

IN THE MATTER OF
STANDARD OIL COMPANY (INDIANA), ET AL.
CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT AND SEC. 7, OF THE
CLAYTON ACT

Docket C-2770. Complaint, Dec. 19, 1975—Decision, Dec. 19, 1975

Consent order requiring a Chicago, Ill., petroleum refiner, among other things to guarantee access for at least 20 years by independent refiners to crude oil reserves that respondent is purchasing from Pasco, Inc., in Wyoming. The order further requires Pasco and Studebaker-Worthington which owns over 55 percent of Pasco, to seek Commission approval prior to selling any of the remaining Pasco assets including its Sinclair, Wyo. refinery.

Appearances

For the Commission: *Steven A. Newborn* and *James W. Olson*.

For the respondents: *William R. Jentes, Kirkland & Ellis*, Chicago, Ill. for Standard Oil Company (Indiana) and Amoco Production Company, *John B. Hartigan*, New York City for Studebaker-Worthington, Inc. and *R. Bruce MacWhorter, Shearman & Sterling*, New York City for Pasco, Inc.

COMPLAINT

The Federal Trade Commission having reason to believe that Standard Oil Company (Indiana), a corporation subject to the jurisdiction of the Commission, acting through its subsidiary, Amoco Production Company, a corporation subject to the jurisdiction of the Commission, has acquired assets of Pasco, Inc., a corporation, in violation of Section 7 of the Clayton Act, as amended (15 U.S.C. §18), and has, with Studebaker-Worthington, Inc., and Pasco, Inc., corporations subject to the jurisdiction of the Commission, violated Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. §45), and that a proceeding by it in respect thereof would be in the public interest, hereby issues this complaint, pursuant to Section 11 of the Clayton Act (15 U.S.C. §21) and Section 5 of the Federal Trade Commission Act (15 U.S.C. §45), stating its charges as follows:

I. *Respondents*

A. Respondent, Standard Oil Company (Indiana) (hereinafter "Standard"), is a corporation chartered, existing, and doing business under and by virtue of the laws of the State of Indiana, with its corporate offices located at 200 E. Randolph Dr., Chicago, Ill.

B. Standard, through its subsidiaries, is engaged worldwide in crude oil and natural gas exploration, production, purchasing, and transportation, and in manufacturing, transporting, and marketing petroleum products, chemicals, plastics, and fertilizers, and has interests in minerals and real estate.

C. In 1974, Standard had total revenues of approximately \$10.2 billion, a net income of \$970 million and approximately \$8.9 billion in assets, making it the 13th largest industrial corporation in sales and the 12th largest in assets. Standard is the nation's sixth largest petroleum company in assets and ranks fourth domestically in crude oil production, with approximately 5 percent of the nation's total.

D. Standard is a leading company in crude oil production, transportation, and refining, and in the marketing of refined petroleum products in Petroleum Administration for Defense District IV (hereinafter District IV), comprised of the five Rocky Mountain States: Colorado, Idaho, Montana, Utah, and Wyoming.

E. Amoco Production Company (hereinafter "Amoco") is now, and was at the time of the acquisition hereinafter set forth, a corporation chartered, existing, and doing business under and by virtue of the State of Delaware, with its principal place of business located at 200 E. Randolph Drive, Chicago, Ill. Amoco, prior to and following the acquisition hereinafter set forth, was and is a wholly-owned subsidiary of Standard and was and is operated under the direction and control of Standard. Amoco, prior to and following the acquisition hereinafter set forth, carries out Standard's domestic exploration for and production of petroleum.

F. Respondent Studebaker-Worthington, Inc. (hereinafter "Studebaker"), is a corporation chartered, existing, and doing business under and by virtue of the laws of the State of Delaware, with its corporate offices located at 530 Fifth Ave., New York, N.Y.

G. Studebaker, through its subsidiaries, is principally engaged in the manufacture and sale on a worldwide basis of consumer and consumer durable products, electrical, automotive, and petroleum products, industrial and power products consisting primarily of turbines, pumps, and compressors, and control and meter products.

H. In 1974, Studebaker had total revenues of approximately \$1.3 billion, a net income of approximately \$9.7 million, and approximately \$637 million in assets.

I. Respondent Pasco, Inc. (hereinafter "Pasco"), is a corporation chartered, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal executive office located at 530 Fifth Ave., New York, N.Y.

J. Pasco is a 55.5 percent owned subsidiary of Studebaker.

K. In 1972, Pasco purchased certain former Sinclair Oil Company properties from Atlantic Richfield, including interests in production, a refinery, pipelines, and retail gasoline outlets. These petroleum operations are Pasco's sole business.

L. In 1974, Pasco had total revenues of approximately \$210 million and a net income of approximately \$13 million.

M. In 1974, in District IV, Pasco was one of only two fully integrated petroleum companies which did not rank in the top 20 nationally in crude production. Pasco ranked 11th in crude production, 9th in gasoline marketing, and 8th in crude pipelines in District IV.

N. At all times relevant herein, Standard, Amoco, Studebaker, and Pasco sold and shipped their products in interstate commerce throughout the United States and were and are now engaged in commerce as "commerce" is defined in the Clayton and Federal Trade Commission Acts.

II. *The Acquisition*

O. On Apr. 4, 1975, an offer was made by Standard for certain crude oil producing properties of Pasco; and by May 1, 1975, an agreement had been conditionally reached whereby Pasco was to sell seven oil and gas fields, which constitute all of Pasco's currently producing properties, and two gas processing plants to Standard for approximately \$225 million.

P. Pursuant to the sales contract, Standard agrees to dedicate to the Sinclair refinery 75 million barrels of crude oil or the entire production of the acquired properties until 1983, whichever is later.

III. *Trade and Commerce*

Q. The relevant geographic market is District IV.

R. The relevant product market is the production and sale of crude oil. Shares in the relevant market may be determined by examining either current production or reserves.

S. Prior to the aforesaid acquisition, Standard and Pasco were substantial and actual competitors in the production and sale of crude oil.

IV. *Effects of the Acquisition*

T. The effects of the aforesaid acquisition may be to substantially lessen competition or to tend to create a monopoly in the production and sale of crude oil in District IV, in violation of Section 7 of the Clayton Act, as amended (15 U.S.C. §18); and the effect of the agreement by which Studebaker, through its subsidiary Pasco, and

Standard, through its subsidiary Amoco, undertook to eliminate the actual competition between Pasco and Amoco may be to unreasonably restrain trade and to hinder or have a dangerous tendency to hinder competition unduly, thereby constituting an unfair act and practice in commerce, in violation of Section 5 of the Federal Trade Commission Act (15 U.S.C. §45). These effects may occur in the following ways, among others:

1. Substantial actual competition between Standard and Pasco will be eliminated;
2. The restraining influence of Pasco as a substantial, independent, fully integrated competitor will be eliminated;
3. Concentration in the production of crude oil will be increased to the detriment of actual, as well as potential, competition.
4. Additional mergers and acquisitions in the relevant market may be encouraged;
5. The combination of Standard and Pasco may so increase Standard's production and sales capability in the relevant market as to provide it with a decisive competitive advantage in the relevant market to the detriment of actual and potential competition.
6. Refiners of crude oil may be denied the benefits of price competition between Standard and Pasco;
7. Competitors of Standard in the refining of crude oil may be foreclosed from access to the crude oil presently produced by Pasco; and
8. A Pasco dependent on Standard for crude oil may be less willing to sell refined petroleum products to independent retail marketers who compete with Standard.

V. The Violation Charged

U. The acquisition by Amoco, acting under the direction and control of Standard, of certain crude oil producing properties of Pasco constitutes a violation of Section 7 of the Clayton Act, as amended (15 U.S.C. §18).

V. The acquisition by Amoco, acting under the direction and control of Standard, of certain crude oil producing properties of Pasco constitutes an unfair method of competition in commerce and an unfair act or practice in commerce, in violation of Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. §45).

W. The sale by Pasco, acting under the direction and control of Studebaker, of certain crude oil producing properties to Amoco constitutes an unfair method of competition in commerce and an unfair act or practice in commerce, in violation of Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. §45).

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act, as amended (15 U.S.C. §45) and respondents Standard Oil Company (Indiana) and Amoco Production Company with violation of Section 7 of the Clayton Act, as amended (15 U.S.C. §18); and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's rules; and

"Amoco" shall mean respondent Amoco Production Company, a Delaware corporation.

"Pasco" shall mean respondent Pasco, Inc., a Delaware corporation.

"Studebaker" shall mean respondent Studebaker-Worthington, Inc., a Delaware corporation.

"District IV" shall mean Petroleum Administration for Defense District IV, which consists of the States of Colorado, Idaho, Montana, Utah, and Wyoming.

"Independent Refiner" shall mean a credit-worthy refiner in District IV, which is not (a) one of the 20 largest producers of crude oil and natural gas liquids in the United States measured in barrels of production; (b) one of the 20 largest petroleum refiners in the United States measured in terms of refining capacity; (c) a company which either produces over ten (10) percent of the total crude oil and natural gas liquids produced in District IV; or (d) a company which has over fifteen (15) percent of the total refining capacity in District IV.

"Sinclair Refinery" shall mean the refinery located in Sinclair, Wyo.

"Agreement of Sale and Purchase" shall mean the Agreement of Sale and Purchase between Pasco and Amoco, a copy of which will be filed with the Secretary of the Commission.

"Crude Oil Dedication Agreement" shall mean the Crude Oil Dedication Agreement between Pasco and Amoco, appended as Exhibit

D-1 (including Annex A) to the Agreement of Sale and Purchase and a copy of which will be filed with the Secretary of the Commission.

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents had committed the aforesaid violations, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Proposed respondent Standard Oil Company (Indiana), is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Indiana, with its office and principal place of business located at 200 E. Randolph Dr., Chicago, Ill.

2. Proposed respondent Amoco Production Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 200 E. Randolph Dr., Chicago, Ill.

3. Proposed respondent Pasco, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal executive office located at 530 Fifth Ave., New York, N.Y.

4. Proposed respondent Studebaker-Worthington, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 530 Fifth Ave., New York, N.Y.

5. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

For purposes of this order, the following definitions shall apply:

"Standard" shall mean respondent Standard Oil Company, an Indiana corporation, its subsidiaries, and affiliates.

"Crude Oil Supply Agreement" shall mean an agreement in the form appended to this order as Exhibit A.

"Dedicated Oil" shall mean the crude oil which Amoco is required to sell Pasco or its assignees pursuant to the Crude Oil Dedication Agreement and this order and the crude oil, if any, which Amoco is required to sell Independent Refiners pursuant to this order.

"Recognized Poster" shall mean Continental Oil Company, Exxon

Company, U.S.A., Marathon Oil Company, and Union Oil Company of California as long as they post prices for and purchase Wyoming crude oil of like grade and gravity to the Dedicated Oil, and any other refiner or its affiliate (except Standard) which shall regularly post prices for and purchase at least 3,000 barrels per day of Wyoming crude oil of like grade and gravity or a volume comparable to the volume of Dedicated Oil when the production of such oil falls below 1,000 barrels per day.

"Pasco Downstream Assets" shall mean all assets of Pasco other than the assets sold to Amoco pursuant to the Agreement of Sale and Purchase.

All other terms used in this order which are defined in the Agreement of Sale and Purchase or in the Crude Oil Dedication Agreement shall have the same meanings in this order as in those Agreements.

All respondents shall be released from the provisions of this order if Pasco notifies the Commission in writing that the transactions contemplated by the Agreement of Sale and Purchase have not and will not be consummated and that Pasco does not contemplate selling any substantial portion of its assets to Amoco or Standard.

I

It is ordered, That Amoco shall grant Pasco the exclusive right to purchase all of the Dedicated Oil in accordance with and subject to the Crude Oil Dedication Agreement until the later of (a) 7:00 a.m. Wyoming time on Jan. 1, 1983, or (b) the date on which the cumulative volume of net interest oil made available to Pasco pursuant to the Crude Oil Dedication Agreement reaches a total of 75 million barrels (less the interim net production produced from 7:00 a.m. Wyoming time on Jan. 1, 1975, to 7:00 a.m. Wyoming time on the date of the Crude Oil Dedication Agreement). In accordance with and subject to the Crude Oil Dedication Agreement, Pasco shall be entitled to assign the Crude Oil Dedication Agreement to any credit-worthy future owner of the Sinclair Refinery, and any assignee of the Crude Oil Dedication Agreement shall have a like right of assignment.

II

It is further ordered, That upon the expiration of the dedication period referred to in Section I of this order, Amoco shall continue to make the Dedicated Oil available to Pasco or any assignee owner of the Sinclair Refinery so long as the owner continues to operate said refinery until the later of (a) 7:00 a.m. Wyoming time on Jan. 1, 1996, or (b) the date on which the cumulative volume of net interest oil

produced and made available to the owner of the Sinclair Refinery reaches 100 million barrels (less the interim net production produced from 7:00 a.m. Wyoming time on Jan. 1, 1975, to 7:00 a.m. Wyoming time on the date of the Crude Oil Dedication Agreement). Amoco shall make the Dedicated Oil available during such additional dedication period in accordance with and subject to the Crude Oil Supply Agreement, which shall be entered into not less than thirty (30) days prior to the expiration of the initial dedication period, shall initially be for a period of five (5) years, and shall be subject to successive five-year renewals (not to exceed the additional dedication period), providing Amoco is given written notice of such renewal at least thirty (30) days prior to the expiration of the agreement. The price to be paid for the Dedicated Oil pursuant to the Crude Oil Supply Agreement shall be the highest of the prices posted by a Recognized Poster in effect at the time of delivery for Wyoming crude oil of like grade and gravity or, if the posting of prices in Wyoming is discontinued, the highest of the prices regularly offered for Wyoming crude oil of like grade and gravity by persons purchasing at least 3,000 barrels per day in Wyoming.

III

It is further ordered, That in the event of a termination of the Crude Oil Dedication Agreement or the Crude Oil Supply Agreement with Pasco or its assignees prior to the expiration of the dedication periods referred to in Sections I and II of this order, Amoco shall make the Dedicated Oil available to Independent Refiners until the later of (a) 7:00 a.m. Wyoming time on Jan. 1, 1996, or (b) the date on which the cumulative volume of net interest oil produced and saved reaches a total of 100 million barrels (less the interim net production produced from 7:00 a.m. Wyoming time on Jan. 1, 1975, to 7:00 a.m. Wyoming time on the date of the Crude Oil Dedication Agreement), in accordance with the following procedures:

(A) Amoco shall give public notice of the termination of its obligations to the owner of the Sinclair Refinery within ten (10) days after the termination becomes effective, advising all Independent Refiners of the opportunity to purchase the Dedicated Oil in accordance with the terms of this order. Amoco shall give such public notice by inserting a paid advertisement on at least three (3) consecutive days in the Oil Daily or another publication or publications having nationwide circulation in the petroleum industry and shall give all Independent Refiners in District IV written notice of the availability of the Dedicated Oil during the same period.

(B) An Independent Refiner wishing to purchase the Dedicated Oil shall submit a written offer to Amoco expressing the refiner's

willingness to enter into the Crude Oil Supply Agreement for a period of five (5) years. As an alternative to submitting an individual offer, an Independent Refiner which is unable to refine all of the Dedicated Oil may submit a joint offer to purchase the Dedicated Oil with other Independent Refiners that are similarly situated. Any offer must be submitted within thirty (30) days after the date (hereafter the "Notice Date") on which the public notice by Amoco shall have been last published.

(C) In the event Amoco receives more than one timely offer for the Dedicated Oil from Independent Refiners at an equally high price, Amoco shall allow such refiners fifty (50) days after the notice date in which to make whatever allocation of the Dedicated Oil is agreeable to them. If the Independent Refiners are unable to do so, Amoco shall make the Dedicated Oil available to whichever Independent Refiner or group of such refiners offers, within seventy (70) days after the notice date, to pay the highest price for the Dedicated Oil.

(D) Within ninety (90) days after the notice date, Amoco shall enter into the Crude Oil Supply Agreement with the Independent Refiner or group of Independent Refiners offering the highest price. The Crude Oil Supply Agreement shall be subject to successive five-year renewals during the dedication period specified in this section, providing Amoco is given written notice of such renewal at least thirty (30) days prior to the expiration of the agreement. In the event the Crude Oil Supply Agreement is not renewed or is otherwise terminated prior to the expiration of the dedication period specified in this section, Amoco shall give notice of such termination in accordance with paragraph (A) of this section and shall again offer the Dedicated Oil to Independent Refiners in accordance with the procedures specified in this section.

(E) In the event Amoco shall receive a bona fide offer to purchase the Dedicated Oil at a price higher than that offered by an Independent Refiner or group of Independent Refiners, Amoco shall notify such refiner or refiners of the higher price offered and give such refiner or refiners ten (10) days within which to meet the higher price. If the Independent Refiner or group of Independent Refiners believes that the higher offer is not a bona fide offer, such refiner or refiners may request arbitration to determine the fair market value of the oil, provided that the Independent Refiner or group of Independent Refiners agrees to pay the fair market value when determined by the arbitrator and to pay the highest of the prices posted by a Recognized Poster in effect at the time of delivery for Wyoming crude oil of like grade and gravity pending such determination. The arbitrator shall be Arthur D. Little, Inc., unless it refuses or is unable to serve as arbitrator, in which event the arbitrator shall be appointed by the

person who is at the time the Senior Judge (in point of service) of the 7th Judicial District of the State of Wyoming. The decision of the arbitrator shall be reached in accordance with the rules of the American Arbitration Association, shall be final and conclusive, and shall take effect immediately when announced. The fair market value to be determined by the arbitrator shall in no event be less than the highest of the prices posted by a Recognized Poster for Wyoming crude oil of like grade and gravity.

(F) In the event no Independent Refiner or group of Independent Refiners shall agree pursuant to Paragraph (E) of this order to meet the highest price offered or to pay the fair market value for the Dedicated Oil, Amoco may sell the Dedicated Oil to the person offering the highest price for Wyoming crude oil of like grade and gravity. In the event no Independent Refiner or group of Independent Refiners shall offer to purchase the Dedicated Oil at the highest of the prices posted by a Recognized Poster, Amoco may sell the oil to anyone (including an affiliate), providing such person offers a price higher than the price offered by an Independent Refiner or group of Independent Refiners. Amoco shall sell the Dedicated Oil pursuant to this Paragraph in accordance with and subject to the Crude Oil Supply Agreement, which agreement shall not be subject to automatic renewal at its expiration. Amoco shall give notice of such expiration or of any termination in accordance with Paragraph (A) of this Section and shall again offer the Dedicated Oil to Independent Refiners in accordance with the procedures specified in this Section.

IV

It is further ordered, That nothing in this order shall obligate Amoco to supply crude oil to any person in excess of Amoco's net interest oil and the royalty oil which is not taken in kind that are actually produced and saved from the properties described in Annex A to the Crude Oil Dedication Agreement. Nothing in this order shall affect Pasco's rights under the Crude Oil Dedication Agreement.

V

It is further ordered, That in the event Amoco enters into an agreement with an Independent Refiner or group of Independent Refiners to supply Dedicated Oil pursuant to Section III of this order, Standard shall not interfere with the delivery of such oil or equivalent oil to the refinery of such refiner or refiners. At the request of the Independent Refiner or group of Independent Refiners, Standard shall bargain in good faith over the transport of the Dedicated Oil through

any then existing pipeline facilities owned by Standard and over an exchange of the Dedicated Oil for other crude oil owned by Amoco.

VI

It is further ordered, That except for the assets described in the Agreement of Sale and Purchase, Standard shall not purchase or attempt to purchase any of the assets owned by Pasco or which may be sold by Pasco to others, without the prior approval of the Commission.

VII

It is further ordered, That Standard shall not purchase or receive more than five (5) percent of the annual dollar value of the products which are refined from the Dedicated Oil by Pasco, its assignees, or any Independent Refiner or group of Independent Refiners; and Standard shall not control or attempt to control the sale of refined products by such persons to others. Nothing in this section shall preclude Standard from engaging in lawful competitive activity that may affect the sale of refined products by Pasco, any assignee, or any Independent Refiner.

VIII

It is further ordered, That Pasco will not sell any of the Pasco Downstream Assets without obtaining the prior approval of the Federal Trade Commission; *Provided, however,* That such prior approval need not be obtained by Pasco for (a) any sale or exchange of crude oil or refined petroleum products in the normal course of business, or (b) casual sales of Pasco Downstream Assets not to exceed \$500,000 in total nor \$50,000 in any one instance.

IX

It is further ordered, That if Studebaker acquires any of the Pasco Downstream Assets, it will not sell any such assets without obtaining the prior approval of the Federal Trade Commission; *Provided, however,* That such prior approval need not be obtained by Studebaker for (a) any sale or exchange of crude oil or refined petroleum products in the normal course of business, or (b) casual sales of Pasco Downstream Assets not to exceed \$500,000 in total for a period of three years after the date Studebaker first acquires any of Pasco's Downstream Assets, nor to exceed \$50,000 at any time in any one instance.

X

It is further ordered, That Pasco shall bargain in good faith over the transport of the Dedicated Oil through any pipeline facilities owned by Pasco in the event Amoco enters into an agreement with an Independent Refiner or group of Independent Refiners to supply Dedicated Oil pursuant to Section III of this order. If Pasco sells any such pipeline facilities, Pasco will obtain from the buyer of the Pasco facilities a written undertaking to bargain in good faith over the transport of the Dedicated Oil through such facilities in the event Amoco enters into an agreement with an Independent Refiner or group of Independent Refiners to supply Dedicated Oil pursuant to Section III of this order.

XI

It is further ordered, That if Studebaker purchases any of the Pasco Downstream Assets, it shall bargain in good faith over the transport of the Dedicated Oil through any of Pasco's present pipeline facilities then owned by Studebaker in the event that Amoco enters into an agreement with an Independent Refiner or group of Independent Refiners to supply Dedicated Oil pursuant to Section III of this order. If Studebaker sells any of Pasco's present pipeline facilities, it will obtain from the buyer of the pipeline facilities a written undertaking to bargain in good faith over the transport of the Dedicated Oil through such facilities in the event Amoco enters into an agreement with an Independent Refiner or group of Independent Refiners to supply Dedicated Oil pursuant to Section III of this order.

XII

It is further ordered, That each respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

XIII

It is further ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent, such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, or any other change in the corporation which may affect compliance obligations arising out of this order.

XIV

It is further ordered, That the respondents Pasco and Studebaker shall, within sixty (60) days after service upon them of this order, and thereafter within five (5) days after the sale of any of Pasco's Downstream Assets, with the exception of sales in the normal course of business or casual sales as described in Sections VIII (a) and (b) and IX (a) and (b) of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with the order. In addition, the respondents Standard and Amoco shall, within sixty (60) days after service upon them of this order and thereafter annually and, in addition, within five (5) days after Amoco enters into any Crude Oil Supply Agreement pursuant to Sections II or III of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

DiLIDO SHOPS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION AND TEXTILE FIBER
PRODUCTS IDENTIFICATION ACTS

Docket C-2771. Complaint, Dec. 22, 1975—Decision, Dec. 22, 1975

Consent order requiring two related Miami, Fla., manufacturers of men's sport shirts, among other things to cease misbranding and mislabeling their textile fiber products, furnishing false guaranties and failing to maintain proper records of the products manufactured by them.

Appearances

For the Commission: *Truett Honeycutt.*

For the respondents: *Monroe Gelb, Gelb & Spatz, Miami, Fla.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that DiLido Shops, Inc., a corporation, and Go-Young, Inc., a corporation, doing business under their own names and as DiLido Fashions and Go-Young Fashions, and Solomon Jove and Bertha Jove, individually and as officers of said