UNITED STATES OF AMERICA

BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of	)	
Alimentation Couche-Tard Inc., a corporation;	)	**Docket No. C-4635**
and	)	
CrossAmerica Partners LP, a limited partnership.	)	

PETITION OF ALIMENTATION COUCHE-TARD INC. AND CROSSAMERICA PARTNERS LP FOR APPROVAL OF THE PROPOSED DIVESTITURE OF MN0016 TO TWIN CITY PETROLEUM & PROPERTY, LLC

Pursuant to Section 2.41(f) of the Federal Trade Commission ("Commission") Rules of Practice and Procedure, 16 C.F.R. § 2.41(f), and Paragraph II.A. of the Decision and Order contained in the Agreement Containing Consent Orders accepted for public comment in this matter ("Decision and Order"), Alimentation Couche-Tard Inc. ("ACT") and CrossAmerica Partners LP ("CAPL") (ACT and CAPL together, "Respondents") petition the Commission to approve the divestiture of MN0016 to Twin City Petroleum & Property LLC ("Twin City").

I. Introduction

On November 29, 2017, Respondents executed an Agreement Containing Consent Orders that included a Decision and Order and an Order to Maintain Assets (collectively, the "Consent Agreement") to settle the Commission's charges related to ACT's acquisition of equity interests from Holiday Companies ("Holiday"). On December 15, 2017, the Commission accepted the Consent Agreement for public comment, and the acquisition was consummated shortly thereafter.

Paragraph II.A. of the Decision and Order requires Respondents to divest the Retail Fuel Assets.[1] Pursuant to this requirement, Respondents have diligently sought buyers that would be acceptable to the Commission. On May 15, 2018, Respondents submitted a petition to the Commission for approval of the divestiture of MN0016, MN0022, and Holiday 251 to Andeavor Corporation ("Andeavor"). On June 6, 2018, Respondents submitted a petition to the Commission for approval of the divestiture of MN0012, MN0021, MN0024, MN0037, WI0050, WI0061, and WI0077 to Molo Oil Company ("Molo") and Twin City. **[REDACTED]** Respondents have also entered into an asset purchase agreement to sell MN0016 to Twin City for a total base purchase price of **[REDACTED]** (the "APA"). The APA is attached as Confidential Exhibit 3 **[REDACTED]**. This petition replaces Respondents' request for approval of Andeavor as acquirer of MN0016. Respondents' petition requesting approval of Andeavor as acquirer of MN0022 and Holiday 251 remains in effect.

II. Twin City Is Well-Positioned to Compete Effectively

a. Twin City Will Compete Effectively Post-Divestiture

The Commission requires that a divestiture buyer be capable of operating the divested assets competitively. The Commission has observed that "the most successful buyers appear to be ones that know the most about what they are buying."[2]

Twin City is owned by Hisham Mubaidin, who has nearly 30 years of experience in the oil and gas industry, including in the supply of retail and wholesale fuel. Mr. Mubaidin's retail and wholesale fuel network comprises 27 stations located across the United States,

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1 All capitalized terms have the meanings given to them in the Decision and Order unless otherwise specified herein.

2 Staff of the Bureau of Competition of the Federal Trade Commission, *A Study of the Commission's Divestiture Process* (1999), p. 34 (available at https://www.ftc.gov/sites/default/files/attachments/mergereview/divestiture.pdf).

including 11 stations in Florida, 8 stations in Pennsylvania, 5 stations in New Mexico, and 3 stations in Texas. These operations include lessee-dealer, commission-agent, and directly operated stations, as well as stations for which Mr. Mubaidin is a fuel distributor. Through these operations, Mr. Mubaidin has established fuel supply relationships with Sunoco, Marathon, Citgo, and ARCO.

MN0016 is subject to a franchise agreement, attached as Confidential Exhibit 4, with SuperAmerica Franchising LLC ("SuperAmerica"), a subsidiary of Andeavor. **[REDACTED]** Currently, SuperAmerica supplies SuperAmerica-branded fuel to the station, and the convenience store uses the SuperAmerica brand.

[REDACTED] Respondents also understand that Twin City intends to operate MN0016 directly.

b. The Proposed Divestiture Raises No Competitive Issues

There are no competitive issues posed by the divestiture to Twin City. Twin City does not operate stations in Minnesota or Wisconsin or have any preexisting relationship with Respondents except as it relates to the divestiture of MN0012, MN0021, MN0024, MN0037, WI0050, WI0061, and WI0077. Respondents will not provide any financing for the acquisition.

* * *

For these reasons, Twin City is well-positioned to compete vigorously and restore any competition lost in the relevant markets as a result of the Acquisition.

III. The APA Is Consistent with the Requirements of the Decision and Order

The APA is consistent with the requirements of the Decision and Order to divest the Retail Fuel Assets.

- Consistent with Paragraph II.A. of the Decision and Order, the APA requires Respondents to sell MN0016 to Twin City.
- Consistent with Paragraph II.E. of the Decision and Order's goal of ensuring that MN0016 remains competitive after the divestiture, the APA includes in the sale of the real property, fuel inventory, and equipment needed Twin City to compete effectively after the divestiture.
- Also consistent with Paragraph II.A. of the Decision and Order, the sale to Twin City under the APA is subject to Twin City being approved by the Commission.
- **[REDACTED]**

IV. Request for Confidential Treatment

Because this petition and its attachments contain confidential and competitively sensitive business information relating to the divestiture of the Retail Fuel Assets, Respondents have redacted such confidential information (including all exhibits) from the public version of this petition. The disclosure of this information would prejudice Respondents and Twin City, cause harm to the ongoing competitiveness of the Retail Fuel Assets, and impair Respondents' ability to comply with their obligations under the Consent Agreement. Pursuant to Sections 2.41(f)(4) and 4.9(c) of the Commission's Rules of Practice and Procedure, 16 C.F.R. §§ 2.41(f)(4) and 4.9(c), Respondents request, on their own behalf and on behalf of Twin City, that the confidential version of this petition should be accorded such confidential treatment under Section 552 of the Freedom of Information Act and Section 4.10(a)(2) of the Commission's Rules of Practice and Procedure. 5 U.S.C. § 552; 16 C.F.R. § 4.10(a)(2). The confidential version of this petition is also exempt from disclosure under Exemptions 4, 7(A), 7(B), and 7(C) of the Freedom of Information Act, 5 U.S.C. §§ 552(b)(4),

552(b)(7)(A), 552(b)(7)(B), and 552(b)(7)(C), and the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § l 8a(h).

V. Conclusion

The proposed divestiture of MN0016 to Twin City will accomplish the Commission's goals to ensure the continued use of MN0016 in the same business in which it was engaged when the Acquisition was announced, and to remedy any lessening of competition resulting from the Acquisition as alleged in the Commission's Complaint.

Respondents wish to complete the proposed divestiture as soon as possible following Commission approval. Prompt consummation will further the purposes of the Decision and Order and is in the interests of the Commission, the public, Twin City, and Respondents. Respondents accordingly request that the Commission promptly commence the period of public comment pursuant to Section 2.41(f)(2) of the Commission's Rules of Practice and Procedure, 16 C.F.R. § 2.41(f)(2), and grant this petition by approving the divestiture of MN0016 as soon as practicable after the close of the public comment period.

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