# UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSIC OFFICE OF ADMINISTRATIVE LAW JUDGE

NOP 17 2013 566797 SECRETARY

In the Matter of

Ardagh Group S.A., a public limited liability company, and

Compagnie de Saint-Gobain, a corporation, and

Saint-Gobain Containers, Inc., a corporation.

**PUBLIC** 

DOCKET NO. 9356

# RESPONSES AND OBJECTIONS OF RESPONDENT ARDAGH GROUP S.A. TO COMPLAINT COUNSEL'S REQUESTS FOR ADMISSIONS

Pursuant to the Federal Trade Commission's Rules of Practice, 16 C.F.R. § 3.32, Respondent Ardagh Group S.A. ("Ardagh") hereby objects and responds to Complaint Counsel's Requests for Admissions to Ardagh Group S.A. dated September 6, 2013 (the "RFAs").

Ardagh reserves the right to supplement, clarify, revise or correct these responses and objections. These responses are made without prejudice to, and are not a waiver of, Ardagh's right to rely on other facts or documents at trial. In making these responses, Ardagh expressly reserves its right to assert any and all objections as to the admissibility of such responses into evidence in this action, or in any other proceedings. Ardagh makes these responses and objections without, in any way, implying that it considers the RFAs, or responses thereto, to be relevant or material to the subject matter of this action.

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**Public** 

## **GENERAL OBJECTIONS**

1. Ardagh objects to the RFAs to the extent that they seek to impose requirements and obligations in excess of those required or authorized by the Federal Trade Commission's Rules of Practice, 16 C.F.R. § 3.32, or any other applicable rules or law.

2. Ardagh objects to the RFAs to the extent that they seek information that is subject to the attorney-client privilege or any other privilege, immunity, or other protection against disclosure. Such information will not be provided.

3. Ardagh objects to any explicit or implicit characterization of facts, events, circumstances, or issues in the RFAs. Ardagh's response to an RFA is not intended to mean or imply that Ardagh agrees with or accepts any explicit or implicit characterization of facts, events, circumstances, or issues in the RFAs.

4. Ardagh objects to the RFAs to the extent that they are overbroad, vague, ambiguous, susceptible to multiple interpretations, or otherwise seek information that is not relevant to the issues in this action or calculated to lead to the discovery of admissible evidence.

5. Ardagh objects to the RFAs to the extent that they are unduly burdensome in light of the ten-day period in which Ardagh must respond to them.

6. Ardagh objects to the RFAs to the extent that they purport to require Ardagh to perform anything more than a reasonable inquiry into information readily accessible to Ardagh.

7. Ardagh objects to the RFAs to the extent that they purport to require information that is not within the possession, custody, or control of Ardagh or reasonably accessible to it.

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8. Ardagh objects to the RFAs to the extent that such discovery would violate applicable laws, rules or regulations of foreign jurisdictions, and/or applicable conventions or treaties with respect to information, documents, or electronically stored information located in a foreign country.

# **OBJECTIONS TO DEFINITIONS AND INSTRUCTIONS**

1. Ardagh objects to Definition 1 to the extent that it fails to identify the individuals or entities referred to with particularity. Ardagh further objects to this Definition to the extent that it is overbroad, vague, ambiguous, susceptible to multiple interpretations, or otherwise seeks information that is not relevant to the issues in this action or calculated to lead to the discovery of admissible evidence.

# RESPONSES AND OBJECTIONS TO SPECIFIC REQUESTS FOR ADMISSIONS RFA 1

Admit that all of the top 25 U.S. craft brewers (based on 2012 beer sales volume) package their beer in glass containers.

# Response to RFA 1

In addition to the General Objections set forth above, Ardagh objects to RFA 1 on the grounds that it is vague, ambiguous and purports to seek information outside of Ardagh's possession, custody or control. Subject to and without waiving the foregoing objections, Ardagh states that it believes all of the top 25 U.S. craft brewers (according to the statistics for 2012 beer sales volume maintained by The Brewers Association) package their beer in glass containers, and many also package their beer in aluminum cans. Ardagh further states that the 27th largest U.S. craft brewer (according to The Brewers Association) packages its beer only in aluminum cans.

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# <u>RFA 2</u>

Admit that, from 2008 to 2013, the Company has bid to supply (through an informal or formal bid), either directly or through a distributor, glass containers to a craft brewer located in California.

# **Response to RFA 2**

In addition to the General Objections set forth above, Ardagh objects to RFA 2 on the grounds that the phrase "from 2008 to 2013" is vague and ambiguous. Subject to and without waiving the foregoing objections, Ardagh states that, on one or more occasions between 2008 and 2013, the Company has bid to supply, through an informal or formal bid, either directly or through a distributor, certain glass containers to a craft brewer located in California.

## RFA 3

Admit that, from 2008 to 2013, the Company has bid to supply (through an informal or formal bid), either directly or through a distributor, glass containers to a craft brewer located in Washington.

# **Response to RFA 3**

In addition to the General Objections set forth above, Ardagh objects to RFA 3 on the grounds that the phrase "from 2008 to 2013" is vague and ambiguous. Subject to and without waiving the foregoing objections, Ardagh states that, on one or more occasions between 2008 and 2013, the Company has bid to supply, through an informal or formal bid, a distributor with certain glass containers, which it understands such distributor intended to supply to a craft brewer located in Washington.

# <u>RFA 4</u>

Admit that, from 2008 to 2013, the Company has bid to supply (through an informal or formal bid), either directly or through a distributor, glass containers to a craft brewer located in Oregon.

In addition to the General Objections set forth above, Ardagh objects to RFA 4 on the grounds that the phrase "from 2008 to 2013" is vague and ambiguous. Subject to and without waiving the foregoing objections, Ardagh states that, on one or more occasions between 2008 and 2013, the Company has bid to supply, through an informal or formal bid, a distributor with certain glass containers, which it understands such distributor intended to supply to a craft brewer located in Oregon.

## <u>RFA 5</u>

Admit that, in 2005, more than **{ add }** of the gross output, measured by unit sales, from the Company's plant in Shakopee, Minnesota was beer bottles.

#### **Response to RFA 5**

Subject to and without waiving the foregoing objections, Ardagh admits that, in 2005, more than **(1997)** of the gross output, measured by unit sales, from the Company's plant in Shakopee, Minnesota was beer bottles.

# <u>RFA 6</u>

Admit that, in 2006, less than **{ and }** of the gross output, measured by unit sales, from the Company's plant in Shakopee, Minnesota was beer bottles.

# **Response to RFA 6**

## <u>RFA 7</u>

Admit that, in 2005, more than **{ add }**} of the gross output, measured by unit sales, from the Company's plant in Elmira, New York was beer bottles.

Subject to and without waiving the foregoing objections, Ardagh admits that, in 2005, more than **(1997)** of the gross output, measured by unit sales, from the Company's plant in Elmira, New York was beer bottles.

# <u>RFA 8</u>

Admit that, in 2006, less than **{ \_\_\_\_\_}**} of the gross output, measured by unit sales, from the Company's plant in Elmira New York was beer bottles.

## **Response to RFA 8**

# <u>RFA 9</u>

Admit that the Company bid to supply { \_\_\_\_\_\_\_\_}, either directly or through a distributor, from the Company's plant in Warner Robbins, Georgia in 2012.

## **Response to RFA 9**

Subject to and without waiving the foregoing objections, Ardagh states that in 2012

the Company bid to supply a distributor, which it understands was bidding to supply

}, with certain glass containers from the Company's plant in

Warner Robins, Georgia.

#### <u>RFA 10</u>

Admit that craft beer bottles and mass beer bottles can be manufactured in the same plant.

# Response to RFA 10

In addition to the General Objections set forth above, Ardagh objects to RFA 10 on the grounds that the terms "craft beer bottles" and "mass beer bottles" are vague and ambiguous. Subject to and without waiving the foregoing objections, Ardagh states that it is unaware of a technical reason why certain beer bottles manufactured for sale to craft brewers and certain beer bottles manufactured for sale to mass brewers cannot be manufactured in the same glass manufacturing plant.

## <u>RFA 11</u>

Admit that craft beer bottles and mass beer bottles can be manufactured using the same furnace and same individual setting machine.

## Response to RFA 11

In addition to the General Objections set forth above, Ardagh objects to RFA 10 on the grounds that the terms "craft beer bottles," "mass beer bottles," and "individual setting machine" are vague and ambiguous. Subject to and without waiving the foregoing objections, Ardagh states that it is unaware of a technical reason why certain beer bottles manufactured for sale to craft brewers and certain beer bottles manufactured for sale to mass brewers cannot be manufactured using the same furnace and same individual section machine.

## **RFA 12**

Admit that the Company bid to supply (through an informal or formal bid) } in 2009

# Response to RFA 12

Subject to and without waiving the foregoing objections, Ardagh states that in 2009 the Company bid to supply, through an informal or formal bid, {

#### <u>RFA 13</u>

Admit that the Company bid to supply (through an informal or formal bid) {
in 2012.

Subject to and without waiving the foregoing objections, Ardagh states that in 2012

the Company bid to supply, through an informal or formal bid,

} with certain glass containers in certain locations.

# <u>RFA 14</u>

Admit that the Company bid to supply (through an informal or formal bid) in 2013.

# **Response to RFA 14**

Subject to and without waiving the foregoing objections, Ardagh states that in 2013 the Company bid to supply, through an informal or formal bid, **(maintenance)** with certain glass containers in certain locations.

# <u>RFA 15</u>

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **a distributor** in 2011.

# **Response to RFA 15**

}.

Subject to and without waiving the foregoing objections, Ardagh states that in 2011

the Company bid to supply a distributor, through an informal or formal bid, with certain

glass containers which it understands such distributor was intending to supply to {

## **RFA 16**

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, { in 2012.

Subject to and without waiving the foregoing objections, Ardagh states that in 2012

the Company bid to supply, through an informal or formal bid,

} with certain glass containers in certain locations.

### <u>RFA 17</u>

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **{** in 2013.

## Response to RFA 17

## <u>RFA 18</u>

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **admit admit adm** 

# **Response to RFA 18**

Subject to and without waiving the foregoing objections, Ardagh states that in 2009

the Company bid to supply, through an informal or formal bid, either directly or through a

distributor, { } with certain glass containers in certain locations.

#### <u>RFA 19</u>

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **{** in 2012.

## **Response to RFA 19**

Subject to and without waiving the foregoing objections, Ardagh states that in 2011 the Company bid to supply, through an informal or formal bid, either directly or through a

distributor, { } with certain glass containers in certain locations.

## **RFA 20**

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **a** (in 2012) in 2012.

# **Response to RFA 20**

Subject to and without waiving the foregoing objections, Ardagh states that in 2012

the Company bid to supply, through an informal or formal bid, either directly or through a

distributor, { } with certain glass containers in certain locations.

# <u>RFA 21</u>

Admit that the Company bid to supply (through an informal or formal bid), either directly or through a distributor, **a distributor** in 2012.

## **Response to RFA 21**

Subject to and without waiving the foregoing objections, Ardagh states that in 2012 the Company bid to supply, through an informal or formal bid, a distributor with certain glass containers that it understands such distributor intended to supply to

#### **RFA 22**

# **Response to RFA 22**

Subject to and without waiving the foregoing objections, Ardagh states that in 2009 the Company bid to supply, through an informal or formal bid, **{ Company bid to supply, through an informal or formal bid, }** { **Company bid to supply, through an informal or formal bid, } { Company bid to supply, } { <b>Company bid to supply, } { Company bid to supply, } { C** 

# <u>RFA 23</u>

Admit that the capital investment needed to construct a new glass container manufacturing facility in the U.S. is at least \$150-\$200 million.

# **Response to RFA 23**

In addition to the General Objections set forth above, Ardagh objects to RFA 23 on the grounds that it is vague, overbroad, purports to seek information that is outside of Ardagh's custody or control, and is both speculative and hypothetical.

Subject to and without waiving the foregoing general and specific objections,

Ardagh admits that the capital investment needed to construct a new glass container manufacturing facility in the U.S. could be at least \$150-\$200 million. Ardagh further states that the specific costs required to construct a new glass container manufacturing facility in the U.S. would vary according to the facility.

Dated: New York, New York September 16, 2013

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## **CERTIFICATE OF SERVICE**

I hereby certify that on September 16, 2013, I filed a version of the foregoing document (with confidential material redacted) electronically using the FTC's E-Filing System, which will send notification of such filing to:

Donald S. Clark Secretary Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-113 Washington, DC 20580

I also certify that I delivered via electronic mail and hand delivery a copy of the foregoing document to:

The Honorable D. Michael Chappell Administrative Law Judge Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-110 Washington, DC 20580

I further certify that I delivered via electronic mail a copy of the foregoing document to:

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# **CERTIFICATE FOR ELECTRONIC FILING**

I certify that the electronic copy sent to the Secretary of the Commission is a true and correct copy of the paper original and that a paper original of the signed document has been filed today with the Secretary of the Commission.

September 16, 2013

By: <u>Edward S. Timlin</u> Attorney