

**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

THE LUBRIZOL CORPORATION,
 a corporation,

and

THE LOCKHART COMPANY,
 a corporation.

Docket No. C-

DECISION AND ORDER
[Public Record Version]

The Federal Trade Commission (“Commission”), having initiated an investigation of the acquisition of various product lines of chemical additives used to make rust preventives and other assets by The Lubrizol Corporation (“Respondent Lubrizol”) from The Lockhart Company (“Respondent Lockhart”) (collectively 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 which, if issued by the Commission, would charge Respondents with violations 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

Respondents, their attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), containing an admission by Respondents of all the jurisdictional facts set forth in the aforesaid draft Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission, having thereafter considered the matter and having determined that it 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 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 The Lubrizol Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of Ohio, with its office and principal place of business located at 29400 Lakeland Boulevard, Wickliffe, OH 44092.
2. Respondent The Lockhart Company is a corporation organized, existing and doing business
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or on Additives International's website for a period of two years after the date on which the order becomes final, if such products are made using the Lockhart formulae
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III.

IT IS FURTHER ORDERED that:

- A. Respondent Lockhart shall Lease the Flint Plant in good faith to Additives International, pursuant to and in accordance with the Flint Plant Lease Agreement (which agreement shall

IV.

IT IS FURTHER ORDERED that, for the term of this Order, Respondent Lockhart shall not, without providing advance written notification to the Commission in the manner described in this paragraph directly or indirectly modify, change or amend the Flint Plant Lease Agreement. *PROVIDED HOW*

VI.

IT IS FURTHER ORDERED that:

- A. The Commission may, at any time after the Order becomes final, appoint a Monitor to assure that Respondents expeditiously comply with all of their obligations and perform all of their responsibilities as required by this Order. The Commission shall select the Monitor, subject to the consent of Respondents, which consent shall not be unreasonably withheld. If Respondents have not opposed, in writing, inc

ordinary course of business, facilities and technical information, and such other relevant information as the Monitor may reasonably request, related to Respondents' compliance with their obligations under this Order. Respondents shall cooperate with any reasonable request of the Monitor and shall take no action to interfere with or impede the Monitor's ability to monitor Respondents' compliance with this Order.

5. The Monitor shall serve, without bond or other security, at the expense of Respondents on such reasonable and customary terms and conditions as the Commission may set. The Monitor shall have authority to employ, at the expense of Respondents, such consultants, accountants, attorneys and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities. The Monitor shall account for all expenses incurred, including fees for services rendered, subject to the approval of the Commission.
6. Respondents shall indemnify the Monitor and hold the Monitor harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Monitor's duties, including all reasonable fees of counsel and other reasonable expenses incurred in connection with the preparations 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 gross negligence, willful or wanton acts, or bad faith by the Monitor.
7. Respondents shall report to the Monitor in accordance with the requirements of this Order and/or as otherwise provided in any agreement and/or a

- G. The Commission may on its own initiative, or at the request of the Monitor, issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of this Order.

VII.

IT IS FURTHER ORDERED that:

- A. Thirty (30) days after the date this Order becomes final, each Respondent shall submit to the Commission a verified written report

registered office of its United States subsidiary, or its headquarters address, each Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission to:

- A. access, during business office hours of Respondent and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession or under the control of such Respondent related to compliance with this Order, which copying services shall be provided by such Respondent at the request of the authorized representative(s) of the Commission and at the expense of the Respondent; and
- B. interview officers, directors, or employees of such Respondent, who may have counsel present, regarding such matters.

X.

IT IS FURTHER ORDERED that this Order shall terminate ten (10) years after the date on which the Order becomes final.

By the Commission.

Donald S. Clark
Secretary

SEAL

ISSUED:

NON-CONFIDENTIAL EXHIBIT A
Lockhart Oxidates

LOCKHART OXIDATES*

LG 1216-47

LG 8000

LG 8000Z

LG 8002

LG 8020

LG 8022

LG 8080

LG 8085

LG 8855

LG 8870

LG 9005

LG 9008

LG 9009

LG 9010

LG 9013

LG 9015

LG 9017

LG 9020

LG 9021

LG 9024

LG 9025

LG 9056

LG 9057

LG 9060

LG 9070

LG 9072

LG 9075

LG 9080

* Product names may have a letter such as a "S" or "W" and all variations on each product name are intended to be included in this list.

CONFIDENTIAL EXHIBIT B
Flint Plant Lease Agreement

[Redacted From Public Record Version But Incorporated By Reference]