## UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

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

In the Matter of

McCormick & Company, Incorporated, a corporation. Docket No. C-4225

### **COMPLAINT**

Pursuant to the provisions of the Clayton Act and the Federal Trade Commission Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission ("Commission"), having reason to believe that Respondent McCormick & Company, Incorporated ("McCormick"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire the Lawry's and Adolph's brands from Conopco, Inc., an affiliate of Unilever N.V., 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, 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. THE PARTIES**

#### A. Respondent McCormick

1. Respondent McCormick is a corporation organized, existing, and doing business under and by virtue the laws of the state of Maryland, with its office and principal place of business located at 18 Loveton Circle, Sparks, Maryland 21152-6000.

2. Respondent McCormick is, and at all times relevant herein has been, among other things, engaged in the manufacture, marketing, sales, and distribution of branded and private label spices, seasonings, and flavors to grocery retailers and the food industry internationally and throughout the United States. In 2006, Respondent McCormick had total worldwide net sales of all products of approximately \$2.7 billion. McCormick sells seasoned salt in the United States under the McCormick Season-All brand name.

3. Respondent McCormick is, and at all times 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.

# **B.** Unilever

4. Unilever N.V., a corporation organized under the laws of the Netherlands with its principal place of business located at Weena 455, 3013 AL Rotterdam, Netherlands, is a manufacturer of leading brands in the food, home care, and personal care industry. In 2006, Unilever N.V. had total worldwide sales of over \$49 billion.

5. Unilever United States, Inc., a subsidiary of Unilever N.V., is a corporation organized, existing, and doing business under and by virtue of the laws of the state of Delaware, with its principal place of business at 700 Sylvan Avenue, Englewood Cliffs, New Jersey 07632-3113. Conopco, Inc., doing business as Unilever ("Unilever"), a wholly-owned subsidiary of Unilever United States, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the state of New York, with its principal place of business as 700 Sylvan Avenue, Englewood Cliffs, New Jersey 07632-3113. Unilever is, and at all times relevant herein has been, among other things, engaged in the manufacture, marketing, sales, and distribution of Unilever's spices, seasonings, and flavors to grocery retailers and the food industry throughout the United States under the Lawry's Seasoned Salt brand name. In 2006, Lawry's and Adolph's had annual sales of approximately \$150 million, primarily in the United States and Canada.

6. Unilever is, and at all times herein has been, through Unilever United States, Inc., 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 PROPOSED ACQUISITION**

7. Pursuant to an Agreement and Plan of Merger dated November 13, 2007 (the "Agreement"), McCormick proposes to acquire Unilever's Lawry's and Adolph's spice blends and other products for approximately \$605 million (the "Acquisition").

# **III. THE RELEVANT MARKETS**

8. The relevant line of commerce in which to analyze the effects of the acquisition is the manufacture and sale of branded seasoned salt products. Branded seasoned salt products include any dry branded product or product formulation (not including private or store label) sold at retail, usually in glass or plastic bottles, that consist primarily of salt, contain at least two other different herbs, spices, and/or other seasonings, and are labeled or otherwise described on the container as seasoned salt. Seasoned salt is one of the most popular spice blends products.