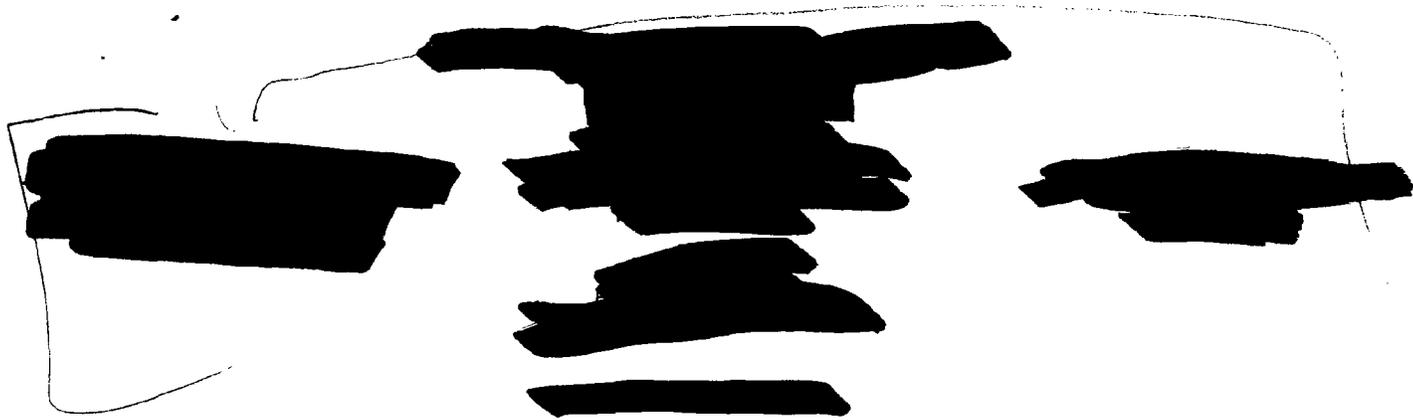


801.40 (LLC)



January 19, 1995

Dick Smith, Esq.
PREMERGER & NOTIFICATION OFFICE
Bureau of Competition, Room 303
Federal Trade Commission
6th Street & Pennsylvania Avenue, N.W.
Washington D.C. 20580

VIA FAX & FEDERAL EXPRESS

This material may be subject to the
confidentiality provisions of Section 7A(b)
of the Securities Exchange Act of 1934
which restricts release under the Freedom of Information
Act.

Re: Joint Venture Organized as a Limited Liability Company

Dear Dick:

Yesterday I contacted you to determine whether the filing of a Notification and Report Form would be required in connection with the formation of a joint venture organized as a California limited liability company (the "LLC"). For purposes of our discussion and this letter, I have assumed that all the relevant jurisdictional tests (size of person, etc.) are met and that a filing would be required if the joint venture were organized as a corporation.

There will be two members in the LLC, each owning a 50% interest: a natural person and a corporation. Both members will be actively involved in the management of the business and the approval of both members will be required for important decisions. The natural person will represent himself and approve matters on his own behalf. Two officers of the corporation will represent the corporation and approve matters on its behalf. The LLC will be organized to be taxed as a partnership. The LLC will employ an executive director and other senior management but none of these will have the authority or approval rights of directors in a corporation or the members of the LLC.

My understanding, based on our conversation yesterday, is that no filing will be required under the Hart-Scott-Rodino Act in connection with the formation of the joint venture. My

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[REDACTED]

further understanding is that you will review this letter and call me at your earliest convenience to confirm our analysis. If we have not heard from you by close of business January 27, 1995, we will assume that no filing is required. If you have any questions please call me at your earliest convenience at the number set forth above.

Very truly yours,

[REDACTED]

[REDACTED]

1/23/95 - Called writer and ^{A/D}
~~is~~ advised that, based on the facts in this
letter, no filing is required for the formation of
the subject LLC because, in the PHU officer's view, it
is not subject to 680140.

PR Smith