

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

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In the Matter of)	
)	
AMERICAN INSTITUTE FOR)	Docket No. C-4065
CONSERVATION OF HISTORIC)	
AND ARTISTIC WORKS,)	
)	
a corporation.)	
-----)	

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 et seq., and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the American Institute for Conservation of Historic and Artistic Works (“Respondent” or “AIC”), a corporation, has violated and is violating the provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

PARAGRAPH ONE: Respondent American Institute for the Conservation of Historic and Artistic Works, is a corporation organized and existing under the laws of the District of Columbia with its principal office and place of business at 1717 K Street, N.W., Suite 200, Washington, DC 20006.

PARAGRAPH TWO: Respondent is a professional association organized for the purpose, among others, of serving the interests of its conservation professional members. AIC has approximately 3,100 members. A conservation professional manages, cares for, preserves, or treats cultural objects, including artistic, historical, archeological, scientific, and religious objects. The conservation professional may determine the condition, the need for treatment or restoration, and the appropriate method for preservation of such objects, and perform the required work to minimize deterioration or to restore such objects to their original state.

PARAGRAPH THREE: The general business practices of Respondent and its members, including the acts and practices herein alleged, are in or affecting “commerce” as defined in the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

PARAGRAPH FOUR: Respondent engages in substantial activities for the economic benefit of its

members. At all times relevant to this Complaint, Respondent is and has been organized in substantial part for the profit of its members, and is therefore a corporation within the meaning of Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

PARAGRAPH FIVE: Many of Respondent's members provide conservation professional services for a fee or are employed by conservation related organizations that provide conservation professional services for a fee. Except to the extent that competition has been restrained as herein alleged, many of AIC's members have been and are now in competition among themselves and with other conservation professionals.

PARAGRAPH SIX: Respondent acting as a combination of its members, and in agreement with at least some of its members, has acted to restrain price competition among conservation professionals by restricting its members from offering conservation professional services at discounted fees or for free.

PARAGRAPH SEVEN: In furtherance of the combination and agreement alleged in Paragraph Six, Respondent has adopted and maintained provisions in its *Commentaries to the Guidelines for Practice of the AIC* that state "the consistent undercutting of local or regional market rates should be understood to be an unprofessional practice" and further state "when damage to the cultural property is imminent, and funding is limited, a conservation professional may work at reduced fees or pro bono."

PARAGRAPH EIGHT: The purpose, effects, tendency, or capacity of the combination, agreement, and acts or practices described in Paragraphs Six and Seven, have been and are to restrain competition unreasonably and to injure consumers by:

- A. discouraging and restricting price competition among conservation professionals;
and
- B. depriving consumers and other users of conservation services of the benefit of free and open competition among conservation professionals.

PARAGRAPH NINE: The combination, agreement, and acts or practices described above constitute unfair methods of competition and unfair acts and practices in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such combination, agreement,

and acts or practices, or the effects thereof, are continuing and will continue or recur in the absence of the relief herein requested.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this thirtieth day of October, 2002, issues its Complaint against AIC.

By the Commission.

Donald S. Clark
Secretary

SEAL