ORIGINAL



May 27, 2008

国府 2 ~ 2003

Office of Secretary Federal Trade Commission Room H-135 (Annex K) 600 Pennsylvania Ave., NW Washington, DC 20580

Petitioners' Response to Comment Submitted By Shaw Industries Group, Inc. Regarding the September 7, 2006 Petition To Establish a New Generic Sub-Class for Fibers Made From PTT

Reference 16 CFR Part 303 – Textile Rule 8, Mohawk, DuPont and PTT Comment, Matter No. P074201

Mohawk Industries, Inc. (Mohawk), E. I. du Pont de Nemours and Company (DuPont), and PTT Poly Canada, L.P. (PTT Canada) (collectively "Petitioners") submit the following regarding the Comments submitted by Powell Goldstein LLP, counsel to Shaw Industries Group, Inc. ("Shaw").

Petitioners' Response is submitted pursuant to the Commission's April 7, 2008 Federal Register Notice reopening the comment period with respect to the above Matter. Inasmuch as the Comments submitted on behalf of Shaw were posted on the FTC's web site after the May 5 date for the submission of comments, Petitioners were unaware of such Comments until they were posted on the Commission's web site. Petitioners note that Shaw refers to certain "informal comments" that were submitted to the FTC and assume that such comments were, like the comments submitted by Powell Goldstein, without factual support. Since Shaw has submitted Comments that are so dramatically inconsistent with its previous public positions regarding the properties of carpets made with PTT fibers, Petitioners believe that Shaw's previous public statements regarding the properties of carpets made from PTT fibers should be considered by the Commission together with the unsupported allegations submitted by its counsel.

In order to provide perspective on Shaw's motivations, Shaw identifies itself as the world's largest manufacturer of carpet. Until November, 2005, it is the belief of Petitioners that Shaw purchased large quantities of the polymers to be used in manufacturing carpet from third party suppliers. In or about 2002, Shaw had launched a line of carpets based on PTT fibers. In the fourth quarter of 2005, Shaw closed the acquisition of the nylon business of Honeywell International, Inc. This acquisition made Invista and Shaw the first and second largest U.S. suppliers of nylon polymer used to manufacture carpet. *Invista and Shaw are the only two firms which have submitted comments in opposition to the Petition.*

It is not surprising that Shaw has aligned itself with Invista in opposing the designation of new generic subclass for PTT. A new generic would permit consumers to differentiate PTT from PET fibers and enhance competition in the market for carpet and carpet fibers. By opposing the designation of a new generic subclass for PTT fibers, Invista and Shaw are joining in an effort to retain their ability to position PTT as conventional polyester, a material which has long been associated in the minds of consumers with inferior carpet performance. See Invista Opposition, page 6. If consumers can be led to believe that carpet made from PTT is no more durable than carpet made from PET when, in fact, PTT carpet has properties comparable to that of nylon carpet, this has the effect of protecting the nylon businesses of Invista and Shaw.

On page 2 of its Comments, Shaw states:

"Because a new subclass of the generic name would not only have an impact on Mohawk but also on the entire industry, Shaw feels compelled to file these comments with the Commission."

Shaw could not be more correct in its assertion regarding the impact of a new generic carpet fiber on the carpet industry. A new polymer with properties equal to and in some respects superior to those of nylon will have a dramatic impact on the industry. It will make the entire carpet industry more competitive and will provide consumers with additional choice. A new generic name for PTT is key to providing the consumer with information needed to differentiate carpet fibers made from PTT from those made with PET.

As noted above, Shaw's Comments were submitted without factual support. An explanation for such lack of factual support may be found in a brochure published by Shaw prior to Shaw's acquisition of Honeywell's nylon business and its significant financial commitment to nylon polymer. Prior to such acquisition, Shaw was promoting PTT as a totally new fiber that meets stringent durability and stain resistance requirements. See the following quotes from the Shaw brochure attached as Exhibit A to this submission:

"Carpets made with Corterra Polymer combine the resiliency of nylon with the stain resistance and colorfastness of polyester."

"Make no mistake, Corterra Polymer – Polytrimethylene Terephthalate (PTT) – produces a totally new fiber, not a variation or enhancement"

"Incredibly, carpets of PTT equal nylon in independent walk-test evaluations"

"Shaw's Corterra PTT carpets represent the ultimate floor covering for owners and managers of multi-family housing. Now your resident's carpet can be cleaned instead of replaced, saving a significant amount of time and money, while current occupants will enjoy a more comfortable living environment."

This brochure set forth more than the hopes of a Shaw marketing person. In support of these claims, Shaw published the results of a Foot Step study conducted by an independent test laboratory. In this Texture Retention study designed to compare the long term (150,000 steps) walk performance of PTT and nylon carpets, a 24 oz. BCF carpet made from PTT *outperformed* a comparable construction of nylon carpet.

Shaw's claims about the superior durability and resilience of carpets made from PTT fibers and the independent test results published by Shaw are entirely consistent with the facts submitted by Petitioners in support of the Petition.

Petitioners believe that the opposition to the Petition from the two largest suppliers of nylon indicates that the PTT is perceived by both of them as a significant competitive threat and that a new generic name for PTT would be important to providing consumers with additional choice. With respect to the comments submitted by Invista and Shaw, their comments to the Commission are inconsistent with their published views regarding the superior properties of PTT fibers and should be given no credence. The Commission should not allow Shaw and Invista to benefit from delaying the availability of the new generic name for PTT, but should act promptly to enable consumer choice and new competition in the carpet market.

Questions regarding this Response may be addressed to:

Carl G. Bartholomaus, Corporate Counsel DuPont Company Building 328 - Experimental Station Wilmington, DE 19880 302-695-6831 Carl.G.Bartholomaus@usa.dupont.com

Respectfully submitted:

Mohawk Industries, Inc.

By

PTT Poly Canada, L.P.

By 💒

E. I. du Pont de Nemours and Company

By_

3

"Ideas won't keep; something boot be done about the done"

It took more than 50 years to develop a fiber that meets stringent durability and stain resistance requirements..



The very fiber of performance.

(It was worth the wait,)



Constrate the registered undersark of the Royal Durch/Shell Croup of company

For years, the vision of a high-performance carpet that was easy to maintain has been pursued by manufacturers, with limited success.

Since 1995, working with a promising but obscure polymer, Shell was determined to meet the challenge. As often happens when inspiration, science, and persistence come together, a dream is realized.

Carpets made with Corterra* Polymer combine the resiliency of nylon with the stain resistance and colorfastness of polyester.

ain resistance colorfastnes resiliencadally New Fiber

Make no mistake, Corterra Polymer - Polytrimethylene Terephthalate (PTT) - produces a totally new fiber, not a variation or enhancement

of an existing product. Recognizing PTT's exceptional performance attributes. Shaw is using this remarkable breakthrough to create carpet ideal for use in the multi-family housing industry.

Incredibly, carpets of PTT equal nylon in independent walk-test evaluations:

Laboratory tests also demonstrate that most stains are consistently removed from PTT fiber with hot water alone, including mustard, iodine, and hot coffee, offering

an ease of maintenance comparable to polyester.

And like polyester, PTT's stain resistance is inherent and never wears off.

From an aesthetic standpoint, the fiber can be hot-air textured into very high bulk BCE, a quality which gives the yam

excellent coverage for a luxurious surface appearance.

PTT can also be continuous-dyed, printed, and space-dyed, offering Shaw and end-users outstanding styling flexibility. Despite the fiber's distinct dyeing advantages, however, PTT does not have active dye sites like nylon and is inherently

resistant to most aqueous stains such as hot coffee and Acid Red 40 stain.

What all this means, of course, is that carpets of PTT represent a marriage of the very best characteristics of these two popular fibers. And while this is good news for the evolution of carpet in general, it is especially compelling for those involved in the residential property management market.

Shaw's Corterra PTT carpets represent the ultimate floor covering for owners and managers of multi-family housing. Now your resident's carpet can be cleaned instead of replaced, saving a significant amount of time and money, while current occupants will enjoy a more comfortable living environment.



No. of Street, or Stre



Comparison of long term wilk performance between PTT and nylon carpers (carpete are 24 oz. BCF wild: 3.5 twitt/inch)

· ·			Nylon With
Staining Media	RT	Nylon	Popular Stain Blocker
Coffee with cream & sugar	5	8	34
Cola	5	4	
Bendine	3		
Grape Juice	5	8	1 52
wenneb			

Comparison of main resistance between PTT and nylon carpets.





Great value and satisfied customers - a lofty goal accomplished by Shaw. the country's leading carper manufacturer and a brand new fiber by Shell.



 $\sim 10^{-10}$

Sec. 2 Barre

