

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

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

<p>In the Matter of</p> <p>AMERICAN PETROLEUM COMPANY, INC., a corporation.</p>
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Docket No. C-4198

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of American Petroleum Company, Inc. (hereinafter referred to as “Respondent”), and Respondent having been furnished thereafter with a copy of the draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, and having duly considered the comments received from an interested person pursuant to section 2.34 of its Rules, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Order:

1. Proposed Respondent American Petroleum Company, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the Commonwealth of Puerto Rico, with its office and principal place of business located at Road 865 KM 0.2, Barrio Campanillas, Toa Baja, Puerto Rico 00951.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Decision and Order, the following definitions shall apply:

- A. “American Petroleum” or “Respondent” means American Petroleum Company, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; its subsidiaries, divisions, groups, and affiliates controlled, directly or indirectly, by American Petroleum Company, Inc.; and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “Commission” means the Federal Trade Commission.
- C. “Lubricants” means motor oil, lubricating oil, and any other product used or intended to be used to reduce friction between rubbing surfaces.
- D. “Person” means both natural persons and artificial persons, including, but not limited to, corporations, partnerships, and unincorporated entities.
- E. “Seller” means any person other than American Petroleum engaged in the business of importing or selling Lubricants.

II.

IT IS FURTHER ORDERED that in connection with the importation, distribution, offering for sale, or sale of any Lubricants in or affecting commerce, as “commerce” is defined by the Federal Trade Commission Act, Respondent shall cease and desist from, either directly or indirectly, or through any corporate or other device, soliciting, participating in, entering into, attempting to enter into, implementing, attempting to implement, continuing, attempting to continue, or otherwise facilitating or attempting to facilitate any combination, conspiracy, or agreement, either express or implied, with any Seller:

- A. To restrain, restrict, limit, or reduce the import or sale of Lubricants.
- B. To deal with, refuse to deal with, threaten to refuse to deal with, boycott, or threaten to boycott, any buyer or potential buyer of Lubricants.

PROVIDED, HOWEVER, that nothing in this Order shall prevent Respondent from exercising rights under the First Amendment to the United States Constitution to petition any government body concerning legislation, rules, or procedures.

III.

IT IS FURTHER ORDERED that:

- A. Within sixty (60) days after the date this Decision and Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which that Respondent has complied and is complying with this Order.
- B. One (1) year after the date this Decision and Order becomes final, annually for the next four (4) years on the anniversary of the date this Decision and Order becomes final, and at other times as the Commission may require, Respondent shall file with the Commission a verified written report setting forth in detail the manner and form in which it has complied and is complying with this Decision and Order.

IV.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

- A. Any proposed dissolution of Respondent,
- B. Any proposed acquisition, merger, or consolidation of Respondent, or
- C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

V.

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Decision and Order; and

B. Upon five (5) days' notice to Respondent and without restraint or interference from it, to interview officers, directors, or employees of Respondent.

VI.

IT IS FURTHER ORDERED that Respondent shall:

A. Within thirty (30) days after the date on which this Decision and Order becomes final, send a copy of this Decision and Order by first class mail to each of its directors and officers.

B. Mail a copy of this Decision and Order by first class mail to each person who becomes a director or officer, no later than (30) days after the commencement of such person's employment or affiliation with Respondent.

C. Require each person to whom a copy of this Decision and Order is furnished pursuant to subparagraphs VI.A and VI.B of this Decision and Order to sign and submit to Respondent within thirty (30) days of the receipt thereof a statement that: (1) acknowledges receipt of the Decision and Order; (2) represents that the undersigned has read and understands the Decision and Order; and (3) acknowledges that the undersigned had been advised and understands that non-compliance with the Decision and Order may subject American Petroleum to penalties for violation of the Decision and Order.

VII.

IT IS FURTHER ORDERED that this Decision and Order shall terminate on August 21, 2027.

By the Commission.

Donald S. Clark
Secretary

SEAL
ISSUED: August 21, 2007