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UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Edith Ramirez, Chairwoman**
Maureen K. Ohlhausen
Terrell McSweeny

In the Matter of	)	
	)	**Docket No. C-4574**
American Air Liquide Holdings, Inc., a corporation.	)	

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act ("FTC Act"), and its authority thereunder, the Federal Trade Commission ("Commission"), having reason to believe

12. For purposes of this Complaint, the relevant geographic areas in which to analyze the effects of the Acquisition on the retail packaged welding gases market are:

a. Anchorage, Alaska;

b. Fairbanks, Alaska; and

c. Kenai, Alaska.

V. THE STRUCTURE OF THE MARKETS

13. Respondent Air Liquide and Airgas are two of a limited number of significant participants in each of the relevant markets for bulk oxygen, bulk nitrogen, bulk argon, bulk liquid carbon dioxide, and dry ice, and each relevant market is concentrated, as measured by the Herfindahl-Hirschman Index. The Acquisition would further increase concentration levels, resulting in Air Liquide becoming one of the largest suppliers in each relevant area.

14. Respondent Air Liquide and Airgas are the only two participants in the relevant geographic markets for bulk nitrous oxide and retail packaged welding gases. The Acquisition would result in Respondent holding a monopoly in these relevant markets.

VI. ENTRY CONDITIONS

15. New entry into the relevant markets would not occur in a timely manner sufficient to deter or counteract the likely adverse competitive effects of the Acquisition.

16. Entry into the bulk oxygen, nitrogen, and argon markets is costly, difficult, and unlikely because of, among other things, the time and cost required to construct the air separation units that produce these products. Constructing an air separation unit at a scale sufficient to be viable in the market would cost at least $30 to $100 million, most of which are sunk costs. Moreover, it is not economically justifiable to build an air separation unit unless a significant amount of the plant's capacity has been pre-sold prior to construction, either to an on-site customer or to customers with commitments under contract. Such pre-sale opportunities occur infrequently and unpredictably and can take several years to secure.

17. Entry into the bulk nitrous oxide market is costly, difficult, and unlikely because of, among other things, the time and cost required to construct a plant capable of producing nitrous oxide. Constructing such a plant would cost at least $5 to $10 million, and the demand for nitrous oxide is generally insufficient to justify the high costs of building a nitrous oxide plant. In addition, there are regulatory barriers to overcome due to the hazardous nature of producing nitrous oxide.

d. by increasing the likelihood that consumers would be forced to pay higher prices for bulk oxygen, bulk nitrogen, bulk argon, bulk nitrous oxide, bulk liquid carbon dioxide, dry ice, and retail packaged welding gases in the relevant geographic areas.

VIII. VIOLATIONS CHARGED

21. The Acquisition described in Paragraph 5, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this twelfth day of May, 2016, issue