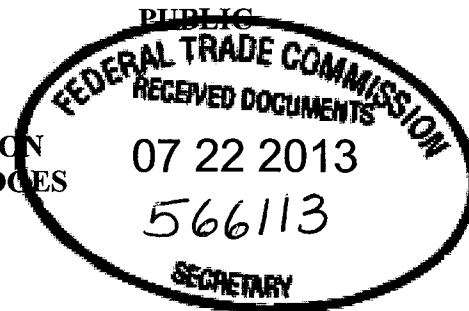


UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF THE ADMINISTRATIVE LAW JUDGES



In the Matter of

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

and

Saint-Gobain Containers, Inc., a corporation,

and

Compagnie de Saint-Gobain, a corporation.

Docket No. 9356

**ANSWER AND DEFENSES OF RESPONDENTS SAINT-GOBAIN
CONTAINERS, INC. AND COMPAGNIE DE SAINT-GOBAIN**

Pursuant to Federal Trade Commission (“Commission”) Rule of Procedure 3.12, Respondents Saint-Gobain Containers, Inc. and Compagnie de Saint-Gobain (together, “Saint-Gobain”), by their undersigned counsel, submit this Answer in response to the Complaint filed in this matter.

The Commission’s un-numbered introductory paragraph contains only legal conclusions to which no response is required. To the extent a response is required, Saint-Gobain denies the averments of the introductory paragraph.

ANSWER TO ¶1.

Saint-Gobain denies the averments of paragraph 1, except admits that Saint-Gobain Containers, Inc., Ardagh Group S.A. (“Ardagh”), and Owens-Illinois, Inc. (“O-I”) produce glass containers in the United States.

ANSWER TO ¶2.

Saint-Gobain denies the averments of paragraph 2, and refers to the business documents of the merging parties referenced in the third sentence of paragraph 2 for a complete and accurate description of their contents.

ANSWER TO ¶3.

Saint-Gobain denies the averments of paragraph 3.

ANSWER TO ¶4.

Saint-Gobain denies the averments of paragraph 4, except admits that glass container plants may cost approximately \$150 million to build, although that amount can vary according to the size and type of the plant, and that regulatory approvals are required in order to build glass container plants.

ANSWER TO ¶5.

The averments of paragraph 5 are legal conclusions to which no response is required. To the extent a response is required, Saint-Gobain denies the allegations in paragraph 5, except admits that the Acquisition, as defined in the Complaint, constitutes an acquisition under Section 7 of the Clayton Act.

ANSWER TO ¶6.

Saint-Gobain states that it is without knowledge or information sufficient to form a belief as to the averments of paragraph 6, except admits that Ardagh owns nine glass container plants in the United States.

ANSWER TO ¶7.

Saint-Gobain admits the averments of the first four sentences of paragraph 7, denies the fifth and sixth sentences, and states that it is without knowledge or information sufficient to form a belief as to the averments of the seventh sentence of paragraph 7.

ANSWER TO ¶8.

Saint Gobain admits the averments of paragraph 8, except it denies that the acquisition price is \$1.7 billion.

ANSWER TO ¶9.

Saint-Gobain denies the averments of the first sentence of paragraph 9, except admits that some glass container manufacturers produce beverage and food containers in a variety of shapes and sizes. Saint-Gobain states that it is without knowledge or information sufficient to form a belief as to the truth of the averments in the second sentence of paragraph 9.

ANSWER TO ¶10.

Saint-Gobain denies the averments of paragraph 10, except admits that glass containers (1) can guard against oxygen invasion; (2) can maintain the original taste of the product held by the container; (3) are chemically inert; and (4) are 100% recyclable.

ANSWER TO ¶11.

Saint-Gobain denies the averments of paragraph 11.

ANSWER TO ¶12.

Saint-Gobain denies the allegations of paragraph 12, except admits that O-I, Saint-Gobain and Ardagh produce glass containers in the United States, and that O-I,

Saint-Gobain and Ardagh have the number of plants in the United States and Canada specified in this paragraph.

ANSWER TO ¶13.

Saint-Gobain denies the averments of paragraph 13, except admits that Ardagh acquired Leone Industries and Anchor Glass Container Corporation in 2012, and admits that Ardagh's proposed acquisition of Saint-Gobain Containers, Inc. would be Ardagh's third glass container acquisition in the United States since the beginning of 2012.

ANSWER TO ¶14.

Saint-Gobain denies the averments of paragraph 14, except admits that Arkansas Glass, Piramal, Anchor Hocking, Bennu Glass, and Gerresheimer Glass are manufacturers of glass containers in the United States.

ANSWER TO ¶15.

Saint-Gobain denies the averments of the first sentence of paragraph 15, except admits that Gallo Glass Company and Rocky Mountain Bottle Company each operate one glass container manufacturing facility. Saint-Gobain is without knowledge or information sufficient to form a belief as to the truth of the averments of the second or third sentences of paragraph 15.

ANSWER TO ¶16.

Saint-Gobain denies the averments of paragraph 16, except admits that Vitro and Fevisa are glass container manufacturers that operate glass container plants in Mexico and that both Vitro and Fevisa export glass containers to the United States.

ANSWER TO ¶17.

Saint-Gobain denies the averments of the first sentence of paragraph 17. Saint-Gobain denies the averments of the second sentence of paragraph 17, except admits that in 1983, there were 23 glass container manufacturers operating glass container plants in the United States, and states that it is without knowledge or information sufficient to form a belief as to the number of plants operated by each manufacturer. Saint-Gobain denies the averments of the third sentence of paragraph 17. Saint-Gobain denies the averments of the fourth sentence of paragraph 17, except admits that there are 47 glass container plants operating in the United States today. Saint-Gobain denies the averments in the diagram in paragraph 17.

ANSWER TO ¶18.

Saint-Gobain denies the averments of paragraph 18.

ANSWER TO ¶19.

Saint-Gobain denies the averments of paragraph 19, and refers to any documents purported to be quoted therein for their contents.

ANSWER TO ¶20.

Saint-Gobain denies the averments of paragraph 20, and refers to its contracts with customers for their contents. Saint-Gobain also refers to the Ardagh document containing the chart included in paragraph 20 for a full and accurate description of its contents.

ANSWER TO ¶21.

Saint-Gobain denies the averments of paragraph 21, except refers to the documents quoted in paragraph 21 for a full and accurate description of their contents.

ANSWER TO ¶22.

Saint-Gobain denies the averments of paragraph 22.

ANSWER TO ¶23.

Saint-Gobain denies the averments of paragraph 23.

ANSWER TO ¶24.

Saint-Gobain denies the averments of paragraph 24.

ANSWER TO ¶25.

Saint-Gobain denies the averments of paragraph 25, except admits that many
Brewers sell beer in both aluminum cans and glass bottles.

ANSWER TO ¶26.

Saint-Gobain denies the averments of paragraph 26.

ANSWER TO ¶27.

Saint-Gobain denies the averments of paragraph 27.

ANSWER TO ¶28.

Saint-Gobain denies the averments of paragraph 28, except refers to Ardagh's
bond offering memorandum quoted in the fifth and sixth sentences of paragraph 28 for a
full and accurate description of its contents.

ANSWER TO ¶29.

Saint-Gobain denies the averments of paragraph 29, except refers to the Ardagh
presentation referred to in the sixth sentence of paragraph 29 for a full and accurate
description of its contents.

ANSWER TO ¶30.

Saint-Gobain denies the averments of paragraph 30.

ANSWER TO ¶31.

Saint-Gobain denies the averments of the first sentence of paragraph 31, admits the averments of the second and third sentences of paragraph 31 and denies the averments of the fourth sentence of paragraph 31. Saint-Gobain also denies the averments of the tables included within paragraph 31.

ANSWER TO ¶32.

Saint-Gobain denies the averments of paragraph 32.

ANSWER TO ¶33.

Saint-Gobain denies the averments of paragraph 33.

ANSWER TO ¶34.

Saint-Gobain denies the averments of paragraph 34, except admits that Saint-Gobain's documents refer to the phrase "margin over volume", and refers to those documents for a full and accurate description of their contents. Saint-Gobain also admits that O-I is publicly traded.

ANSWER TO ¶35.

Saint-Gobain denies the averments in paragraph 35, except refers to the documents quoted in paragraph 35 for a full and accurate description of their contents.

ANSWER TO ¶36.

Saint-Gobain denies the averments of paragraph 36, except refers to the documents quoted in paragraph 36 for a full and accurate description of their contents.

ANSWER TO ¶37.

Saint-Gobain denies the averments of paragraph 37.

ANSWER TO ¶38.

Saint-Gobain denies the averments of paragraph 38.

ANSWER TO ¶39.

Saint-Gobain denies the averments of paragraph 39, except refers to the documents quoted in paragraph 39 for a full and accurate description of their contents.

ANSWER TO ¶40.

Saint-Gobain denies the averments of paragraph 40.

ANSWER TO ¶41.

Saint-Gobain denies the averments of paragraph 41.

ANSWER TO ¶42.

Saint-Gobain denies the averments of paragraph 42.

ANSWER TO ¶43.

Saint-Gobain denies the averments of paragraph 43.

ANSWER TO ¶44.

Saint-Gobain repeats its responses to paragraphs 1-43 as if fully set forth herein.

ANSWER TO ¶45.

The averments of paragraph 45 are legal conclusions to which no response is required. To the extent a response is required, Saint-Gobain denies the averments of paragraph 45.

ANSWER TO ¶46.

Saint-Gobain repeats its responses to paragraphs 1-43 as if fully set forth herein.

ANSWER TO ¶47.

The averments of paragraph 47 are legal conclusions to which no response is required. To the extent a response is required, Saint-Gobain denies the averments of paragraph 47.

ADDITIONAL GROUNDS OF DEFENSE

Saint-Gobain asserts the following defenses, without assuming the burden of proof on any such defense that would otherwise rest with the Commission. Saint-Gobain expressly reserves the right to supplement, amend or delete the following defenses, as warranted by discovery or other investigation, or as justice may require.

FIRST DEFENSE

The Complaint fails to state a claim upon which relief can be granted.

SECOND DEFENSE

The contemplated relief would not be in the public interest because it would, among other things, harm consumers.

THIRD DEFENSE

Efficiencies and other procompetitive benefits resulting from the acquisition outweigh any and all proffered anticompetitive effects.

Respectfully submitted,

CRAVATH, SWAINE & MOORE LLP,

by

s/ Yonatan Even

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CERTIFICATE OF SERVICE

I hereby certify that on July 22, 2013, I filed the foregoing document 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 Avenue, NW, Room H-113
Washington, DC 20580

I also certify that a copy of the foregoing document has been delivered via electronic mail, and by overnight courier (Federal Express) for delivery on Tuesday, July 23, 2013 to:

The Honorable D. Michael Chappell (oalj@ftc.gov)
Administrative Law Judge
Federal Trade Commission
600 Pennsylvania Avenue, NW, Room H-110
Washington, DC 20580

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

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CERTIFICATE OF 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 I possess a paper original of the signed document that is available for review by the parties and the adjudicator.

July 22, 2013

s/ Yonatan Even

Yonatan Even