

Corporate & Financial Weekly Digest

Posted at 12:51 PM on February 4, 2011 by [Julie Pechersky](#)

District Court Grants Leave to Add New Geographic Market to Antitrust Complaint

Plaintiffs, Newmarket Corporation, and defendants, Innospec, Inc., both produce and sell competing chemical fuel additives designed to enhance the performance of gasoline. Plaintiffs claimed that defendants bribed Iraqi and Indonesian government officials to help defendants achieve, maintain and exploit their monopoly of these fuel additives.

Plaintiffs filed a motion to amend their complaint, claiming that they should be granted leave to file a second amended complaint to include Iraq as a new, relevant, geographic market. In response, defendants asserted that the proposed amendment would be futile under what is known as the single purchaser doctrine: that a geographic market cannot be defined, for antitrust purposes, to include an area occupied by only a single purchaser. Relying on this doctrine, defendants claimed that plaintiffs' proposed amendment to the market definition would fail to survive a motion to dismiss.

The court ruled that plaintiffs' proposed amendment was not frivolous on its face and granted the motion, stating that there is some disagreement among courts as to the viability and applicability of the single purchaser doctrine. (*Newmarket Corp., v. Innospec, Inc.*, No. 3:10CV503, 2011 WL 250993 (E.D. Va. Jan. 26, 2011))

Katten Muchin Rosenman LLP
Charlotte Chicago Irving London Los Angeles New York Washington, DC