

801.13
801.14

Verne, B. Michael

From: [REDACTED]
Sent: Monday, April 30, 2007 4:40 PM
To: Verne, B. Michael; novuka@ftc.gov
Subject: Size of Transaction Threshold Question

I have an HSR size of transaction threshold aggregation question for you.

A is the acquiring company. B1 and B2 are the acquired companies. B1 and B2 are engaged in the same business in different parts of the country. B1 and B2 are each their own UPE but have some common minority shareholders and operate under a similiar name. A's acquisition of B1 is for \$100 million, and for B2 it is \$40 million. Assume that the acquisition prices are the correct ones to use for purposes of measuring the threshold, and that the size of person test is met in both deals. The two deals are to proceed concurrently, and the closings are contingent on each other's also closing at the same time.

Question: Does A's acquisition of B2 for \$40 million meet the size of transaction threshold?

I think 801.13 and 801.14 deal with similiar situations but perhaps not this one. Thank you.

[REDACTED]

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If B1 and B2 are each their own UPE, then the acquisition of B2 is not aggregated with B1 and is therefore not reportable. 801.13 and 801.14 only deal with aggregation of acquisitions from the same acquired person (UPE).

Bm
4/30/07