

*file*

[REDACTED]

(A.U.)  
[REDACTED]

[REDACTED]

[REDACTED]

December 3, 1986

Premerger Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
Washington, DC 20580

This material may be subject to  
the provisions of the  
Premerger Notification Act

PREMERGER  
NOTIFICATION  
OFFICE

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ATTENTION: Ms. Addie Williams  
Re: Request for Informal Interpretation  
of Premerger Notification Regulations

Dear Madam:

I am writing to request informal advice concerning our understanding that the premerger notification regulations under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "Act"), do not require notification in the following circumstances. This letter is submitted in accordance with the suggestion of Ms. Addie Williams, who indicated agreement by telephone on November 17, 1986 with our conclusion that premerger notification would not be required.

The proposed transaction, to be embodied in a single purchase agreement, concerns the acquisition of interests in entities, including: all the capital stock of corporations; all the partnership interests of general partnerships; certain of the assets of a general partnership; and certain of the capital stock of a corporation (the corporations and the partnerships which are being acquired and the partnership which is the subject of the asset sale being referred to collectively as the "Entities" and individually as an "Entity"). Each Entity publishes newspapers and other local print advertising media in localities in the [REDACTED]. No Entity (including controlled subsidiaries) has more than \$10 million in annual sales or total assets. The aggregate purchase price of the Entities exceeds \$25 million.

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If there were an "ultimate parent entity", within the meaning of the premerger notification regulations, of some or all the Entities, the aggregate annual sales and total assets would exceed \$10 million. The issue on which we seek your informal advice is whether we are correct that there is no ultimate parent entity of the Entities.

Other than with respect to one general partnership, the selling shareholders and partners who are selling equity interests and the partners of the partnership which is selling partnership assets are natural persons, estates of natural persons or trusts for the benefit of natural persons. With respect to one general partnership, 80% of the partnership interests are owned by 2 of the 12 corporations which are being wholly-acquired, so that the ownership of such general partnership is ultimately held by natural persons, estates of natural persons or trusts for the benefit of natural persons.

With the exception of one Entity, no individual's ownership or contractual interest in any Entity, when taken together with the ownership and contractual interests of the individual's spouse and minor children, would equal 50% or more of the voting securities of, or confer a right to appoint 50% or more of the directors or other persons responsible for the direction of, any Entity. The exception is one Entity in which 50% of the common stock is owned by a single natural person (as custodian) who does not control any other Entity. This natural person, considered as an ultimate parent entity, does not have more than \$10 million in annual sales or total assets.

There has never been an entity formed or operating as a holding company or voting trust with respect to the investments of the sellers in the various Entities. The acquisition would appear not to present any substantive antitrust concern since the acquiring company is not in the business of publishing newspapers or other print media in the United States and in the United States operates only the business of a cable television system on the West Coast.

Under these circumstances, we conclude that this proposed acquisition, despite the existence of a single purchase agreement, would not be reportable since there is no "ultimate parent entity" of the Entities to be acquired.

[REDACTED]

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I would appreciate your informal advice to the undersigned [REDACTED] whether our conclusion appears to be correct. Thank you for your assistance and cooperation.

Respectfully yours,

[REDACTED]

[REDACTED]

12/19/86

phoned [REDACTED] to inform him that we agreed with his conclusion based on the facts stated.