Dissenting Statement of Commissioner Joshua D. Wright
In the Matter of Par Petroleum Corporation/Koko'oha Investments, Inc.
(Mid Pac Petroleum, LLC)
FTC File No. 141-0171
March 18, 2015

The Commission has voted to issue a Complaint and a Decision & Order against Par Petroleum Corporation ("Par") to remedy the allegedly anticompetitive effects of Par's proposed acquisition of Mid Pac Petroleum, LLC ("Mid Pac"). I dissented from the Commission's decision because the evidence is insufficient to provide reason to believe Par's acquisition will substantially lessen competition in bulk supply of Hawaii-grade gasoline blendstock ("HIBOB") in the state of Hawaii, in violation of Section 7 of the Clayton Act.[1] I commend Staff for their hard work in this matter. Staff has worked diligently to collect and analyze evidence related to numerous product markets within the Hawaiian
action to the single theory of harm alleged in the Complaint. Based upon the evidence, I
uded there is no reason to believe the proposed transaction is likely to lessen competition in
elevant market. It follows, in my view, that the Commission should close the investigation
llow the parties to complete the merger without imposing a remedy.

The Complaint articulates a theory of competitive harm arising from the proposed
action based upon the possibility that Par, a bulk supplier of HIBOB, will foreclose a
ntial downstream customer, Aloha Petroleum, Ltd. ("Aloha"), from its ability to import to
pline the prices of bulk-supplied HIBOB. Par's acquisition of Mid Pac includes the latter's
ge rights at Barbers Point Terminal. Mid Pac and Aloha each currently have storage rights
rbers Point Terminal sufficient to allow them to import HIBOB. After the merger, Par and
a would share access to the terminal. The theory of harm articulated in the Complaint is
Par would have the incentive and ability to use its newly acquired Mid Pac storage rights to
k" petroleum products at Barbers Point Terminal, and that this strategy would reduce or
nate Aloha's ability to disci

the answer is no. For Par to have the incentive and ability to engage in this strategy, it must be profitable for it to do so. Neither economic analysis nor record evidence gives me reason to believe this is so. The evidence strongly suggests such an exclusionary strategy would not be profitable without Chevron Corporation's ("Chevron's") cooperation. Chevron is the only other Hawaiian refin