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PRELIMINARY ALLEGATIONS

2. Respondent Bosley is a corporation organized, existing, and doing business under and by virtue of the laws of the state of Delaware. Its corporate headquarters are located at 9100 Wilshire Blvd., East Penthouse, Beverly Hills, California 90212. Bosley is a wholly-owned subsidiary of Aderans America Holdings, Inc.
3. Respondent Aderans America Holdings, Inc. (“Aderans America”) is a corporation organized, existing, and doing business under and by virtue of the laws of the state of New York. Its corporate headquarters are located at 9100 Wilshire Blvd., East Penthouse, Beverly Hills, California 90212. Aderans America is a wholly-owned subsidiary of Aderans Co., Ltd.
4. Respondent Aderans Co., Ltd. (“Aderans”) is a corporation organized, existing, and doing business under and by virtue of the laws of Japan. Its corporate headquarters are located at 13-4 Araki-cho, Shinjyuku-ku, Tokyo 160-0007, Japan.
5. Hair Club is a corporation organized, existing, and doing business under and by virtue of the laws of the state of Delaware. Its corporate headquarters are located at 1515 South Federal Highway, Suite 401, Boca Raton, Florida 33432. Currently, Hair Club

LINE OF COMMERCE

11. Bosley is the largest manager of medical/surgical hair transplantation practices in the United States. Bosley and Hair Club are managers of medical/surgical hair transplantation with nationwide geographic footprints and national brand recognition.

EXCHANGES OF COMPETITIVELY SENSITIVE NON-PUBLIC INFORMATION

12. For at least four years, Bosley's and Hair Club's chief executive officers ("CEOs") repeatedly exchanged competitively sensitive, nonpublic information regarding aspects of their firms' surgical hair transplantation business.
13. Bosley's and Hair Club's CEOs directly exchanged detailed information about future product offerings, surgical hair transplantation price floors, discounting, forward-looking expansion and contraction plans, and operations and performance.
14. Bosley and Hair Club's tacit understanding to exchange information of the nature alleged herein had the purpose, tendency, and capacity to facilitate coordination and served no legitimate business purpose for Bosley, Aderans America, or Hair Club.
15. The exchanges of information, alleged herein, had the effect of reducing Bosley's and Hair Club's uncertainty about a competitor's product offerings, current discounting, geographic expansion and contraction, marketing plans, and operating strategies. The reduction of uncertainty facilitated coordination and endangered competition.
16. Information exchanges were not strictly limited to Bosley and Hair Club. Bosley viewed these information exchanges as business as usual, and indicated that it had similar communications with other competitors.

VIOLATIONS ALLEGED

17. As set forth in Paragraphs 12 through 16 above, Respondent Bosley solicited, exchanged, and obtained competitively sensitive information with and about its competitors. By facilitating coordination and endangering competition, these information exchanges violated Section 5 of the Federal Trade Commission Act, as amended.

