

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Jon Leibowitz, Chairman
J. Thomas Rosch
Edith Ramirez
Julie Brill

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In the Matter of)
)
CARPENTER TECHNOLOGY CORPORATION)
a corporation;)
)
and)
)
LATROBE SPECIALTY METALS, INC.)
a corporation.)
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Docket No. C-4349

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act, and its authority thereunder, the Federal Trade Commission (“Commission”), having reason to believe that Respondent Carpenter Technology Corporation (“Carpenter”), a corporation subject to the jurisdiction of the Commission, has agreed to acquire Respondent Latrobe Specialty Metals, Inc. (“Latrobe”), a corporation subject to the jurisdiction of the Commission (collectively, “Respondents”), 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. RESPONDENTS

1. Respondent Carpenter is a Delaware corporation, headquartered at 2 Meridian Boulevard, Wyomissing, Pennsylvania 19610-3202.
2. Respondent Latrobe is a Delaware Corporation, headquartered at 2626 Ligonier Street, Latrobe, Pennsylvania 15650.

10,000, with a 4,928 HHI increase. This market concentration level far exceeds the *Horizontal Merger Guidelines* thresholds, and thus, supports the presumption that the Acquisition will create or enhance market power.

V. ENTRY CONDITIONS

11. Entry into the market for MP159 or Aerospace MP35N, respectively, would not be timely, likely, or sufficient to deter the likely anticompetitive effects of the Acquisition. The time and costs required to obtain the physical assets and expertise necessary for the manufacture of MP159 and Aerospace MP35N are substantial. Before supplying the alloys to customers, MP159 and Aerospace MP35N manufacturers must also invest significant amounts of time and money to receive customer and end-user qualifications. Finally, these two markets are small, which further deters firms from making the investments required to compete effectively in these markets.

VI. EFFECTS OF THE ACQUISITION

12. The effects of the Acquisition, if consummated, may be to substantially lessen competition, and to tend to create a monopoly, in the markets for MP159 and Aerospace MP35N, respectively, 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, in the following ways, among others:

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WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this twenty-eighth day of February, 2012, issues its complaint against said Respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: