### UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION



`	)
In the Matter of	)
CHICAGO BRIDGE & IRON COMPANY N.V.,	) )
a foreign corporation,	) )
CHICAGO BRIDGE & IRON COMPANY,	) )
a corporation,	) Docket No. 9300
and	PUBLIC RECORD
PITT-DES-MOINES, INC.,	
a corporation.	) )
	)

## RESPONDENTS' MOTION FOR IN CAMERA TREATMENT OF CERTAIN TRIAL TESTIMONY

Respondents ("CB&I") respectfully request that the Commission enter a protective order directing *in camera* treatment for certain trial testimony containing confidential and sensitive information given in this proceeding, pursuant to Rule 3.45(b) of the Federal Trade Commission Rules of Practice, 16 C.F.R. § 3.45(b).

1. The testimony that is the subject of this motion, namely Trial TR. 4224-4225 (attached hereto as Exhibit B), is testimony given by Gerald Glenn, the CEO of CB&I, regarding his views of the competitive strengths of CB&I's competitors. This testimony constitutes a corporate view that is, for reasons set forth below, extremely sensitive and potentially damaging to CB&I's business. Furthermore, Mr. Glenn gave testimony regarding CB&I's subsequent pricing strategy, which is also highly confidential and sensitive information.

- Rule 3.45 governs in camera treatment of materials, stating that materials shall be "placed in camera only after finding that its public disclosure will likely result in a clearly defined, serious injury to the person, partnership or corporation requesting in camera treatment." 16 C.F.R. § 3.45(b). The rule also designates three representative cases that are to be utilized by administrative law judges when ruling on motions for in camera treatment. See General Foods Corp., 95 F.T.C. 352, 355 (1980); Bristol-Meyers Co., 90 F.T.C. 455, 456 (1977); H.P. Hood & Sons, Inc., 58 F.T.C. 1184, 1188 (1961). According to this authority, applicants for in camera treatment must make a "clear showing that the information concerned is sufficiently secret and sufficiently material to their business that disclosure would result in serious competitive injury." General Foods Corp., 95 F.T.C. at 355.
- whether in camera treatment is appropriate: (1) the extent to which the information is known outside of the party's business; (2) the extent to which the information is known by employees and others involved in the business; (3) the extent of measures taken by the party to guard the secrecy of the information; (4) the value of the information to the party and to its competitors; if the information is old, a greater burden is placed on the party to demonstrate its value; (5) the amount of effort or money expended by the party in developing the information; and (6) the ease or difficulty with which the information could be properly acquired or duplicated by others. Bristol-Meyers Co., 90 F.T.C. at 456. In addition, "[t]he likely loss of business advantages is a good example of a 'clearly defined, serious injury." Hoechst Marion Russel, Inc., 2000 F.T.C. LEXIS 138 at \*6 (2000) (citing General Foods, 95 F.T.C. at 355).

- 4. Once the determination has been made that a document will receive *in camera* treatment, the duration of the *in camera* treatment must be determined. 16 C.F.R. § 3.45(b).
- 5. On December 16, 2002, CB&I CEO gave testimony indicating CB&I's views of its competitors in terms of these competitors' ability to compete in the LNG market. Further, Mr. Glenn made statements regarding the reputations of these competitors. Specifically, Mr. Glenn noted that he did not view certain competitors as "fringe" competitors, and noted the particular competitive strengths of certain competitors. Mr. Glenn then stated CB&I's subsequent pricing strategy.
- 6. There are two scenarios under which this testimony could damage CB&I's business. First, the competitors about whom Mr. Glenn testified will, in essence, be able to advertise using Mr. Glenn's testimony. CB&I is very concerned about competition in the LNG market, and would undoubtedly lose business if it appeared that CB&I believed its competitors were better in the LNG market. Second, customers themselves, if given public access to Mr. Glenn's testimony, may interpret this testimony as an indication that CB&I is not particularly capable in the construction of LNG projects and that its competitors are more capable. This would damage CB&I's reputation and ability to win future jobs in LNG.
- 7. Further, the disclosure of confidential strategic information, such as pricing strategy, would provide competitors and customers with insight into CB&I's pricing practices that, particularly in the blind-bid market CB&I participates in, must be kept highly confidential to maintain the competitiveness of the bid process.
- 8. The views expressed by Mr. Glenn are not known outside of CB&I, and constitute highly confidential executive level strategic information. The testimony given by Mr.

Glenn is of the type reserved only for high-level strategic meetings and documents, and would

not be casually expressed within the company.

9. CB&I has spent considerable money keeping competitive and pursuing

LNG projects.

10. CB&I's competitors have no way of knowing that CB&I's views are those

expressed by Mr. Glenn on December 16, 2002 in this proceeding.

11. This motion is supported by the affidavit of Gerald Glenn, CEO of

Chicago Bridge & Iron, attached hereto as Exhibit A.

WHEREFORE, CB&I respectfully requests that the Commission enter an Order granting in

camera treatment of the trial testimony of Gerald Glenn at Trial Tr. 4221-4225, and all testimony

on cross-examination and redirect examination that references this testimony or elicits similar

testimony, for a period of three (3) years.

Dated: December 20, 2002

Respectfully submitted,

Duane M. Kelley

Jeffrey A. Leon

Greg J. Miarecki

Lance Lange

Winston & Strawn

35 W. Wacker Drive

Chicago, IL 60601-9703

(312) 558-5600 (voice)

(312) 558-5700 (fax)

dkelley@winston.com

jleon@winston.com

gmiareck@winston.com

Nada Sulaiman

Winston & Strawn

1400 L Street, N.W. Washington, D.C. 20005 (202) 371-5700 (voice) (202) 216-8600 (fax) nsulaima@winston.com

Counsel for Respondents Chicago Bridge & Iron Company N.V. and Pitt Des-Moines, Inc.

### **CERTIFICATE OF SERVICE**

I, Lance Lange, hereby certify that on this 20th day of December, 2002, I served a true and correct copy of Respondents' Motion for *In camera* Treatment of Certain Trial Testimony, by hand delivery upon:

The Honorable D. Michael Chappell Administrative Law Judge Federal Trade Commission 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580 (two copies)

Secretary of the Commission Federal Trade Commission 600 Pennsylvania Avenue, N.W. Room H-159 Washington, D.C. 20580

and by fax and hand delivery upon:

Rhett Krulla
Acting Assistant Director
Bureau of Competition
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Room S-3602
Washington, D.C. 20580

Steven L. Wilensky Federal Trade Commission 601 Pennsylvania Avenue, N.W. Room S-3618 Washington, D.C. 20580

Lance Lange

# UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

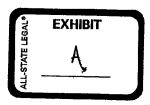
	`\
In the Matter of	) )
CHICAGO BRIDGE & IRON COMPANY N.V.,	) )
a foreign corporation,	) )
CHICAGO BRIDGE & IRON COMPANY,	) )
a corporation,	) Docket No. 9300
and	<i>)</i> )
PITT-DES-MOINES, INC.,	) )
a corporation.	) )
PROPOSED ORDER GRANTING RESPON TREATMENT OF CERTAIN  Pursuant to Commission Rule 3.45(b)	
for in camera treatment of certain trial testimony	given in this proceeding. I hereby order in
camera treatment for the testimony appearing at 7	Frial Tr. 4221-4225 (Vol. 17, Part 2) for a
period of three (3) years.	
ORDERED:	D. Michael Chappell Administrative Law Judge
Date:, 2002	

### UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

`
)
)
)
)
) Docket No. 9300
)
)
) ) )

### AFFIDAVIT OF GERALD M. GLENN

- I am Chairman, President and Chief Executive Officer of Chicago Bridge
   & Iron (CB&I).
- 2. On December 16, 2002, I gave sworn testimony in this proceeding regarding my views of the strengths of CB&I's competitors, as well as testimony regarding CB&I's pricing strategy.
- 3. This testimony contained highly confidential and sensitive information which would cause a competitive injury to CB&I if on the public record. CB&I is very concerned about competition in the LNG market, and is concerned that it will lose business if it appears to customers that CB&I believes its competitors are better in the LNG market. CB&I is concerned that this would damage CB&I's reputation and ability to win future jobs in LNG.



4. Further, CB&I is concerned that the disclosure of confidential strategic

information, such as pricing and other competitive strategy, would provide competitors and

customers with insight into CB&I's business practices that must be kept highly confidential in

order to maintain the competitiveness of the bid process.

5. The views I expressed are not known outside of CB&I, and constitute

highly confidential executive level strategic information. I typically reserve such statements for

high-level strategic meetings and documents, and would not casually express these views even

within the company.

6. CB&I has spent considerable money remaining competitively strong and

pursuing LNG projects.

7. CB&I's competitors have no way of knowing that CB&I's views are those

I expressed on December 16, 2002 in this proceeding.

I declare under penalty of perjury under the laws of the United States of America

that the foregoing is true and correct.

Executed on 12/17/02

Chald While

IN CAMERA

