




Respondent Pernod Ricard is a corporation organized, existing and doing business under and by virtue of the laws of the French Republic, with its office and principal place of business located at 12, place des Etats-Unis, 75783 Paris Cedex 16, France. In the United States, Pernod

Booker's Bourbon; Laphroig and Teacher's Scotch; and Gilbey's Gin. Beam Global and ASCI sell distilled spirits that fall into different marketing and price point segments.

The principal economic benefit to Beam Global and ASCI of their Future Brands joint venture is cost savings or efficiencies from the joint marketing, selling, and distribution of their products. The economic benefit from the actual sale of the products that are distributed by the Future Brands joint venture are maintained by Beam Global and ASCI, as brand owners, and not by Future Brands.

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that compete with the Beam Global brands that are distributed by Future Brands. Before its acquisition of V&S, Pernod Ricard had no business relationship with Future Brands. As a marketer, seller, and distributor of distilled spirits products are Brre .6(pr)12..6(rs1a)11.6(tib15.4(e)8)121.2(r)r9,r



Under the terms of the consent agreement, to remedy the competitive concerns associated with the Stolichnaya Vodka overlap, Pernod Ricard will not be permitted to have an ownership interest in Absolut Vodka and also keep its rights to distribute Stolichnaya Vodka. Pernod Ricard will therefore be required to divest its interest in distributing Stolichnaya Vodka within six (6)

benefit from any *increase* in the Absolut Vodka income stream during the period of its joint ownership of Absolut Vodka and distribution of Stolichnaya Vodka, having already sold (at a predetermined price) the future value of *all* income stream benefits.

The consent agreement also requires that Pernod Ricard undertake certain activities to help ensure that the acquirer of the Stolichnaya Vodka assets and distribution business will be able to continue operations in a fully competitive manner. Those requirements include: (a) providing key Stolichnaya Vodka business employees with financial incentives to remain with Pernod Ricard (in order that those employees might then be available for hire by the acquirer); (b) providing lists of key employees to the acquirer; (c) for up to six (6) months, providing such reasonable technical assistance and training as the acquirer may request for the continued distribution of Stolichnaya Vodka; and (d) for up to six (6) months, providing the kinds of back office procedures to the acquirer

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The Consent Agreement has been placed on the public record for thirty (30) days for receipt of comments from interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the proposed consent agreement and the comments received, and will decide whether it should withdraw from the consent agreement or make final the Decision and Order.

By accepting the consent agreement subject to final approval, the Commission anticipates that the competitive problems alleged in the Complaint will be resolved. The purpose of this analysis is to invite and facilitate public comment concerning the consent agreement. It is not intended to constitute an official interpretation of the consent agreement, nor is it intended to modify the terms of the orders in any way.