

[Redacted]

AS

Lyle

[Redacted]

December 17, 1985

Certified Letter
Return Receipt Requested

Mr. Andrew Scanlon, Compliance Specialist
Federal Trade Commission
Premerger Notification Office
6th & Pennsylvania Avenue, Room 303
Washington, D.C. 20580

This material may be subject to the confidentiality provision of Section 7A (h) of the Clayton Act which restricts release under the Freedom of Information Act

Dear Mr. Scanlon:

As you recall, we sent you a letter dated November 15, confirming a conversation regarding an upcoming asset divestiture by [Redacted] for a sale price of approximately \$2,000,000.00. Copy attached. The facts set forth in that letter are accurate except for one clarification regarding the inventory to be purchased by [Redacted] on an "as needed" basis.

I have now been advised that [Redacted] inventory to be purchased "as needed" in the course of the ongoing contract packing arrangement between [Redacted] as contemplated in the draft Letter of Intent has a value of approximately \$16,000,000.00.

[Redacted] owns additional inventory located at [Redacted] valued at approximately \$4,000,000 and approximately \$2,600,000 at [Redacted] which will also be purchased on an "as needed" basis by [Redacted] but not as part of the contract packing arrangement.

We do not believe that this additional information has a material impact on our earlier conversation confirmed in the attached letter. We believe that the inventory to be purchased on an "as needed" basis falls within the exemption for goods transferred in the ordinary course of business.

Again, if this is not the case, please advise me as soon as possible. The closing is scheduled for January 31, 1986.

Again, thank you for your kind assistance.

Very truly yours,

[Redacted Signature]

Not profitable
see letter dated
11-15-85
Avery

[Redacted]