

[REDACTED] (PS) [REDACTED]

November 2, 1984

BY MESSENGER

Mr. Patrick Sharpe
Premerger Notification Office
Room 303
Federal Trade Commission
Washington, D.C. 20580

NOV 2 1 24 PM '84

Re: Request for Informal Interpretation
of Hart-Scott-Rodino Antitrust
Improvements of Act of 1976

Dear Mr. Sharpe:

I am writing, pursuant to 16 C.F.R. §803.30, to request an informal interpretation of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the Premerger Notification Rules promulgated pursuant to that Act, 16 C.F.R. §801 et seq.

Our client, [REDACTED] has agreed to acquire by purchase or exchange approximately 230,000 acres of raw timberland ("Timberland") from [REDACTED] for \$85,000,000 cash or other timberland of like kind. The Timberland represents a very small fraction of the total assets of either [REDACTED]. The Timberland includes no income-producing manufacturing facilities, and is being purchased by [REDACTED] solely for the purpose of maintaining an inventory of raw timber to be used in the ordinary course of [REDACTED] business operations. Timber is the primary raw material upon which [REDACTED] relies for the conduct of its manufacturing operations, and [REDACTED] makes regular acquisitions of raw timberland in accordance with its business needs.

[REDACTED]

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It is our understanding that when raw timberland, which constitutes a small part of the seller's total assets and does not include any income-producing manufacturing facilities, is acquired solely for the purpose of maintaining a supply of raw material to be used in accordance with the day-to-day needs of the purchaser's business operations, such acquisitions constitute "acquisitions of goods or realty transferred in the ordinary course of business" as defined by Section 7A(c)(1) of the Clayton Act, 15 U.S.C. §18a(c)(1), and would thus be exempt from the filing requirements of the Hart-Scott-Rodino Act. Consequently, [REDACTED] purchase of the Timberland from [REDACTED] in accordance with the factual scenario described in this letter, would constitute a transaction exempt from the Hart-Scott-Rodino filing requirements pursuant to Section 7A(c)(1). Please confirm whether this conclusion is correct.

It is my understanding that oral responses are made to requests for informal interpretations such as this within a relatively short time frame. I would greatly appreciate it if you could respond to this request as quickly as possible, or notify me at your earliest convenience when you would anticipate that a response would be forthcoming. Thank you for your help and assistance in this matter.

Sincerely yours,

[REDACTED]

cc: [REDACTED]

I concur.

called [REDACTED] and left message with his secretary.