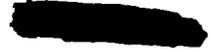


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January 19, 1988

Wayne Kaplan, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Washington, D.C. 20580

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JAN 25 10 58 AM '88

Dear Mr. Kaplan:

I am writing to confirm our telephone conversation on January 14, 1988, concerning a question involving the Premerger Notification Rules described below. You indicated that this was an issue of first impression for your office.

Our firm represents the buyer in a contemplated transaction in which our client will purchase certain assets and contemporaneously enter into a manufacturing agreement with the seller of the assets. The assets to be acquired include all or substantially all of the assets used in a particular line of business conducted by the seller except for the plant building. The assets to be acquired include land, equipment, inventories of finished product and work in process, raw material supplies, customer lists, customer contracts, patents, trademarks and copyrights, know-how and research.

Since the buyer is not acquiring the seller's plant, the equipment to be acquired, which is currently located in the plant, will need to be moved to the buyer's plant. In addition, in order to accommodate the acquired business, the buyer will need to expand its existing facilities or construct new facilities. To provide for continued production of the product during the approximately 12 to 15 month transitional period after the closing of the sale during which the buyer's facilities will be expanded and the equipment will be moved (in phases), the seller and buyer contemplate entering into a manufacturing agreement whereby the seller will use its plant and the equipment being transferred to manufacture the product for the buyer during the transitional period. The manner in which the seller will be compensated under the manufacturing agreement has not as yet been determined, but it is contemplated that either the seller will be reimbursed for its