

UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairman  
Jon Leibowitz  
Julie Brill  
Maureen K. Ohlhausen  
Joshua D. Wright

\_\_\_\_\_)  
In the Matter of )  
)  
OLTRIN SOLUTIONS, LLC )  
a company; )  
)  
JCI JONES CHEMICALS, INC. )  
a corporation; )  
)  
OLIN CORPORATION )  
a corporation; and )  
)  
TRINITY MANUFACTURING, INC. )  
a corporation )  
\_\_\_\_\_)

Docket No. C-4388

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Clayton Act, and by virtue of the authority vested by said Acts, the Federal Trade Commission (the "Commission"), having reason to believe that respondent Oltrin Solutions, LLC ("Oltrin," a joint venture between TriOlin LLC, a subsidiary of Olin Corporation, and Trinity Manufacturing, Inc.) entered into a transaction (the "Transaction") with JCI Jones Chemicals, Inc. ("JCI"), in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission 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. RESPONDENT OLTRIN SOLUTIONS, LLC

1. Respondent Oltrin is a limited liability company with its headquarters address located at 11 E.V. Hogan Dr., Hamlet, North Carolina, 28345. Oltrin is jointly owned by Trinity Manufacturing, Inc. and TriOlin LLC, a subsidiary of Olin Corporation, and was formed in 2007.

Oltrin purchases and resells all of the sodium hypochlorite (“bleach”) produced for external sales at the Trinity-operated plant in Hamlet, North Carolina.

## **II. RESPONDENT JCI JONES CHEMICALS, INC.**

2. Respondent JCI is a privately-held, family-owned company headquartered at 1765 Ringling Blvd., Sarasota, Florida, 34236. JCI is one of the world’s leading manufacturers and distributors of water treatment chemicals and it produces bleach and other chemicals nationwide at eleven manufacturing plants. Prior to entering into a non-competition agreement with Respondent Oltrin in connection the Transaction, JCI was engaged in the manufacture and sale of bleach from its plant in Charlotte, North Carolina.

## **III. RESPONDENT OLIN CORPORATION**

3. Respondent Olin Corporation (“Olin”) is a publicly-traded corporation incorporated in Virginia and headquartered at 190 Carondelet Plaza, Suite 1530, Clayton, Missouri, 63105. Olin produces a variety of chemicals and is the largest North American producer of bleach. Respondent Oltrin is a joint venture between TriOlin LLC, a subsidiary of Olin, and Trinity Manufacturing, Inc.

## **IV. RESPONDENT TRINITY MANUFACTURING, INC.**

4. Trinity Manufacturing, Inc. (“Trinity”) is a privately-owned marketer of bleach and other chemicals, headquartered at 11 E.V. Hogan Dr., Hamlet, North Carolina, 28345. Trinity operates a bleach plant in Hamlet, North Carolina. All of the bleach produced at the Hamlet plant is sold to Trinity and that portion intended for external sale is resold through Oltrin, which is a joint venture between Trinity and TriOlin LLC.

## **V. JURISDICTION**

5. Respondents Oltrin, JCI, Olin, and Trinity are, and at 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**

6. In March 2010, Oltrin agreed to pay JCI \$5.5 million over four years for, among other things, a list of the bulk bleach customers to JCI’s Charlotte, North Carolina plant, and an agreement that JCI would not sell bulk bleach in North Carolina or South Carolina for six years.

## **VII. THE RELEVANT PRODUCT MARKET**

7. For purposes of this Complaint, the relevant line of commerce within which to analyze the effects of the Transaction is the market for the bulk supply of bleach. “Bulk sales” of bleach typically consist of purchases delivered in quantities of at least 4,500 or 4,800 gallons.

## **VIII. RELEVANT GEOGRAPHIC MARKET**

8. For purposes of this Complaint, the relevant geographic market within which to analyze the effects of the Transaction is no broader than southern Virginia, North Carolina, and South Carolina, and potentially limited to North Carolina and South Carolina.

## **IX. MARKET STRUCTURE**

9. The market for the bulk supply of bleach in the relevant geographic market is highly concentrated. Prior to the Transaction, Oltrin and JCI were direct competitors in the relevant market.

## **X. CONDITIONS OF ENTRY**

10. Entry into the relevant market has not been, and would not be, timely, likely, or sufficient in magnitude, character, and scope to deter or counteract the anticompetitive effects of the Transaction. Producers in the relevant geographic market typically produce bleach utilizing a salt-to-bleach plant or by combining electrochemical units (“ECUs”) in a Powell unit. It takes three years or more and tens of millions of dollars to build a modern salt-to-bleach plant. Entry by building a plant, or installing a Powell unit at an existing plant, that produces bleach by combining ECUs is also unlikely because doing so requires that the producer handle chlorine, which subjects the handler to stringent security regulations. Finally, there has been no entry into the relevant geographic market since the date of the Transaction.

## **XI. EFFECTS OF THE TRANSACTION**

11. The effects of the Transaction have been a substantial lessening of competition in the relevant market 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. Specifically, the agreement has:

- a. Eliminated actual, direct, and substantial competition between Oltrin and JCI in the relevant market;
- b. Substantially increased the level of concentration in the relevant market; and
- c. Increased Oltrin’s ability to exercise market power unilaterally in the relevant market.

## **XII. VIOLATIONS CHARGED**

12. The allegations contained in Paragraphs 1 through 11 above are hereby incorporated by reference as though fully set forth here.

13. The Transaction described in Paragraph 6 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, and Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

**WHEREFORE, THE PREMISES CONSIDERED**, the Federal Trade Commission on this seventh day of March, 2013, issues its Complaint against said Respondents.

By the Commission, Commissioner Leibowitz not participating.

Richard C. Donohue  
Acting Secretary

SEAL: