

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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IN RE DUCTILE IRON PIPE FITTINGS	:	
("DIPF") INDIRECT PURCHASER	:	Civ. No. 12-00169-AET-LHG
ANTITRUST LITIGATION	:	
	:	
<b>THIS FILING RELATES TO:</b>	:	
	:	
STATE OF INDIANA,	:	
By Attorney General Greg Zoeller,	:	
	:	
Plaintiff,	:	
	:	
v.	:	Civ. No. 12-6667-AET-LHG
	:	
McWANE INC., SIGMA CORPORATION,	:	
and STAR PIPE PRODUCTS, LTD.,	:	
	:	
Defendants.	:	
	:	

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**SIGMA CORPORATION'S ANSWER AND AFFIRMATIVE DEFENSES  
TO PLAINTIFF'S AMENDED COMPLAINT**

Defendant SIGMA Corporation ("SIGMA"), by and through its undersigned counsel, by way of its answer and affirmative defenses to the amended complaint ("complaint")<sup>1</sup> of plaintiff State of Indiana ("plaintiff"), represents as follows:<sup>2</sup>

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<sup>1</sup> SIGMA objects to the separate assertion of a complaint by the State of Indiana as being contrary to the consolidation orders entered by the Court on May 10 and 14, 2012 and June 26, 2013 that relieved defendants of the obligation to answer any complaint other than the consolidated complaint in the indirect purchaser action.

<sup>2</sup> The complaint includes headings to which no response is required. They have been omitted from this answer.

1. The allegations in paragraph 1 purport to characterize the complaint and, as such, no answer is required. To the extent an answer is required, SIGMA denies the allegations in paragraph 1.

2. SIGMA admits that ductile iron pipe fittings ("DIPF") are used in pipeline systems that transport drinking water and waste water under pressurized conditions in municipal distribution systems and treatment plants. SIGMA denies that it "control[s] the DIPF market." SIGMA states that the allegations about the "market" are legal conclusions to which no answer is required. SIGMA further denies the allegations in the fourth sentence of paragraph 2. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 2, and denies them on that basis.

3. SIGMA denies that it engaged in a conspiracy of any sort and denies all allegations related to a conspiracy. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations to the extent they pertain to McWane and Star, and denies them on that basis. SIGMA states that the allegations about "monopoly" and "the market" are legal conclusions to which no answer is required. SIGMA denies the remaining allegations in paragraph 3.

4. SIGMA denies the allegations in paragraph 4 pertaining to SIGMA. SIGMA lacks knowledge or information

sufficient to form a belief about the truth of the remaining allegations in paragraph 4, and denies them on that basis.

5. SIGMA admits that the American Recovery and Reinvestment Act ("ARRA") was enacted by Congress in February 2009. SIGMA denies the allegations in paragraph 5 pertaining to SIGMA. SIGMA admits that McWane manufactured and sold DIPF made in the United States. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 5 related to Star, and denies them on that basis. SIGMA states that the remaining allegations are legal conclusions to which no answer is required. To the extent that an answer is required, SIGMA denies the remaining allegations in paragraph 5.

6. SIGMA denies the allegations in paragraph 6 pertaining to SIGMA. SIGMA states that the allegations about "monopoly" and "unlawful and exclusionary practices" are legal conclusions to which no answer is required. To the extent that an answer is required as to the remaining allegations, SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations of paragraph 6, and denies them on that basis.

7. SIGMA denies the allegations in paragraph 7 pertaining to SIGMA. SIGMA states that the allegations about "monopoly" are legal conclusions to which no answer is required.

To the extent that an answer is required as to the remaining allegations, SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations of paragraph 7, and denies them on that basis.

8. SIGMA admits that on January 4, 2012, the FTC filed a complaint against the other defendants, which is a writing and speaks for itself. SIGMA admits that on March 20, 2012, Star entered into a consent decree with the FTC. The Star consent decree is in writing and speaks for itself. SIGMA denies that on February 27, 2012, FTC filed a complaint against SIGMA. SIGMA admits it entered into a consent decree with the FTC. The consent decree is in writing and speaks for itself. SIGMA did not admit to any wrongdoing.

9. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 9, and denies them on that basis. SIGMA also incorporates herein its responses to paragraphs 98 through 109, below.

10. SIGMA denies that it engaged in any unlawful conduct. SIGMA lacks knowledge or information sufficient to form a belief about whether cities, municipalities, and political subdivisions are "typical" end-users of DIPF, and denies the allegation on that basis. SIGMA states that the allegations in paragraph 10 pertaining to "injury" and causation contain legal conclusions to which no answer is required. To

the extent that an answer is required, SIGMA denies the allegations. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 10, and denies them on that basis.

11. SIGMA admits that plaintiff purports to bring an action against defendants on behalf of Indiana political subdivisions. SIGMA states that many of plaintiff's claims, including the claim for injunctive relief, were dismissed against SIGMA in their entirety in the Court's October 2, 2013 decision and order. SIGMA denies that plaintiff has a basis for bringing an action against or obtaining relief from SIGMA. SIGMA denies the remaining allegations in paragraph 11.

12. SIGMA states that the allegations in paragraph 12 are legal conclusions to which no answer is required. To the extent that an answer is required, SIGMA denies the allegations. Further, in the Court's October 2, 2013 decision and order, the Clayton Act and Sherman Act claims were dismissed in their entirety and they are no longer a basis for subject matter jurisdiction.

13. SIGMA admits that it has transacted business in this District. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations to the extent they pertain to McWane and Star, and denies them on that basis. SIGMA states that the remaining allegations in paragraph

13 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the remaining allegations in paragraph 13.

14. SIGMA admits that it transacted business in this District. SIGMA denies that it engaged in a conspiracy of any sort and denies all allegations related to a conspiracy. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations to the extent they pertain to McWane and Star, and denies them on that basis. SIGMA states that the remaining allegations in paragraph 14 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the remaining allegations in paragraph 14.

15. SIGMA states that the allegations in paragraph 15 contain legal conclusions to which no answer is required. To the extent an answer is required, SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations, and denies them on that basis. SIGMA denies the remaining allegations in paragraph 15. SIGMA specifically denies that it engaged in any "unlawful conduct" or caused any "injury."

16. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 16 and denies them on that basis.

17. SIGMA admits that it is a New Jersey corporation with its principal place of business in Cream Ridge, New Jersey. SIGMA admits that SIGMA Piping Products Corporation ("SPPC") is a wholly owned subsidiary of SIGMA. SIGMA admits that it has imported, marketed and sold DIPF throughout much of the United States. SPPC has no conceivable relevance to this matter. SIGMA denies the remaining allegations in paragraph 17.

18. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 18 and denies them on that basis.

19. The allegations in paragraph 19 purport to name McWane, SIGMA, and Star as defendants and, as such, no answer is required.

20. SIGMA denies the allegations in paragraph 20 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 20, and denies them on that basis.

21. SIGMA denies the allegations in paragraph 21 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 21, and denies them on that basis.

22. SIGMA denies the allegations in paragraph 22 pertaining to SIGMA. SIGMA lacks knowledge or information

sufficient to form a belief about the truth of the remaining allegations in paragraph 22, and denies them on that basis.

23. SIGMA admits that it has transacted business in interstate commerce in the United States, including this District. SIGMA denies manufacturing or producing DIPF. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations to the extent they pertain to McWane and Star, and denies them on that basis. SIGMA denies the remaining allegations in paragraph 23.

24. SIGMA denies that there was a conspiracy of any sort. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations to the extent they pertain to McWane and Star, and denies them on that basis. SIGMA states that the remaining allegations in paragraph 24 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the allegations in paragraph 24.

25. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the in the first, second and fifth sentences of paragraph 25, and denies them on that basis. Upon information and belief, SIGMA admits the allegations in the remaining sentences of paragraph 25.

26. SIGMA admits that: DIPF may be components of pipeline systems transporting drinking and waste water under



pressurized conditions in municipal distribution systems and treatment plants; DIPF may be used to join pipes, valves and hydrants in straight lines; and DIPF may be used to help to change or direct the flow of water. SIGMA denies the allegations in the second sentence of paragraph 26.

27. SIGMA admits that DIPF are produced in a broad product line of configurations of sizes, shapes and coatings. SIGMA further admits that the end-users of DIPF may include political subdivisions (such as cities and towns) as well as municipal and regional water authorities.

28. SIGMA admits that: independent wholesale distributors, sometimes referred to as "waterworks distributors," are a channel of distribution of DIPF to end users; that waterworks distributors distribute products for water infrastructure projects and may handle the full spectrum of waterworks products, including pipes, DIPF, valves and hydrants; and that some water authorities purchase DIPF directly from SIGMA. SIGMA lacks knowledge and information sufficient to form a belief about the truth of the remaining allegations in paragraph 28, and denies them on that basis.

29. SIGMA admits that DIPF is either manufactured domestically or imported. SIGMA further admits that it sells imported DIPF. Upon information and belief, SIGMA admits that McWane and Star sell imported DIPF.

30. SIGMA admits that water infrastructure projects may specify whether imported and domestic DIPF, or only domestic DIPF, is acceptable, and that a domestic-only specification may be mandated by applicable law but that the law, such as the ARRA, often permits the use of imported DIPF under certain circumstances. SIGMA states that the remaining allegations are legal conclusions to which no answer is required. To the extent that an answer is required, SIGMA denies the remaining allegations of paragraph 30.

31. SIGMA states that the allegations in paragraph 31 purporting to interpret the ARRA are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 31, and denies them on that basis.

32. SIGMA states that the allegations in paragraph 32 about "product markets" and "monopoly power" are conclusions of law to which no answer is required. To the extent a response is required, SIGMA denies the allegations. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 32, and denies them on that basis.

33. SIGMA states that the allegations in paragraph 33 contain legal conclusions to which no answer is required. To

the extent an answer is required, SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations, and denies them on that basis. SIGMA denies the remaining allegations in paragraph 33.

34. SIGMA states that the allegations in paragraph 34 as to "relevant DIPF geographic market" are legal conclusions to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 34, and denies them on that basis.

35. SIGMA denies the allegations in paragraph 35.

36. SIGMA admits that it sells DIPF that meet industry-wide standards. SIGMA denies the remaining allegations in paragraph 36.

37. SIGMA denies the allegations in paragraph 37.

38. SIGMA admits that time and cash investment are necessary to begin to domestically manufacture or import DIPF. SIGMA denies the remaining allegations in paragraph 38.

39. SIGMA admits that DIPF are a relatively small portion of the costs of waterworks projects. SIGMA denies the remaining allegations in paragraph 39.

40. SIGMA denies the allegations in paragraph 40 pertaining to SIGMA. SIGMA lacks knowledge or information

sufficient to form a belief as to the truth of the remaining allegations in paragraph 40, and denies them on that basis.

41. SIGMA denies that it engaged in a conspiracy of any sort and denies all allegations related to a conspiracy. SIGMA denies the allegations in paragraph 41 to the extent they pertain to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 41 to the extent they pertain to McWane and Star, and denies them on that basis.

42. SIGMA denies the allegations in paragraph 42 to the extent that they pertain to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 42, and denies them on that basis.

43. SIGMA denies the allegations in paragraph 43.

44. To the extent the allegations in paragraph 44 purport to characterize a document, SIGMA denies these allegations as the document is in writing and speaks for itself. To the extent the allegations in paragraph 44 pertain to SIGMA, SIGMA denies them. As to the remaining allegations in paragraph 44, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 44, and denies them on that basis.

45. SIGMA denies the allegations in paragraph 45.

46. SIGMA denies the allegations in paragraph 46 to the extent that they pertain to SIGMA. As to the remaining allegations in paragraph 46, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 46, and denies them on that basis.

47. To the extent the allegations in paragraph 47 purport to quote from a document, SIGMA denies these allegations as the document is in writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations in paragraph 47.

48. To the extent the allegations in paragraph 48 purport to quote from a document, SIGMA denies these allegations as the document is in writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations in paragraph 48.

49. SIGMA denies the allegations in paragraph 49.

50. To the extent that the allegations in paragraph 50 pertain to SIGMA, SIGMA denies them. As to the remaining allegations in paragraph 50, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 50, and denies them on that basis.

51. To the extent that the allegations in paragraph 51 pertain to SIGMA, SIGMA denies them. As to the remaining allegations in paragraph 51, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 51, and denies them on that basis.

52. To the extent the allegations in paragraph 52 purport to characterize a document, SIGMA denies these allegations as the document is in writing and speaks for itself. To the extent that the allegations in paragraph 52 pertain to SIGMA, SIGMA denies them. As to the remaining allegations in paragraph 52, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 52, and denies them on that basis.

53. To the extent that the allegations in paragraph 53 pertain to SIGMA, SIGMA denies them. As to the remaining allegations in paragraph 53, SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 53, and denies them on that basis.

54. To the extent that the allegations in paragraph 54 refer to SIGMA, SIGMA denies them. SIGMA lacks knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 54, and denies them on that basis.

55. SIGMA denies the allegations contained in paragraph 55.

56. SIGMA admits that, as a part of DIFRA, it submitted to an independent accounting firm certain limited volume information related to shipments of DIPF and that the information was divided into two categories according to diameter range and fittings types. It is further admitted that the independent accounting firm aggregated the data and sent the aggregate reports to members of DIFRA. The remaining allegations in paragraph 56 are denied.

57. SIGMA denies the allegations contained in paragraph 57.

58. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 58, and denies them on that basis.

59. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 59, and denies them on that basis.

60. SIGMA denies the allegations contained in paragraph 60.

61. To the extent the allegations in paragraph 61 purport to characterize a document, SIGMA denies these allegations as the document is a writing and speaks for itself. SIGMA denies the remaining allegations in paragraph 61.

62. To the extent the allegations in paragraph 62 purport to characterize a document, SIGMA denies these allegations as the document is a writing and speaks for itself. SIGMA denies the remaining allegations in paragraph 62.

63. SIGMA denies the allegations in paragraph 63 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 63, and denies them on that basis.

64. SIGMA denies the allegations in paragraph 64 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 64, and denies them on that basis.

65. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 65, and denies them on that basis.

66. To the extent the allegations in paragraph 66 purport to characterize a document, SIGMA denies these allegations as the document is a writing and speaks for itself. SIGMA denies the remaining allegations in paragraph 66.

67. To the extent the allegations in paragraph 67 purport to characterize a document, SIGMA denies these allegations as the document is a writing and speaks for itself. SIGMA states that it lacks knowledge or information sufficient



to form a belief as to the truth of the allegations in paragraph 67, and denies them on that basis.

68. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 68, and denies them on that basis.

69. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 69, and denies them on that basis.

70. To the extent the allegations in paragraph 70 purport to characterize or quote from documents, SIGMA denies these allegations as these documents are writings and speak for themselves. SIGMA denies the remaining allegations in paragraph 70.

71. SIGMA denies that there was a conspiracy of any sort. SIGMA denied the allegations in paragraph 71 that pertain to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 71, and denies them on that basis.

72. SIGMA admits that President Obama signed the American Recovery and Reinvestment Act ("ARRA") in February 2009 and that the ARRA made certain funds available for the potential construction of water infrastructure projects in the United States. The remaining allegations in paragraph 72 are legal conclusions to which no answer is required. To the extent that

an answer is required, SIGMA states that ARRA is in writing and speaks for itself, and therefore denies the remaining allegations.

73. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 73, and denies them on that basis.

74. SIGMA states that the allegations in paragraph 74 about "market" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 74, and denies them on that basis.

75. SIGMA states that the allegations in paragraph 75 about "market" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 75, and denies them on that basis.

76. SIGMA denies the allegations in paragraph 76 pertaining to SIGMA. SIGMA states that the remaining allegations in paragraph 76 contain legal conclusions to which no answer is required. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 76, and denies them on that basis.

77. SIGMA states that the allegations in paragraph 77 about "monopoly" and "market" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 77, and denies them on that basis.

78. SIGMA states that the allegations in paragraph 78 about "monopoly power" and "market" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 78, and denies them on that basis.

79. SIGMA states that the allegations in paragraph 79 about "unfair and exclusionary methods," "barriers to entry," and "monopoly power" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 79, and denies them on that basis.

80. SIGMA admits that, after enactment of the ARRA, it took steps to evaluate the possibility of manufacturing DIPF in the United States. The remaining allegations in paragraph 80 are denied.

81. SIGMA admits that in September 2009 it entered into a Master Distribution Agreement, the terms of which speak for themselves. SIGMA states that the allegations in paragraph 81 about "monopoly" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA denies the remaining allegations in paragraph 81.

82. SIGMA admits that in September 2009 it entered into a Master Distribution Agreement, the terms of which speak for themselves. SIGMA denies the remaining allegations in paragraph 82.

83. SIGMA denies the allegations in paragraph 83.

84. SIGMA admits that in September 2009 it entered into a Master Distribution Agreement, the terms of which speak for themselves. SIGMA denies the remaining allegations in paragraph 84.

85. SIGMA denies the allegations in paragraph 85.

86. SIGMA states that the allegations in paragraph 86 about "market," "monopoly profits" and "monopoly prices" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA denies the remaining allegations in paragraph 86.

87. SIGMA states that the allegations in paragraph 87 about "monopoly profits" are conclusions of law to which no

answer is required. To the extent an answer is required, the allegations are denied. SIGMA denies the remaining allegations in paragraph 87.

88. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 88, and denies them on that basis.

89. SIGMA denies the allegations in paragraph 89 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 89, and denies them on that basis.

90. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 90, and denies them on that basis.

91. To the extent the allegations in paragraph 91 pertain to SIGMA, SIGMA denies them. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 91, and denies them on that basis.

92. To the extent the allegations in paragraph 92 pertain to SIGMA, SIGMA denies them. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 92, and denies them on that basis.

93. SIGMA denies the allegations in paragraph 93 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 93, and denies them on that basis.

94. SIGMA denies the allegations in paragraph 94 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 94, and denies them on that basis.

95. SIGMA states that the allegations in paragraph 95 about "market" and "barriers to entry" are conclusions of law to which no answer is required. To the extent an answer is required, the allegations are denied. SIGMA denies the remaining allegations in paragraph 95.

96. SIGMA denies the allegations in paragraph 96.

97. SIGMA denies the allegations in paragraph 97.

98. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 98, and denies them on that basis.

99. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 99, and denies them on that basis.

100. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 100, and denies them on that basis.

101. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 101, and denies them on that basis.

102. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 102, and denies them on that basis.

103. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 103, and denies them on that basis.

104. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 104, and denies them on that basis.

105. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 105, and denies them on that basis.

106. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 106, and denies them on that basis.

107. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 107, and denies them on that basis.

108. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 108, and denies them on that basis.

109. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 109, and denies them on that basis.

110. SIGMA denies the allegations in paragraph 110.

111. SIGMA denies there was a conspiracy of any sort. SIGMA admits that in September 2009 it entered into a Master Distribution Agreement, the terms of which speak for themselves. SIGMA denies the remaining allegations in paragraph 111 pertaining to SIGMA. SIGMA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 111.

112. SIGMA denies that there was a conspiracy of any sort. SIGMA states the allegations in paragraph 112 contain legal conclusions to which no answer is required. SIGMA further states that Plaintiff's Sherman Act claims were dismissed against SIGMA in their entirety in the Court's October 2, 2013 decision and order. To the extent an answer is required, SIGMA denies the allegations in paragraph 112.

113. SIGMA denies that there was a conspiracy of any sort. SIGMA states the allegations in paragraph 113 contain legal conclusions to which no answer is required. SIGMA further states that Plaintiff's Sherman Act claims and Clayton Act claims were dismissed against SIGMA in their entirety in the Court's October 2, 2013 decision and order. To the extent an



answer is required, SIGMA denies the allegations in paragraph 113.

114. SIGMA states the allegations in paragraph 114 contain legal conclusions to which no answer is required. SIGMA further states that Plaintiff's Sherman Act claims and Clayton Act claims were dismissed against SIGMA in their entirety in the Court's October 2, 2013 decision and order. To the extent an answer is required, SIGMA denies the allegations in paragraph 114.

115. SIGMA denies the allegations in paragraph 115.

116. SIGMA denies the allegations in paragraph 116 pertaining to SIGMA. SIGMA states that the allegations about "monopoly power" and "market" are legal conclusions to which no answer is required. To the extent that an answer is required as to the remaining allegations, SIGMA denies the allegations in paragraph 116.

117. SIGMA denies the allegations in paragraph 117.

118. SIGMA denies the allegations in paragraph 118.

119. SIGMA denies the allegations in paragraph 119.

120. SIGMA denies the allegations in paragraph 120.

121. SIGMA denies the allegations in paragraph 121.

122. SIGMA denies the allegations in paragraph 122.

123. SIGMA admits that on January 4, 2012, the FTC filed a complaint against the other defendants, which is a

writing and speaks for itself. SIGMA denies that on February 27, 2012, the FTC filed a complaint against SIGMA. SIGMA denies the remaining allegations in paragraph 123.

124. SIGMA states that the FTC complaints are writings that speak for themselves. To the extent an answer is required, SIGMA denies the allegations in paragraph 124.

125. SIGMA states that the FTC complaints are writings that speak for themselves. To the extent an answer is required, SIGMA denies the allegations in paragraph 125. SIGMA denies that the FTC has reason to believe that SIGMA violated the law.

126. SIGMA states that the FTC complaints are writings that speak for themselves. To the extent an answer is required, SIGMA denies the allegations in paragraph 126. SIGMA denies that the FTC had reason to believe that SIGMA violated the law.

127. SIGMA admits that on the same day the FTC filed the two administrative complaints, SIGMA entered into a consent decree with the FTC. The consent decree is in writing and speaks for itself. SIGMA did not admit to any wrongdoing. SIGMA denies the remaining allegations in paragraph 127.

128. SIGMA admits that on March 20, 2012, Star entered into a consent decree with the FTC. The Star consent decree is in writing and speaks for itself. SIGMA lacks knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 128.

129. SIGMA admits that the FTC and McWane participated in administrative proceedings before an administrative law judge.

130. SIGMA denies that there was a conspiracy of any sort. SIGMA states that the remaining allegations in paragraph 130 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the allegations in paragraph 130.

131. SIGMA denies that there was a conspiracy of any sort. SIGMA denies the remaining allegations in paragraph 131.

132. SIGMA states that the allegations in paragraph 132 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the allegations in paragraph 132.

**ANSWER TO FIRST CLAIM FOR RELIEF**

133. SIGMA incorporates by reference its answers to the allegations in the preceding paragraphs.

134. Paragraph 134 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

135. Paragraph 135 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

136. Paragraph 136 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

137. Paragraph 137 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

138. Paragraph 138 refers to a claim for relief that has been dismissed by this Court. Therefore no answer is required.

139. Paragraph 139 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

140. Paragraph 140 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

**ANSWER TO SECOND CLAIM FOR RELIEF**

141. SIGMA incorporates by reference its answers to the allegations in the preceding paragraphs.

142. Paragraph 142 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

143. Paragraph 143 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

144. Paragraph 144 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

145. Paragraph 145 refers to a claim for relief that has been dismissed by this Court. Therefore, no answer is required.

**ANSWER TO THIRD CLAIM FOR RELIEF**

146. SIGMA incorporates by reference its answers to the allegations in the preceding paragraphs.

147. SIGMA states that the statute quoted in paragraph 147 is a writing and speaks for itself.

148. SIGMA states that the allegations in paragraph 148 are legal conclusions to which no answer is required. To the extent an answer is required, SIGMA denies the allegations in paragraph 148.

149. SIGMA denies the allegations in paragraph 149.

150. SIGMA denies the allegations in paragraph 150.

151. SIGMA denies the allegations in paragraph 151.

152. SIGMA denies the allegations in paragraph 152.

153. SIGMA denies the allegations in paragraph 153.

154. SIGMA denies the allegations in paragraph 154.

155. SIGMA denies the allegations in paragraph 155.

156. SIGMA states that the statute quoted in paragraph 156 is a writing and speaks for itself. To the extent a

response is required, SIGMA denies the allegations in paragraph 156.

157. SIGMA states that the statute quoted in paragraph 157 is a writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations in paragraph 157.

158. SIGMA admits that plaintiff purports to seek damages and additional relief, but denies that plaintiff has any basis for obtaining any relief from SIGMA. SIGMA denies the remaining allegations in paragraph 158.

**ANSWER TO FOURTH CLAIM FOR RELIEF**

159. SIGMA incorporates by reference its answers to the allegations in the preceding paragraphs.

160. SIGMA denies the allegations in paragraph 160.

161. SIGMA admits that in September 2009 it entered into a Master Distribution Agreement, the terms of which speak for themselves. SIGMA denies that there was a conspiracy of any sort. SIGMA denies the remaining allegations in paragraph 161.

162. SIGMA denies the allegations in paragraph 162.

163. SIGMA denies that there was a conspiracy of any sort. SIGMA denies the remaining allegations in paragraph 163.

164. SIGMA states that the statute quoted in paragraph 164 is a writing and speaks for itself. To the extent a

response is required, SIGMA denies the allegations in paragraph 164.

165. SIGMA states that the statute quoted in paragraph 165 is a writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations in paragraph 165.

166. SIGMA admits that plaintiff purports to seek damages and additional relief, but denies that plaintiff has any basis for obtaining any relief from SIGMA. SIGMA denies the remaining allegations in paragraph 166.

**ANSWER TO FIFTH CLAIM FOR RELIEF**

167. SIGMA incorporates by reference its answers to the allegations in the preceding paragraphs.

168. The allegation in paragraph 168 are directed to another defendant. SIGMA states that the statute quoted in paragraph 168 is a writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations in paragraph 168.

169. The allegations in paragraph 169 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

170. The allegations in paragraph 170 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

171. The allegations in paragraph 171 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

172. The allegations in paragraph 172 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

173. The allegations in paragraph 173 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

174. The allegations in paragraph 174 are directed to another defendant. SIGMA states that the statute quoted in paragraph 174 is a writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations.

175. The allegations in paragraph 175 are directed to another defendant. SIGMA states that the statute quoted in paragraph 175 is a writing and speaks for itself. To the extent a response is required, SIGMA denies the allegations.

176. The allegations in paragraph 176 are directed to another defendant. To the extent an answer is required, SIGMA denies the allegations.

**ANSWER TO PLAINTIFF'S PRAYER FOR RELIEF**

SIGMA states that no answer is required to plaintiff's prayer for relief. To the extent that an answer is required, SIGMA denies the allegations in the prayer for relief and denies



that plaintiff has any basis for obtaining any relief from SIGMA, as requested in its complaint or otherwise.

**AFFIRMATIVE DEFENSES**

SIGMA alleges and asserts the following defenses in answer to the allegations in the complaint, undertaking the burden of proof only as to those defenses deemed affirmative defenses by law, regardless of how the defenses are denominated below.

**First Affirmative Defense**

The complaint, in whole or in part, fails to state a claim against SIGMA upon which relief can be granted.

**Second Affirmative Defense**

Plaintiff lacks standing to assert a claim against SIGMA.

**Third Affirmative Defense**

Plaintiff has not properly alleged, and cannot prove that there exists, either a relevant product market and/or a relevant geographic market cognizable under the antitrust laws.

**Fourth Affirmative Defense**

The alleged conduct has substantial pro-competitive justifications and benefits consumers and the public interest.

**Fifth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because plaintiff failed to avail itself of or seek alternative prices or sources of supply.

**Sixth Affirmative Defense**

The alleged conduct did not lessen or harm competition or harm competitors.

**Seventh Affirmative Defense**

The claims against SIGMA are barred because plaintiff has no injury-in-fact or antitrust injury traceable to SIGMA's alleged conduct.

**Eighth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because some or all of the injury claimed by plaintiff is speculative, derivative, indirect, and remote.

**Ninth Affirmative Defense**

Any alleged act or omission by or on behalf of SIGMA constituted bona fide business competition undertaken in pursuit of legitimate business interests and not for the purpose or effect of injuring competition.

**Tenth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, by the applicable statute of limitations.

**Eleventh Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, by laches, estoppel, and/or waiver.

**Twelfth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because the injury and damages claimed by plaintiff, if any, were not actually passed on to plaintiff.

**Thirteenth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, by the doctrine of unclean hands.

**Fourteenth Affirmative Defense**

Plaintiff would be unjustly enriched if allowed to recover all or part of the damages alleged in the complaint.

**Fifteenth Affirmative Defense**

The claims against SIGMA are barred to the extent they seek damages that would constitute duplicative recovery.

**Sixteenth Affirmative Defense**

Any damages that plaintiff alleges to have suffered are too remote, speculative, and/or uncertain to allow for a recovery.

**Seventeenth Affirmative Defense**

The ARRA did not create a legally cognizable market under the antitrust laws.

**Eighteenth Affirmative Defense**

The claims against SIGMA fail because they cannot prove that SIGMA was a viable, potential manufacturer of domestically manufactured DIPF.

**Nineteenth Affirmative Defense**

The claims against SIGMA fail because they cannot prove that SIGMA would have been a more efficient manufacturer of domestically manufactured DIPF than McWane and, as result, fittings prices would have been any lower.

**Twentieth Affirmative Defense**

The claims against SIGMA are preempted, in whole or in part, by provisions of other federal and state laws and regulations.

**Twenty-First Affirmative Defense**

The claims against SIGMA are barred by the meeting competition defense.

**Twenty-Second Affirmative Defense**

Plaintiff failed to mitigate any damages that it allegedly suffered.

**Twenty-Third Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, by proportionate responsibility.

**Twenty-Fourth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because plaintiff did not lawfully retain private counsel to represent it in this lawsuit.

**Twenty-Fifth Affirmative Defense**

The claims against SIGMA are barred to the extent plaintiff seeks the extraterritorial application of state laws.

**Twenty-Sixth Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because plaintiff cannot prove the alleged conduct was wholly or predominantly intrastate.

**Twenty-Seventh Affirmative Defense**

The claims against SIGMA are barred, in whole or in part, because plaintiff did not rely on any statements or actions of SIGMA, or any alleged reliance was unreasonable or unjustified.

**Twenty-Eighth Affirmative Defense**

Plaintiff is not entitled to recover any damages as it cannot prove that the alleged conduct occurred in Indiana and/or any effects of the alleged conduct were felt within Indiana.

**Twenty-Ninth Affirmative Defense**

The claims against SIGMA fail because they are unable to disaggregate the effect of SIGMA's lawful conduct from the effect of the allegedly unlawful conduct.

**Thirtieth Affirmative Defense**

The claims against SIGMA are barred because SIGMA's alleged conduct was lawful, justified, and pro-competitive, constituted bona fide business practices, and was carried out in furtherance of SIGMA's independent and legitimate business interests.

**Thirty-First Affirmative Defense**

To the extent that actionable conduct occurred, plaintiff's claims against SIGMA are barred because all such conduct would have been committed by individuals acting ultra vires.

**Thirty-Second Affirmative Defense**

The claims against SIGMA under Indiana law are barred because it is a violation of state and/or federal law for the State of Indiana, and any of its sub-divisions, to be represented by counsel other than through the Attorney General of Indiana.

**RESERVATION OF RIGHTS**

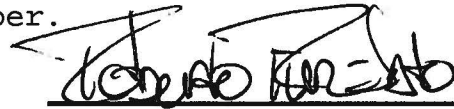
SIGMA reserves the right to assert and rely on other applicable defenses as may become available or apparent as discovery proceeds, and to amend its answer and/or defenses.

SIGMA reserves the right to adopt any affirmative defense set forth by any other Defendant.

**PRAYER FOR RELIEF**

**WHEREFORE**, SIGMA respectfully prays as follows:

1. That plaintiff takes nothing by the complaint;
2. That the complaint be dismissed with prejudice;
3. That SIGMA recovers its costs and expenses of suit;
4. That judgment be entered in favor of SIGMA, and against plaintiff, on all counts in which claims have been asserted against SIGMA; and for such other and further relief as the Court may deem just and proper.



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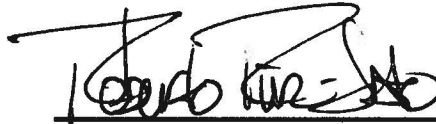
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*Counsel for  
Defendant SIGMA Corporation*

**DATED:** November 26, 2013

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of SIGMA's answer and affirmative defenses to plaintiff's amended complaint was filed electronically, and is available for viewing and downloading through the Court's CM/ECF System. Notice of this filing will be sent by e-mail to all parties by operation of the Court's electronic filing system or by mail to any parties that are unable to accept electronic filing as indicated on the Notice of Electronic Filing.



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Roberto A. Rivera-Soto

**DATED:** November 26, 2013