

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Julie Brill
Maureen K. Ohlhausen
Terrell McSweeney

_____)
)
In the Matter of)
)
Step N Grip, LLC) DOCKET NO. C-4561
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 (“Commission”), having reason to believe that Step N Grip, LLC, has violated 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:

NATURE OF THE CASE

1. Step N Grip, LLC (“Step N Grip”) markets and sells over the internet a rug device. Step N Grip invited its closest rival to fix and raise prices for the two companies’ competing rug devices. By inviting collusion, Step N Grip endangered competition and violated Section 5 of the FTC Act.

RESPONDENT

2. Step N Grip is a limited liability corporation organized, existing, and doing business under and by virtue of the laws of Michigan with its principal place of business in New Lothrop, Michigan 48460.
3. Step N Grip markets and sells a device called NeverCurl that is intended to prevent the corner of a rug from curling. Step N Grip sells its rug device over the internet on Amazon.com. Step N Grip also sells from its own website.

JURISDICTION

4. At all times relevant herein, Step N Grip has been, and is now, a corporation as “corporation” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
5. The business practices of Step N Grip, including the acts and practices alleged herein, are in commerce or affect commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

INVITATION TO COLLUDE

6. The closest competitor to Step N Grip is Competitor A, a company that markets and sells a rug device similar to NeverCurl. For several months prior to June 1, 2015, Step N Grip generally sold NeverCurl on Amazon.com for \$13.95 per package, and Competitor A sold its competing device on Amazon.com for \$16.99 per package.
7. On June 1, 2015, Competitor A lowered its price on Amazon.com to \$13.49 in order to compete more aggressively with Step N Grip. Step N Grip responded by lowering its price on Amazon.com to \$12.95.
8. On June 7, 2015, Competitor A lowered its price on Amazon.com to \$11.95 in response to Step N Grip. That same day, Step N Grip lowered its price on Amazon.com to \$11.95. Also on June 7, 2015, Step N Grip sent an email message to Competitor A. The communication, in its entirety, read: “We both sell at \$12.95? Or, \$11.95?” Step N Grip subsequently raised the price of NeverCurl to \$12.95.
9. Competitor A reported the invitation to collude to the Federal Trade Commission.

VIOLATION CHARGED

10. As set forth in Paragraphs 6 through 9 above, Step N Grip invited its competitor to agree to fix and raise the price of rug devices in violation of Section 5 of the Federal Trade Commission Act, as amended.
11. The acts and practices of Step N Grip, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended. Such acts and practices of Step N Grip will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this seventh day of December, 2015, issues its complaint against Step N Grip.

By the Commission.

Donald S. Clark
Secretary

SEAL: