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March 25, 2004

*VIA FACSIMILE NO. (202) 326-2624  
AND FIRST CLASS MAIL*

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Premerger Notification Office  
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Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580

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FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE

**Re: Equipment Operating Leases**

Dear Mike:

This will follow up our telephone conversation yesterday. We discussed the following hypothetical.

Company A is buying all of the assets and assuming certain obligations of Company B. The companies are in the car rental industry. Among the obligations that Company A is assuming are equipment leases for (a) shuttle buses and (b) rental car fleets.

From an accounting perspective, the companies categorize these as short-term operating leases. Through the acquisition, Company A is stepping into Company B's shoes. Company A is not paying a premium for the leases.

We concluded that the leases do not constitute assets under the HSR size-of-transaction test. Because the value of potentially reportable assets being conveyed is under \$50 million, the transaction need not be reported.

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Please let me know if I have misunderstood our analysis, or if you need more information.

Very truly yours,

AGREE -  
B. Michael  
3/25/04