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items 5
& 7

March 11, 1999

By Facsimile Transmission

Patrick Sharpe, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Mr. Sharpe:

Thank you for taking the time to speak with me on Tuesday, March 9, 1999. I wanted to confirm the advice you gave me in response to my questions which arose in connection with a proposed filing.

I had requested information on whether certain activities by a non-U.S. acquirer would constitute "operations conducted within the United States" for the purposes of Items 5 and 7 of the Premerger Notification Form. Specifically, I asked whether a non-U.S. acquirer that manufactured items outside the United States and sold such items directly to customers located in the United States, rather than through a wholesaler, distributor or subsidiary, would be deemed to be engaged in U.S. operations for the purposes of Items 5 and 7 and whether such entity would be required to report revenue information by SIC Code for such items.

As I understand it, you advised that such activities would not constitute U.S. operations for the purposes of Items 5 and 7 and the non-U.S. acquirer would not be required to report revenue information by SIC Code for such activities. You further advised that if items were manufactured outside the United States and were sold in the United States by a U.S. subsidiary of such non-U.S. acquirer, then such sales would constitute U.S. operations for the purposes of Items 5 and 7 and would be required to be reported by SIC Code as a wholesaler or retailer of such items, rather than as a manufacturer. Any items manufactured in the United States by a subsidiary of the non-U.S. acquirer, would, of course, require the non-U.S. acquirer to report revenues with respect to such items under the relevant SIC Codes as a manufacturer of such items.

Patrick Sharpe, Esq.
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Please do not hesitate to call me if you have any questions or if I have misunderstood your advice. I once again thank you for your time and your advice.

[REDACTED]

called [REDACTED] 3/12/99
I concur with
this letter.
(fs)