

COMPETITION TRIBUNAL TRIBUNAL DE LA CONCURRENCE	
F I L E D	CT-89/2 AUG 4 1989 RA
REGISTRAR - REGISTRAIRE	
OTTAWA, ONT.	#12

**THE COMPETITION TRIBUNAL**

**IN THE MATTER OF** an application by the Director of Investigation and Research under Sections 79 and 77 of the Competition Act, R.S.C. 1985 c. C-34, as amended.

**AND IN THE MATTER OF**

The NutraSweet Company

**B E T W E E N**

**The Director of Investigation and Research**

Applicant

- and -

**The NutraSweet Company**

Respondent

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**REPLY OF THE APPLICANT**

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Warren Grover Q. C.  
 Blake, Cassels & Graydon  
 Counsel to the Director of  
 Investigation and Research  
 P.O. Box 25,  
 Commerce Court West  
 Toronto, Ontario  
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\* \* \*

REPLY OF THE DIRECTOR OF INVESTIGATION AND RESEARCH

1. Except as hereinafter pleaded, the Applicant denies the allegations set out by the Respondent in the Response and repeats the allegations set out in the Application.

2. With respect to paragraph 1 of the Response, the Applicant does not dispute that the Respondent enjoyed patent protection in Canada until July, 1987. The Applicant has no knowledge of which specific inventions relating to aspartame, if any, were made by the Respondent as opposed to those made by others.

3. With respect to paragraph 2 of the Response, the Applicant does not dispute that the Respondent's head office is in Deerfield, Illinois.

4. The Applicant does not dispute that transportation costs are relatively low for intense sweeteners, as set out in paragraph 7 of the Response, but denies that assertion with respect to sugar and other bulk sweeteners.

5. With respect to paragraph 9(b) of the Response, the Applicant does not dispute that Tosoh Corporation produces aspartame in a pilot plant in Japan. The Applicant states, however, that this pilot plant is not capable of producing aspartame in commercially significant quantities. The Applicant denies that production may be readily expanded by any producer.

6. The Applicant does not dispute that Ajinomoto produces aspartame that is sold outside of North America, as stated in paragraph 10 of the Response.


7. The Applicant does not dispute that Givaudan and Quadra Chemicals distribute aspartame in Canada at this time, as stated in paragraph 11 of the Response. The Applicant further states that Triangle IMEX Limited distributes aspartame in Canada.

8. The Applicant does not dispute that Monsanto's acquisition of Searle occurred as of October 1, 1985, as stated in paragraph 14 of the Response.

9. With respect to paragraph 22 of the Response, the Applicant has no knowledge of the precise proportion of the Respondent's Canadian supply of aspartame which is sourced in the United States as opposed to the proportion sourced elsewhere.

10. Except as expressly mentioned above, the Applicant therefore joins issue with the Respondent upon its Response.

DATED at the City of Hull in the Province of Quebec on this ~~4th~~ day of August, 1989.

  
Howard I. Wetston  
Senior Deputy Director of  
Investigation and Research

TO: The Registrar of the  
Competition Tribunal

AND TO: The NutraSweet Company  
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