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January 7, 1988

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Mr. Patrick Sharp
Federal Trade Commission
Pennsylvania at Sixth Street, N.W.
Washington, D.C. 20580

Dear Mr. Sharp:

Today we discussed my letter of December 31, 1987 regarding [redacted] an affiliate of [redacted] based upon my letter, you confirmed that the transfer of the 210 acres of raw undeveloped land would be exempt and that the transfer of an office building valued at \$2,500,000 would be exempt. However, you were uncertain as to 185 acres of land developed with site improvements, such as streets, curbs, and utilities, on which four industrial buildings are located. Each building is suitable for research and development and light industrial uses. My December 31, 1987, letter contained the following description of these industrial buildings: "The other four are industrial buildings, together valued at approximately two and one-half million dollars (\$2,500,000), suitable for research and development and light industrial uses. Each industrial building sits on a separate parcel."

I would like to expand on the description of the industrial buildings. The four parcels on which the four buildings sit are part of a "planned industrial development",

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which in its entirety comprises the 185 acres. Each parcel is, itself, a separate lot. Each building is separately metered for all utilities. Each building is entirely independent in its operations. The operation of the currently existing buildings does not depend on whether the balance of the 185 acres in the planned industrial development is developed or not. The presently existing buildings can be individually sold or leased. [REDACTED] intends eventually to sell the land and buildings to a number of different buyers.

Accordingly, it is clear to me that the operation of one industrial building on its own separate lot is not essential to or part of the operation of any other industrial building and that the balance of the 185 undeveloped acres is not integral to or a part of the operation of the existing industrial buildings. Therefore, I believe that undeveloped parcels are severable from the existing developed industrial buildings and the lots on which they sit. Accordingly, I believe that the transfer of the balance of the 185 acres which do not contain buildings is exempt from the notification requirements of Section 7A of the Clayton Act. Please confirm my understanding.

If you have additional questions or comments, please do not hesitate to call me directly.

Very truly yours,

[REDACTED]

As I said before, the land must be included to the extent that it is an integral part of the business. You are in the best position to make that determination and have apparently done so. It wasn't clear to me in your first letter that you were including the land under the industrial buildings and in this letter you have included land that Patrick Sharp called [REDACTED]

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