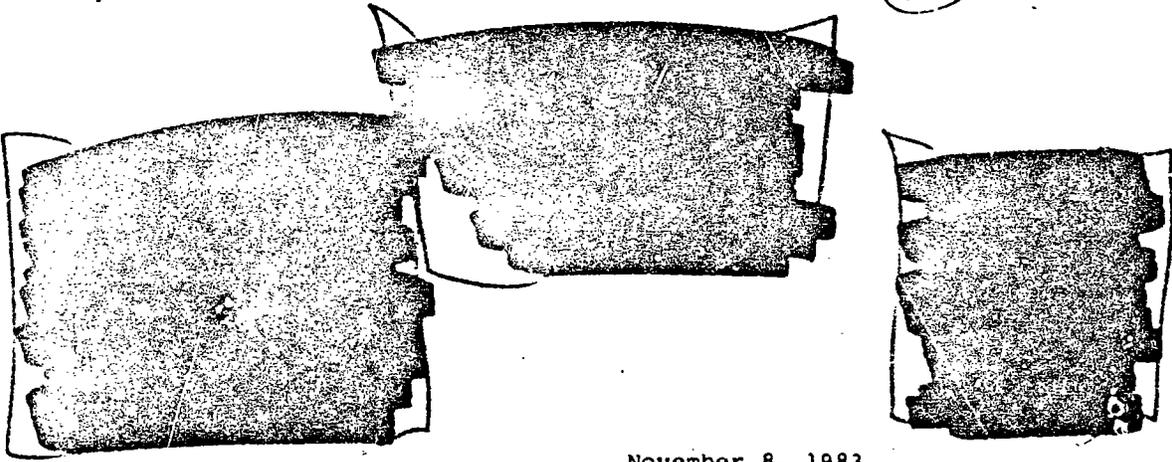


(PS)



November 8, 1983

Patrick Sharpe, Esq.
Premerger Notification Office
Federal Trade Commission
Washington, D.C. 20580

Re: Premerger Notification: Formation
of a Partnership Joint Venture

Dear Mr. Sharpe:

This letter is to set forth our understanding of the premerger notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 as they apply to joint ventures. Please let me know immediately if our understanding with respect to any of the matters discussed below is incorrect. We base the following comments on a review of the applicable statute (15 USC § 18a), FTC regulations (16 CFR Parts 801, 802, 803), comments and interpretations of the FTC published in the Federal Register, and my telephone conversations with you on November 8, 1983.

1. The formation of a partnership joint venture, whereby assets will be transferred to the joint venture by the contributors in exchange for partnership interests, is not a reportable transaction under the premerger notification rules. This is true even though (a) the size-of-the-parties and size-of-the-transaction tests have been met; and (b) the partnership joint venture will engage in production, distribution, and marketing for an indeterminate period.

Patrick Sharpe, Esq.
November 8, 1983
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called [redacted]
di's agreed with item 5,
she is sending another
letter

2. A transfer of assets to a partnership joint venture pursuant to the original partnership agreement is not a reportable transaction. This is so even though (a) the size-of-the-parties and size-of-the-transaction tests have been met; and (b) the transfer of assets does not occur immediately upon formation.

3. Subsequent to the formation of a partnership joint venture, the acquisition of a plant from one of the partners that was not contemplated by the original formative agreements will be a reportable transaction, assuming the size-of-the-parties and size-of-the-transaction tests have been met. This is because a partnership is considered an ultimate parent entity.

4. The formation of a corporate joint venture, whereby assets are transferred to the joint venture corporation in exchange for voting securities, is a reportable transaction, assuming the size-of-the-parties and size-of-the-transaction tests are met.

5. Subsequent to the formation of a corporate joint venture, the acquisition of a plant from one of the parents that was not contemplated by the original formative agreements may not be reportable since it may be an "intra-person" transfer. This would be the case, for example, if each of the contributors held 50% of the voting securities of the corporate joint venture and the joint venture corporation acquired a plant from either one of them. The transaction would not be reportable because it is a transaction within one "person", despite the fact that the transaction otherwise meets the size-of-the-parties and size-of-the-transaction tests.

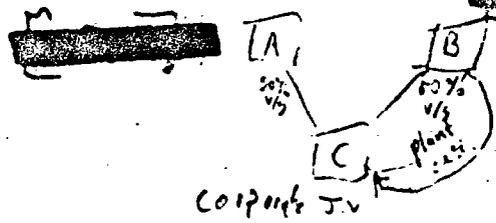
disagree
(see below)

Please acknowledge receipt of this letter by stamping the enclosed copy and returning it to me in the enclosed, stamped envelope.

Thank you for your assistance.

Sincerely,

[redacted signature]



C buys a plant from B
OK exempt intra person
Filing required For A-B