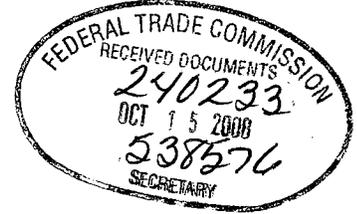


UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

ORIGINAL



COMMISSIONERS: William E. Kovacic, Chairman
Pamela Jones Harbour
Jon Leibowitz
J. Thomas Rosch

In the Matter of)
)

Polypore International, Inc.,)
a corporation.)

) Docket No. 9327

) PUBLIC DOCUMENT

ANSWER AND DEFENSES
OF RESPONDENT POLYPORE INTERNATIONAL, INC.

Pursuant to 16 C.F.R. § 3.12, Respondent Polypore International, Inc. ("Polypore"), by its attorneys, Parker Poe Adams & Bernstein LLP, answers the allegations of the Complaint filed by the Federal Trade Commission ("FTC") as follows:

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and of the Clayton Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission (the "Commission"), having reason to believe that respondent Polypore International, Inc. ("Daramic"), a Delaware corporation subject to the jurisdiction of the Commission having its principal place of business in North Carolina, entered into an agreement, in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, pursuant to which Daramic purchased 100 percent of the stock of Microporous Holding Corporation, the parent company of Microporous Products L.P. ("Microporous"), headquartered in Piney Flats, Tennessee, from Industrial Growth Partners II L.P. ("IGP") and other stockholders in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, and Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and through conduct and agreements Daramic monopolized the North American markets for deep-cycle, motive and UPS battery separators and otherwise restrained trade significantly in the North American automotive separators market, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its Complaint, stating and charges as follows:

ANSWER: This paragraph is a mere characterization of the complaint to which no responsive pleading is required. To the extent that a response to this paragraph is deemed necessary, Respondent admits that it has its principal place of business in North Carolina and that

Microporous was headquartered in Piney Flats, TN. Respondent also admits that in February 2008 Daramic Acquisition Corporation, a subsidiary of Respondent, acquired 100% of the outstanding stock of Microporous Holdings Corporation, the parent company of Microporous, from Industrial Growth Partners II L.P. ("IGP") and other stockholders. Respondent denies the remaining allegations in this paragraph.

I. RESPONDENT

1. Respondent Daramic manufactures a broad range of high-performance battery separator membranes. Daramic today develops, markets, and supplies more than 50 percent of the world's demand for high performance polyethylene ("PE") battery separators to the flooded lead-acid battery industry. Daramic operates 6 manufacturing facilities with a combined annual capacity of approximately 600 million square meters of battery separator products. In the United States, Daramic has manufacturing plants in Owensboro, Kentucky and Corydon, Indiana. Daramic also has facilities in Selestat, France; Nordestedt, Germany; Potenza, Italy; a controlling interest in a joint venture with Nippon Sheet Glass located in Tianjin, China, and a newly expanded operation in Prachinburi, Thailand. With the acquisition of Microporous, Daramic also adds production lines in Piney Flats, Tennessee and Feistritz, Austria.

ANSWER: Respondent Polypore admits that it develops, manufactures and markets battery separators, including PE separators, in a global market. Respondent further admits that it has manufacturing plants in Owensboro, Kentucky and Corydon, Indiana, and also has facilities in Selestat, France; Nordestedt, Germany; Potenza, Italy; and Prachinburi, Thailand. Polypore also admits that Daramic Acquisition Corporation's acquisition of Microporous Holdings Corporation, the parent company of Microporous, from IGP and other stockholders resulted in additional production lines in Piney Flats, Tennessee and Feistritz, Austria. Except as stated above, Polypore denies the allegations of Paragraph 1.

2. The former Microporous was headquartered in Piney Flats, Tennessee, with manufacturing facilities in both Tennessee and Austria. Microporous had 170 employees, and had \$37 million in sales in 2007. Before it was acquired by Daramic, Microporous was owned by IGP, a private equity firm. Microporous' latest products included rubber separators, PE-rubber separators, and PE separators. These products are still produced in a 30,000 square-foot plant in Piney Flats, TN. Microporous had completed an expansion with a new Greenfield plant in Austria, consisting of two lines, one producing a PE-rubber separator and one a PE separator (although both lines can produce either product). These lines are now in full commercial production under Daramic's control.

ANSWER: Respondent admits that until February 2008, Microporous Products L.P. was owned by IGP, a private equity firm, and was headquartered in Piney Flats, Tennessee with a manufacturing facility in Tennessee. Polypore further admits that Microporous was in the process of expanding its manufacturing facilities through a Greenfield expansion in Austria, which would add two lines for PE production. Except as stated above, Polypore denies the allegations of Paragraph 2.

II. JURISDICTION

3. Daramic is, and at all times relevant herein, has been engaged in “commerce” as defined in Section 1 of the Clayton Act, as amended, 15 U.S.C. § 12, and is a corporation whose businesses are in or affect “commerce” as defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

ANSWER: Polypore admits the allegations of Paragraph 3.

III. THE TRANSACTION

4. On February 29, 2008, Daramic acquired, pursuant to an agreement with Microporous, IGP and other stockholders, 100 percent of the stock of Microporous Holdings Corporation, the parent company of Microporous Products L.P. (Microporous), from Industrial Growth Partners II L.P. and other stockholders for approximately \$76 million.

ANSWER: Polypore admits that on February 29, 2008, Daramic Acquisition Corporation, a subsidiary of Respondent Polypore, acquired 100 percent of the stock of Microporous pursuant to an agreement with IGP and other stockholders for approximately \$76 million, including assumed debt. Except as stated above, Polypore denies the allegations of Paragraph 4.

IV. RELEVANT PRODUCT MARKETS

5. The relevant product areas in which to analyze the transaction are separators for flooded lead-acid batteries in the following markets:

- (a) deep-cycle;
- (b) motive;
- (c) automotive;

(d) uninterruptible power supply stationary (“UPS”)

ANSWER: Polypore denies each and every allegation of Paragraph 5, including each subpart thereof.

6. Alternatively, another market in which the transaction violates the antitrust laws is an all PE separator market.

ANSWER: Polypore denies the allegations of Paragraph 6.

7. Battery separators are porous electrical insulators placed between positively and negatively charged lead plates in flooded lead-acid batteries to prevent electrical short circuits while allowing ionic current to flow through the separators.

ANSWER: Polypore admits that battery separators are porous electrical insulators placed between two plates of opposing polarity in batteries to prevent electrical short circuits while allowing ionic current to flow through the separators. Except as stated above, Polypore denies the allegations of Paragraph 7.

8. Deep-cycle separators are made of either rubber or a blend of rubber and PE and are a necessary component that enables deep-cycle batteries to be frequently exhausted then recharged again. Deep-cycle separators are primarily used in golf cart and floor scrubber batteries.

ANSWER: Polypore admits that so called “deep-cycle” batteries regularly discharge to up to 80 percent of their capacity before recharging and are designed to deliver a consistent voltage as the battery discharges. Polypore further admits that separators used in “deep-cycle” applications can be made of rubber, PE, a blend of rubber and PE, and other materials, including AGM. Polypore further admits that deep-cycle batteries are used in golf carts and floor scrubbers. Except as stated above, Polypore denies the allegations of Paragraph 8.

9. Motive separators are made of PE, a blend of rubber and PE, or sometimes PVC, and are primarily used in forklift batteries.

ANSWER: Polypore admits that separators used in motive applications can be made of PE, a blend of rubber and PE, PVC, or other materials, including AGM. Polypore also admits

that, among other applications, motive batteries can be used in forklifts. Except as stated above, Polypore denies the allegations of Paragraph 9.

10. Automotive separators are made of PE and are used in cars for starter, lighter and ignition (“SLI”) power. While Microporous has made and can make PE for this application, its CellForce, a blend of rubber and PE, is a potential substitute.

ANSWER: Polypore admits that automotive batteries are used in cars for starting, lighting and ignition (“SLI”) power and are designed for shallow-cycle operations. Polypore further admits that separators used in automotive applications can be made of PE, a blend of rubber and PE, PVC, or other materials, including AGM. Except as stated above, Polypore denies the allegations of Paragraph 10.

11. UPS separators are made of PE, and a blend of rubber and PE. These separators are used in batteries for the uninterruptible power supply market that supply short term power to critical data centers and buildings in the event of a power outage.

ANSWER: Polypore admits that uninterruptible power supply (“UPS”) batteries are used to supply short term power in the event of power outages. Polypore also admits that separators used in UPS applications can be made of PE, a blend of rubber and PE, and other materials, including AGM. Except as stated above, Polypore denies the allegations of Paragraph 11.

12. PE separators are made of either pure PE or a blend of PE and rubber. Manufacturers of PE separators for UPS, motive, or deep-cycle applications can easily and quickly switch production to automotive separators. Conversely, there are significant barriers to switching PE production to UPS, motive or deep-cycle applications.

ANSWER: Polypore admits that PE separators can be made from pure PE or a blend of PE and rubber. Except as stated above, Polypore denies the allegations of Paragraph 12.

13. Battery separators manufactured for a particular application cannot be effectively used for other applications.

ANSWER: Polypore denies the allegations of Paragraph 13.

V. RELEVANT GEOGRAPHIC MARKET

14. The relevant geographic market in which to analyze the effects of this transaction is North America.

ANSWER: Polypore denies the allegations of Paragraph 14.

15. There are only two other manufacturers of motive and UPS separators in the world of any significance. Amer-Sil makes PVC separators in Europe and has negligible sales in North America. Nippon Sheet Glass makes PE motive separators in Japan, has no sales in North America, and has refused to sell any PE separators to North American customers.

ANSWER: Polypore is without sufficient information to either admit or deny the allegations of Paragraph 15 as they relate to the sales and manufacturing abilities of unrelated companies. To the extent a response is required; Polypore denies the allegations of Paragraph 15.

16. Producers of battery separators for motive, UPS, and automotive applications outside of North America are at a cost disadvantage in the supply of these separators to North American customers. Producers outside of North America cannot economically compete with Daramic in North America.

ANSWER: Polypore denies the allegations of Paragraph 16.

17. North American battery makers have a strong preference for their nearest source of supply and do not import separators from abroad. Long supply chain logistics increase the chances that a battery factory could be shut down if separators are not on hand when needed. Consequently, even if there were an otherwise viable alternative source of supply, North American battery manufacturers would strongly prefer domestic sources for separators. Moreover, PE separator manufacturers from abroad, such as Asia, will not find it practical to compete in North America at either pre-merger or post-merger prices.

ANSWER: Polypore denies the allegations of Paragraph 17.

VI. COMPETITION & CONCENTRATION

18. Each of the relevant product markets is highly concentrated in North America.

ANSWER: Polypore denies the allegations of Paragraph 18.

19. Since the acquisition of Microporous by Daramic, there are just two battery separator companies that supply North America. Entek International LLC, the sole remaining competitor, operates only in the automotive market.

ANSWER: Polypore denies the allegations of Paragraph 19.

20. Daramic and Microporous were competitors in each relevant market. Microporous, therefore, was uniquely situated to compete with Daramic for North American customers by virtue of its location and breadth of product offerings.

ANSWER: Polypore denies the allegations of Paragraph 20.

21. Daramic and Microporous were direct competitors in the deep-cycle market. There are no other deep-cycle battery separator competitors in the world. Prior to the transaction, Microporous had approximately 89 percent of the deep-cycle market, while Daramic had approximately 11 percent. Post-acquisition, Daramic has a monopoly in this market.

ANSWER: Polypore denies the allegations of Paragraph 21.

22. Daramic and Microporous were direct competitors in the motive market. Microporous sold PE-rubber separators, while Daramic sold PE separators. Microporous and Daramic were the only competitors in motive separators in North America. Microporous had won approximately 46 percent of the motive separator contracts for 2009 in the North American market when it was acquired.

ANSWER: Polypore admits that prior to the acquisition Microporous sold PE-rubber separators and Polypore sold PE separators and PE-rubber separators. Except as stated above, Polypore denies the allegations of Paragraph 22, including the characterization of a "motive market" as a distinct market.

23. Daramic and Entek are direct competitors and the only companies currently selling SLI battery separators in North America. In 2005, Microporous had produced PE separators for the automotive market. Although Microporous was not producing automotive separators at the time of the acquisition, it was preparing to compete actively in this market and was already marketing and testing its products with customers.

ANSWER: Polypore admits that Polypore and Entek both sell SLI battery separators in North America. Polypore further admits that Microporous had produced limited samples of PE separators in 2003 or 2004, but has never commercially produced automotive separators either before or at the time of the acquisition. Except as stated above, Polypore denies the allegations of Paragraph 23, including the characterization of an "automotive market" as a distinct market.

24. Daramic and Microporous sold separators in different segments of the UPS market. Microporous sold a rubber product to this market, while Daramic sells PE and phenolic resin separators. Microporous and Daramic were the only separator manufacturers selling into the

North American UPS market. Microporous had developed a new product to compete directly with Daramic's PE and phenolic resin products and was testing its new product with customers at the time of the acquisition.

ANSWER: Polypore admits that Polypore sells PE and phenolic resin separators for use in UPS applications, and Microporous sold rubber separators for use in UPS applications prior to the acquisition in North America and elsewhere in the world. Except as stated above, Polypore denies each and every allegation of Paragraph 24, including the characterization of a "UPS market" as a distinct market.

25. Daramic, Entek and Microporous were the only manufacturers of PE separators in North America. While Microporous' share of this market was small, its expansion in Europe had freed up additional U.S. capacity, which had previously been exported to Europe. Microporous also had plans to expand its North American PE capacity in 2008 and 2009.

ANSWER: Polypore admits that Polypore and Entek manufactured PE separators and Microporous manufactured PE-rubber separators, and all three had manufacturing facilities both in the United States and elsewhere in the world. Except as stated above, Polypore denies each and every allegation of Paragraph 25.

26. In the end, Daramic's fundamental purpose in acquiring Microporous was to restrain competition unreasonably. The acquisition also allows Daramic to exert market power.

ANSWER: Polypore denies the allegations of Paragraph 26.

VII. ACTUAL AND POTENTIAL COMPETITION

27. Microporous was entering the market for automotive separators prior to its acquisition by Daramic. Specifically, Microporous had signed a memorandum of understanding with an automotive battery manufacturer for the supply of its PE automotive separators to begin in January 2010. Microporous had already acquired the technology to make these separators, and its entry into the North American automotive separators market would have occurred but for the acquisition of Microporous by Daramic. In fact in 2005, Microporous had successfully manufactured and sold PE automotive separators in North America.

ANSWER: Polypore admits that Microporous signed a non-binding MOU with an automotive battery manufacturer and refers to the terms thereof. Except as stated above, Polypore denies each and every allegations of Paragraph 27.

28. Alternatively, customers, competitors and other industry participants in automotive separators perceived Microporous to be a uniquely positioned potential entrant that had a tempering, procompetitive effect in the automotive separator market.

ANSWER: Polypore is without sufficient information to either admit or deny the allegations of Paragraph 28 as they relate to the perceptions of unrelated companies, customers and unidentified "industry participants." To the extent a response is required, Polypore denies the allegations of Paragraph 28.

29. The acquisition harms the market for automotive separators in North America by eliminating Microporous as a future source of separators for automotive lead-acid batteries.

ANSWER: Polypore denies the allegations of Paragraph 29.

30. Microporous had also developed a new separator that would directly compete with Daramic's separators for the UPS market in which Daramic was the predominant supplier. A major customer has been testing this new product and had contracted with Microporous for the supply of this product. Microporous had secured significant market share as a result of this contract.

ANSWER: Polypore denies the allegations of Paragraph 30.

31. The acquisition harms the market for UPS battery separators by eliminating this competition.

ANSWER: Polypore denies the allegations of Paragraph 31.

VIII. ENTRY

32. Entry into each relevant product markets [sic] would not be timely, likely or sufficient in its magnitude scope, or character to deter or counteract the anticompetitive effects arising from this acquisition.

ANSWER: Polypore denies the allegations of Paragraph 32.

33. Testing and qualification present a significant barrier to entry. The testing required by U.S. battery manufacturers is comprehensive and lengthy. Because the individual battery makers often have their own design and testing requirements, there are no one-size-fits-all separators that can be used from one customer to the next without appropriate testing. This means that even an incumbent in the battery separator market would have to submit its product to testing, lasting from a few months to more than two years, before it could be qualified by an additional battery manufacturer.

ANSWER: Polypore denies the allegations of Paragraph 33.

34. Reputation presents a significant barrier to entry. The original equipment manufacturers that buy batteries from the customers of Daramic and Microporous demand warranties from the battery makers. Battery manufacturers are reluctant to seek supply from an unknown separator manufacturer because the quality of the battery is largely dependent on the quality of the separators. A new entrant into the market for flooded lead-acid battery separators would have to overcome the obstacle of convincing battery makers that its product is reliable and will be available when and where promised.

ANSWER: Polypore denies the allegations of Paragraph 34.

35. A new entrant into any of the relevant markets would lack Microporous' reputation for sound quality and timely delivery. Although gaining such a reputation is possible over time, it could not reasonably be obtained within two years.

ANSWER: Polypore denies the allegations of Paragraph 35.

36. In addition, new entry into the relevant market is not likely due to the capital requirements and intellectual property required to do so.

ANSWER: Polypore denies the allegations of Paragraph 36.

37. Even the most likely future entrant would not successfully, or in a timely manner, enter any of the relevant markets within two years. Nor would any potential entrant replace the loss of Microporous' willingness, ability, and incentive to enter the automotive or UPS flooded lead-acid battery separator markets.

ANSWER: Polypore denies the allegations of Paragraph 37.

IX. ANTICOMPETITIVE EFFECTS

38. The acquisition and Daramic's conduct substantially lessened competition in the following ways:

- a. it has eliminated actual, actual potential, and perceived potential competition between Daramic and Microporous as well as other potential competition such as Hollingsworth & Vose ("H&V");
- b. it removes Microporous, the only alternative source of separator supply in the deep-cycle, motive and UPS markets;
- c. it creates a monopoly in deep-cycle and motive markets and increases the level of concentration in the automotive market;
- d. it has led and will lead to increased prices for the relevant products;
- e. it increases Daramic's market power in the deep-cycle, motive and automotive markets;

- f. it allows Daramic to unilaterally exercise its market power in the relevant markets;
- g. it removes a rapidly expanding actual, actual potential, or perceived potential competitor in the automotive market; and
- h. it makes coordination more likely in the automotive market.

ANSWER: Polypore denies each and every allegation of Paragraph 38, including each subpart thereof.

X. MONOPOLIZATION

39. Prior to the acquisition identified in Paragraph 1 above, Daramic attempted through anticompetitive means to maintain monopoly power against a challenge from Microporous in the markets for (1) deep-cycle battery separators; (2) motive battery separators; (3) automotive battery separators; and (4) UPS battery separators; or alternatively all PE separators.

ANSWER: Polypore denies the allegations of Paragraph 39.

40. During 2006-2007, while negotiating contractual terms with certain large customers, Daramic imposed conditions on the availability of its products that tended to exclude rivals and harm the competitive process. Daramic threatened to withhold volumes of separators requested by certain customers to pressure them to enter exclusive supply agreements with Daramic, and thereby foreclose Microporous from expanding its business with those customers.

ANSWER: Polypore denies the allegations of Paragraph 40.

41. In addition, Daramic has entered into an illegal agreement to prevent entry from another potential competitor, H&V, and attempted to do the same with Microporous.

ANSWER: Polypore denies the allegations of Paragraph 41.

42. In automotive, motive, UPS and all PE markets Daramic has historically maintained monopoly power.

ANSWER: Polypore denies the allegations of Paragraph 42, including the characterization of "automotive, motive, UPS and all PE markets" as distinct and proper markets.

43. In supplying these relevant markets, Daramic's remaining rival, Entek, is capacity constrained. Furthermore, high entry barriers make it unlikely that any new entrant could constrain the exercise of Daramic's monopoly power in any of the relevant products.

ANSWER: Polypore denies the allegations of Paragraph 43.

44. The conduct described above carried the dangerous probability that, if successful, it would give Daramic the ability to lessen or destroy competition in the North American market for PE separators. Daramic's coercive bargaining tactics posed a threat to the viability of Microporous and a significant threat to competition generally in the relevant markets.

ANSWER: Polypore denies the allegations of Paragraph 44.

45. Daramic has the market/monopoly power to exclude competition and/or increase prices and reduce innovation and has illegally and wrongfully maintained its market power.

ANSWER: Polypore denies the allegations of Paragraph 45.

46. Daramic engaged in the conduct described above to preclude or deter Microporous from expanding or otherwise achieving sufficient scale, and thereby destroy competition and increase its market dominance.

ANSWER: Polypore denies the allegations of Paragraph 46.

XI. UNFAIR METHODS OF COMPETITION

47. Daramic entered into a joint marketing agreement in 2001 with Hollingsworth & Vose, a firm that manufactures absorbed-glass-mat battery separators, in order to prevent them from entering the PE separator market. This agreement is, at a minimum, an overbroad agreement in restraint of trade, and may be an illegal market allocation agreement that is not justified by any legitimate business purpose.

ANSWER: Polypore denies the allegations of Paragraph 47.

XII. VIOLATIONS

COUNT I – ILLEGAL ACQUISITION

48. The allegations contained in Paragraphs 1-47 are repeated and realleged as though fully set out here.

ANSWER: Polypore repeats its responses to the allegations contained in Paragraphs 1-47 and realleges them as if fully set out here.

49. The effect of the Acquisition may be substantially to lessen competition or tend to create a monopoly in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45.

ANSWER: Polypore denies the allegations of Paragraph 49.

COUNT II – UNFAIR METHOD OF COMPETITION

50. The allegations contained in Paragraphs 1-47 are repeated and realleged as though fully set out here.

ANSWER: Polypore repeats its responses to the allegations contained in Paragraphs 1-47 and realleges them as if fully set out here.

51. Daramic has, through the acquisition of Microporous, and the other conduct alleged herein, engaged in unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45.

ANSWER: Polypore denies the allegations of Paragraph 51.

COUNT III – MONOPOLIZATION

52. The allegations contained in Paragraphs 1-47 are repeated and realleged as though fully set out here.

ANSWER: Polypore repeats its responses to the allegations contained in Paragraphs 1-47 and realleges them as if fully set out here.

53. Daramic has, through the acquisition of Microporous, and the other conduct alleged herein, engaged in unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45.

ANSWER: Polypore denies the allegations of Paragraph 53.

NOTICE AND NOTICE OF CONTEMPLATED RELIEF

This section does not contain any factual averments; therefore it does not require any response, except that Polypore denies that the Commission is entitled to any relief as set forth in more detail herein.

AFFIRMATIVE DEFENSES

Without assuming any burden that it would not otherwise bear, Respondent Polypore asserts the following affirmative defenses:

FIRST AFFIRMATIVE DEFENSE

The Complaint, in whole or in part, fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

The acquisition is a pro-competitive response to market dynamics and will result in substantial merger-specific efficiencies in the manufacture, distribution and sale of battery separators that far outweigh any alleged anticompetitive effects and, as a result, will benefit consumers.

THIRD AFFIRMATIVE DEFENSE

The alleged relevant product and geographic market definitions fail as a matter of law.

FOURTH AFFIRMATIVE DEFENSE

The complaint fails to comply with the requirements of Section 5(b) of the Federal Trade Commission Act, 15 U.S.C. § 45(b), because the issuance of the complaint and the relief sought are not in the public interest.

FIFTH AFFIRMATIVE DEFENSE

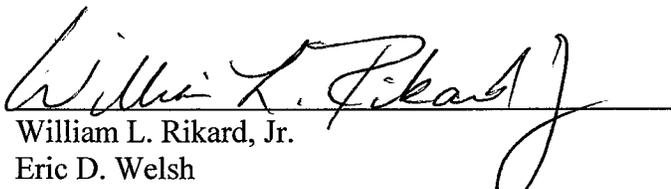
Polypore has not knowingly or intentionally waived any applicable affirmative defenses. Polypore presently lacks sufficient knowledge or information on which to form a belief as to whether it may have available additional, as yet unstated, affirmative defenses, and reserves the right to assert such additional defenses.

WHEREFORE, Polypore respectfully requests that the Commission:

- (i) dismiss the complaint in its entirety with prejudice;
- (ii) award Polypore its costs of suit, including attorneys' fees; and
- (iii) award such other or further relief as the Commission may deem just and proper.

Dated: October 15, 2008

Respectfully Submitted,



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Attorneys for Respondent

CERTIFICATE OF SERVICE

I hereby certify that on October 15, 2008, I caused to be filed via hand delivery and electronic mail delivery an original and two copies of the foregoing *Answer and Defenses of Respondent Polypore International, Inc.*, and that the electronic copy is a true and correct copy of the paper original and that a paper copy with an original signature is being filed on the same day by other means with:

Donald S. Clark, Secretary
Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue, NW, Rm. H-135
Washington, DC 20580
secretary@ftc.gov

I hereby certify that on October 15, 2008, I served one copy via hand delivery and two copies via overnight mail delivery of the foregoing *Answer and Defenses of Respondent Polypore International, Inc.* with:

The Honorable D. Michael Chappell
Administrative Law Judge
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

I hereby certify that on October 15, 2008, I served via first-class mail delivery and electronic mail delivery a copy of the foregoing *Answer and Defenses of Respondent Polypore International, Inc.* with:

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