibit the Respondents from making offers of employment to or employing any Divestiture Assets Key Employee during the Employee Access Period where the Commission-approved Acquirer has notified the Respondents in writing that the Commission-approved Acquirer does not intend to make an offer of employment to that employee;

*provided further* that if the Respondents notify the Commission-approved Acquirer in writing of their desire to make an offer of employment to a particular Divestiture Assets Key Employee and the Commission-approved Acquirer does not make an offer of employment to that employee within twenty (20) Days of the date the Commission-approved Acquirer receives such notice, the Respondents may make an offer of employment to that employee;

2. until the Divestiture Date, provide all Divestiture Assets Core Employees with reasonable financial incentives to continue in their positions and to market and promote the Divestiture Assets consistent with past practices and/or as may be necessary to preserve the marketability, viability and competitiveness of the Divestiture Assets and to ensure successful execution of the pre-Acquisition marketing plans related to the Divestiture Assets. Such incentives shall include a continuation of all employee compensation and benefits offered by Respondents until the Divestiture Date has occurred, including regularly scheduled raises, bonuses, and vesting of pension benefits (as permitted by Law). In addition to the foregoing, Respondents shall provide to ~~Divestiture Assets Key Key~~ Divestiture Assets Key Key Employee who accepts employment with the Commission-approved Acquirer, an incentive equal to twenty-five (25) percent of such employee's base annual salary to be paid upon the employee's completion of one (1) year of employment with the Commission-approved Acquirer;

*provided, however,* that nothing in this Order requires or shall be construed to require the Respondents to terminate the employment of any employee or prevent Respondents from continuing the employment of Divestiture Assets Key Employees (other than those conditions contained in this Order) in connection with the Acquisition or prevents the Respondents from continuing the employment of the Divestiture Assets Key Employees in connection with the Acquisition; and

3. for a period of one (1) year from the Divestiture Date, not:
  - a. directly or indirectly, solicit or otherwise attempt to induce any employee of the Commission-approved Acquirer with any

- b. hire any Divestiture Employee;

*provided, however,* Respondents may hire any former Divestiture Employee whose employment has been terminated by the Commission-approved Acquirer or who independently applies for employment with the Respondents, as long as such employee was not solicited in violation of the nonsolicitation requirements contained herein;

*provided further, however,* Respondents may do the following: (1) advertise for employees in newspapers, trade publications or other media not targeted specifically at the Divestiture Employees; or (2) hire a Divestiture Employee who contacts Respondents on his or her own initiative without any direct or indirect solicitation or encouragement.





relevant assets in accordance with the terms of this Order. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under this Paragraph shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(l) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by Respondents to comply with this Order.

- B. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents, which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within ten (10) days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.
- C. Within ten (10) days after appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestiture or transfer required by the Order.
- D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to this Order, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:
1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver or otherwise convey the relevant assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered or otherwise conveyed.
  2. The Divestiture Trustee shall have twelve (12) months from the date the Commission approves the trust agreement described herein to accomplish the divestiture, which shall be subject to the prior approval of the Commission. If, however, at the end of the twelve (12) month period, the Divestiture Trustee has submitted a plan of divestiture or believes that the divestiture can be achieved within a reasonable time, the divestiture period may be extended by the Commission;  
  
*provided, however, the Commission may extend the divestiture period only two (2) times.*
  3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested,



preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from misfeasance, gross negligence, willful or wanton acts, or bad faith by the Divestiture Trustee.

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B. Respondents shall covenant to the Commission-approved Acquirer that Respondents shall not, in any jurisdiction throughout the world, (1) use any of the commercial, trade or brand names, trademarks, or trade dress included in the Divestiture Assets Intellectual Property, including the Divested Fishing Line Products Names and Marks, or any names, marks, or trade dress that are confusingly similar thereto, as a trademark, trade name, service mark, or trade dress for its own use; (2) attempt to register any such names, marks, or trade dress that are conf

will not be presented in a type size or style significantly larger than the marks “Shakespeare” or “Synergy”).

**V.**

**IT IS FURTHER ORDERED** that for a period of ten (10) years from the date this Order becomes final, Respondents shall not, without providing advance written notification to the Commission in a manner described in this paragraph, directly or indirectly:

- A. Acquire any assets of or financial interest in any Person who develops, manufactures, or sells Fishing Line; or
- B. Enter into any contract to participate in the management of any Person who develops, manufactures, or sells Fishing Line.

Said notification shall be given on the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, and shall be prepared and transmitted in accordance with the requirements of that part, except that no filing fee will be required for any such notification, notification shall be filed with the Secretary of the Commission, notification need not be made to the United States Department of Justice, and notification is required only of Respondents and not of any other party to the transaction. Respondents shall provide the notification to the Commission at least thirty (30) days prior to consummating any such transaction (hereinafter referred to as the “first waiting period”). If, within the first waiting period, representatives of the Commission make a written request for additional information or documentary material (within the meaning of 16 C.F.R. § 803.20), Respondents shall not consummate the transaction until thirty (30) days after substantially complying with such request. Early termination of the waiting periods in this Paragraph may be requested and, where appropriate, granted by letter from the Bureau of Competition. *Provided, however,* that prior notification shall not be required by this Paragraph for a transaction for which notification is required to be made, and has been made, pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a.

**VI.**

**IT IS FURTHER ORDERED** that:

- A. Within thirty (30) days after the date this Order becomes final and every thirty (30) days thereafter until Respondents have fully complied with the provisions of Paragraphs II., III. and IV. of this Order, each Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which it has complied, is complying, and will comply with this Order and with the Order to Maintain Assets. Each Respondent

shall include in its compliance reports, among other things that are required from time to time, a full description of the efforts being made to comply with this Order and with the Order to Maintain Assets, including a description of all substantive contacts or negotiations for the divestiture and the identity of all parties contacted. Each Respondent shall include in its compliance reports copies of all written communications to and from such parties, all internal memoranda, and all reports and recommendations concerning divestiture.

- B. Beginning one (1) year after the date this Order becomes final, and annually thereafter on the anniversary of the date this Order becomes final, for the next nine (9) years, Respondents shall submit to the Commission verified written reports setting forth in detail the manner and form in which they are complritten re

**IX.**

**IT IS FURTHER ORDERED** that this Order shall terminate ten (10) years from the date the Order is issued.

By the Commission.

Donald S. Clark  
Secretary

SEAL

ISSUED: \_\_\_\_\_, 2007

**NON-PUBLIC APPENDIX I.**  
**ZEBCO ASSET PURCHASE AGREEMENT**



**APPENDIX II.**

**ORDER TO MAINTAIN ASSETS**

**APPENDIX III.**

**DIVESTITURE ASSETS KEY EMPLOYEES**

Bill Smith, Sales Manager

Jim McIntosh, Product Manager

James Therrell, Advanced Product Engineer and Quality Control Manager



<b>Registration No.</b>	<b>Status</b>	<b>Jurisdiction</b>	<b>Description</b>
2024776	Issued	United Kingdom	CUTTING LINE FOR A ROTATING LINE TRIMMER
63706	Issued	Italy	CUTTING LINE FOR A ROTATING LINE TRIMMER
D358535	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
931674	Issued	France	CUTTING LINE FOR A ROTATING LINE TRIMMER
2030070	Issued	United Kingdom	CUTTING LINE FOR A ROTATING LINE TRIMMER
D370395	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D36573	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37607	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37607	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37651	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D376739	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37905	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37941	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
D37941	Issued	United States	CUTTING LINE FOR A ROTATING LINE TRIMMER
5534333	Issued	United States	SPIRAL FABRIC
6171446	Issued	United States	PRESS FELT WITH GROOVED FIBERS HAVING IMPROVED DEWATERING CHARACTERISTICS
0221691	Issued	Belgium	MONOFILAMENTS, AND FABRICS THEREOF
0221691	Issued	Germany	MONOFILAMENTS, AND FABRICS THEREOF
0221691	Issued	France	MONOFILAMENTS, AND FABRICS THEREOF
0221691	Issued	United Kingdom	MONOFILAMENTS, AND FABRICS THEREOF
6560878	Issued	United States	MULTI-COMPONENT, EXTRUDED VEGETATION CUTTING LINE



<b>Registration No.</b>	<b>Status</b>	<b>Jurisdiction</b>	<b>Description</b>
6589392	Issued	United States	MULTICOMPONENT MONOFILAMENT FOR PAPERMAKING FORMING FABRIC
6668462	Issued	United States	MULTI-COMPONENT, EXTRUDED VEGETATION CUTTING LINE
6912789	Issued	United States	MULTIPURPOSE ROTARY CUTTING



<b>Registration No.</b>	<b>Status</b>	<b>Jurisdiction</b>	<b>Description</b>
5,759,925	Closed	United States	MONOFILAMENTS EXTRUDED FROM COMPATIBILIZED POLYMER BLENDS CONTAINING POLYPHENYLENE SULFIDE, AND FABRICS THEREOF
5,464,890	Closed	United States	POLYESTER MONOFILAMENTS EXTRUDED FROM A HIGH TEMPERATURE POLYESTER RESIN BLEND WITH INCREASED RESISTANCE TO HYDROLYTIC AND THERMAL DEGRADATION AND FABRICS THEREOF
Application 1787/95	Closed	Czech Republic	POLYESTER MONOFILAMENTS EXTRUDED FROM A HIGH TEMPERATURE POLYESTER RESIN BLEND WITH INCREASED RESISTANCE TO HYDROLYTIC AND THERMAL DEGRADATION AND FABRICS THEREOF
Application 7(1995)513798	Closed	Japan	POLYESTER MONOFILAMENTS EXTRUDED FROM A HIGH TEMPERATURE POLYESTER RESIN BLEND WITH INCREASED RESISTANCE TO HYDROLYTIC AND THERMAL DEGRADATION AND FABRICS THEREOF
5,460,869	Closed	United States	POLYESTER MONOFILAMENT AND PAPER MAKING FABRICS HAVING IMPROVED ABRASION RESISTANCE
5,456,973	Closed	United States	MONOFILAMENTS FROM POLYMER BLENDS AND FABRICS THEREOF
Application 565507	Closed	Canada	NOVEL MONOFILAMENTS, FABRICS THEREOF AND RELATED PROCESS
Application 08/445,406	Closed	United States	THERMOPLASTIC ELASTOMER RIBBON HAVING PARALLEL FILAMENTS
5,648,152	Closed	United States	POLYESTER MONOFILAMENTS



Registration No.	Status	Jurisdiction	Description

Registration No.	Status	Jurisdiction	Description
4704311	Closed	United States	PROCESS FOR MAKING ELECTRICALLY CONDUCTIVE TEXTILE FILAMENTS
0294504	Closed	Netherlands	PROCESS FOR MAKING ELECTRICALLY CONDUCTIVE TEXTILE FILAMENTS
5457968	Closed	United States	SEATING SUPPORT
6352772	Closed	United States	PAPERMAKING BELTS COMPRISING STRIATED MONOFILAMENTS
Application 60/530,053	Closed	United States	BLOWING DEVICE AND METHOD FOR USE WITH PORTABLE 1D 2 47.1600 0.0 5r-LWN METHOD on

United States

on

United States



Application / Registration No.	Jurisdiction			
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<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>
001622687	European Community	20-Apr-2000/ 03-Jul-2001		IC 28: Fishing tackle, fishing rods, fishing line and reels; accessories for the aforesaid goods.
2231178	United Kingdom	02-May-2000/ 20-Oct-2000	<b>FLY TECH</b>	IC 28: Fishing tackle, fishing rods, fishing line and reels; accessories for the aforesaid goods.
1,432,681	United Kingdom	19-Jul-1990/	<b>GRAFLITE</b>	28 Int.: Fishing tackle, fishing rods, fishing reels, and fishing lines.
777227	Australia	30-Oct-1998/ 18-Jun-1999	<b>INTREPID</b>	28 Int.: Equipment in this class for fishing; fishing tackle, including rods, reels and line.
700425	Australia	11-Jan-1996/ 21-Mar-1997	<b>INVICTA</b>	28 Int.: Fishing tackle, including rods, reels and line.
868966/ 598310	Benelux	10-Apr-1996	<b>INVICTA</b>	28 Int.: Fishing tackle, including rods, reels and line.

<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>
2,067,653/	United Kingdom	03-Apr-1996/ 28-Feb-1997	<b>INVICTA</b>	28 Int.: Fishing tackle, rods for fishing, reels for fishing, lines for fishing.
72/268,067/ 845,835	United States	31-Mar-1967/ 12-Mar-1968	<b>MEDALIST &amp; DESIGN</b>	28 Int.: Reels, parts for reels, rods, and fishing lines.
777224	Australia	30-Oct-1998/ 18-Jun-1999	<b>MEDALIST (STYLIZED)</b>	28 Int.: Equipment in this class for fishing; fishing tackle, including rods, reels and line.
74/340,199/ 1,842,437	United States	15-Dec-1992/ 28-Jun-1994	<b>MICROCAST</b>	28 Int.: Fishing rods, reels, and line.
74/340,198/ 1,843,768	United States	15-Dec-1992/ 05-Jul-1994	<b>MICROSPIN</b>	28 Int.: Fishing rods, reels and line.
285 669	Int'l Registration - Madrid	29-Jun-1964/	<b>NORIS SHAKESPEARE &amp; DESIGN</b>	28 Int.: IC 28: Wound lines for fishing, fish hooks, reels, artificial lures for fishing, leaders; lines for fishing, landing nets, hoop nets, fishing rods, handles for landing nets.

<b>Application / Registration</b>				
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<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>
40-2006-56540	Korea, Republic of	08-Nov-2006/ 25-Apr-2007	<b>PFLUEGER</b>	28 Int.: Fishing rods; fishing reels; fishing line; fish hooks; fish lures; fish flies; jigs; sinkers; fishing tackle boxes; fishing nets; fishing rod supports; artificial fishing bait; fishing chairs; floats for fishing; fishing creels; bite indicators (fishing tackle).
4633392	European Community	14-Sep-2005/ 03-Apr-2006	<b>POLESTAR</b>	28 Int.: Fishing poles, fishing reels, fishing line, fishing tackle.
2395439	United Kingdom	28-Jun-2005/	<b>POLESTAR</b>	28 Int.: Fishing poles, fishing reels, fishing line, and fishing tackle.
16849/ 72446-C	Bolivia	20-Nov-1997/ 08-Apr-1999	<b>SHAKESPEARE</b>	28 Int.: Fishing tackle; namely rods, reels, and line.

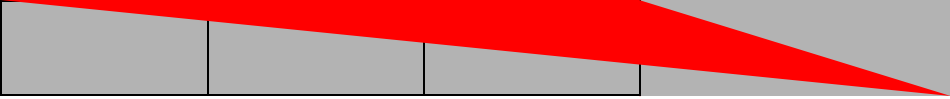


Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
344009/ 185033	Canada	29-Jun-1971/ 25-Aug-1972	<b>SHAKESPEARE</b>	NA : Sporting goods in the nature of anglers' supplies, namely, rods, reels, lines, artificial baits and lures, trolling motors and remote controls therefor, worm raiser preparations, hooks. Golfers' supplies, namely, balls and clubs. Archery supplies, namely, bow strings, arrowheads and points and res and stabilizers and nocks and feathers, bows, arrows, shooting tabs and gloves, archery crests, wrist straps, arm guards. Snowmobile accessories, namely, safety

<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>

Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods

Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
488981	European Community	07-Mar-1997/ 09-Dec-1998	<b>SHAKESPEARE</b>	17 Int.: IC 17: Threads, fibers or monofilame nts of synthetic materials for non-textile use.22 Int.: IC 22: Rope, string, cord and twines, raw fibrous textile materials.23 Int.: IC 23: Yarns and threads for textile use, sewing thread.28 Int.: IC 28: Toys; sporting articles; fishing line.



<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	
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Application / Registration No.	<b>Jurisdiction</b>	Application /Registration Date	<b>Description</b>	<b>Class: Goods</b>
15664/28WZ/ 967 849	Germany	17-Dec-1977/ 20-Feb-1978	<b>SHAKESPEARE &amp; DESIGN</b>	28 Int.: Fishing equipment, namely fishing-rods, <del>fishing-lures,</del> fishing- hooks, fishing reels, artificial baits, floats, quills and plumets, ground- finders.
781643/ 105695	Norway	14-Jun-1978/ 14-Aug-1980	<b>SHAKESPEARE &amp; DESIGN</b>	28 Int.: Games and sporting apparatus, fishing-

Application / Registration No.	<b>Jurisdiction</b>	Application /Registration Date	<b>Description</b>	<b>Class: Goods</b>
437 994	Int'l Registration - Madrid	17-Dec-1977/ 26-Apr-1978	<b>SHAKESPEARE &amp; DESIGN (COLOR)</b>	28 Int.: Apparatus for playing and sport; fishing articles, walking sticks and lines for fishing, fish hooks, winches, advance, artificial baits, floats, pipes of pens and leads, leads

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Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
69 358 1/ 693 581	Germany	17-Dec-1955/	<b>SHAKESPEARE (STYLIZED)</b>	28 Int.: Fishing spools, fishing lines, fishing rods, artificial baits.
321168/ 734395	Italy	24-Dec-1955/ 09-Jan-1956	<b>SHAKESPEARE (STYLIZED)</b>	28 Int.: Reels for fishing, lines for fishing, rods for or

Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
159166/ 2P-283411	Switzerland	23-Dec-1955/	SHAKESPEARE (SHAKESPEARE) (TYL)	1800600.000 (ARE) Tj ET 1.00000

Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
				ringless lake fishing poles, spinning reels, spinning reels adjusted by the head, spinning reels adjusted by the back, drag-net spinning reels, spinning looms for the boats; fishing lines, bobbin, bobbin fishing lines, carbon fishing lines, silicon fishing lines, string fishing lines, hank fishing lines, sachet fishing lines. Artificial fishing worms, artificial fish worms made of plastic, metal, and silicon.with a fish- shaped lure etc, swivels, double fish line swivels, triple fish line swivels, clip on fish

Application / Registration No.	Jurisdiction	Application		
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Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
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<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>
1002659/ 700611	Benelux	21-Dec-2001	<b>SIGMA</b>	28 Int.: Fishing equipment, namely fishing rods, fishing reels, and fishing line.
848620/ 492748	Canada	19-Jun-1997/ 09-Apr-1998	<b>SIGMA</b>	NA : Fishing gear, namely, rods, reels, lines and electric fishing motors.
776846	Int'l Registration - Madrid	16-Jan-2002/	<b>SIGMA</b>	28 Int.: Fishing equipment, namely fishing rods, fishing reels, and fishing line.
300930	New Zealand	04-Nov-1998/ 26-Apr-1999	<b>SIGMA</b>	28 Int.: Equipment in this class for fishing; fishing tackle, including rods, reels and line.
74/340,				

<b>Application / Registration No.</b>	<b>Jurisdiction</b>	<b>Application /Registration Date</b>	<b>Description</b>	<b>Class: Goods</b>
1,432,697	United Kingdom	19-Jul-1990/ 06-Nov-1992	<b>SIGMA &amp; DESIGN</b>	28 Int.: Fishing tackle, fishing rods, fishing reels, and fishing lines.
16968/28 Wz/ 1 002 166	Germany	10-Apr-1980/ 19-May-1980	<b>SIGMA &amp; DESIGN</b>	28 Int.: Fishing

Application / Registration No.	Jurisdiction	Application /Registration Date	Description	Class: Goods
75/627,653/ 2,418,237	United States			



