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March 7, 1983

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FEDERAL TRADE
COMMISSION
PREMERGER NOTIFICATION
OFFICE

Premmerger Notification Office
Bureau of Competition
Room 301
Federal Trade Commission
Washington, D.C. 20580

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Freedom of Information Act

Attn: Ms. Pat Foster

Re: Request for Informal Determination of Exemption
from Premerger Notification

Dear Ms. Foster:

In accordance with our conversations of March 2, 1983, we hereby request that your office review the transaction described below and provide us with an informal determination, pursuant to 16 C.F.R. §503.30, as to whether the described transaction is exempt from the premerger notification requirements of 15 U.S.C. §18a and 16 C.F.R. §§801 et seq.

The planned transaction involves the acquisition by a corporation with total assets in excess of \$100 million (the "buyer") of partial interests in an existing general partnership and an existing limited partnership. The interests to be acquired are now owned by a partnership not involved in manufacturing with total assets greater than \$10 million (the "seller") and its affiliates.

An agreement in principle has been reached, pursuant to which the buyer will acquire from the seller a 49.9 percent interest in the general partnership (plus the .05 percent interests in that partnership of either or both of two general partners in that partnership). The buyer will also

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acquire from the seller a 25 percent partnership interest in the limited partnership. The seller will continue to hold interests in the two partnerships.

The assets of both of the partnerships in which interests are being acquired consist principally of rights to transmit to cable television systems (and other pay television outlets) cablecasts of certain sports events and related programming, together with associated fixed assets, such as microwave transmission equipment and office furniture. The transaction does not involve any transfer of title to these assets; they will remain the property of the partnerships in which the buyer is acquiring interests.

The book value of the assets of each of the partnerships, considered separately, is less than \$10 million.*/ A single purchase price for all of the partnership interests being acquired has been agreed upon. It is greater than \$15 million but no allocation of that purchase price among the two partnership interests being acquired has yet been made.

It is our understanding that the Commission interprets Section 801.40 of the Rules to exempt from the premerger notification process acquisitions of partnership interests that do not involve any transfer of title to the assets of the partnership. Under that interpretation, we believe that the transaction described herein is not subject to a premerger notification obligation. In the event that your office determines that a notification must be filed, the appropriate filing will, of course, be made.

It is our understanding that your office will respond orally to this request within the next several days. We further understand, from our conversations of March 2, that informal determinations as to the requirement for premerger notification are the responsibility of your office and that no separate determination need be sought from the Antitrust Division of the Department of Justice.

*/ There exists a possibility that the general partnership may acquire, before the consummation of the acquisition described herein, a professional sports team. If that occurs, the gross value of its assets would probably exceed \$10 million.

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We believe that the foregoing sets forth all of the pertinent known facts in sufficient detail to enable your office to reach a conclusion. However, we would be pleased to provide whatever further information you require.

Your consideration of this request is greatly appreciated.