

UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman  
Noah Joshua Phillips  
Rohit Chopra  
Rebecca Kelly Slaughter  
Christine S. Wilson

In the Matter of

One Rock Capital Partners II, LP,  
a limited partnership,

FXI Holdings, Inc.  
a corporation,

and

Bain Capital Fund XI, LP  
a limited partnership,

and

Innocor, Inc.  
a corporation.

DOCKET NO. C-4708

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act ("FTC Act"), and by virtue of the authority vested in it by said Acts, the Federal Trade Commission ("Commission"), having reason to believe that Respondent FXI Holdings, Inc. (FXI), an indirect subsidiary of Respondent One Rock Capital Partners II, LP (One Rock) and Respondent Innocor, Inc. (Innocor), an indirect subsidiary of Respondent Bain Capital Fund XI, LP (Bain) (each a "Respondent" or collectively "Respondents"), have agreed to an acquisition, in 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, 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 One Rock Capital Partners II, L.P. limited partnership organized, existing, and doing business under and by virtue of the laws

## V. THE RELEVANT GEOGRAPHIC MARKETS

8. Regional geographic markets are appropriate. Low-Density Foam is bulky to ship because it contains a significant amount of air, and freight costs are expensive relative to the value of the product. Three relevant geographic markets—the Pacific Northwest, Midwest States, and Mississippi—are appropriate to analyze the probable effect of the Merger. The Pacific Northwest geographic market includes the states of Oregon and Washington and the Midwest States geographic market includes the states of Indiana, Michigan, and Ohio.

## VI. MARKET STRUCTURE

9. FXI and Innocor are two of only five major suppliers of Low-Density Foam in the United States.

10. In the Pacific Northwest, FXI and Innocor are the only suppliers of Low-Density Foam.

11. In the Midwest States, FXI and Innocor are two of the three major suppliers of Low-Density Foam.

12. In Mississippi, FXI and Innocor are two of the four major suppliers of Low-Density Foam.

13. In each of the relevant markets, the Merger would result in highly concentrated markets and a significant increase in concentration under the standards set forth in the 2010 U.S. Department of Justice and Federal Trade Commission Horizontal Merger Guidelines and the relevant case law, and, therefore, the Merger is presumptively unlawful.

## VII. ENTRY CONDITIONS

14. Entry into the relevant markets described in Paragraphs 7 and 8 would not be timely, likely, or sufficient in magnitude, character, or scope to deter or counteract the expected anticompetitive effects of the Merger.

## VIII. EFFECTS OF THE MERGER

15. The effects of the Merger, if consummated, may be to substantially lessen competition in the relevant lines of commerce, in 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, in the following ways:

- a. by increasing the likelihood of coordination and parallel accommodating conduct among the remaining competitors in the relevant market; and
- b. by eliminating direct and substantial competition between FXI and Innocor.

## IX. VIOLATIONS CHARGED

16. The allegations contained in Paragraphs through 15 above are hereby incorporated by reference as though fully set forth here.

17.