



business of Star Pipe in a transaction that was not required to be reported to the Commission under the Hart-Scott-Rodino Act, as amended.

7. Cast iron soil pipe products are primarily used in the construction of commercial, industrial, and multi-story residential building where local or state building codes require its use.
8. Manufacturers and importers of cast iron soil pipe products sell to independent wholesale distributors for resale to end users. The end users of cast iron soil pipe products are typically construction firms, mechanical engineering firms, plumbers, and developers.

## V. JURISDICTION

9. Respondent CP&P, Respondent Randolph, and Star Pipe are and all times relevant herein have been, engaged in commerce as "commerce" is defined in Section 1 of the Clayton Act, as amended, 15 U.S.C. § 12, and are corporations whose businesses are in or affect commerce as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

## VI. THE TRANSACTION

10. In July 2010, Charlotte Pipe executed an Asset Purchase Agreement with Star Pipe to acquire the assets of Star Pipe's cast iron soil pipe products business for approximately \$19 million. Pursuant to the agreement, Charlotte Pipe purchased, among other things, Star Pipe's inventory, its production equipment located in China, its business records, and its customer list. After the acquisition, Charlotte Pipe destroyed the cast iron soil pipe production equipment that it acquired from Star Pipe.
11. The parties to the transaction also executed a "Confidentiality and Non-Competition Agreement" that prohibited Star Pipe and certain Star Pipe employees from competing with Charlotte Pipe in the manufacture and sale of cast iron soil pipe products in the United States, Mexico, and Canada for a period of six years. Star Pipe also agreed to keep the transaction confidential and to send to its customers a letter indicating that it had decided to exit the cast iron soil pipe products business.

## VII. THE RELEVANT PRODUCT MARKET

12. For purposes of this Complaint, the relevant line of commerce within which to analyze the effects of the transaction is the market for the sale of cast iron soil pipe products for use in commercial, industrial, and multi-story residential building in the United States. Plastic pipe is not a viable substitute for cast iron soil pipe products because many state and local building codes in the United States require the use of cast iron soil pipe products in commercial, industrial, and multi-story residential building.

## VIII. THE RELEVANT GEOGRAPHIC MARKET

13. For purposes of this Complaint, the relevant geographic market within which to analyze the effects of the transaction is no broader than the United States, and may contain

smaller geographic markets consisting of state

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this day of \_\_\_\_\_, 2013, issues its Complaint against said Respondents

By the Commission.

Donald S. Clark  
Secretary

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