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DATE: March 24, 1998

PAGES (INCL. COVER): 1

FAK TO: Mr. Patrick Sharpe
FTC Premerger Office
202 326-2624

FAK FROM: [REDACTED]

Dear Mr. Sharpe:

As I mentioned in my telephone message today, this is the same description which I sent you on March 12th on a no-names basis. With our clients' approval and at their request, I am now able to substitute the names of the corporate entities and a description of the product area involved for the anonymous references contained in my earlier fax. In all other respects the description of the transaction remains the same as in my March 12th fax:

Corporations L'Air Liquide S.A. and Elf Atochem S.A. each own 50% of the voting securities of joint venture corporation Oxysynthese S.A. which is engaged in the business of the manufacture and sale of hydrogen peroxide. L'Air Liquide, Elf Atochem and Oxysynthese are all foreign persons, though that fact, as I understand it, is not relevant to conclusion (1.) below. (1.) L'Air Liquide will sell to Elf Atochem its full 50% ownership interest in Oxysynthese. This transaction is exempt under §7A (c)(3) of the Statute. (2.) L'Air Liquide will also sell to Elf Atochem S.A. certain assets owned by L'Air Liquide outside the joint venture corporation. Those assets located in the United States have a value less than \$15 million and are thus exempt under §802.51(c) of the Rules. *(all assets agree)*

Notwithstanding the provisions of §801.15 on aggregation of the purchases of voting securities and assets, the FTC takes the position that control under §7A(c)(3) terminates consideration of all aggregation issues. Therefore, the acquisition of the assets located in the United States can be considered entirely independently of the transaction by which the corporate joint venture terminates in the §7A(c)(3)-exempt transaction described in (1.) above.

In summary, the voting securities transaction and the asset transaction are not to be aggregated in determining whether reporting should occur. Because the assets to be acquired which are located in the United States have a value less than \$15 million (and are, therefore, exempt under §802.51(c) absent aggregation considerations which are inapplicable for the reasons given above), no reporting of this transaction is required.

Best regards,

Sincerely,

*called
3/30/98 - I concur with
this letter*

[REDACTED]

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