

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**       **Joseph J. Simons, Chairman**  
                              **Noah Joshua Phillips**  
                              **Rohit Chopra**  
                              **Rebecca Kelly Slaughter**  
                              **Christine S. Wilson**

**In the Matter of**

**Quaker Chemical Corporation,**  
    **a corporation,**

**Global Houghton Ltd.,**  
    **a corporation,**

**Gulf Houghton Lubricants Ltd.,**  
    **a corporation,**

**and**

**AMAS Holdings Spf,**

principal place of business located at Quaker Park, 901 E. Hector Street, Conshohocken,  
Pennsylvania 19428.

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(1) sheet cold rolling oil; (2) tin plate rolling oil ("TPRO") and (3) pickle oil. SCRO is used in the production of steel sheet. At a steel rolling mill, SCRO is applied directly to the metal as it passes through the mill rollers, providing lubrication and protecting the metal. TPRO is a type of SCRO used for rolling steel to a thinner gauge with a narrower width. Pickle oil is a type of SCRO used by steel producers to prevent corrosion on steel sheets as they pass through an acid bath. SCRO is necessary for the production of steel sheet. There are no viable or economic substitutes for SCRO.

10. North America is the relevant geographic market for AHRO and associated technical support services. Customers typically receive AHRO shipments via tanker truck. Given the large volumes of AHRO required to run an aluminum mill, and the need for timely re-supply, shipping AHRO from outside North America is cost and supply prohibitive. Additionally, when AHRO issues arise at an aluminum mill, customers require on-site technical assistance as soon as possible to prevent an expensive delay in production.

11. North America is the relevant geographic market for SCRO and associated technical support services. Customers typically receive SCRO shipments via heated tanker truck. Given the large volumes of SCRO required to run a steel mill, and the need for timely re-supply, shipping SCRO from outside North America is cost and supply prohibitive. Additionally, the SCRO used in North America is often supplied via heated tanker truck because it will congeal under typical tanker truck conditions. When SCRO issues arise at a steel mill, customers require on-site technical assistance as soon as possible to prevent an expensive delay in production.

## V. MARKET STRUCTURE

12. The market for the manufacture and sale of AHRO and provision of the associated technical support services in North America is highly concentrated.

13. Quaker and Houghton are the only two commercial suppliers of AHRO in North America.

14. The market for the manufacture and sale of SCRO and provision of the associated technical support services in North America is highly concentrated.

15. Quaker and Houghton are the two largest commercial suppliers of SCRO in North America. Smaller SCRO suppliers exist, but these suppliers do not possess the technical expertise or staff to replace competition lost as a result of this merger.

## VI. ENTRY CONDITIONS

16. Entry, repositioning, or fringe firm growth would not be timely, likely, or sufficient to deter or counteract the anticompetitive effect of the Acquisition. Switching to a new AHRO provider is an expensive process for customers and the testing can take up to 18 months.

17. Entry, repositioning, or fringe firm growth would not be timely, likely or sufficient to deter or counteract the anticompetitive effect of the Acquisition. Switching to a new SCRO provider is an expensive process for customers and the testing can take more months.