7A(a)(2)

[redacted]

January 17, 2002

FEDERAL TRADE COMMISSION
PREMERGER NOTIFICATION OFFICE
2002 JAN 18 A 8:52

VIA FACSIMILE (202-326-2624)

Mr. Michael Verne
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Room 303
6th Street and Pennsylvania Ave., N.W.
Washington, DC 20580

Re: Application of Notification Requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976

Dear Mr. Verne:

I am writing to confirm the comments you made to me in our telephone conversation on January 11, 2001, concerning the application of the notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "Act") to a proposed transaction.

Our client (the "Acquiring Person") has entered into a letter of intent to acquire 100% of the voting stock of each of seven corporations (the "Targets"). All of the parties are engaged in commerce but none of them is engaged in manufacturing. The Acquiring Person satisfies the "size-of-parties" test under the Act in that it has total assets of more than $100 million. In the aggregate, the Targets meet the size-of-parties test in that together they have total assets of more than $10 million; taken separately, some Targets have assets of at least $10 million, and some do not.

Eight shareholders, in various combinations, own all of the voting stock of six of the Targets. None of those shareholders owns 50% or more of the voting stock of any of those six Targets or otherwise controls any of those Targets within the meaning of the Act. Therefore, each of those six Targets is an Acquired Person for purposes of the Act. The seventh Target is

owned 100% by one of the other Targets. Therefore, for purposes of the Act, that seventh Target is part of the Acquired Person that owns its stock.

The aggregate consideration to be paid for the acquisition of all of the voting stock of the Targets exceeds $50 million. However, the expected allocation of that consideration among the seven Targets is such that as a result of the transaction, the Acquiring Person will not hold voting securities of any single Acquired Person with a value in excess of $50 million. Therefore, it appears that none of the seven acquisitions included in the transaction meets the "size-of-transaction" test.

We discussed whether or not the proposed transaction, or any part of it, is subject to the notification requirements of the Act. I noted that the acquisition of the seven Targets is being documented as a single transaction and that all of the Targets are in the same or similar businesses in one geographic area.

You said that under Section 7A(a)(2) of the Act, the Act's notification requirements apply only if, as a result of the acquisition, the Acquiring Person will hold voting securities and assets of an Acquired Person in excess of $50 million. That test is applied separately to each acquisition of an Acquired Person, and not to several acquisitions aggregated together that have different Acquired Persons, even if those acquisitions are documented as a single transaction. Therefore, the parties to the proposed transaction in this case are not required to comply with the notification provisions of the Act.

Thanks you for your assistance.

Please contact me if you have any questions.

Very truly yours,

[redacted]

[redacted]

cc:

AGREE NO FILINGS ARE REQUIRED. N. OVUKA CONCURS.

1/18/02

TOTAL P.03